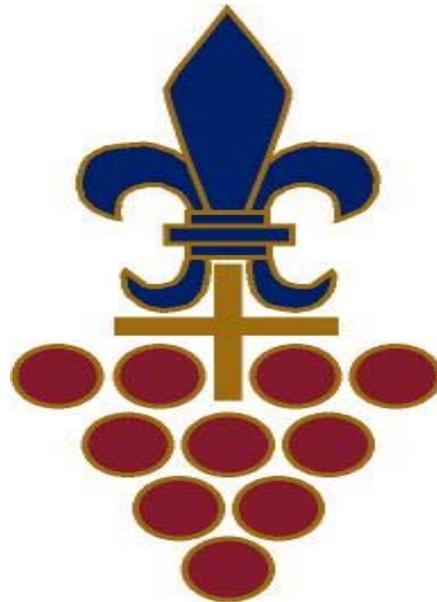


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**APPENDIX 1**

**STELLENBOSCH MUNICIPALITY**



**MEDIUM TERM REVENUE AND  
EXPENDITURE FRAMEWORK FOR THE  
FINANCIAL PERIOD  
2024/2025 TO 2026/2027**

**Vision:**

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

***“An Integrated Valley of Opportunity and Innovation”***

**Mission:**

Our mission is to deliver services in an enabling environment through sustainable, cost-effective and accountable services for our community.

**Our 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.

**Excellence:** As a municipality, we will strive to deliver excellent services for all areas within the greater Stellenbosch.

**Responsiveness:** The municipality to be a responsive municipal entity with zero tolerance for corruption and illegal actions.

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## PART A

### A: RESOLUTIONS

It is recommended to Council,

- a) that the Draft High Level Budget Summary, as set out in APPENDIX 1 – PART 1 – SECTION C; be approved for public release and comment;
- b) that the Draft Annual Budget Tables as prescribed by the Budgeting and Reporting Regulations, as set out in APPENDIX 1 – PART 1 – SECTION D, be approved for public release and comment;
- c) that the proposed Grants-In-Aid allocations as set out in APPENDIX 1 – PART 2 – SECTION J, be approved for public release and comment;
- d) that the three-year Capital Budget for 2024/2025, 2025/2026 and 2026/2027, as set out in APPENDIX 1 – PART 2 – SECTION N, be approved for public release and comment;
- e) that the proposed draft rates on properties in WCO24, tariffs, tariff structures and service charges for water, electricity, refuse, sewerage and other municipal services, as set out in APPENDIX 3, be approved for public release and comment;
- f) that the proposed amendments to existing budget related policies and other policies as set out in APPENDICES 4 - 35, be approved for public release and comment.
- g) that Council specifically note and consider the need to take up an external loan, needed for investment in income generating infrastructure to the amount of R600 millions of which R200 million will be required in year one, R200 million in year two and R200 million in year three (refer to Section G: High Level Budget Overview and Table A1 Budget Summary) and confirm approval of same;
- h) that Council specifically take note of the fact that the proposed electricity charges and tariff structure is subject to NERSA approval that could change materially; and
- i) that Council takes note of MFMA circulars 126 and 128 that was published to guide the MTREF for 2024/2025 to 2026/2027 as set out in APPENDICES 36 – 37.

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## B: EXECUTIVE SUMMARY

This MTREF budget is being tabled during a time of weaker global growth and global economic environment. Domestically, loadshedding is still persistent, however there are major progress in this regard due to establishment of various initiatives to address the energy crisis and create alternative energy sources. This issue still impacts service delivery and threaten the survival of many businesses. Households are under pressure from the rising cost of living, and unemployment remains stubbornly high.

In the context of persistent low economic growth government is working to position the economy for sustained growth through a stable macroeconomic framework, rapid implementation of economic and structural reforms, and improvement in the government's capability to remain central to achieving higher growth, employment, and competitiveness.

The Finance Minister, in the *Medium Term Budget Policy Statement (MTBPS)*, indicated in the context of persistently low economic growth, government will protect critical services, support and promote economic growth through reforms and public investment, and stabilise public debt. Although South Africa continues to confront difficult economic conditions, a moderate recovery is forecast in the economic outlook. In order to accelerate economic growth, spur job creation and promote a broad improvement in livelihoods, structural reforms are needed to reduce binding constraints to growth. Such reforms remain central to government's medium-term plans, with the focus on creating a competitive electricity market and efficient port and rail logistics systems.

The Policy statement enhances the government's resolve to:

- Stabilise public finances while maintaining support for the most vulnerable and protecting front line services;
- Fast track growth-enhancing reforms. This includes a new financing mechanism for large infrastructure projects; and
- Reconfiguring the structure and size of the state, while strengthening its capacity to deliver quality public services.

The 2024 Budget Review outlines the three elements of fiscal policy

- Firstly, to **achieve fiscal sustainability** through a balanced approach. The government remains committed to a fiscal consolidation that balances the needs of the most vulnerable in society and protects the public finances for future generations. The 2024 Budget strikes a careful balance between fiscal consolidation and development.
- Secondly, **support economic growth** through structural reforms. The economic growth strategy is premised on clear and stable macroeconomic policies, structural reforms and

restoring the capability of the government. Progress is being made on a range of economic reforms to support investment and job creation. Energy supply and logistics failures are being addressed through measures to accelerate private investment in infrastructure

- And thirdly, **reduce fiscal and economic risks** through improving public finance management and supporting public infrastructure investment.

### **Fiscal Strategy**

The 2024 Budget Review sets the course for a fiscal consolidation strategy consisting of the following measures:

- Lower the risk premium, bolster investor confidence and increase the appetite for domestic assets, which will also support the rand.
- Reduction in fiscal deficit without resorting to tax increases or further cuts in the social wage and infrastructure;
- Achieving a primary fiscal surplus in the current financial year, and maintaining it over the medium term;
- Considering a consolidated position, which includes debt-service costs.
- The estimated consolidated budget deficit for 2023/24 grew from 4 per cent to 4.9 per cent of GDP between the 2023 Budget and the 2024 Budget. The deficit is projected to decline to 3.3 per cent of GDP in 2026/27 as the main budget deficit narrows and social security funds, provinces and public entities move into a combined cash surplus in 2025/26.
- Compared to 2023 MTBPS estimates, the debt-to-GDP trajectory improves. The Eskom debt-relief arrangement remains on schedule to conclude in 2025/26, subject to strict conditions. It will support the utility's ability to restructure operations and conduct critical maintenance.
- Government has decided to further mitigate fiscal risks by reducing borrowing over the medium term using a portion of valuation gains in the Gold and Foreign Exchange Contingency Reserve Account (GFECRA). As a result, debt-service costs will decline by R30.2 billion over the 2024 MTREF period compared with the 2023 MTBPS estimate.
- The consolidated budget deficit is projected to continue declining over the MTREF period, narrowing to 3.3 per cent of GDP in 2026/27. This will be driven by lower debt-service cost projections and rising primary budget surpluses.
- Gross loan debt will stabilise at 75.3 per cent of GDP in 2025/26. Debt-service costs will rise from R356.1 billion in 2023/24 to R440.2 billion in 2026/27. As a result of the fiscal strategy, debt-service costs will peak at 21.3 per cent of revenue in 2025/26 and decline thereafter.

- Gross government debt is projected to reach 73.9 per cent (R5.2 trillion) of GDP, in 2023/24. Gross loan debt is expected to stabilise at 75.3 per cent of GDP in 2025/26, slightly lower than the 77.7 per cent projected in the 2023 MTBPS. Debt-service costs are expected to stabilise in the same year.
- The balanced approach to fiscal consolidation includes expenditure restraint and moderate revenue increases, while continuing to support the social wage and ensuring additional funding for critical services.

The risks, which are largely unchanged since the 2023 MTBPS, to the fiscal outlook include a weaker than expected economic growth, further weakening of the finances of state-owned companies, and an unaffordable public-service wage agreement. Difficult budgeting trade-offs must therefore be made as government continues exercising fiscal restraint.

Government remains committed to a fiscal consolidation that balances the needs of the most vulnerable in society and protects the public finances for future generations. To turn the tide and raise economic growth sustainably, government is prioritising energy and logistics reforms, along with measures to arrest the decline in state capacity. Successful efforts to improve the fiscal position, complete structural reforms and bolster the capacity of the state will, in combination, reduce borrowing costs, raise confidence, increase investment and employment, and accelerate economic growth. The 2024 Budget will yield a primary budget surplus, leading to the stabilisation of debt by 2025/26. Over the medium term, a binding fiscal rule will be introduced to anchor sustainable public finances.

### **Economic Growth & Domestic Outlook**

The economic outlook over the medium term remains weak, reflecting the cumulative effect of power cuts, the poor performance of the logistics sector, high inflation, rising borrowing costs, and a weaker global environment. Global growth is forecast to increase, from 3.1 per cent this year to 3.2 per cent in 2025.

The International Monetary Fund forecasts global growth to slow from 3.5 per cent in 2022 to 3 per cent in 2023 and 2.9 per cent in 2024. South Africa's 2023 GDP growth estimate has been revised down to 0.6 per cent due to widespread power cuts, operational and maintenance failures in freight rail and at ports, and high living costs.

The medium-term outlook has improved marginally, with average growth of 1.6 per cent forecast, compared with 1.4 per cent at the time of the 2023 Medium Term Budget Policy Statement (MTBPS). GDP growth has averaged only 0.8 per cent since 2012, a rate of economic growth that is insufficient to address high levels of unemployment and poverty. Long-

term growth is highly dependent on improving capacity in energy, freight rail and ports, and on continuing to reduce structural barriers to economic activity. The economic growth strategy prioritises macroeconomic stability, structural reforms and improvements in state capability to raise growth rates in a sustainable manner.

Over the next three years, South Africa's economy is forecast to grow at an average of 1.6 per cent, a moderate improvement on the 1.4 per cent average expected at the time of the 2023 MTBPS. The outlook is supported by an expected recovery in household spending as inflation declines, and an increase in energy-related fixed investments. Despite the improved global outlook for 2024, South Africa's near-term growth remains hamstrung by lower commodity prices and structural constraints.

The economy is estimated to have grown by 0.6 per cent in real terms in 2023. The negative impact of power cuts, the poor state of ports and freight rail, and inflation have taken a toll. The outlook, however, shows moderate improvement. Global inflationary pressures are receding, and interest rates are expected to start declining. Power cuts should become more infrequent as additional generating capacity comes online.

Economic growth is projected to average 1.6 per cent per year from 2024 to 2026. The growth outlook is supported by the expected easing of power cuts as new energy projects begin production, and as lower inflation supports household consumption and credit extension.

Domestically, we forecast a 0.8 per cent growth in real GDP in 2023. This is 0.1 percentage points lower than the growth projection at the time of the 2023 Budget. Growth is projected to average 1.4 per cent from 2024 to 2026. These growth rates are not sufficient to achieve our desired levels of development.

**Risks to the global outlook includes:**

- Subdued prices for key export commodities and domestic supply side constraints; and
- Further potential increases in the global oil prices due to conflict in the middle east and poor growth in China due to continuing real estate crisis.

**The domestic outlook faces a range of risks, and include primary risk such as:**

- Continued operational and maintenance failures in electricity, freight rail and ports remain a persistent and binding constraint on output in the near term.
- A longer-than-expected period of high sovereign credit risks could increase borrowing costs further, weighing on investment and growth.



- Domestic interest rates could further erode consumption spending, alongside the risk of continued food inflation.
- On the other hand, the domestic growth outlook may improve if there is less load-shedding than expected in the near term, coupled with a faster-than-expected resolution of the rail and port infrastructure constraints.

**The key focus areas outlined in the 2024 Budget Review to enhance economic growth are as follows:**

- Establishing a sound macroeconomic framework that promotes lower interest rates and more predictable exchange rates movements, whilst also proactively managing the risks of macroeconomic imbalances such as high budget deficits and it is resilient to external shocks. This stability and resilience support savings, investment decision-making and job creation.
- Stable macroeconomic framework, complemented by rapid implementation of economic reforms and improved state capability.
- Numerous reforms under way through Operation Vulindlela and the economic recovery plan. The most noteworthy reforms include freight logistics, ports, energy sector reforms, generation capacity (electricity), water and telecommunications.
- Boosting growth through a capable state who crafts and enforces regulations to improve the business climate. Initiatives like the National Logistics Crisis Committee and partnerships with the private sector to improve procurement help to bolster state capability.
- Government is committed to professionalising public administration, improving the governance of state-owned enterprises and fostering a more stable and attractive environment for investment.
- Embarking on a broad structural reform agenda aimed to address challenges that hinder economic growth in areas such as electricity, logistics, water, telecommunications and visa reforms.

In summary, the Medium-Term Budget Policy Statement commits government to continue to support the economy, stabilise public finances and protect the social wage by

- Fast tracking the implementation of structural reforms, key being in the electricity and logistics sectors, to lift our growth prospects.
- Adopting a prudent fiscal stance that supports growth, promotes investment and prevents the build-up of systemic risks to the economy.
- Directing scarce fiscal resources towards key priority areas including frontline services and social protection while reducing inefficiencies and wastage.

The President of South Africa, in his State of the Nation Address (SONA), on the 8<sup>th</sup> February 2024 highlighted/ looked back on the achievements and progress that were made over the past 3 decades of democracy in South Africa, corruptions due to state capture and the covid pandemic and issues, challenges and devastation that it caused.

The pandemic worsened a situation of deep unemployment and negatively affected livelihoods and increased poverty. Till this day households are still struggling to recover from the pandemic and now they are also facing the rising cost of living that are currently in effect. Even though progress is evident in reducing loadshedding, this issue are still impeding our recovery from the effects of these events.

One of the immediate tasks on the agenda for the year ahead is to drastically reduce the severity of loadshedding in the coming months, and ultimately end loadshedding altogether. Many innovative developments are currently driving the restructuring of the electricity sector, which will lead to the end of loadshedding.

The President placed emphasis on the issues concerning South Africa such as,

- Unemployment;
- Poverty and rising cost of living;
- Housing;
- Safety and Security;
- Reducing and eliminating load-shedding and
- State capture, crime and corruption.

The following focus areas were also highlighted, amongst others, during the State of the Nation Address:

- Stabilizing energy supply and fixing the country's logistics system;
- Clear plan to end load-shedding through the National Energy Crisis Committee;
- Major investments and developments in renewable green energy which will create jobs and stimulate local economies;
- Implementation of regulatory reforms to enable private investment in electricity generation;
- Increased financing pledges for the Just Energy Transition Investment Plan from R170 billion to almost R240 billion;
- Climate change: Implementation of just energy transition, to reduce carbon emissions and fight climate change;

- 
- Establishing the Climate Change Response Fund to address the effects of global warming, that are manifested through persistent floods, wildfires and droughts;
  - The current conflict in Middle East has resulted in South Africa offering bunkering services for ships that will be re-routed to our shores;
  - Modernization of mining rights licensing system to support growth in the mining sector;
  - Utilization of new and innovative funding mechanisms to increase construction of infrastructure. Reliable water supply (Department of Water and Sanitation is in the process of investing in major infrastructure projects);
  - Implement reforms in key areas such as energy, transport and logistics, water security, employment creation and skills development, investment, social protection, crime and corruption;
  - Improvement in access to education for all through various initiatives;
  - Government plans to incrementally implement the National Health Insurance (NHI) to improve both the quality of healthcare and the equality of access;
  - Provision of housing and access to basic services;
  - To address the service delivery challenges in communities the District Development Model were established. This is an effective instrument to enhance cooperative governance and collaboration between the 3 spheres of government;
  - Develop master plans in sectors such as automotive, clothing and textiles, poultry, sugar, agriculture and global business services;
  - Efficient transport and road infrastructure system;
  - Rising cost of living that is deepening poverty and inequality;
  - Extension of the Social Relief of Distress (SRD) Grant;
  - Promotion and encouragement of black economic empowerment, especially in ownership of farmlands;
  - Building of an inclusive economy, focusing on women and black empowerment, advancement of workers' rights, intensifying land reform and pursuing a just energy transition that leaves no one behind;
  - Strengthening the SAPS, through launching of Operation Shanela, to target crime hotspot;
  - Establishment of the Economic Infrastructure Task Teams in combating cable theft, damage to critical infrastructure and illegal mining in all provinces;
  - Border Management Authority were launched to improve border security;
  - Development of the National Strategic Plan on Gender-based Violence;
  - Use of foreign policy to pursue the government's development goals; and

- Further improvement and progress in establishing the African Continental Free Trade Area, to transform South Africa's economy by creating new jobs and increasing economic participation.

The President focused on the achievements of the last 5 year, which signified a time of recovery, rebuilding and renewal, where government has worked with social partners to address challenges during COVID 19- pandemic and mobilizing a society wide response to gender-based violence, amongst others. In the past year government has worked together with social partners to end loadshedding, address challenges in the logistics sector, tackle crime and corruption, and accelerate job creation.

The President also highlighted the various accomplishments and improvements that the 6<sup>th</sup> democratic administration has achieved over their term in office, including but not limited to, overcoming/ reducing the electricity crisis, fighting crime and corruption, implementation of measures to improve economic growth and job creation, supporting small businesses, improvement in education and tackling crime and corruption. Notwithstanding all these aforementioned achievements the President placed emphasis on the continued resolve of government to keep building, strengthening and improving on the process of renewal and reform.

Local government plays a very crucial role in service delivery, and in order to provide effective and efficient services to the people local government has to work. The President stated that too many of the municipalities are failing on good governance, financial and service delivery measures. These constraints affect the daily lives of normal citizens.

The government has started to implement a number of measures to address the aforementioned problems by providing support to local government, by professionalizing the civil service and by ensuring that the officials with the right skills are appointed in crucial and key positions. The Presidency, together with National Treasury and COGTA are working together to enhance technical capacity of local government and to improve planning, coordination and fiscal oversight.

The Minister of Finance, in his Budget speech on 24<sup>th</sup> February 2024, highlighted the following areas of importance for the 2024 Budget:

- Supporting economic growth through electricity and logistics or transport system reforms;
- Supporting public infrastructure investment, to optimize the infrastructure value chain to be effective and efficient;

- Mainstreaming climate financing through development of a multi-layered risk-based approach is being developed to manage the associated fiscal risks;
- Supporting the production of new energy vehicles;
- Leveraging Procurement for Transformation through the establishment of the Public Procurement Bill;
- Two-pot retiring system which ensures a balance between preserving contributions to safeguard a better retirement for members, while addressing the plight of the people to access some of their retirement funds to help ease their financial burdens in times of distress;
- The allocation for the National Health Insurance (NHI) is a demonstration of the government's commitment to this policy. There remain a range of system-strengthening activities, that are key enablers of an improved public health care system that must be undertaken. Such activities include:
  - Building a national health information system and digital patient records;
  - Upgrading health facilities and improving quality of care to ensure that they meet the minimum criteria to be certified and accredited for contracting under NHI;
  - Strengthening facility and district management in preparation for contracting;
  - Granting semi-autonomous status for central (and potentially other) hospitals; and
  - Developing reference prices and provider payment methods for hospitals.
- Significant progress were made in improving access to public transport services for low-income commuters;
- Increasing permanent social grants;
- Improving the COVID 19 Social Relief of Distress Grant through extension of the grant beyond March 2025, the social security policy reforms, together with the funding source, will be finalized.

During his Budget speech the Finance Minister wanted to remind the South African people that the government is making the most of its very limited resources and will continue to:

- Support economic growth;
- Reduce the growth of government debt and the cost of debt; and
- Allocate more funds for core services, provide for the social wage and preserve infrastructure budgets.

The 2024 Budget makes allocations towards infrastructure as well as crime and corruption, to ensure that public resources are used to lay the foundation for a more resilient economy.

The Western Cape Premier in his State of the Province address, on 19<sup>th</sup> February 2024, stated that his main focus is to ensure that regardless of whatever else is happening in the world, here in the Western Cape, the government will create the space for diverse views to be shared and expressed and that the rule of law is adhered to. He encouraged citizens to speak up wherever there is injustice and to simultaneously focus on residents' critical needs such as safety, growing the economy, enabling jobs, and ending load shedding.

The Premier, reiterated the following sentiments highlighted during the State of the Nation Address, including but not limited to, the president to address the energy crises and reduction and elimination of load shedding permanently, economic growth recovery initiatives, unemployment / job creation (especially youth interventions), sustainable infrastructure development, educational infrastructure, health infrastructure, provision of housing (dignified living), agriculture, crime and safety, as well as campaigns against gender-based violence and femicide.

The State of the Province address focused, amongst others, on the following areas:

- Devolution of critical services through the Western Cape Provincial Powers Bill. This Bill is about being able to better manage critical functions and maintain the high standard of services that the residents receive;
- Protection of most vulnerable citizens with a 365-day approach to gender-based violence through various campaigns and programmes;
- Feeding those in need through establishment of various initiatives such as 102 community nutritional and development centres across the province and the School Nutrition Programme (at schools);
- Creation of employment through the Growth for Jobs (G4) Strategy. Between the second quarter of 2022 and the second quarter of 2023, the Western Cape's official unemployment rate decreased by 6.6% to 20.9%. This is the lowest unemployment rate in the country and substantially lower than any other provinces;
- Providing support to small businesses through the SMME Booster Fund where small businesses are able to grow and create new employment opportunities;
- Continuous building on the province's tourism successes, through introduction of the G4J Tourism Challenge Fund, which invests in the development of new tourism infrastructure and experiences to stimulate private sector investment;
- Infrastructure- led economic growth;
- Investing vast sums of resources into providing dignified, safe places of teaching and learning for our children;

- Keeping up with the ever growing education population through the Rapid School Build Programme (Education Infrastructure)
- Agriculture;
- Safety and Security;
- Youth Interventions;
- Establishment of the Mobility Department which drives the efforts of the province to make the roads and public transport nodes safe and efficient for the residents;
- Devolution of rail responsibility to the provincial government;
- Provision for emergencies by being committed to topping up the Asset Finance Reserve and Budget Facility for Infrastructure. This prudent financial management served the province well during COVID-19 and recent disasters;
- Becoming the first loadshedding free province by making the Western Cape energy resilient by embarking on various initiatives and partnerships, which includes building an energy ecosystem to bring more private sector role players into the fold to help overcome the power crisis. Phelan Energy is one such company that is tapping into the green hydrogen (GH2) sector.
- Load shedding emergency relief grant that makes provision for generators to protect critical services (provision of clean water, etc);
- Ensuring the citizens basic needs are protected;
- Responding to climate crisis through various partnerships with citizens and NGO's with support from the Provincial Disaster Management Centre, establishment of the 15-year Integrated Drought and Water Response Plan;
- Promoting and encouraging good clean ethical governance which is a building block for economic growth and job creation;
- Coalitions of corruption
- Improved service delivery capabilities through various innovative advancements, proofing that a data-based, evidence-led approach taken by policing, healthcare, education (proof that reliance on data, evidence and technology) are working, streamlining services and better utilisation of resources to the benefit of the people.

The Premier reaffirmed the Western Cape government's aim to create certainty, build hope, bolster collective resilience and effect change for the residents.

Provincial treasury reiterated most of the challenges and focus areas highlighted in the Premier's State of the Province address, the SONA and the 2024 Budget Review.

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National Treasury encourages municipalities to maintain tariff increases and adopt a tariff setting methodology at levels that reflects an appropriate balance between the affordability to poorer households and other customers, while ensuring the financial sustainability of the municipality. Municipalities must ensure that their budgets are funded from realistically anticipated revenues. This means that the municipality must refrain from assuming collection rates that are unrealistic and unattainable. The setting of cost-reflective tariffs is a requirement of Section 74(2) of the Municipal Systems Act, which is meant to ensure that municipalities set tariffs that enable them to recover the full cost of rendering the service. This forms the basis of compiling a credible budget. The municipalities must therefore generate sufficient revenue to fully recover their costs, deliver services to customers sustainably and invest in the infrastructure that promises local economic development.

The municipality's revenue is determined by setting a package of tariffs that is not only considered to be affordable to its ratepayers and the users of its services but deemed to be at fair and realistic levels.

Tariff increases by Eskom and Water Boards is above inflation and should be considered as such while determining cost reflective tariffs. In the instance of bulk tariff increases for electricity, municipalities are encouraged to apply for electricity tariff increases that reflect the total cost of providing the service, to ensure that they are working towards achieving fully cost-reflective tariffs that will assist them to achieve financial sustainability. Municipalities should consider the following facts during the tariff setting process, namely, the costs of bulk purchases and the fluctuation in the seasonal cost thereof; the consumption patterns to enable better demand planning and management; and in the event that municipalities have been under recovering costs, embark on a process to correct their tariff structures over a reasonable time period so that cost reflective tariffs are achieved, which in turn will result in financial sustainability.

Local government confronts tough fiscal choices in the face of financial and institutional problems that result in service-delivery breakdowns and unpaid bills. Municipalities can offset these trends by improving their own revenue collections, working more efficiently and implementing cost-containment measures. In order to maintain a funded budget, municipalities need to not only focus on tariff increases, but also focus on how to eliminate expenditure that is unnecessary. The Cost Containment Regulations were issued on 07 June 2019, as well as the municipality's Cost Containment Policy is embedded in the municipality's operations that assists in driving down costs, ensuring that value for money is achieved and resources of the municipality is used effectively, efficiently and economically.



Municipalities are required to consider the following during the compilation of the 2024/2025 MTREF budgets:

- Improving the effectiveness of revenue management processes and procedures;
- Cost containment measures to, amongst other things, control unnecessary spending on nice-to-have items and non-essential activities as highlighted in the Municipal Cost Containment Regulation read with MFMA Circular No.82;
- Ensuring value for money through the procurement process;
- The affordability of providing free basic services to all households;
- Not taking on unfunded mandates;
- Strictly control the use of costly water tankers and fix the water infrastructure to enable the sustainable provision of water;
- Prioritize the filling of critical vacant posts, especially linked to the delivery of basic services; and
- Curbing consumption of water and electricity by the indigents to ensure that they do not exceed their allocation.

The aforementioned were taken into account during the compilation of the municipality's budget.

The application of sound financial management principles for the compilation of the Stellenbosch municipality's long term financial plan is essential and critical to ensure that the municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities. The municipality's business and service delivery priorities were reviewed as part of this year's planning, through the Integrated Development Plan (IDP), and the annual budget process.

Funds were shifted from low to high priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken on non-core and 'nice to have' items with regards to expenditure. The municipality has embarked on developing a revenue enhancement strategy to optimize revenue, including the collection of debt owed by consumers. Furthermore, the municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government.

The main challenges experienced during the compilation of the 2024/2025 MTREF can be summarized as follows:

- The on-going difficulties in the national and local economy;
- Electricity crises / Load shedding;

- 
- Aging infrastructure;
  - The need to reprioritise projects and expenditure within the existing resource envelope;
  - The increased cost of bulk electricity and procuring water inventory, which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable - as there will be point where services will no-longer be affordable;
  - Attracting economic investment;
  - Water Conservation;
  - Reductions in allocations of some of the National and Provincial grants due to a worsening fiscal outlook;
  - Limited resources to deal with all key priorities;
  - Decline in reserves available to fund capital programmes.

The following budget principles and guidelines directly informed the compilation of the 2024/2025 MTREF:

- Integrated Development Plan was used to inform the measurable objectives, targets and backlog eradication goals;
- Tariff and property rate increases should be as affordable. However, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs;
- National, provincial and local priorities;
- Headline inflation forecasts; and
- Funding choices and modelling.

The Integrated Development Plan (IDP) were used as a guiding strategic document to inform the budget compilation. The challenge however is still to deliver services more efficiently and effectively with the tight financial envelope.

Stellenbosch municipality's revenue strategy was based on the following fundamentals, namely, tariff policies of the municipality, economic outlook and development for Stellenbosch and surrounding areas, National Treasury's guidelines and macroeconomic policy, National, Provincial and Regional fiscal growth rates and electricity tariffs as approved by National Electricity Regulator of South Africa (NERSA).

The financial resources to fund the Operational Budget will and must consist of realistically anticipated revenue generated from property taxes, service charges and other income.

The municipality were mindful of the estimated headline inflation for 2024/2025 of 4.9% forming the basis of the extensive income modelling exercise, but also taking into account the principles

of economical services that are cost reflective, trading services generating surpluses, the effect of escalating salary costs and bulk purchases. Inflation is forecast to fluctuate around 4.9% to 4.6% over the medium term in line with moderating inflation expectations.

The national budget focuses on fiscal consolidation. This means that we as municipalities must ensure that we do not borrow beyond our ability to repay and we do not spend money we do not have, until we ignite growth and generate revenue, we have to be tough on ourselves.

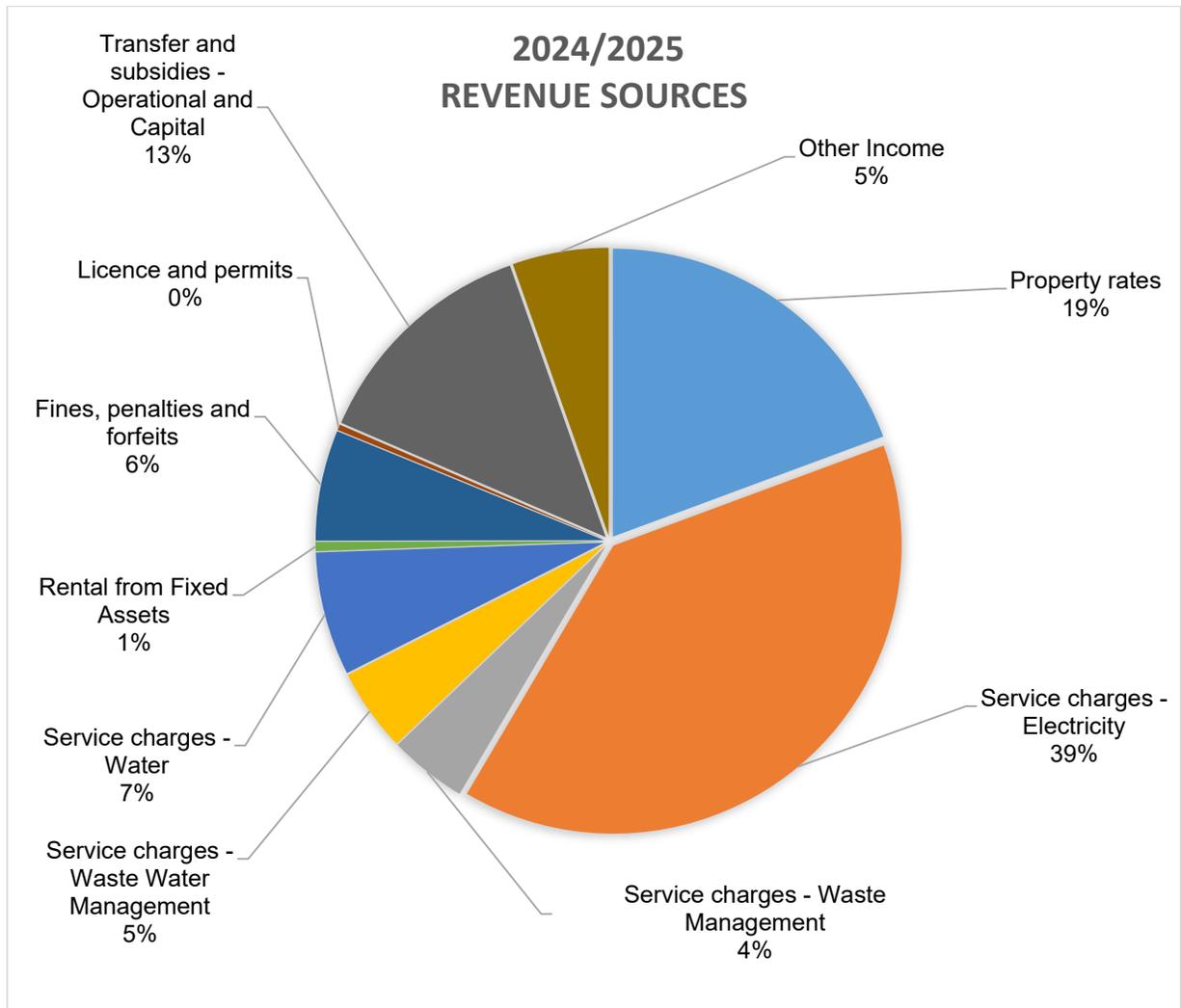
The total budget quantum for the 2024/2025 year is R3 122 409 217 of which R2 510 063 914 (80%), is allocated to the operating budget and R612 345 303 (20%) to capital investment.

**OPERATING BUDGET – REVENUE**

Overall revenue budget increase was limited to 6.66% resulting in annual operating revenue increasing from R2 456 088 829 in 2023/2024 to R2 631 276 396 in 2024/2025. Taking cognisance of the economic conditions, the resultant low employment levels and levels of disposable income, it was important to keep services affordable by critically looking at the costs associated with providing the service.

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

<b>REVENUE SOURCES</b>	<b>2023/2024</b>	<b>2024/2025</b>	<b>% INCR</b>
Property rates	473 588 918	509 116 169	6.98%
Service charges - Electricity	913 669 187	1 029 705 173	11.27%
Service charges - Waste Management	107 653 574	115 081 671	6.45%
Service charges - Waste Water Management	113 677 435	122 771 630	7.41%
Service charges - Water	171 866 497	182 522 220	5.84%
Rental from Fixed Assets	13 013 749	13 648 887	4.65%
Fines, penalties and forfeits	155 565 187	163 379 995	4.78%
Licence and permits	7 993 809	8 385 504	4.67%
Transfer and subsidies - Operational and Capital	360 991 337	344 760 999	-4.71%
Other Income	138 069 136	141 904 148	2.70%
<b>Total Operating Revenue</b>	<b>2 456 088 829</b>	<b>2 631 276 396</b>	<b>6.66%</b>



- |                           |                |        |
|---------------------------|----------------|--------|
| Average tariff increases: | Property Rates | 6.30%  |
|                           | Electricity    | 11.00% |
|                           | Water          | 6.20%  |
|                           | Sanitation     | 8.00%  |
|                           | Refuse removal | 6.90%  |
- The proposed electricity tariffs are subject to change based on the final findings and recommendation of the cost of supply study. The proposed electricity charges and tariff structure is subject to National Electricity Regulator of South Africa (NERSA) approval.
- The Municipality succeeded in accessing the EPWP Incentive Grant for Municipalities in a bid to give some relief to the poorest of the poor by means of contract employment opportunities over the short term. The allocation for the 2024/25 financial year is R 2 021 000.

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## Rates

In the 2024/2025 financial year, the Property Rates Tariff paid by owners will increase with 6.30%, whilst total rates also increased with 7.50%. The increase in total rates is due to interim valuations that were performed. Rates rebates to senior citizens and disabled persons are also available as per the requirements of the amended Rates Policy to qualifying ratepayers with a monthly income of R15 000 or less.

## Electricity

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

Council's attention is further drawn to the fact that the proposed electricity tariff is at 11.00% whereas the increase in electricity bulk purchases for the 2024/2025 financial year is 12.70% as approved by NERSA (National Electricity Regulator of South Africa) for implementation by all municipalities. Although the proposed tariffs increase with 11.00%, the municipality is experiencing a decrease in electricity demand as consumers are utilising alternative energy sources.

Municipalities are urged to examine the cost structure of providing electricity services and to apply to NERSA for electricity tariff increases that reflect the total cost of providing the service, so that they work towards achieving fully cost-reflective tariffs that will help them achieve financial sustainability.

## Water

Taking cognizance of the challenges that the country is currently experiencing due to the severe drought, the plight of the poor and the affordability of basic services, the average tariff increase for the rest of the consumptive water scales is 6.20%. The tariff is designed to cater for current and future capital investment in basic water infrastructure and the need to generate surpluses. **It is however important to note that the proposed revenue as per table A4 (Appendix 1 – Part 1 – Section D) is based on the anticipated actual performance of the income to be derived in 2024/2025 and not based on the approved budget for the same year.**

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**Sewerage (Sanitation)**

The proposed increase in this tariff is 8.00%. Sanitation services is classified as an economical service. This means that the service charges for sanitation must cover the cost of providing the service, i.e. it must at least break even. This tariff increase is necessitated by operational requirements, maintenance of existing aging infrastructure, new infrastructure financing/provision and to ensure that the service is delivered in a sustainable manner. **It is however important to note that the proposed revenue as per table A4 (Appendix 1 – Part 1 – Section D) is based on the anticipated actual performance of the income to be derived in 2024/2025 and not based on the approved budget for the same year.**

**Refuse (Solid Waste)**

Refuse removal services, like sanitation are also classified as an economical service. This means that the service charges for refuse must cover the cost of providing the service, i.e. it must at least break even. The municipality will implement an above inflation tariff increase as this service does not break even and to provide for the additional expenditure for the transport of the waste from the Stellenbosch Landfill Site. The solid waste tariffs were modelled to give effect to the principle of the service charge being cost reflective as the service cannot be cross-subsidized. It is proposed that the tariff increases by 6.90% as a result of the before mentioned. The very nature of this tariff does not lend it to financing the expansion of the landfill site and therefore the proposed extension by way of constructing the new cell, was funded from council's own reserves.

**It is however important to note that the proposed revenue as per table A4 (Appendix 1 – Part 1 – Section D) is based on the anticipated actual performance of the income to be derived in 2024/2025 and not based on the approved budget for the same year.**

**Debt Management**

The municipality is currently executing all credit control and debt collection procedures as required in the approved Credit Control and Debt Collection policy. These internal procedures followed include the disconnection of services, where there are services that can be disconnected, the issuing of final notices, the conclusion of reasonable agreements where the settlement of the accounts is not possible and also the follow up on defaulting debtors not honoring arrangements. The municipality continuously enforces the above procedures to ensure that debt which is collectable is collected and all debt that is regarded as not recoverable, be written off.

The municipality developed a revenue enhancement strategy. The document focuses on the formulation and implementation of strategies to improve financial management and controls within the municipality. The objective of any successful revenue enhancement strategy is to build and improve on current payment levels and then to recover arrear debt.

The municipality has also promulgated the Credit Control and Debt Collection By-Law on the 4<sup>th</sup> of March 2011 to strengthen the internal credit control and debt collection procedures through handing over of all debt over 90 days to the appointed attorneys.

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

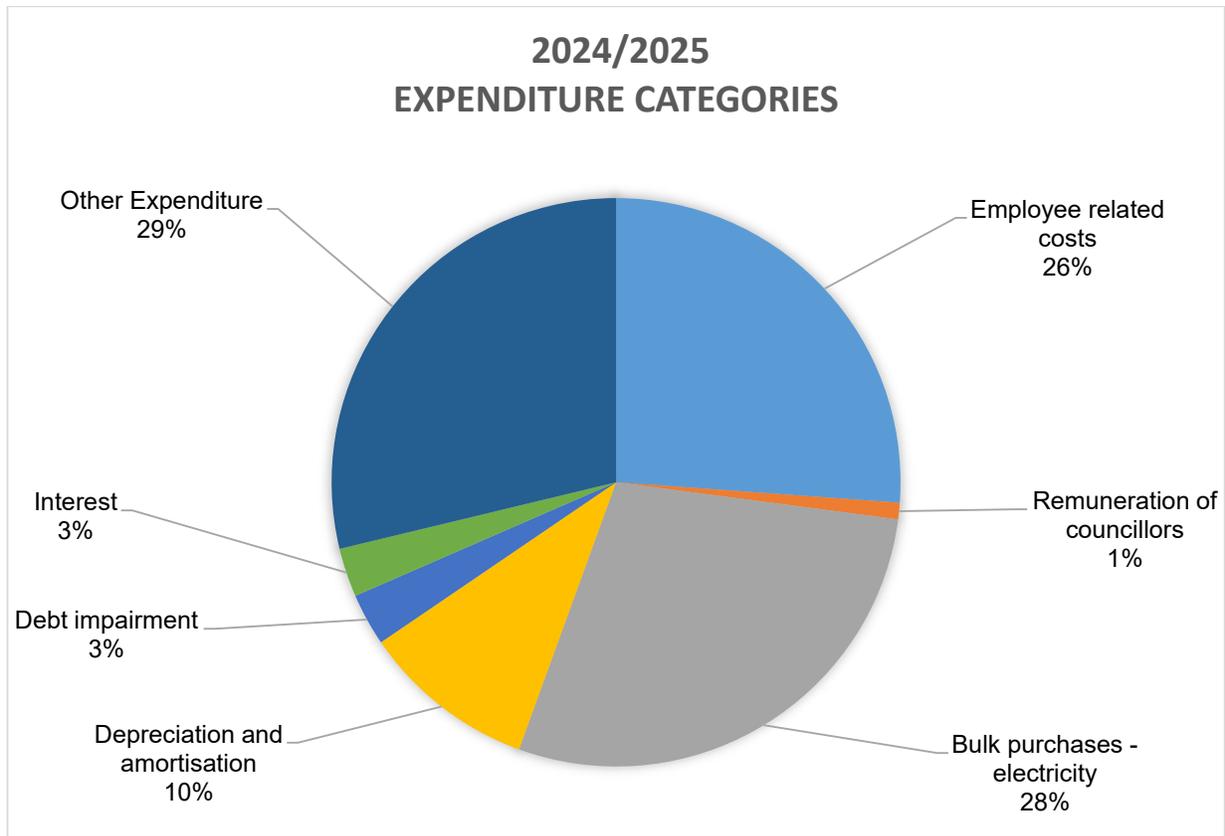


**OPERATING BUDGET - EXPENDITURE**

The budget sees an increase in annual operating expenditure from R2 360 377 430 in 2023/2024 to R2 510 063 914 in 2024/2025. This 5.96% increase is primarily due to increases in several expenditure categories, examples which are included in the table below:

<b>EXPENDITURE CATEGORIES</b>	<b>2023/2024</b>	<b>2024/2025</b>	<b>% INCR.</b>
Employee related costs	623 835 797	656 454 675	4.97%
Remuneration of councillors	22 096 514	23 422 305	5.66%
Bulk purchases - electricity	636 392 814	714 397 202	10.92%
Depreciation and amortisation	239 798 581	249 407 798	3.85%
Debt impairment	71 053 115	74 711 467	4.90%
Interest	68 934 733	69 588 858	0.94%
Other Expenditure	698 265 876	722 081 609	3.30%
<b>Total Expenditure</b>	<b>2 360 377 430</b>	<b>2 510 063 914</b>	<b>5.96%</b>

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



***Explanation of significant expenditure variances:***

**Finance Charges**

The interest payable for the 2024/2025 financial year has been calculated on the maximum amount of possible borrowings drawn down up to the end of the 2024/2025 financial year.

**Bulk Purchases**

The municipal tariff guideline increase issued by NERSA setting the bulk purchase increase at 12.70%.

**Other expenditure**

Budgetary constraints and economic challenges meant that the municipality had to apply a combination of cost-saving interventions. These interventions include amongst other, measures to limited telephone usage and filling of critical vacancies that will result in a decrease in consulting fees.

**CAPITAL BUDGET**

The capital budget increased from R491 726 021 in 2023/2024 to R620 345 303 in 2024/2025.

<b>DIRECTORATE</b>	<b>2023/2024</b>	<b>2024/2025</b>	<b>% INCR.</b>
Municipal Manager	40 000	40 000	0.00%
Planning and Development Services	4 619 500	20 244 000	338.23%
Infrastructure Services	413 449 960	463 483 974	12.10%
Corporate Services	34 583 166	56 420 000	63.14%
Community and Protection Services	37 114 547	70 757 329	90.65%
Financial Services	1 918 848	1 400 000	-27.04%
<b>Total Expenditure</b>	<b>491 726 021</b>	<b>612 345 303</b>	<b>24.53%</b>

<b>FUNDING SOURCE</b>	<b>2023/2024</b>	<b>2024/2025</b>	<b>% INCR</b>
Capital Replacement Reserve	189 255 625	274 794 767	45.20%
Development Contribution	19 758 421	38 427 536	94.49%
External Loan	146 883 903	200 000 000	36.16%
National Government	106 571 500	72 056 000	-32.39%
Provincial Government	29 256 572	27 067 000	-7.48%
	<b>491 726 021</b>	<b>612 345 303</b>	<b>24.53%</b>

**CAPITAL PROJECTS ABOVE R50 MILLION INCLUDED IN THE THREE YEAR MTREF**

The following projects included in the three-year MTREF budget are above R50 million:

<b>Project Description</b>	<b>2024/2025</b>	<b>2025/2026</b>	<b>2026/20267</b>	<b>MTREF Total</b>
Alternative Energy	20 000 000	24 500 000	26 994 517	71 494 517
Bien don 66/11kV substation new	8 347 227	20 000 000	44 920 700	73 267 927
Bulk Water Supply Pipe and Reservoir: Stellenbosch	75 000 000	50 000 000	3 000 000	128 000 000
Uniepark & Helshoogte Storage and Supply scheme	5 000 000	6 000 000	40 000 000	51 000 000
Upgrade of WWTW Wemmershoek	30 000 000	30 000 000	20 000 000	80 000 000
Upgrade of WWTW: Klapmuts	5 000 000	6 000 000	50 000 020	61 000 020
	<b>143 347 227</b>	<b>136 500 000</b>	<b>184 915 237</b>	<b>464 762 464</b>

Major capital expenditure is planned in the following areas during the 2024/2025 financial year:

- Alternative Energy
- STB Switchgear (11kV) SF6
- Upgrade of WWTW Wemmershoek
- Bien don 66/11kV substation new
- Calcatta Memorial Park
- Jamestown: Housing
- Bulk Water Supply Pipe and Reservoir: Stellenbosch
- Upgrade of WWTW: Klappmuts
- Structural Maintenance/Upgrade: Beltana
- Uniepark & Helshoogte Storage and Supply scheme
- Extention Of WWTW: Stellenbosch
- Bulk Water Supply Pipe and Reservoir: Stellenbosch
- Lanquedoc Access road and Bridge
- Upgrade transformers at Main substation 7.5MVA to 20MVA
- Landfill Gas To Energy
- Adam Tas Corridor Precinct 10
- Cable replacement 66kV
- Expansion of the landfill site (New cells)
- Kayamandi new substation 11 kV switching station
- Third transformer and associated works 20MVA Cloetesville
- Klappmuts La Rochelle (100)
- Main Road Intersection Improvements: Strand / Adam Tas / Alexander
- Bulk Water Upgrades Franschoek
- Bird Street Dualling - Adam Tas to Kayamandi
- Electrification INEP
- Replace Switchgear - Franschoek
- Waterpipe Replacement
- Sewerpipe Replacement
- Transfer Station: Stellenbosch Planning and Design
- Bulk Water Supply Pipe: Cloetesville/ Idas Valley
- Bulk Water Supply Pipe and Reservoir: Stellenbosch
- New Reservoir & Pipeline: Vlottenburg
- Sewerpipe Replacement: Alexander Street

**C: HIGH LEVEL BUDGET SUMMARY**

	<b>Operating Income R</b>	<b>Operating Expenditure R</b>	<b>Capital Expenditure R</b>	<b>Total Budget R</b>
Municipal Manager	-	17 202 891	40 000	17 242 891
Planning and Development Services	34 040 441	98 228 257	20 244 000	118 472 257
Infrastructure Services	1 747 957 087	1 539 980 340	463 483 974	2 003 464 314
Corporate Services	12 636 977	216 618 258	56 420 000	273 038 258
Community and Protection Services	199 917 110	510 981 472	70 757 329	581 738 801
Financial Services	636 724 781	127 052 696	1 400 000	128 452 696
<b>Total</b>	<b>2 631 276 396</b>	<b>2 510 063 914</b>	<b>612 345 303</b>	<b>3 122 409 217</b>

**D: ANNUAL BUDGET TABLES**

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

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

The information displayed in the “Adjusted Budget” column for the 2023/2024 financial year includes all changes approved by Council in the Adjustments Budgets during the current financial year.

WC024 Stellenbosch - Table A1 Budget Summary

Description	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousands</b>										
<b>Financial Performance</b>										
Property rates	394 484	421 969	452 019	473 589	473 589	473 589	381 011	509 116	527 642	557 117
Service charges	932 616	1 090 198	1 138 698	1 315 591	1 306 867	1 306 867	950 643	1 450 081	1 610 910	1 790 894
Investment revenue	19 515	18 770	42 250	41 193	44 168	44 168	38 378	44 232	44 674	45 121
Transfer and subsidies - Operational	208 448	226 597	211 107	240 911	225 163	225 163	195 880	245 638	299 530	356 393
Other own revenue	180 479	192 277	257 943	213 644	270 474	270 474	170 613	283 086	292 692	305 860
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>1 735 542</b>	<b>1 949 813</b>	<b>2 102 017</b>	<b>2 284 927</b>	<b>2 320 261</b>	<b>2 320 261</b>	<b>1 736 525</b>	<b>2 532 153</b>	<b>2 775 448</b>	<b>3 055 386</b>
Employee costs	558 472	549 555	542 779	617 694	623 836	623 836	393 880	656 455	671 808	713 731
Remuneration of councillors	18 657	19 815	22 765	22 097	22 097	22 097	15 351	23 422	24 828	26 317
Depreciation and amortisation	209 909	221 416	233 255	220 283	239 799	239 799	126 325	249 408	259 395	269 782
Interest	38 557	44 332	59 928	59 688	66 435	66 435	25 147	69 589	72 873	77 164
Inventory consumed and bulk purchases	488 387	604 050	608 174	736 842	732 510	732 510	432 380	827 038	924 476	1 033 896
Transfers and subsidies	11 010	13 364	17 758	20 636	20 199	20 199	13 759	20 739	21 493	22 276
Other expenditure	506 123	489 047	480 193	581 109	655 489	655 489	244 090	663 413	704 364	769 668
<b>Total Expenditure</b>	<b>1 831 114</b>	<b>1 941 579</b>	<b>1 964 854</b>	<b>2 258 349</b>	<b>2 360 363</b>	<b>2 360 363</b>	<b>1 250 931</b>	<b>2 510 064</b>	<b>2 679 238</b>	<b>2 912 834</b>
<b>Surplus/(Deficit)</b>	<b>(95 572)</b>	<b>8 234</b>	<b>137 163</b>	<b>26 578</b>	<b>(40 102)</b>	<b>(40 102)</b>	<b>485 594</b>	<b>22 089</b>	<b>96 211</b>	<b>142 552</b>
Transfers and subsidies - capital (monetary allocations)	69 847	94 509	100 312	103 856	135 828	135 828	40 861	99 123	97 477	105 872
Transfers and subsidies - capital (in-kind)	141	50	23	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(25 584)</b>	<b>102 793</b>	<b>237 498</b>	<b>130 434</b>	<b>95 726</b>	<b>95 726</b>	<b>526 455</b>	<b>121 212</b>	<b>193 687</b>	<b>248 424</b>
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>(25 584)</b>	<b>102 793</b>	<b>237 498</b>	<b>130 434</b>	<b>95 726</b>	<b>95 726</b>	<b>526 455</b>	<b>121 212</b>	<b>193 687</b>	<b>248 424</b>
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	<b>392 941</b>	<b>340 170</b>	<b>321 989</b>	<b>504 800</b>	<b>491 726</b>	<b>491 726</b>	<b>193 043</b>	<b>612 345</b>	<b>570 142</b>	<b>544 780</b>
Transfers recognised - capital	11 786	94 873	116 751	127 974	155 586	155 586	54 092	137 551	130 977	118 072
Borrowing	141 384	128 766	84 534	200 000	146 884	146 884	76 655	200 000	200 000	200 000
Internally generated funds	237 579	116 481	120 704	176 826	189 256	189 256	62 295	274 795	239 165	226 708
<b>Total sources of capital funds</b>	<b>390 748</b>	<b>340 120</b>	<b>321 989</b>	<b>504 800</b>	<b>491 726</b>	<b>491 726</b>	<b>193 043</b>	<b>612 345</b>	<b>570 142</b>	<b>544 780</b>
<b>Financial position</b>										
Total current assets	1 260 502	745 309	928 958	812 698	961 372	961 372	1 472 490	1 008 406	1 181 374	1 443 803
Total non current assets	5 863 482	6 019 610	6 065 050	6 443 332	6 330 437	6 330 437	6 189 086	6 693 375	7 004 121	7 279 119
Total current liabilities	1 037 993	431 325	489 517	448 318	492 093	492 093	552 121	611 236	743 774	891 939
Total non current liabilities	676 674	793 586	734 220	1 059 662	906 942	906 942	734 223	1 076 572	1 234 062	1 374 900
Community wealth/Equity	5 409 876	5 546 088	5 783 546	5 748 050	5 892 791	5 892 791	6 136 434	6 013 973	6 207 660	6 456 083
<b>Cash flows</b>										
Net cash from (used) operating	2 507 520	1 137 048	1 818 960	428 518	459 628	459 628	(3 831 983)	616 974	707 413	783 464
Net cash from (used) investing	(144 969)	(45 421)	(17 389)	(6 721)	(4 599)	(4 599)	(18 050)	(704 197)	(655 663)	(626 497)
Net cash from (used) financing	(25 502)	(177 074)	(44 497)	144 368	144 368	144 368	(25 490)	136 080	122 388	104 095
<b>Cash/cash equivalents at the year end</b>	<b>2 752 367</b>	<b>1 248 637</b>	<b>2 200 474</b>	<b>998 806</b>	<b>1 179 698</b>	<b>1 179 698</b>	<b>(3 295 222)</b>	<b>670 330</b>	<b>844 469</b>	<b>1 105 531</b>
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	350 070	443 400	580 301	428 557	621 473	621 473	797 205	670 330	844 469	1 105 531
Application of cash and investments	521 365	224 734	290 074	492 752	594 902	594 902	329 539	740 178	858 700	989 447
<b>Balance - surplus (shortfall)</b>	<b>(171 295)</b>	<b>218 666</b>	<b>290 227</b>	<b>(64 195)</b>	<b>26 572</b>	<b>26 572</b>	<b>467 665</b>	<b>(69 848)</b>	<b>(14 231)</b>	<b>116 083</b>
<b>Asset management</b>										
Asset register summary (WDV)	5 855 602	6 012 889	6 060 452	6 436 612	6 325 839	6 325 839		6 688 776	6 999 523	7 274 521
Depreciation	209 909	221 416	233 255	220 283	239 799	239 799		249 408	259 395	269 782
Renewal and Upgrading of Existing Assets	102 737	179 364	111 403	195 977	191 538	191 538		347 682	320 180	254 518
Repairs and Maintenance	66 302	63 917	84 992	113 859	125 123	125 123		120 048	128 918	143 108
<b>Free services</b>										
Cost of Free Basic Services provided	50 843	53 389	46 575	111 495	112 071	112 071		124 007	130 080	136 462
Revenue cost of free services provided	53 282	51 233	35 175	56 811	56 811	56 811		48 315	50 538	52 863
<b>Households below minimum service level</b>										
Water:	1	1	1	1	1	1		1	1	1
Sanitation/sewerage:	1	1	1	1	1	1		1	1	1
Energy:	2	2	2	1	1	1		1	1	1
Refuse:	4	4	4	4	4	4		3	3	3



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

Functional Classification Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousand</b>	<b>1</b>									
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		508 136	517 935	585 336	607 693	609 736	609 736	649 362	674 220	711 526
Executive and council		567	306	624	1 205	976	976	981	692	725
Finance and administration		507 569	517 629	584 162	606 488	608 760	608 760	648 380	673 527	710 801
Internal audit		-	-	550	-	-	-	-	-	-
<i>Community and public safety</i>		158 729	186 645	197 351	179 869	208 480	208 480	220 431	248 111	263 415
Community and social services		14 163	16 503	23 288	14 918	22 535	22 535	17 872	18 150	18 968
Sport and recreation		3 198	3 952	1 073	1 242	738	738	257	269	281
Public safety		127 462	142 966	162 526	147 892	172 184	172 184	180 261	188 337	196 776
Housing		13 906	23 225	10 464	15 817	13 023	13 023	22 041	41 354	47 389
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		51 223	106 877	105 522	113 925	122 249	122 249	118 038	127 290	169 860
Planning and development		25 149	45 733	94 388	106 375	90 230	90 230	103 123	112 141	154 044
Road transport		28 464	60 826	10 012	6 826	31 346	31 346	13 421	13 586	14 180
Environmental protection		(2 390)	318	1 121	725	672	672	1 494	1 563	1 635
<i>Trading services</i>		1 086 680	1 232 813	1 314 143	1 487 296	1 515 625	1 515 625	1 643 446	1 823 304	2 016 457
Energy sources		673 988	809 688	858 023	979 174	1 022 632	1 022 632	1 125 318	1 275 163	1 436 356
Water management		155 977	159 914	174 310	196 564	202 740	202 740	215 225	225 564	236 430
Waste water management		150 252	143 732	151 046	160 222	156 123	156 123	159 519	171 841	185 157
Waste management		106 463	119 478	130 764	151 336	134 130	134 130	143 384	150 736	158 514
<i>Other</i>	4	762	103	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	<b>2</b>	<b>1 805 530</b>	<b>2 044 372</b>	<b>2 202 352</b>	<b>2 388 783</b>	<b>2 456 089</b>	<b>2 456 089</b>	<b>2 631 276</b>	<b>2 872 925</b>	<b>3 161 258</b>
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		315 734	290 845	280 817	362 614	338 755	338 755	353 715	367 549	385 614
Executive and council		49 874	45 986	39 253	42 363	34 328	34 328	33 191	34 627	36 494
Finance and administration		254 244	235 420	228 130	314 447	298 919	298 919	314 934	327 145	343 018
Internal audit		11 617	9 439	13 434	5 804	5 509	5 509	5 591	5 777	6 102
<i>Community and public safety</i>		395 500	385 360	484 116	433 048	551 295	551 295	518 969	536 170	563 678
Community and social services		37 197	37 786	43 151	52 702	52 258	52 258	55 692	56 001	58 708
Sport and recreation		48 903	62 393	55 284	81 085	70 302	70 302	75 133	79 247	83 596
Public safety		275 310	262 090	347 174	268 165	381 995	381 995	345 534	355 555	366 387
Housing		34 091	23 092	38 508	31 096	46 739	46 739	42 611	45 367	54 988
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		185 715	187 837	156 621	220 371	156 680	156 680	228 879	268 718	318 458
Planning and development		73 782	75 643	74 848	98 596	70 920	70 920	85 091	127 806	170 724
Road transport		94 835	96 285	65 410	103 690	66 901	66 901	124 696	120 857	126 643
Environmental protection		17 098	15 910	16 362	18 085	18 859	18 859	19 092	20 056	21 090
<i>Trading services</i>		934 065	1 077 536	1 043 300	1 242 315	1 313 633	1 313 633	1 408 501	1 506 800	1 645 084
Energy sources		524 637	636 506	650 379	768 674	755 122	755 122	838 169	933 970	1 043 480
Water management		131 833	136 002	140 554	146 032	165 935	165 935	178 797	191 890	202 608
Waste water management		161 320	154 722	173 882	176 993	217 269	217 269	230 551	243 910	256 276
Waste management		116 276	150 305	78 485	150 616	175 308	175 308	160 984	137 031	142 720
<i>Other</i>	4	100	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>1 831 114</b>	<b>1 941 579</b>	<b>1 964 854</b>	<b>2 258 349</b>	<b>2 360 363</b>	<b>2 360 363</b>	<b>2 510 064</b>	<b>2 679 238</b>	<b>2 912 834</b>
<b>Surplus/(Deficit) for the year</b>		<b>(25 584)</b>	<b>102 793</b>	<b>237 498</b>	<b>130 434</b>	<b>95 726</b>	<b>95 726</b>	<b>121 212</b>	<b>193 687</b>	<b>248 424</b>

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

Functional Classification Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>Revenue - Functional</b>										
<b>Municipal governance and administration</b>		508 136	517 935	585 336	607 693	609 736	609 736	649 362	674 220	711 526
Executive and council		567	306	624	1 205	976	976	981	692	725
Mayor and Council		560	306	624	1 205	976	976	981	692	725
Municipal Manager, Town Secretary and Chief Executive		7	-	-	-	-	-	-	-	-
Finance and administration		507 569	517 629	584 162	606 488	608 760	608 760	648 380	673 527	710 801
Administrative and Corporate Support		-	-	83	27	87	87	29	30	32
Asset Management		-	-	-	-	-	-	-	-	-
Finance		502 374	508 002	573 035	597 037	596 706	596 706	636 404	660 988	697 673
Fleet Management		47	137	126	145	145	145	152	159	167
Human Resources		1 286	1 202	1 278	625	1 250	1 250	1 041	1 090	1 141
Information Technology		-	-	-	-	-	-	-	-	-
Legal Services		2	150	2	1	2	2	30	31	33
Marketing, Customer Relations, Publicity and Media Co-ordination		-	-	-	-	-	-	-	-	-
Property Services		3 765	7 970	9 570	8 320	10 238	10 238	10 556	11 052	11 572
Risk Management		-	-	-	-	-	-	-	-	-
Security Services		-	-	-	-	-	-	-	-	-
Supply Chain Management		94	168	67	332	332	332	168	176	185
Valuation Service		-	-	-	-	-	-	-	-	-
Internal audit		-	-	550	-	-	-	-	-	-
Governance Function		-	-	550	-	-	-	-	-	-
<b>Community and public safety</b>		158 729	186 645	197 351	179 869	208 480	208 480	220 431	248 111	263 415
Community and social services		14 163	16 503	23 288	14 918	22 535	22 535	17 872	18 150	18 968
Aged Care		-	-	-	-	-	-	-	-	-
Agricultural		-	-	-	-	-	-	-	-	-
Animal Care and Diseases		-	-	-	-	-	-	-	-	-
Cemeteries, Funeral Parlours and Crematoriums		1 016	1 205	1 362	1 140	1 163	1 163	1 220	1 274	1 332
Child Care Facilities		-	-	-	-	-	-	-	-	-
Community Halls and Facilities		1 967	4 991	10 724	1 972	4 889	4 889	5 132	5 368	5 614
Consumer Protection		-	-	-	-	-	-	-	-	-
Cultural Matters		-	-	-	-	-	-	-	-	-
Disaster Management		177	263	226	320	320	320	-	-	-
Education		-	-	-	-	-	-	-	-	-
Indigenous and Customary Law		-	-	-	-	-	-	-	-	-
Industrial Promotion		-	-	-	-	-	-	-	-	-
Language Policy		-	-	-	-	-	-	-	-	-
Libraries and Archives		10 816	9 969	10 798	11 405	15 883	15 883	11 439	11 470	11 984
Literacy Programmes		-	-	-	-	-	-	-	-	-
Media Services		-	-	-	-	-	-	-	-	-
Museums and Art Galleries		-	-	-	-	-	-	-	-	-
Population Development		188	74	179	81	281	281	81	38	38
Provincial Cultural Matters		-	-	-	-	-	-	-	-	-

Functional Classification Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<i>Theatres</i>		-	-	-	-	-	-	-	-	-
<i>Zoo's</i>		-	-	-	-	-	-	-	-	-
Sport and recreation	1	3 198	3 952	1 073	1 242	738	738	257	269	281
<i>Beaches and Jetties</i>		-	-	-	-	-	-	-	-	-
<i>Casinos, Racing, Gambling, Wagering</i>		-	-	-	-	-	-	-	-	-
<i>Community Parks (including Nurseries)</i>		2 236	568	713	1 041	642	642	147	154	161
<i>Recreational Facilities</i>		-	73	82	105	-	-	110	115	121
<i>Sports Grounds and Stadiums</i>		963	3 310	278	96	96	96	-	-	-
Public safety		127 462	142 966	162 526	147 892	172 184	172 184	180 261	188 337	196 776
<i>Civil Defence</i>		2 369	4 976	1 246	139	34	34	35	36	37
<i>Cleansing</i>		-	-	-	-	-	-	-	-	-
<i>Control of Public Nuisances</i>		-	-	-	-	-	-	-	-	-
<i>Fencing and Fences</i>		-	-	-	-	-	-	-	-	-
<i>Fire Fighting and Protection</i>		585	497	715	663	725	725	201	210	220
<i>Licensing and Control of Animals</i>		-	-	-	-	-	-	-	-	-
<i>Police Forces, Traffic and Street Parking Control</i>		124 507	137 493	160 564	147 090	171 425	171 425	180 024	188 091	196 519
<i>Pounds</i>		-	-	-	-	-	-	-	-	-
Housing		13 906	23 225	10 464	15 817	13 023	13 023	22 041	41 354	47 389
<i>Housing</i>		13 906	23 225	10 464	15 817	13 023	13 023	22 041	41 354	47 389
<i>Informal Settlements</i>		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Ambulance</i>		-	-	-	-	-	-	-	-	-
<i>Health Services</i>		-	-	-	-	-	-	-	-	-
<i>Laboratory Services</i>		-	-	-	-	-	-	-	-	-
<i>Food Control</i>		-	-	-	-	-	-	-	-	-
<i>Health Surveillance and Prevention of Communicable Diseases</i>		-	-	-	-	-	-	-	-	-
<i>Vector Control</i>		-	-	-	-	-	-	-	-	-
<i>Chemical Safety</i>		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		51 223	106 877	105 522	113 925	122 249	122 249	118 038	127 290	169 860
Planning and development		25 149	45 733	94 388	106 375	90 230	90 230	103 123	112 141	154 044
<i>Billboards</i>		-	-	-	-	-	-	-	-	-
<i>Corporate Wide Strategic Planning (IDPs, LEDs)</i>		3 295	5 517	1 928	2 069	2 238	2 238	2 825	185	194
<i>Central City Improvement District</i>		-	-	-	-	-	-	-	-	-
<i>Development Facilitation</i>		-	-	-	-	-	-	-	-	-
<i>Economic Development/Planning</i>		-	-	-	-	-	-	-	-	-
<i>Regional Planning and Development</i>		-	-	-	-	-	-	-	-	-
<i>Town Planning, Building Regulations and Enforcement, and City</i>		5 371	9 659	8 237	8 472	8 747	8 747	9 175	9 583	10 012
<i>Project Management Unit</i>		16 483	30 557	84 223	95 834	79 245	79 245	91 124	102 373	143 838
<i>Provincial Planning</i>		-	-	-	-	-	-	-	-	-
<i>Support to Local Municipalities</i>		-	-	-	-	-	-	-	-	-
Road transport		28 464	60 826	10 012	6 826	31 346	31 346	13 421	13 586	14 180
<i>Public Transport</i>		-	-	-	-	-	-	-	-	-
<i>Road and Traffic Regulation</i>		1 880	2 017	2 305	-	31	31	33	34	36

Functional Classification Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<i>Roads</i>		38 741	58 809	7 708	6 826	31 315	31 315	13 388	13 551	14 144
<i>Taxi Ranks</i>		(12 156)	-	-	-	-	-	-	-	-
Environmental protection		(2 390)	318	1 121	725	672	672	1 494	1 563	1 635
<i>Biodiversity and Landscape</i>		(2 397)	145	989	678	620	620	1 439	1 506	1 575
<i>Coastal Protection</i>		-	-	-	-	-	-	-	-	-
<i>Indigenous Forests</i>		-	-	-	-	-	-	-	-	-
<i>Nature Conservation</i>		7	173	131	47	53	53	55	58	60
<i>Pollution Control</i>		-	-	-	-	-	-	-	-	-
<i>Soil Conservation</i>		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		<b>1 086 680</b>	<b>1 232 813</b>	<b>1 314 143</b>	<b>1 487 296</b>	<b>1 515 625</b>	<b>1 515 625</b>	<b>1 643 446</b>	<b>1 823 304</b>	<b>2 016 457</b>
Energy sources		673 988	809 688	858 023	979 174	1 022 632	1 022 632	1 125 318	1 275 163	1 436 356
<i>Electricity</i>		673 988	809 688	858 023	979 174	1 022 632	1 022 632	1 125 318	1 275 163	1 436 356
<i>Street Lighting and Signal Systems</i>		-	-	-	-	-	-	-	-	-
<i>Nonelectric Energy</i>		-	-	-	-	-	-	-	-	-
Water management		155 977	159 914	174 310	196 564	202 740	202 740	215 225	225 564	236 430
<i>Water Treatment</i>		-	-	-	-	-	-	-	-	-
<i>Water Distribution</i>		155 977	159 914	174 310	196 564	202 740	202 740	215 225	225 564	236 430
<i>Water Storage</i>		-	-	-	-	-	-	-	-	-
Waste water management		150 252	143 732	151 046	160 222	156 123	156 123	159 519	171 841	185 157
<i>Public Toilets</i>		6 934	7 015	8 020	8 782	8 577	8 577	9 207	9 934	10 728
<i>Sewerage</i>		67 693	52 665	53 563	53 753	71 001	71 001	67 861	73 024	78 587
<i>Storm Water Management</i>		121	829	1 613	1 140	1 697	1 697	1 782	1 864	1 950
<i>Waste Water Treatment</i>		75 504	83 224	87 850	96 547	74 848	74 848	80 669	87 019	93 891
Waste management		106 463	119 478	130 764	151 336	134 130	134 130	143 384	150 736	158 514
<i>Recycling</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Disposal (Landfill Sites)</i>		2 648	3 157	3 938	3 180	3 180	3 180	3 400	3 556	3 720
<i>Solid Waste Removal</i>		103 815	116 321	126 827	148 155	130 949	130 949	139 984	147 180	154 794
<i>Street Cleaning</i>		-	-	-	-	-	-	-	-	-
<b>Other</b>		<b>762</b>	<b>103</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Abattoirs		-	-	-	-	-	-	-	-	-
Air Transport		-	-	-	-	-	-	-	-	-
Forestry		-	-	-	-	-	-	-	-	-
Licensing and Regulation		-	-	-	-	-	-	-	-	-
Markets		662	103	-	-	-	-	-	-	-
Tourism		100	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	<b>1 805 530</b>	<b>2 044 372</b>	<b>2 202 352</b>	<b>2 388 783</b>	<b>2 456 089</b>	<b>2 456 089</b>	<b>2 631 276</b>	<b>2 872 925</b>	<b>3 161 258</b>
<b>Expenditure - Functional</b>										
<i>Municipal governance and administration</i>		315 734	290 845	280 817	362 614	338 755	338 755	353 715	367 549	385 614
Executive and council		49 874	45 986	39 253	42 363	34 328	34 328	33 191	34 627	36 494
<i>Mayor and Council</i>		33 807	42 511	29 942	38 027	27 061	27 061	28 687	29 861	31 446
<i>Municipal Manager, Town Secretary and Chief Executive</i>		16 066	3 475	9 311	4 336	7 267	7 267	4 504	4 766	5 048
Finance and administration		254 244	235 420	228 130	314 447	298 919	298 919	314 934	327 145	343 018

Functional Classification Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<i>Administrative and Corporate Support</i>	1	10 827	1 613	17 564	17 329	19 275	19 275	20 416	21 626	22 910
<i>Asset Management</i>		-	1 959	-	-	-	-	-	-	-
<i>Finance</i>		124 148	88 406	107 331	107 384	106 791	106 791	114 750	117 693	123 780
<i>Fleet Management</i>		1 081	2 170	3 918	2 384	2 652	2 652	2 633	2 726	2 823
<i>Human Resources</i>		18 595	49 013	39 915	70 652	69 928	69 928	73 272	76 917	80 771
<i>Information Technology</i>		41 299	45 751	43 530	52 531	48 568	48 568	50 360	52 009	53 726
<i>Legal Services</i>		13 210	6 735	7 099	8 048	6 996	6 996	7 344	7 709	8 092
<i>Marketing, Customer Relations, Publicity and Media Co-ordination</i>		3 060	2 497	2 627	3 748	2 836	2 836	3 169	3 335	3 526
<i>Property Services</i>		36 708	29 881	26 433	39 351	28 777	28 777	29 613	30 937	32 329
<i>Risk Management</i>		-	1 117	-	-	-	-	-	-	-
<i>Security Services</i>		-	-	-	-	-	-	-	-	-
<i>Supply Chain Management</i>		5 314	6 279	(20 286)	13 021	13 094	13 094	13 376	14 194	15 061
<i>Valuation Service</i>		-	-	-	-	-	-	-	-	-
Internal audit		11 617	9 439	13 434	5 804	5 509	5 509	5 591	5 777	6 102
<i>Governance Function</i>		11 617	9 439	13 434	5 804	5 509	5 509	5 591	5 777	6 102
<b>Community and public safety</b>		<b>395 500</b>	<b>385 360</b>	<b>484 116</b>	<b>433 048</b>	<b>551 295</b>	<b>551 295</b>	<b>518 969</b>	<b>536 170</b>	<b>563 678</b>
Community and social services		37 197	37 786	43 151	52 702	52 258	52 258	55 692	56 001	58 708
<i>Aged Care</i>		-	-	-	-	-	-	-	-	-
<i>Agricultural</i>		-	-	-	-	-	-	-	-	-
<i>Animal Care and Diseases</i>		-	-	-	-	-	-	-	-	-
<i>Cemeteries, Funeral Parlours and Crematoriums</i>		6 254	4 841	4 739	7 690	6 161	6 161	6 264	6 608	6 973
<i>Child Care Facilities</i>		-	-	-	-	-	-	-	-	-
<i>Community Halls and Facilities</i>		4 749	4 934	6 313	6 659	6 738	6 738	7 290	7 779	8 291
<i>Consumer Protection</i>		-	-	-	-	-	-	-	-	-
<i>Cultural Matters</i>		-	-	-	-	-	-	-	-	-
<i>Disaster Management</i>		4 375	5 310	6 853	7 056	7 351	7 351	7 606	7 995	8 404
<i>Education</i>		-	-	-	-	-	-	-	-	-
<i>Indigenous and Customary Law</i>		-	-	-	-	-	-	-	-	-
<i>Industrial Promotion</i>		-	-	-	-	-	-	-	-	-
<i>Language Policy</i>		-	-	-	-	-	-	-	-	-
<i>Libraries and Archives</i>		13 118	9 884	11 955	14 026	13 506	13 506	13 520	13 688	14 349
<i>Literacy Programmes</i>		-	-	-	-	-	-	-	-	-
<i>Media Services</i>		-	-	-	-	-	-	-	-	-
<i>Museums and Art Galleries</i>		-	-	-	-	-	-	-	-	-
<i>Population Development</i>		8 702	12 816	13 292	17 271	18 502	18 502	21 011	19 931	20 691
<i>Provincial Cultural Matters</i>		-	-	-	-	-	-	-	-	-
<i>Theatres</i>		-	-	-	-	-	-	-	-	-
<i>Zoo's</i>		-	-	-	-	-	-	-	-	-
Sport and recreation		48 903	62 393	55 284	81 085	70 302	70 302	75 133	79 247	83 596
<i>Beaches and Jetties</i>		-	-	-	-	-	-	-	-	-
<i>Casinos, Racing, Gambling, Wagering</i>		-	-	-	-	-	-	-	-	-
<i>Community Parks (including Nurseries)</i>		34 665	40 878	36 599	53 117	48 461	48 461	52 000	54 775	57 712
<i>Recreational Facilities</i>		566	1 251	1 118	2 927	2 906	2 906	3 078	3 260	3 454

Functional Classification Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<i>Sports Grounds and Stadiums</i>		13 671	20 264	17 566	25 041	18 936	18 936	20 055	21 213	22 430
Public safety		275 310	262 090	347 174	268 165	381 995	381 995	345 534	355 555	366 387
<i>Civil Defence</i>		78 113	73 486	89 933	87 850	103 765	103 765	104 266	102 391	100 708
<i>Cleansing</i>		-	-	-	-	-	-	-	-	-
<i>Control of Public Nuisances</i>		-	-	-	-	-	-	-	-	-
<i>Fencing and Fences</i>		-	-	-	-	-	-	-	-	-
<i>Fire Fighting and Protection</i>		41 869	47 863	47 312	51 822	43 250	43 250	43 825	46 465	49 271
<i>Licensing and Control of Animals</i>		-	-	-	-	-	-	-	-	-
<i>Police Forces, Traffic and Street Parking Control</i>		155 328	140 741	209 929	128 494	234 980	234 980	197 443	206 699	216 408
<i>Pounds</i>		-	-	-	-	-	-	-	-	-
Housing		34 091	23 092	38 508	31 096	46 739	46 739	42 611	45 367	54 988
<i>Housing</i>		25 919	16 458	25 002	21 036	32 155	32 155	26 616	27 545	28 686
<i>Informal Settlements</i>		8 173	6 634	13 506	10 060	14 583	14 583	15 994	17 822	26 302
Health		-	-	-	-	-	-	-	-	-
<i>Ambulance</i>		-	-	-	-	-	-	-	-	-
<i>Health Services</i>		-	-	-	-	-	-	-	-	-
<i>Laboratory Services</i>		-	-	-	-	-	-	-	-	-
<i>Food Control</i>		-	-	-	-	-	-	-	-	-
<i>Health Surveillance and Prevention of Communicable Diseases</i>		-	-	-	-	-	-	-	-	-
<i>Vector Control</i>		-	-	-	-	-	-	-	-	-
<i>Chemical Safety</i>		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		<b>185 715</b>	<b>187 837</b>	<b>156 621</b>	<b>220 371</b>	<b>156 680</b>	<b>156 680</b>	<b>228 879</b>	<b>268 718</b>	<b>318 458</b>
Planning and development		73 782	75 643	74 848	98 596	70 920	70 920	85 091	127 806	170 724
<i>Billboards</i>		-	-	-	-	-	-	-	-	-
<i>Corporate Wide Strategic Planning (IDPs, LEDs)</i>		14 305	7 160	11 032	13 265	12 321	12 321	20 909	20 570	21 417
<i>Central City Improvement District</i>		-	-	-	-	-	-	-	-	-
<i>Development Facilitation</i>		-	-	-	-	-	-	-	-	-
<i>Economic Development/Planning</i>		17 943	11 614	7 871	7 238	7 200	7 200	-	-	-
<i>Regional Planning and Development</i>		-	-	-	-	-	-	-	-	-
<i>Town Planning, Building Regulations and Enforcement, and City</i>		29 689	35 536	36 051	47 366	37 263	37 263	40 432	43 293	46 754
<i>Project Management Unit</i>		11 845	21 332	19 895	30 727	14 136	14 136	23 750	63 943	102 553
<i>Provincial Planning</i>		-	-	-	-	-	-	-	-	-
<i>Support to Local Municipalities</i>		-	-	-	-	-	-	-	-	-
Road transport		94 835	96 285	65 410	103 690	66 901	66 901	124 696	120 857	126 643
<i>Public Transport</i>		-	-	-	-	-	-	-	-	-
<i>Road and Traffic Regulation</i>		6 974	6 003	13 087	9 682	9 688	9 688	15 615	7 117	7 552
<i>Roads</i>		87 861	90 282	52 323	94 008	57 213	57 213	109 081	113 740	119 091
<i>Taxi Ranks</i>		-	-	-	-	-	-	-	-	-
Environmental protection		17 098	15 910	16 362	18 085	18 859	18 859	19 092	20 056	21 090
<i>Biodiversity and Landscape</i>		11 696	12 712	14 926	15 776	17 264	17 264	17 391	18 267	19 208
<i>Coastal Protection</i>		-	-	-	-	-	-	-	-	-
<i>Indigenous Forests</i>		-	-	-	-	-	-	-	-	-
<i>Nature Conservation</i>		5 401	3 198	1 436	2 309	1 595	1 595	1 701	1 789	1 882

Functional Classification Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<i>Pollution Control</i>		-	-	-	-	-	-	-	-	-
<i>Soil Conservation</i>		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		934 065	1 077 536	1 043 300	1 242 315	1 313 633	1 313 633	1 408 501	1 506 800	1 645 084
Energy sources		524 637	636 506	650 379	768 674	755 122	755 122	838 169	933 970	1 043 480
<i>Electricity</i>		524 637	636 506	650 379	768 674	755 122	755 122	838 169	933 970	1 043 480
<i>Street Lighting and Signal Systems</i>		-	-	-	-	-	-	-	-	-
<i>Nonelectric Energy</i>		-	-	-	-	-	-	-	-	-
Water management		131 833	136 002	140 554	146 032	165 935	165 935	178 797	191 890	202 608
<i>Water Treatment</i>		12 214	13 021	8 470	17 551	18 560	18 560	18 922	19 916	20 968
<i>Water Distribution</i>		113 005	114 912	123 818	118 958	138 109	138 109	150 207	161 783	170 898
<i>Water Storage</i>		6 613	8 069	8 266	9 523	9 266	9 266	9 668	10 191	10 743
Waste water management		161 320	154 722	173 882	176 993	217 269	217 269	230 551	243 910	256 276
<i>Public Toilets</i>		6 755	8 552	8 483	10 835	10 531	10 531	10 065	12 386	12 984
<i>Sewerage</i>		70 864	76 227	94 920	84 441	97 036	97 036	109 601	114 117	118 829
<i>Storm Water Management</i>		20 544	17 964	18 582	20 131	19 256	19 256	22 387	23 389	24 445
<i>Waste Water Treatment</i>		63 156	51 979	51 896	61 586	90 445	90 445	88 498	94 018	100 017
Waste management		116 276	150 305	78 485	150 616	175 308	175 308	160 984	137 031	142 720
<i>Recycling</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Disposal (Landfill Sites)</i>		62 812	66 575	(1 795)	81 675	94 568	94 568	79 013	62 655	64 451
<i>Solid Waste Removal</i>		32 994	65 572	64 744	43 266	57 247	57 247	60 969	64 318	67 869
<i>Street Cleaning</i>		20 469	18 158	15 536	25 675	23 493	23 493	21 002	10 057	10 400
<b>Other</b>		100	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Air Transport		-	-	-	-	-	-	-	-	-
Forestry		-	-	-	-	-	-	-	-	-
Licensing and Regulation		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Tourism		100	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	3	1 831 114	1 941 579	1 964 854	2 258 349	2 360 363	2 360 363	2 510 064	2 679 238	2 912 834
<b>Surplus/(Deficit) for the year</b>		(25 584)	102 793	237 498	130 434	95 726	95 726	121 212	193 687	248 424

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

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousand</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		277	-	550	-	-	-	-	-	-
Vote 2 - PLANNING AND DEVELOPMENT SERVICES		21 908	25 920	20 629	26 357	24 009	24 009	34 040	51 123	57 595
Vote 3 - INFRASTRUCTURE SERVICES		1 129 201	1 332 179	1 406 076	1 589 956	1 626 185	1 626 185	1 747 957	1 939 228	2 174 440
Vote 4 - COMMUNITY AND PROTECTION SERVICES		147 562	172 179	190 311	164 777	196 160	196 160	199 917	208 354	217 696
Vote 5 - CORPORATE SERVICES		6 186	5 787	11 557	10 179	12 553	12 553	12 637	12 896	13 502
Vote 6 - FINANCIAL SERVICES		500 397	508 307	573 229	597 514	597 183	597 183	636 725	661 324	698 024
<b>Total Revenue by Vote</b>	2	<b>1 805 530</b>	<b>2 044 372</b>	<b>2 202 352</b>	<b>2 388 783</b>	<b>2 456 089</b>	<b>2 456 089</b>	<b>2 631 276</b>	<b>2 872 925</b>	<b>3 161 258</b>
<b>Expenditure by Vote to be appropriated</b>	1									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		31 300	21 351	25 844	17 841	16 463	16 463	17 203	18 018	19 029
Vote 2 - PLANNING AND DEVELOPMENT SERVICES		81 368	70 892	78 802	93 403	88 001	88 001	98 228	103 225	116 856
Vote 3 - INFRASTRUCTURE SERVICES		1 042 227	1 185 278	1 170 065	1 366 656	1 444 056	1 444 056	1 539 980	1 683 109	1 865 333
Vote 4 - COMMUNITY AND PROTECTION SERVICES		385 768	383 844	429 584	422 903	484 000	484 000	510 981	517 885	537 233
Vote 5 - CORPORATE SERVICES		158 931	174 997	166 180	234 757	211 408	211 408	216 618	226 265	236 773
Vote 6 - FINANCIAL SERVICES		131 519	105 217	94 380	122 789	116 435	116 435	127 053	130 736	137 609
<b>Total Expenditure by Vote</b>	2	<b>1 831 114</b>	<b>1 941 579</b>	<b>1 964 854</b>	<b>2 258 349</b>	<b>2 360 363</b>	<b>2 360 363</b>	<b>2 510 064</b>	<b>2 679 238</b>	<b>2 912 834</b>
<b>Surplus/(Deficit) for the year</b>	2	<b>(25 584)</b>	<b>102 793</b>	<b>237 498</b>	<b>130 434</b>	<b>95 726</b>	<b>95 726</b>	<b>121 212</b>	<b>193 687</b>	<b>248 424</b>



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

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand										
<b>Revenue by Vote</b>										
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	1	277	-	550	-	-	-	-	-	-
1.1 - 1100 MUNICIPAL MANAGER 1		-	-	-	-	-	-	-	-	-
1.2 - 1105 INTERNAL AUDIT 2		-	-	550	-	-	-	-	-	-
1.3 - 1106 AUDIT COMMITTEE 2		-	-	-	-	-	-	-	-	-
1.4 - 1111 LIAISON EXECUTIVE 2		-	-	-	-	-	-	-	-	-
1.5 - 7770 COMMUNICATION SERVICES		-	-	-	-	-	-	-	-	-
1.6 - 8110 IDP AND STRATEGIC PROGRAMS 88-89		277	-	-	-	-	-	-	-	-
1.7 - 8116 PUBLIC PARTICIPATION		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
<b>Vote 2 - PLANNING AND DEVELOPMENT SERVICES</b>		<b>21 908</b>	<b>25 920</b>	<b>20 629</b>	<b>26 357</b>	<b>24 009</b>	<b>24 009</b>	<b>34 040</b>	<b>51 123</b>	<b>57 595</b>
2.1 - 2200 PLANNING AND DEVELOPMENT: GENERAL 3		5 337	3 211	8 226	8 472	8 653	8 653	9 077	9 486	9 913
2.2 - 2205 BUILDING CONTROL 4		35	23	11	-	94	94	96	97	99
2.3 - 2210 TOWN PLANNING 4 - 5		-	-	-	-	-	-	-	-	-
2.4 - 2230 TOWN DEVELOPMENT 5		-	-	-	-	-	-	2	-	-
2.5 - 8120 LOCAL ECONOMIC DEVELOPMENT 6 - 7		5 317	9 461	1 928	2 069	2 238	2 238	2 825	185	194
2.6 - 3780 HUMAN SETTLEMENTS: GENERAL 8		-	200	-	-	-	-	-	-	-
2.7 - 3781 HOUSING ADMINISTRATION 9-10		7 633	8 362	8 888	10 501	10 864	10 864	9 652	9 354	9 389
2.8 - 3783 NEW HOUSING 10		3 587	4 662	1 576	5 316	2 159	2 159	12 389	32 000	38 000
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
<b>Vote 3 - INFRASTRUCTURE SERVICES</b>		<b>1 129 201</b>	<b>1 332 179</b>	<b>1 406 076</b>	<b>1 589 956</b>	<b>1 626 185</b>	<b>1 626 185</b>	<b>1 747 957</b>	<b>1 939 228</b>	<b>2 174 440</b>
3.1 - 6600 ENGINEERING SERVICES GENERAL		257	147	7 850	-	-	-	-	-	-
3.2 - 4400 ELECTRICAL ENGINEERING SERVICES 56-58		673 738	809 541	850 173	979 174	1 022 632	1 022 632	1 125 318	1 275 163	1 436 356
3.3 - 6530 REFUSE REMOVAL 60-61		115 119	126 493	138 784	160 118	142 706	142 706	152 591	160 670	169 242
3.4 - 6620 ROADS		26 705	59 638	9 323	7 966	33 012	33 012	15 170	15 415	16 094
3.5 - 6606 SEWERAGE NETWORK		141 475	135 889	141 413	150 300	145 849	145 849	148 530	160 043	172 478
3.6 - 6650 WATER NETWORK		155 424	159 914	174 310	196 564	202 740	202 740	215 225	225 564	236 430
3.7 - 4410 ELECTRICAL ENG. CLIENT SERVICES		-	-	-	-	-	-	-	-	-
3.8 - 4420 ELECTRICAL ENG. SYSTEM OPERATIONS		-	-	-	-	-	-	-	-	-
3.9 - 2245 DEVELOP SERVICES & PROJECT MANAGEMENT		16 483	40 557	84 223	95 834	79 245	79 245	91 124	102 373	143 838
3.10 - 6540 CLEANING OF STREETS		-	-	-	-	-	-	-	-	-
<b>Vote 4 - COMMUNITY AND PROTECTION SERVICES</b>		<b>147 562</b>	<b>172 179</b>	<b>190 311</b>	<b>164 777</b>	<b>196 160</b>	<b>196 160</b>	<b>199 917</b>	<b>208 354</b>	<b>217 696</b>
4.1 - 5111 COMMUNITY AND PROTECTION: GENERAL 20		1 967	5 072	10 814	2 077	4 895	4 895	5 250	5 490	5 742
4.2 - 5120 FIRE SERVICES 20-22		585	497	715	663	725	725	201	210	220
4.3 - 5140 TRAFFIC SERVICES: LICENCING 22-23		126 387	145 934	162 867	147 090	171 456	171 456	180 057	188 125	196 555
4.4 - 5705 DISASTER MANAGEMENT 25-26		177	263	226	320	320	320	-	-	-
4.5 - 5710 LAW ENFORCEMENT 26-27		2 369	4 976	1 246	139	34	34	35	36	37
4.6 - 3300 FORESTRY		3 094	878	1 827	1 766	1 307	1 307	1 635	1 710	1 788

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

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand										
4.7 - 3340 SPORTS GROUNDS: VAN DER STEL 35-36		963	3 310	278	96	96	96	-	-	-
4.8 - 3545 CEMETRY: STELLENBOSCH 43-44		1 016	1 205	1 362	1 140	1 163	1 163	1 220	1 274	1 332
4.9 - 3750 LIBRARY: PLEIN STREET 46-47		10 816	9 969	10 798	11 405	15 883	15 883	11 439	11 470	11 984
4.10 - 3113 COMMUNITY DEVELOPMENT 5 - 6		188	74	179	81	281	281	81	38	38
<b>Vote 5 - CORPORATE SERVICES</b>		<b>6 186</b>	<b>5 787</b>	<b>11 557</b>	<b>10 179</b>	<b>12 553</b>	<b>12 553</b>	<b>12 637</b>	<b>12 896</b>	<b>13 502</b>
5.1 - 7111 CORPORATE SERVICES: GENERAL 80-81		916	-	83	27	87	87	29	30	32
5.2 - 7180 HUMAN RESOURCES SERVICES 81-82		1 286	1 202	1 278	625	1 250	1 250	1 041	1 090	1 141
5.3 - 5715 OCCUPATIONAL SAFETY 82		-	-	-	-	-	-	-	-	-
5.4 - 7700 DOCUMENTATION AND ARCHIVES 82-83		-	-	-	-	-	-	-	-	-
5.5 - 7720 LEGAL SERVICES 84		2	150	2	1	2	2	30	31	33
5.6 - 7800 COUNCIL: GENERAL EXPENSES 85-86		560	306	624	1 205	976	976	981	692	725
5.7 - 9910 INFORMATION TECHNOLOGY 90-91		-	-	-	-	-	-	-	-	-
5.8 - 2235 PROPERTY MANAGEMENT 11-12		3 422	4 129	9 570	8 320	10 238	10 238	10 556	11 052	11 572
5.9 - 6220 MUNICIPAL BUILDINGS AND STRUCTURES 12-13		-	-	-	-	-	-	-	-	-
<b>Vote 6 - FINANCIAL SERVICES</b>		<b>500 397</b>	<b>508 307</b>	<b>573 229</b>	<b>597 514</b>	<b>597 183</b>	<b>597 183</b>	<b>636 725</b>	<b>661 324</b>	<b>698 024</b>
6.1 - 9900 FINANCIAL SERVICES: GENERAL 92-93		505 359	512 723	572 892	597 037	596 706	596 706	636 404	660 988	697 673
6.2 - 9920 FINANCIAL SERVICES: STORES 94		(2 827)	(2 711)	211	161	161	161	168	176	185
6.3 - 9921 FINANCIAL SERVICES: SCM 94		(2 182)	(1 842)	-	171	171	171	-	-	-
6.4 - 5130 LOGISTICS AND FLEET MANAGEMENT 22		47	137	126	145	145	145	152	159	167
<b>Total Revenue by Vote</b>	<b>2</b>	<b>1 805 530</b>	<b>2 044 372</b>	<b>2 202 352</b>	<b>2 388 783</b>	<b>2 456 089</b>	<b>2 456 089</b>	<b>2 631 276</b>	<b>2 872 925</b>	<b>3 161 258</b>
<b>Expenditure by Vote</b>										
<b>Vote 1 - OFFICE OF THE MUNICIPAL MANAGER</b>	<b>1</b>	<b>31 300</b>	<b>21 351</b>	<b>25 844</b>	<b>17 841</b>	<b>16 463</b>	<b>16 463</b>	<b>17 203</b>	<b>18 018</b>	<b>19 029</b>
1.1 - 1100 MUNICIPAL MANAGER 1		8 687	5 043	7 102	5 905	5 788	5 788	6 010	6 355	6 726
1.2 - 1105 INTERNAL AUDIT 2		11 396	9 335	12 038	4 234	4 065	4 065	4 068	4 170	4 406
1.3 - 1106 AUDIT COMMITTEE 2		-	-	-	-	-	-	-	-	-
1.4 - 1111 LIAISON EXECUTIVE 2		755	485	-	-	-	-	-	-	-
1.5 - 7770 COMMUNICATION SERVICES		3 060	2 497	2 627	3 748	2 836	2 836	3 169	3 335	3 526
1.6 - 8110 IDP AND STRATEGIC PROGRAMS 88-89		6 977	3 868	3 967	3 817	3 612	3 612	3 794	3 991	4 199
1.7 - 8116 PUBLIC PARTICIPATION		426	121	109	137	162	162	162	167	172
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
<b>Vote 2 - PLANNING AND DEVELOPMENT SERVICES</b>		<b>81 368</b>	<b>70 892</b>	<b>78 802</b>	<b>93 403</b>	<b>88 001</b>	<b>88 001</b>	<b>98 228</b>	<b>103 225</b>	<b>116 856</b>
2.1 - 2200 PLANNING AND DEVELOPMENT: GENERAL 3		10 852	10 284	10 537	18 067	8 150	8 150	10 825	11 898	13 466
2.2 - 2205 BUILDING CONTROL 4		8 916	7 657	7 728	9 490	10 108	10 108	10 745	11 401	12 097
2.3 - 2210 TOWN PLANNING 4 - 5		9 804	11 636	11 141	12 784	10 612	10 612	11 160	11 826	12 529
2.4 - 2230 TOWN DEVELOPMENT 5		7 569	6 602	5 824	7 025	7 298	7 298	7 702	8 168	8 662
2.5 - 8120 LOCAL ECONOMIC DEVELOPMENT 6 - 7		10 275	14 451	13 516	16 428	14 634	14 634	16 952	16 413	17 047
2.6 - 3780 HUMAN SETTLEMENTS: GENERAL 8		4 812	12	60	-	41	41	43	45	46

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

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
2.7 - 3781 HOUSING ADMINISTRATION 9-10		14 011	15 549	17 295	18 816	23 292	23 292	24 170	24 800	25 818
2.8 - 3783 NEW HOUSING 10		15 130	4 700	12 700	10 792	13 865	13 865	16 632	18 675	27 191
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
<b>Vote 3 - INFRASTRUCTURE SERVICES</b>		<b>1 042 227</b>	<b>1 185 278</b>	<b>1 170 065</b>	<b>1 366 656</b>	<b>1 444 056</b>	<b>1 444 056</b>	<b>1 539 980</b>	<b>1 683 109</b>	<b>1 865 333</b>
3.1 - 6600 ENGINEERING SERVICES GENERAL		5 110	10 487	7 895	8 262	9 387	9 387	9 555	10 089	10 654
3.2 - 4400 ELECTRICAL ENGINEERING SERVICES 56-58		508 186	616 558	621 841	737 460	724 390	724 390	807 496	901 794	1 009 652
3.3 - 6530 REFUSE REMOVAL 60-61		105 136	135 775	66 739	135 403	156 804	156 804	143 228	132 268	137 929
3.4 - 6620 ROADS		113 807	108 766	113 971	114 139	122 837	122 837	131 468	137 129	143 536
3.5 - 6606 SEWERAGE NETWORK		131 445	127 793	158 831	146 027	200 524	200 524	198 100	208 135	218 847
3.6 - 6650 WATER NETWORK		131 702	135 814	140 554	146 010	165 935	165 935	178 797	191 890	202 608
3.7 - 4410 ELECTRICAL ENG. CLIENT SERVICES		4 388	3 636	6 204	7 705	7 236	7 236	7 175	7 476	7 793
3.8 - 4420 ELECTRICAL ENG. SYSTEM OPERATIONS		10 139	6 958	14 335	15 247	14 102	14 102	13 935	14 603	15 372
3.9 - 2245 DEVELOP SERVICES & PROJECT MANAGEMENT		11 845	21 332	19 895	30 727	14 136	14 136	23 750	63 943	102 553
3.10 - 6540 CLEANING OF STREETS		20 469	18 158	19 800	25 675	28 706	28 706	26 475	15 782	16 389
<b>Vote 4 - COMMUNITY AND PROTECTION SERVICES</b>		<b>385 768</b>	<b>383 844</b>	<b>429 584</b>	<b>422 903</b>	<b>484 000</b>	<b>484 000</b>	<b>510 981</b>	<b>517 885</b>	<b>537 233</b>
4.1 - 5111 COMMUNITY AND PROTECTION: GENERAL 20		7 657	13 269	12 350	16 054	16 314	16 314	17 569	18 654	19 799
4.2 - 5120 FIRE SERVICES 20-22		41 869	47 863	47 312	51 822	43 250	43 250	43 825	46 465	49 271
4.3 - 5140 TRAFFIC SERVICES: LICENCING 22-23		156 197	145 513	178 978	138 016	198 215	198 215	212 958	213 707	223 843
4.4 - 5705 DISASTER MANAGEMENT 25-26		4 375	5 310	6 853	7 056	7 351	7 351	7 606	7 995	8 404
4.5 - 5710 LAW ENFORCEMENT 26-27		78 113	73 486	89 933	87 850	103 765	103 765	104 266	102 391	100 708
4.6 - 3300 FORESTRY		52 016	50 729	47 243	61 311	58 420	58 420	63 890	67 215	70 749
4.7 - 3340 SPORTS GROUNDS: VAN DER STEL 35-36		13 671	20 264	17 086	23 191	18 536	18 536	20 055	21 213	22 430
4.8 - 3545 CEMETRY: STELLENBOSCH 43-44		6 254	4 841	4 714	6 306	6 126	6 126	6 264	6 608	6 973
4.9 - 3750 LIBRARY: PLEIN STREET 46-47		13 118	9 908	11 955	14 026	13 506	13 506	13 520	13 688	14 349
4.10 - 3113 COMMUNITY DEVELOPMENT 5 - 6		12 500	12 662	13 160	17 271	18 518	18 518	21 028	19 948	20 709
<b>Vote 5 - CORPORATE SERVICES</b>		<b>158 931</b>	<b>174 997</b>	<b>166 180</b>	<b>234 757</b>	<b>211 408</b>	<b>211 408</b>	<b>216 618</b>	<b>226 265</b>	<b>236 773</b>
5.1 - 7111 CORPORATE SERVICES: GENERAL 80-81		5 134	(11 024)	4 591	2 981	3 857	3 857	4 035	4 254	4 485
5.2 - 7180 HUMAN RESOURCES SERVICES 81-82		17 581	41 697	30 714	65 349	64 561	64 561	67 565	70 847	74 314
5.3 - 5715 OCCUPATIONAL SAFETY 82		1 152	1 290	1 244	5 303	5 379	5 379	5 719	6 082	6 469
5.4 - 7700 DOCUMENTATION AND ARCHIVES 82-83		9 368	12 619	12 865	14 348	15 407	15 407	16 370	17 360	18 413
5.5 - 7720 LEGAL SERVICES 84		13 914	7 447	8 070	8 208	7 083	7 083	7 444	7 817	8 209
5.6 - 7800 COUNCIL: GENERAL EXPENSES 85-86		33 807	42 511	29 942	38 027	27 061	27 061	28 687	29 861	31 446
5.7 - 9910 INFORMATION TECHNOLOGY 90-91		41 265	45 291	43 530	52 531	48 568	48 568	50 360	52 009	53 726
5.8 - 2235 PROPERTY MANAGEMENT 11-12		20 989	18 758	14 464	21 415	16 116	16 116	16 412	17 067	17 754
5.9 - 6220 MUNICIPAL BUILDINGS AND STRUCTURES 12-13		15 720	16 408	20 759	26 594	23 376	23 376	20 027	20 968	21 957
		-	-	-	-	-	-	-	-	-
<b>Vote 6 - FINANCIAL SERVICES</b>		<b>131 519</b>	<b>105 217</b>	<b>94 380</b>	<b>122 789</b>	<b>116 435</b>	<b>116 435</b>	<b>127 053</b>	<b>130 736</b>	<b>137 609</b>
6.1 - 9900 FINANCIAL SERVICES: GENERAL 92-93		129 252	88 638	79 755	107 384	100 860	100 860	111 043	113 816	119 725
6.2 - 9920 FINANCIAL SERVICES: STORES 94		403	2 120	2 373	2 535	1 945	1 945	1 946	2 063	2 186
6.3 - 9921 FINANCIAL SERVICES: SCM 94		782	12 289	8 506	10 487	11 150	11 150	11 430	12 131	12 875

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

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand										
6.4 - 5130 LOGISTICS AND FLEET MANAGEMENT 22		1 081	2 170	3 746	2 384	2 480	2 480	2 633	2 726	2 823
		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	1 831 114	1 941 579	1 964 854	2 258 349	2 360 363	2 360 363	2 510 064	2 679 238	2 912 834
Surplus/(Deficit) for the year	2	(25 584)	102 793	237 498	130 434	95 726	95 726	121 212	193 687	248 424

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

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>Revenue</b>											
<b>Exchange Revenue</b>											
Service charges - Electricity	2	632 401	756 431	779 984	913 669	913 669	913 669	646 395	1 029 705	1 167 017	1 322 068
Service charges - Water	2	134 426	146 830	162 138	185 622	171 866	171 866	144 132	182 522	190 924	199 712
Service charges - Waste Water Management	2	92 639	102 285	106 739	108 647	113 677	113 677	85 877	122 772	132 593	143 201
Service charges - Waste Management	2	73 150	84 652	89 837	107 654	107 654	107 654	74 240	115 082	120 375	125 913
Sale of Goods and Rendering of Services		25 041	22 038	21 698	22 190	22 124	22 124	17 608	24 654	25 775	26 953
Agency services		3 248	3 020	3 438	3 358	3 617	3 617	1 572	3 794	3 965	4 144
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		8 667	10 429	16 467	15 413	17 324	17 324	15 900	18 173	18 990	19 845
Interest earned from Current and Non Current Assets		19 515	18 770	42 250	41 193	44 168	44 168	38 378	44 232	44 674	45 121
Dividends		-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		11 005	12 173	12 373	10 604	13 014	13 014	8 472	13 649	14 272	14 924
Licence and permits		6 810	7 809	8 408	7 872	7 994	7 994	4 780	8 386	8 763	9 157
Operational Revenue		4 817	11 051	44 254	19 346	47 544	47 544	32 736	47 692	46 806	48 914
<b>Non-Exchange Revenue</b>											
Property rates	2	394 484	421 969	452 019	473 589	473 589	473 589	381 011	509 116	527 642	557 117
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		108 943	122 933	146 658	131 570	155 565	155 565	86 380	163 380	170 694	178 337
Licences or permits		-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational		208 448	226 597	211 107	240 911	225 163	225 163	195 880	245 638	299 530	356 393
Interest		1 970	2 430	3 418	3 293	3 293	3 293	3 161	3 359	3 426	3 587
Fuel Levy		-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		9 526	-	1 084	-	-	-	-	-	-	-
Other Gains		452	394	145	-	-	-	3	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>1 735 542</b>	<b>1 949 813</b>	<b>2 102 017</b>	<b>2 284 927</b>	<b>2 320 261</b>	<b>2 320 261</b>	<b>1 736 525</b>	<b>2 532 153</b>	<b>2 775 448</b>	<b>3 055 386</b>
<b>Expenditure</b>											
Employee related costs	2	558 472	549 555	542 779	617 694	623 836	623 836	393 880	656 455	671 808	713 731
Remuneration of councillors		18 657	19 815	22 765	22 097	22 097	22 097	15 351	23 422	24 828	26 317
Bulk purchases - electricity	2	422 735	528 012	521 012	636 393	633 893	633 893	369 607	714 397	805 126	907 377
Inventory consumed	8	65 652	76 038	87 162	100 449	98 618	98 618	62 772	112 641	119 350	126 520
Debt impairment	3	-	-	75 205	16 684	71 053	71 053	-	74 711	78 259	81 975
Depreciation and amortisation		209 909	221 416	233 255	220 283	239 799	239 799	126 325	249 408	259 395	269 782
Interest		38 557	44 332	59 928	59 688	66 435	66 435	25 147	69 589	72 873	77 164
Contracted services		227 704	208 232	228 438	288 868	290 971	290 971	152 988	297 434	322 301	372 815
Transfers and subsidies		11 010	13 364	17 758	20 636	20 199	20 199	13 759	20 739	21 493	22 276
Irrecoverable debts written off		108 782	84 985	91 946	94 958	115 713	115 713	42	121 383	126 845	132 553
Operational costs		168 590	186 462	71 085	180 599	177 751	177 751	91 057	169 885	176 959	182 325
Losses on disposal of Assets		577	8 857	12 986	-	-	-	-	-	-	-
Other Losses		470	510	534	-	-	-	3	-	-	-
<b>Total Expenditure</b>		<b>1 831 114</b>	<b>1 941 579</b>	<b>1 964 854</b>	<b>2 258 349</b>	<b>2 360 363</b>	<b>2 360 363</b>	<b>1 250 931</b>	<b>2 510 064</b>	<b>2 679 238</b>	<b>2 912 834</b>
<b>Surplus/(Deficit)</b>											
Transfers and subsidies - capital (monetary allocations)	6	(95 572)	8 234	137 163	26 578	(40 102)	(40 102)	485 594	22 089	96 211	142 552
Transfers and subsidies - capital (in-kind)	6	69 847	94 509	100 312	103 856	135 828	135 828	40 861	99 123	97 477	105 872
		141	50	23	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(25 584)</b>	<b>102 793</b>	<b>237 498</b>	<b>130 434</b>	<b>95 726</b>	<b>95 726</b>	<b>526 455</b>	<b>121 212</b>	<b>193 687</b>	<b>248 424</b>
Income Tax		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>		<b>(25 584)</b>	<b>102 793</b>	<b>237 498</b>	<b>130 434</b>	<b>95 726</b>	<b>95 726</b>	<b>526 455</b>	<b>121 212</b>	<b>193 687</b>	<b>248 424</b>
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>(25 584)</b>	<b>102 793</b>	<b>237 498</b>	<b>130 434</b>	<b>95 726</b>	<b>95 726</b>	<b>526 455</b>	<b>121 212</b>	<b>193 687</b>	<b>248 424</b>
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>1</b>	<b>(25 584)</b>	<b>102 793</b>	<b>237 498</b>	<b>130 434</b>	<b>95 726</b>	<b>95 726</b>	<b>526 455</b>	<b>121 212</b>	<b>193 687</b>	<b>248 424</b>

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

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousand</b>	1										
<b>Capital expenditure - Vote</b>											
<b>Multi-year expenditure to be appropriated</b>	2										
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		34	43	39	40	40	40	35	40	40	50
Vote 2 - PLANNING AND DEVELOPMENT SERVICES		(62)	1 979	11 214	7 824	4 037	4 037	1 490	18 294	37 170	43 715
Vote 3 - INFRASTRUCTURE SERVICES		68 325	98 135	263 370	432 123	408 410	408 410	168 684	458 684	408 931	457 035
Vote 4 - COMMUNITY AND PROTECTION SERVICES		21 533	(4 638)	13 868	20 492	27 949	27 949	5 218	53 148	61 271	7 750
Vote 5 - CORPORATE SERVICES		6 362	10 572	30 209	30 201	33 464	33 464	14 099	56 420	50 970	12 550
Vote 6 - FINANCIAL SERVICES		-	-	571	250	1 419	1 419	1 269	100	100	100
<b>Capital multi-year expenditure sub-total</b>		<b>96 193</b>	<b>106 089</b>	<b>319 271</b>	<b>490 930</b>	<b>475 319</b>	<b>475 319</b>	<b>190 796</b>	<b>586 686</b>	<b>558 482</b>	<b>521 200</b>
<b>Single-year expenditure to be appropriated</b>	2										
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-	-
Vote 2 - PLANNING AND DEVELOPMENT SERVICES		8 626	(12 852)	524	1 220	583	583	58	1 950	1 300	1 330
Vote 3 - INFRASTRUCTURE SERVICES		213 149	183 936	-	4 300	5 040	5 040	(171)	4 800	4 200	7 400
Vote 4 - COMMUNITY AND PROTECTION SERVICES		9 572	49 677	1 625	4 150	9 166	9 166	1 390	17 609	4 860	13 550
Vote 5 - CORPORATE SERVICES		62 581	12 939	569	3 700	1 119	1 119	970	-	-	-
Vote 6 - FINANCIAL SERVICES		2 821	381	-	500	500	500	-	1 300	1 300	1 300
<b>Capital single-year expenditure sub-total</b>		<b>296 748</b>	<b>234 080</b>	<b>2 718</b>	<b>13 870</b>	<b>16 407</b>	<b>16 407</b>	<b>2 247</b>	<b>25 659</b>	<b>11 660</b>	<b>23 580</b>
<b>Total Capital Expenditure - Vote</b>	3,7	<b>392 941</b>	<b>340 170</b>	<b>321 989</b>	<b>504 800</b>	<b>491 726</b>	<b>491 726</b>	<b>193 043</b>	<b>612 345</b>	<b>570 142</b>	<b>544 780</b>
<b>Capital Expenditure - Functional</b>											
<b>Governance and administration</b>		<b>71 798</b>	<b>23 934</b>	<b>31 388</b>	<b>34 691</b>	<b>36 542</b>	<b>36 542</b>	<b>16 374</b>	<b>57 860</b>	<b>52 410</b>	<b>14 000</b>
Executive and council		34	43	39	40	40	40	35	40	40	50
Finance and administration		71 764	23 892	31 348	34 651	36 502	36 502	16 338	57 820	52 370	13 950
Internal audit		-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		<b>35 143</b>	<b>45 072</b>	<b>15 395</b>	<b>28 606</b>	<b>37 607</b>	<b>37 607</b>	<b>6 918</b>	<b>81 431</b>	<b>100 991</b>	<b>64 740</b>
Community and social services		2 299	2 259	2 323	7 285	16 396	16 396	2 407	39 069	44 481	8 750
Sport and recreation		13 333	39 350	4 620	6 461	11 224	11 224	2 972	13 300	6 900	7 350
Public safety		13 194	16 388	1 638	6 966	6 530	6 530	307	10 943	12 500	5 000
Housing		6 317	(12 925)	6 815	7 894	3 457	3 457	1 232	18 119	37 110	43 640
Health		-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		<b>93 665</b>	<b>93 898</b>	<b>78 737</b>	<b>95 480</b>	<b>122 008</b>	<b>122 008</b>	<b>31 335</b>	<b>104 153</b>	<b>105 185</b>	<b>76 221</b>
Planning and development		26 522	35 592	13 953	19 800	23 345	23 345	7 465	15 050	9 785	9 915
Road transport		66 314	71 783	58 013	73 080	97 029	97 029	22 955	85 953	95 150	66 106
Environmental protection		829	(13 478)	6 772	2 600	1 634	1 634	916	3 150	250	200
<b>Trading services</b>		<b>192 334</b>	<b>177 266</b>	<b>196 469</b>	<b>346 023</b>	<b>295 569</b>	<b>295 569</b>	<b>138 416</b>	<b>368 901</b>	<b>311 556</b>	<b>389 819</b>
Energy sources		37 838	65 135	73 934	113 188	100 440	100 440	48 243	90 116	131 256	196 219
Water management		35 607	38 226	73 907	117 150	75 174	75 174	37 436	156 882	86 450	73 950
Waste water management		108 612	67 777	40 101	53 140	30 968	30 968	7 000	67 504	67 300	93 900
Waste management		10 277	6 128	8 527	62 545	88 986	88 986	45 737	44 400	26 550	25 750
<b>Other</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital Expenditure - Functional</b>	3,7	<b>392 941</b>	<b>340 170</b>	<b>321 989</b>	<b>504 800</b>	<b>491 726</b>	<b>491 726</b>	<b>193 043</b>	<b>612 345</b>	<b>570 142</b>	<b>544 780</b>

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

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousand</b>	1										
<b>Funded by:</b>											
National Government		3 294	66 852	91 031	79 190	106 572	106 572	43 014	72 056	56 821	59 216
Provincial Government		8 491	25 643	8 543	24 666	29 257	29 257	6 204	27 067	40 656	46 656
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		-	2 378	17 178	24 118	19 758	19 758	4 874	38 428	33 500	12 200
Transfers recognised - capital	4	11 786	94 873	116 751	127 974	155 586	155 586	54 092	137 551	130 977	118 072
Public contributions & donations	5	-	-	-	-	-	-	-	-	-	-
Borrowing	6	141 384	128 766	84 534	200 000	146 884	146 884	76 655	200 000	200 000	200 000
Internally generated funds		237 579	116 481	120 704	176 826	189 256	189 256	62 295	274 795	239 165	226 708
<b>Total Capital Funding</b>	7	<b>390 748</b>	<b>340 120</b>	<b>321 989</b>	<b>504 800</b>	<b>491 726</b>	<b>491 726</b>	<b>193 043</b>	<b>612 345</b>	<b>570 142</b>	<b>544 780</b>

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

Vote Description	Ref	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework			Multi-year appropriation for Budget Year 2024/25 in the 2023/24 Annual Budget				Multi-year appropriation for 2025/26 in the 2023/24 Annual Budget			New multi-year appropriations (funds for new and existing projects)							
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	Appropriation for 2024/25	Adjustments in 2023/24	Downward adjustments for 2024/25	Appropriation carried forward	Appropriation for 2024/25	Adjustments in 2023/24	Downward adjustments for 2024/25	Appropriation carried forward	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>Capital expenditure - Municipal Vote</b>																						
<b>Multi-year expenditure appropriation</b>																						
R thousand	1																					
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	2	34	43	39	40	40	40	35	40	40	50									40	40	50
1.1 - 1100 MUNICIPAL MANAGER 1		34	43	39	40	40	40	35	40	40	50									40	40	50
1.2 - 1105 INTERNAL AUDIT 2		-	-	-	-	-	-	-	-	-	-									-	-	-
1.3 - 1106 AUDIT COMMITTEE 2		-	-	-	-	-	-	-	-	-	-									-	-	-
1.4 - 1111 LIAISON EXECUTIVE 2		-	-	-	-	-	-	-	-	-	-									-	-	-
1.5 - 7770 COMMUNICATION SERVICES		-	-	-	-	-	-	-	-	-	-									-	-	-
1.6 - 8110 IDP AND STRATEGIC PROGRAMS 88-89		-	-	-	-	-	-	-	-	-	-									-	-	-
1.7 - 8116 PUBLIC PARTICIPATION		-	-	-	-	-	-	-	-	-	-									-	-	-
Vote 2 - PLANNING AND DEVELOPMENT SERVICES		(62)	1 979	11 214	7 824	4 037	4 037	1 490	18 294	37 170	43 715									18 294	37 170	43 715
2.1 - 2200 PLANNING AND DEVELOPMENT: GENERAL 3		-	-	-	-	-	-	-	-	-	-									-	-	-
2.2 - 2205 BUILDING CONTROL 4		-	168	-	-	-	-	-	100	125	150									100	125	150
2.3 - 2210 TOWN PLANNING 4 - 5		-	-	-	-	-	-	-	75	85	95									75	85	95
2.4 - 2230 TOWN DEVELOPMENT 5		-	-	-	-	-	-	-	-	-	-									-	-	-
2.5 - 8120 LOCAL ECONOMIC DEVELOPMENT 6 - 7		(195)	1 411	4 400	1 000	1 000	1 000	278	1 800	1 000	1 000									1 800	1 000	1 000
2.6 - 3780 HUMAN SETTLEMENTS: GENERAL 8		-	-	-	-	-	-	-	-	-	-									-	-	-
2.7 - 3781 HOUSING ADMINISTRATION 9-10		-	-	-	-	-	-	-	1 000	1 000	1 000									1 000	1 000	1 000
2.8 - 3783 NEW HOUSING 10		134	400	6 815	6 824	3 037	3 037	1 212	15 319	34 960	41 470									15 319	34 960	41 470
Vote 3 - INFRASTRUCTURE SERVICES		68 325	98 135	263 370	432 123	408 410	408 410	168 684	458 684	408 931	457 035									458 684	408 931	457 035
3.1 - 4600 ENGINEERING SERVICES GENERAL		-	-	39	75	88	88	59	85	80	65									85	80	65
3.2 - 4400 ELECTRICAL ENGINEERING SERVICES 56-58		754	23 038	73 895	113 113	100 352	100 352	48 184	89 031	129 676	190 154									89 031	129 676	190 154
3.3 - 6530 REFUSE REMOVAL 60-61		9 190	3 635	8 527	62 545	88 986	88 986	45 737	44 400	26 250	25 750									44 400	26 250	25 750
3.4 - 6620 ROADS		45 860	35 938	57 871	67 750	90 959	90 959	23 377	78 158	91 150	65 106									78 158	91 150	65 106
3.5 - 6606 SEWERAGE NETWORK		841	51	40 101	52 840	30 668	30 668	6 742	77 204	66 900	93 500									77 204	66 900	93 500
3.6 - 6650 WATER NETWORK		1 730	10 205	73 907	117 150	75 174	75 174	37 436	156 882	86 450	73 950									156 882	86 450	73 950
3.7 - 4410 ELECTRICAL ENG. CLIENT SERVICES		-	-	-	-	-	-	-	-	-	-									-	-	-
3.8 - 4420 ELECTRICAL ENG. SYSTEM OPERATIONS		-	-	-	-	-	-	-	-	-	-									-	-	-
3.9 - 2245 DEVELOP SERVICES & PROJECT MANAGEMENT		9 951	25 268	9 029	18 650	22 183	22 183	7 149	12 925	8 425	8 510									12 925	8 425	8 510
3.10 - 6540 CLEANING OF STREETS		-	-	-	-	-	-	-	-	-	-									-	-	-
Vote 4 - COMMUNITY AND PROTECTION SERVICES		21 533	(4 638)	13 868	20 492	27 949	27 949	5 218	53 148	61 271	7 750									53 148	61 271	7 750
4.1 - 5111 COMMUNITY AND PROTECTION: GENERAL 20		2 808	185	453	350	415	415	40	250	500	500									250	500	500
4.2 - 5120 FIRE SERVICES 20-22		6 271	-	820	3 000	350	350	170	4 700	8 000	500									4 700	8 000	500
4.3 - 5140 TRAFFIC SERVICES: LICENCING 22-23		1 148	271	141	130	130	130	7	45	-	-									45	-	-
4.4 - 5705 DISASTER MANAGEMENT 25-26		2 773	397	599	-	1 115	1 115	-	-	-	-									-	-	-
4.5 - 5710 LAW ENFORCEMENT 26-27		-	2 871	794	3 966	6 180	6 180	137	5 243	3 500	3 500									5 243	3 500	3 500
4.6 - 3300 FORESTRY		4 758	(12 308)	8 251	3 250	3 310	3 310	958	9 450	3 000	2 200									9 450	3 000	2 200
4.7 - 3340 SPORTS GROUNDS: VAN DER STEL 35-36		3 199	3 745	1 735	4 061	6 694	6 694	1 557	2 200	3 000	1 000									2 200	3 000	1 000
4.8 - 3545 CEMETERY: STELLENBOSCH 43-44		39	130	870	5 500	9 500	9 500	2 326	30 000	42 321	-									30 000	42 321	-
4.9 - 3750 LIBRARY: PLEIN STREET 46-47		538	70	132	180	200	200	-	850	400	-									850	400	-
4.10 - 3113 COMMUNITY DEVELOPMENT 5 - 6		-	-	73	55	55	55	24	410	550	50									410	550	50
Vote 5 - CORPORATE SERVICES		6 362	10 572	30 209	30 201	33 464	33 464	14 099	56 420	50 970	12 550									56 420	50 970	12 550
5.1 - 7111 CORPORATE SERVICES: GENERAL 80-81		-	-	-	-	-	-	-	-	-	-									-	-	-
5.2 - 7180 HUMAN RESOURCES SERVICES 81-82		-	-	-	-	-	-	-	-	-	-									-	-	-
5.3 - 5715 OCCUPATIONAL SAFETY 82		-	-	-	-	-	-	-	-	-	-									-	-	-
5.4 - 7700 DOCUMENTATION AND ARCHIVES 82-83		-	-	-	-	-	-	-	-	-	-									-	-	-
5.5 - 7720 LEGAL SERVICES 84		-	-	-	-	-	-	-	-	-	-									-	-	-
5.6 - 7800 COUNCIL: GENERAL EXPENSES 85-86		-	-	-	-	-	-	-	-	-	-									-	-	-
5.7 - 9910 INFORMATION TECHNOLOGY 90-91		544	591	5 951	13 770	15 550	15 550	10 132	9 270	10 270	9 250									9 270	10 270	9 250
5.8 - 2235 PROPERTY MANAGEMENT 11-12		-	-	-	-	-	-	-	-	-	-									-	-	-
5.9 - 6220 MUNICIPAL BUILDINGS AND STRUCTURES 12-13		5 818	9 980	24 258	16 431	17 914	17 914	3 967	47 150	40 700	3 300									47 150	40 700	3 300
Vote 6 - FINANCIAL SERVICES		-	-	571	250	1 419	1 419	1 269	100	100	100									100	100	100
6.1 - 9900 FINANCIAL SERVICES: GENERAL 92-93		-	-	571	250	1 419	1 419	1 269	-	-	-									-	-	-
6.2 - 9920 FINANCIAL SERVICES: STORES 94		-	-	-	-	-	-	-	-	-	-									-	-	-
6.3 - 9921 FINANCIAL SERVICES: SCM 94		-	-	-	-	-	-	-	-	-	-									-	-	-
6.4 - 5130 LOGISTICS AND FLEET MANAGEMENT 22		-	-	-	-	-	-	-	100	100	100									100	100	100
Capital multi-year expenditure sub-total		96 193	106 089	319 271	490 930	475 319	475 319	190 796	586 686	558 482	521 200									586 686	558 482	



Vote Description	Ref	2020/21			2021/22			2022/23			Current Year 2023/24					2024/25 Medium Term Revenue & Expenditure Framework	
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	2024/25	2025/26	2026/27	2024/25	2025/26	
<b>Capital expenditure - Municipal Vote</b>																	
<b>Single year expenditure appropriation</b>																	
<b>Vote 1 - OFFICE OF THE MUNICIPAL MANAGER</b>																	
1.1 - 1100 MUNICIPAL MANAGER 1	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1.2 - 1105 INTERNAL AUDIT 2		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1.3 - 1106 AUDIT COMMITTEE 2		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1.4 - 1111 UMASON EXECUTIVE 2		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1.5 - 7700 COMMUNICATION SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1.6 - 8100 PUBLIC STRATEGIC PROGRAMS 88-89		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1.7 - 8100 PUBLIC PARTICIPATION		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Vote 2 - PLANNING AND DEVELOPMENT SERVICES</b>																	
2.1 - 2200 PLANNING AND DEVELOPMENT - GENERAL 3		8 626	(2 652)	524	1 220	583	583	58	1 950	1 300	1 300	-	-	-	-	-	
2.2 - 2205 BUILDING CONTROL 4		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2.3 - 2220 TOWN DEVELOPMENT 4		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2.4 - 2220 TOWN DEVELOPMENT 5		102	184	181	75	88	75	10	75	75	80	-	-	-	-	-	
2.5 - 8200 LOCAL ECONOMIC DEVELOPMENT 6-7		2 296	181	508	75	88	88	27	75	75	80	-	-	-	-	-	
2.6 - 3300 HUMAN SETTLEMENTS GENERAL 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2.7 - 3301 HOUSING ADMINISTRATION 9-10		21	196	-	1 070	420	420	20	1 800	1 150	1 170	-	-	-	-	-	
2.8 - 3303 NEW HOUSING 10		6 162	(13 527)	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Vote 3 - INFRASTRUCTURE SERVICES</b>																	
3.1 - 4600 ENGINEERING SERVICES GENERAL		213 149	183 926	-	4 300	5 040	5 040	(777)	4 800	4 200	7 400	-	-	-	-	-	
3.2 - 4600 ELECTRICAL ENGINEERING SERVICES 54-58		37 010	42 039	-	-	-	-	-	1 000	1 500	6 000	-	-	-	-	-	
3.3 - 4630 REFUSE REMOVAL 59-61		1 088	2 493	-	-	-	-	-	-	300	-	-	-	-	-	-	
3.4 - 4630 ROADS		19 005	35 327	-	4 000	4 740	4 740	(429)	3 500	2 000	1 000	-	-	-	-	-	
3.5 - 4660 SEWERAGE NETWORK		107 712	67 726	-	300	300	300	259	300	400	400	-	-	-	-	-	
3.6 - 4660 WATER NETWORK		33 877	28 071	-	-	-	-	-	-	-	-	-	-	-	-	-	
3.7 - 4410 ELECTRICAL ENG. CLIENT SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3.8 - 4420 ELECTRICAL ENG. SYSTEM OPERATIONS		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3.9 - 2205 DEVELOP SERVICES & PROJECT MANAGEMENT		14 323	8 273	-	-	-	-	-	-	-	-	-	-	-	-	-	
3.10 - 6500 CLEANING OF STREETS		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Vote 4 - COMMUNITY AND PROTECTION SERVICES</b>																	
4.1 - 5110 COMMUNITY AND PROTECTION - GENERAL 20		9 572	49 677	1 625	4 150	9 166	9 166	1 390	17 609	4 860	13 550	-	-	-	-	-	
4.2 - 5120 FIRE SERVICES 20-22		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
4.3 - 5140 TRAFFIC SERVICES LICENSING 22-23		1 881	9 071	23	1 200	1 200	1 200	-	1 000	1 000	1 000	-	-	-	-	-	
4.4 - 506 DISASTER MANAGEMENT 25-26		301	247	-	1 200	1 200	1 200	-	4 250	2 000	-	-	-	-	-	-	
4.5 - 5710 LAW ENFORCEMENT 26-27		5 042	4 446	-	-	-	-	-	-	600	1 000	-	-	-	-	-	
4.6 - 5300 FORENSIC		1 622	31 571	445	600	1 050	1 050	682	1 000	500	4 100	-	-	-	-	-	
4.7 - 5400 CENTRAL STATION 43-44		1 765	2 000	961	1 150	1 805	1 805	671	3 500	200	1 000	-	-	-	-	-	
4.8 - 3300 LIBRARY PLIN STREET 46-47		153	511	196	200	5 111	5 111	17	700	770	200	-	-	-	-	-	
4.10 - 3113 COMMUNITY DEVELOPMENT 5-6		126	143	-	1 000	-	-	-	6 329	-	6 000	-	-	-	-	-	
<b>Vote 5 - CORPORATE SERVICES</b>																	
5.1 - 7100 HUMAN RESOURCES SERVICES GENERAL 80-81		62 581	12 939	569	3 700	1 119	1 119	970	-	-	-	-	-	-	-	-	
5.2 - 7100 HUMAN RESOURCES SERVICES 82		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
5.3 - 5715 OCCUPATIONAL SAFETY 82		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
5.4 - 7700 DOCUMENTATION AND ARCHIVES 82-83		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
5.5 - 7720 LEGAL SERVICES 84		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
5.6 - 7800 COUNCIL GENERAL EXPENSES 85-86		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
5.7 - 9910 INFORMATION TECHNOLOGY 90-91		7 466	7 671	-	-	-	-	-	-	-	-	-	-	-	-	-	
5.8 - 2235 PROPERTY MANAGEMENT 11-12		55 095	5 268	569	3 700	1 119	1 119	970	-	-	-	-	-	-	-	-	
5.9 - 6220 MUNICIPAL BUILDINGS AND STRUCTURES 12-13		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Vote 6 - FINANCIAL SERVICES</b>																	
6.1 - 9900 FINANCIAL SERVICES GENERAL 92-93		2 821	381	-	500	500	500	-	1 300	1 300	1 300	-	-	-	-	-	
6.2 - 9920 FINANCIAL SERVICES STORES 94		2 821	381	-	500	500	500	-	1 300	1 150	1 150	-	-	-	-	-	
6.3 - 9921 FINANCIAL SERVICES STORES 94		-	-	-	-	-	-	-	150	150	150	-	-	-	-	-	
6.4 - 5130 LOGISTICS AND FLEET MANAGEMENT 22		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Capital services year expenditure sub-total</b>		226 748	224 080	-	2 718	16 407	16 407	2 241	25 539	11 660	22 530	-	-	-	-	-	
<b>Total Capital Expenditure</b>		372 341	350 170	-	321 959	491 728	491 728	193 043	612 343	570 192	541 180	-	-	-	-	-	

Multi-year appropriation (or Budget Year 2024/25 in the 2023/24 Annual Budget)				Multi-year appropriation for 2025/26 in the 2023/24 Annual Budget				New multi-year appropriations (funds for new and existing projects)					
Appropriation for 2024/25	Adjustments in 2023/24	Donorment for 2024/25	Appropriation carried forward	Appropriation for 2024/25	Adjustments in 2023/24	Donorment for 2024/25	Appropriation carried forward	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27			
-	-	-	-	-	-	-	-	-	-	-	-	-	-

WC024 Stellenbosch - Table A6 Budgeted Financial Position

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousand</b>											
<b>ASSETS</b>											
<b>Current assets</b>											
Cash and cash equivalents		350 070	443 400	580 301	428 557	621 473	621 473	797 205	670 330	844 469	1 105 531
Trade and other receivables from exchange transaction	1	171 484	187 278	248 213	219 378	248 105	248 105	347 446	257 174	269 102	284 323
Receivables from non-exchange transactions	1	57 475	61 600	46 437	113 233	37 785	37 785	157 634	27 565	16 447	4 878
Current portion of non-current receivables		-	-	-	-	-	-	-	-	-	-
Inventory	2	53 315	29 030	36 031	28 822	36 033	36 033	44 570	35 360	33 381	31 096
VAT		635 801	18 651	12 014	17 358	12 014	12 014	124 045	12 014	12 014	12 014
Other current assets		(7 643)	5 349	5 961	5 349	5 961	5 961	1 590	5 961	5 961	5 961
<b>Total current assets</b>		<b>1 260 502</b>	<b>745 309</b>	<b>928 958</b>	<b>812 698</b>	<b>961 372</b>	<b>961 372</b>	<b>1 472 490</b>	<b>1 008 406</b>	<b>1 181 374</b>	<b>1 443 803</b>
<b>Non current assets</b>											
Investments		-	-	-	-	-	-	-	-	-	-
Investment property		412 144	425 500	425 076	418 091	426 893	426 893	424 842	426 452	425 994	425 518
Property, plant and equipment	3	5 426 299	5 574 143	5 624 659	6 004 827	5 887 144	5 887 144	5 748 859	6 251 418	6 563 815	6 840 530
Biological assets		5 143	5 143	5 143	5 643	5 493	5 493	5 264	5 743	5 743	5 743
Living and non-living resources		-	-	-	-	-	-	-	-	-	-
Heritage assets		1 037	1 037	1 313	3 537	1 313	1 313	1 313	1 313	1 312	1 312
Intangible assets		10 979	7 067	4 261	4 514	4 997	4 997	4 210	3 850	2 658	1 418
Trade and other receivables from exchange transaction		7 762	6 649	4 582	6 649	4 582	4 582	4 582	4 582	4 582	4 582
Non-current receivables from non-exchange transaction		119	72	17	72	17	17	17	17	17	17
Other non-current assets		-	-	-	-	-	-	-	-	-	-
<b>Total non current assets</b>		<b>5 863 482</b>	<b>6 019 610</b>	<b>6 065 050</b>	<b>6 443 332</b>	<b>6 330 437</b>	<b>6 330 437</b>	<b>6 189 086</b>	<b>6 693 375</b>	<b>7 004 121</b>	<b>7 279 119</b>
<b>TOTAL ASSETS</b>		<b>7 123 985</b>	<b>6 764 919</b>	<b>6 994 008</b>	<b>7 256 030</b>	<b>7 291 810</b>	<b>7 291 810</b>	<b>7 661 576</b>	<b>7 701 781</b>	<b>8 185 496</b>	<b>8 722 922</b>
<b>LIABILITIES</b>											
<b>Current liabilities</b>											
Bank overdraft		-	-	-	-	-	-	-	-	-	-
Financial liabilities		34 224	51 902	55 047	63 043	62 457	62 457	28 153	62 457	62 457	62 457
Consumer deposits		21 008	22 155	23 689	22 755	23 689	23 689	25 092	23 689	23 689	23 689
Trade and other payables from exchange transactions	4	294 495	267 902	323 552	278 475	323 986	323 986	195 163	433 187	557 456	688 099
Trade and other payables from non-exchange transactions	5	15 504	29 779	28 945	6 113	21 235	21 235	116 581	21 085	21 085	20 576
Provision		56 471	59 586	58 284	74 461	55 698	55 698	48 295	59 899	61 635	72 415
VAT		474 538	-	-	3 472	5 029	5 029	138 837	10 919	17 453	24 704
Other current liabilities		141 754	-	-	-	-	-	-	-	-	-
<b>Total current liabilities</b>		<b>1 037 993</b>	<b>431 325</b>	<b>489 517</b>	<b>448 318</b>	<b>492 093</b>	<b>492 093</b>	<b>552 121</b>	<b>611 236</b>	<b>743 774</b>	<b>891 939</b>
<b>Non current liabilities</b>											
Financial liabilities	6	334 733	428 952	447 598	655 062	584 555	584 555	447 601	720 635	843 023	947 118
Provision	7	341 941	364 634	286 622	404 600	322 387	322 387	286 622	355 936	391 039	427 782
Long term portion of trade payables		-	-	-	-	-	-	-	-	-	-
<b>Total non current liabilities</b>		<b>676 674</b>	<b>793 586</b>	<b>734 220</b>	<b>1 059 662</b>	<b>906 942</b>	<b>906 942</b>	<b>734 223</b>	<b>1 076 572</b>	<b>1 234 062</b>	<b>1 374 900</b>
<b>TOTAL LIABILITIES</b>		<b>1 714 668</b>	<b>1 224 911</b>	<b>1 223 736</b>	<b>1 507 980</b>	<b>1 399 035</b>	<b>1 399 035</b>	<b>1 286 344</b>	<b>1 687 808</b>	<b>1 977 836</b>	<b>2 266 839</b>
<b>NET ASSETS</b>		<b>5 409 317</b>	<b>5 540 008</b>	<b>5 770 272</b>	<b>5 748 050</b>	<b>5 892 774</b>	<b>5 892 774</b>	<b>6 375 231</b>	<b>6 013 973</b>	<b>6 207 660</b>	<b>6 456 083</b>
<b>COMMUNITY WEALTH/EQUITY</b>											
Accumulated surplus/(deficit)	8	5 247 385	5 374 201	5 611 659	5 561 338	5 573 289	5 573 289	5 964 547	5 969 266	6 389 661	6 411 376
Reserves and funds	9	162 491	171 887	171 887	186 712	319 502	319 502	171 887	44 707	(182 001)	44 707
Other		-	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	10	<b>5 409 876</b>	<b>5 546 088</b>	<b>5 783 546</b>	<b>5 748 050</b>	<b>5 892 791</b>	<b>5 892 791</b>	<b>6 136 434</b>	<b>6 013 973</b>	<b>6 207 660</b>	<b>6 456 083</b>

WC024 Stellenbosch - Table A7 Budgeted Cash Flows

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousand</b>											
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates		1 766 391	1 452 016	1 249 264	481 350	481 303	481 303	(1 123 053)	488 755	506 540	534 835
Service charges		711 917	733 711	920 983	1 479 263	1 481 790	1 481 790	(797 296)	1 633 834	1 814 777	2 017 261
Other revenue		6 325	11 634	16 911	146 227	179 434	179 434	(60 279)	208 172	198 463	198 385
Transfers and Subsidies - Operational	1	70 041	4 199	1 235	240 911	224 379	224 379	(203)	245 488	299 530	355 884
Transfers and Subsidies - Capital	1	5 000	40 179	52	103 856	123 891	123 891	-	99 123	97 477	105 872
Interest		2 307	2 318	5 423	41 193	44 168	44 168	(6 280)	44 232	44 674	45 121
Dividends		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Suppliers and employees		(54 461)	(1 098 420)	(370 123)	(2 000 844)	(2 011 898)	(2 011 898)	(1 844 873)	(2 026 530)	(2 174 193)	(2 389 257)
Interest		-	-	-	(42 802)	(42 802)	(42 802)	-	(55 361)	(58 361)	(62 361)
Transfers and Subsidies	1	-	(8 588)	(4 786)	(20 636)	(20 636)	(20 636)	-	(20 739)	(21 493)	(22 276)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>2 507 520</b>	<b>1 137 048</b>	<b>1 818 960</b>	<b>428 518</b>	<b>459 628</b>	<b>459 628</b>	<b>(3 831 983)</b>	<b>616 974</b>	<b>707 413</b>	<b>783 464</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		(7 881)	(6 721)	(4 599)	(6 721)	(4 599)	(4 599)	(4 599)	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Capital assets		(137 089)	(38 701)	(12 791)	-	-	-	(13 451)	(704 197)	(655 663)	(626 497)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(144 969)</b>	<b>(45 421)</b>	<b>(17 389)</b>	<b>(6 721)</b>	<b>(4 599)</b>	<b>(4 599)</b>	<b>(18 050)</b>	<b>(704 197)</b>	<b>(655 663)</b>	<b>(626 497)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	(144 000)	-	200 000	200 000	200 000	-	200 000	200 000	200 000
Increase (decrease) in consumer deposits		1 251	1 147	1 534	-	-	-	1 403	-	-	-
<b>Payments</b>											
Repayment of borrowing		(26 753)	(34 221)	(46 031)	(55 632)	(55 632)	(55 632)	(26 894)	(63 920)	(77 612)	(95 905)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(25 502)</b>	<b>(177 074)</b>	<b>(44 497)</b>	<b>144 368</b>	<b>144 368</b>	<b>144 368</b>	<b>(25 490)</b>	<b>136 080</b>	<b>122 388</b>	<b>104 095</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>2 337 049</b>	<b>914 553</b>	<b>1 757 074</b>	<b>566 165</b>	<b>599 397</b>	<b>599 397</b>	<b>(3 875 523)</b>	<b>48 857</b>	<b>174 138</b>	<b>261 062</b>
Cash/cash equivalents at the year begin:	2	415 318	334 083	443 400	432 641	580 301	580 301	580 301	621 473	670 330	844 469
Cash/cash equivalents at the year end:	2	2 752 367	1 248 637	2 200 474	998 806	1 179 698	1 179 698	(3 295 222)	670 330	844 469	1 105 531

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

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousand</b>											
<b>Cash and investments available</b>											
Cash/cash equivalents at the year end	1	2 752 367	1 248 637	2 200 474	998 806	1 179 698	1 179 698	(3 295 222)	670 330	844 469	1 105 531
Other current investments > 90 days		(2 402 297)	(805 237)	(1 620 173)	(570 249)	(558 225)	(558 225)	4 092 427	-	-	(0)
Non current Investments	1	-	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		<b>350 070</b>	<b>443 400</b>	<b>580 301</b>	<b>428 557</b>	<b>621 473</b>	<b>621 473</b>	<b>797 205</b>	<b>670 330</b>	<b>844 469</b>	<b>1 105 531</b>
<b>Application of cash and investments</b>											
Trade payables from Non-exchange transactions: Unspent cond		15 504	24 931	33 391	6 113	21 332	21 332	116 241	21 182	21 182	20 673
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	161 263	18 651	12 014	312 895	305 820	305 820	(14 792)	341 023	331 621	337 166
Other working capital requirements	3	401 069	240 738	302 953	231 286	308 434	308 434	276 385	421 746	550 476	685 985
Other provisions		(56 471)	(59 586)	(58 284)	(57 542)	(40 684)	(40 684)	(48 295)	(43 773)	(44 580)	(54 376)
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
<b>Total Application of cash and investments:</b>		<b>521 365</b>	<b>224 734</b>	<b>290 074</b>	<b>492 752</b>	<b>594 902</b>	<b>594 902</b>	<b>329 539</b>	<b>740 178</b>	<b>858 700</b>	<b>989 447</b>
<b>Surplus(shortfall)</b>		<b>(171 295)</b>	<b>218 666</b>	<b>290 227</b>	<b>(64 195)</b>	<b>26 572</b>	<b>26 572</b>	<b>467 665</b>	<b>(69 848)</b>	<b>(14 231)</b>	<b>116 083</b>

References

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

<u>Other working capital requirements</u>											
Debtors		35 180	30 266	20 939	47 189	15 552	15 552	(81 222)	11 441	6 980	2 114
Creditors due		436 249	271 004	323 892	278 475	323 986	323 986	195 163	433 187	557 456	688 099
<b>Total</b>		<b>(401 069)</b>	<b>(240 738)</b>	<b>(302 953)</b>	<b>(231 286)</b>	<b>(308 434)</b>	<b>(308 434)</b>	<b>(276 385)</b>	<b>(421 746)</b>	<b>(550 476)</b>	<b>(685 985)</b>

<u>Debtors collection assumptions</u>											
Balance outstanding - debtors		57 475	61 600	46 437	113 233	37 785	37 785	157 634	27 565	16 447	4 878
Estimate of debtors collection rate		61.2%	49.1%	45.1%	41.7%	41.2%	41.2%	-51.5%	41.5%	42.4%	43.3%

<u>Long term investments committed</u>											
<b>Balance (Insert description; eg sinking fund)</b>											
Bankers Acceptance Certificate		-	-	-	-	-	-	-	-	-	-
Deposit Taking Institutions		-	-	-	-	-	-	-	-	-	-
Bank Repurchase Agreements		-	-	-	-	-	-	-	-	-	-
Derivative Financial Assets		-	-	-	-	-	-	-	-	-	-
Guaranteed Endowment Policies (Sinking)		-	-	-	-	-	-	-	-	-	-
Listed/Unlisted Bonds and Stocks		-	-	-	-	-	-	-	-	-	-
Municipal Bonds		-	-	-	-	-	-	-	-	-	-
National Government Securities		-	-	-	-	-	-	-	-	-	-
Negotiable Certificate of Deposits: Banks		-	-	-	-	-	-	-	-	-	-
Unamortised Debt Expense		-	-	-	-	-	-	-	-	-	-
Unamortised Preference Share Expense		-	-	-	-	-	-	-	-	-	-
Interest Rate Swaps		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-

<u>Reserves to be backed by cash/investments</u>											
Housing Development Fund		-	9 396	9 396	-	9 396	9 396	9 396	9 396	9 396	9 396
Capital replacement		152 605	(58 580)	(58 580)	176 826	89 035	89 035	(58 580)	(185 760)	(412 468)	(185 760)
Self-insurance		9 885	9 885	9 885	9 885	9 885	9 885	9 885	9 885	9 885	9 885
Compensation for Occupational Injuries and Diseases		-	-	-	-	-	-	-	-	-	-
Employee Benefit		-	-	-	-	-	-	-	-	-	-
Non-current Provisions		-	-	-	-	-	-	-	-	-	-
Valuation		-	-	-	-	-	-	-	-	-	-
Investment in associate account		-	-	-	-	-	-	-	-	-	-
Capitalisation		-	(211 185)	(211 185)	-	(211 185)	(211 185)	(211 185)	(211 185)	(211 185)	(211 185)
	6	<b>162 491</b>	<b>(250 484)</b>	<b>(250 484)</b>	<b>186 712</b>	<b>(102 869)</b>	<b>(102 869)</b>	<b>(250 484)</b>	<b>(377 664)</b>	<b>(604 372)</b>	<b>(377 664)</b>

WC024 Stellenbosch - Table A9 Asset Management

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
		R thousand								
<b>CAPITAL EXPENDITURE</b>										
<b>Total New Assets</b>	1	290 204	160 805	210 587	308 823	300 188	300 188	264 663	249 961	290 262
<i>Roads Infrastructure</i>		39 215	3 337	32 420	24 800	26 943	26 943	33 300	38 300	25 600
<i>Storm water Infrastructure</i>		-	-	291	2 500	6 600	6 600	4 000	2 600	-
<i>Electrical Infrastructure</i>		20 376	45 569	58 057	83 698	69 071	69 071	56 251	93 493	130 291
<i>Water Supply Infrastructure</i>		22 905	25 258	71 100	101 354	76 030	76 030	74 752	42 160	83 220
<i>Sanitation Infrastructure</i>		28 848	27 193	495	2 500	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		9 464	5 330	7 463	60 500	86 377	86 377	39 600	25 700	25 500
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		131	82	-	2 000	1 909	1 909	4 000	4 000	2 000
<b>Infrastructure</b>		<b>120 939</b>	<b>106 769</b>	<b>169 825</b>	<b>277 352</b>	<b>266 931</b>	<b>266 931</b>	<b>211 903</b>	<b>206 253</b>	<b>266 611</b>
Community Facilities		5 419	2 706	4 400	1 000	1 000	1 000	1 500	-	-
Sport and Recreation Facilities		2 362	(14 816)	246	300	300	300	200	2 000	-
<b>Community Assets</b>		<b>7 781</b>	<b>(12 110)</b>	<b>4 646</b>	<b>1 300</b>	<b>1 300</b>	<b>1 300</b>	<b>1 700</b>	<b>2 000</b>	<b>-</b>
<b>Heritage Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenue Generating		3 681	1 400	-	-	-	-	-	-	-
Non-revenue Generating		2 006	-	-	-	-	-	-	-	-
<b>Investment properties</b>		<b>5 688</b>	<b>1 400</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Operational Buildings		75 577	30 808	18 561	300	238	238	2 150	8 500	500
Housing		48 815	13 399	-	-	970	970	-	-	-
<b>Other Assets</b>		<b>124 392</b>	<b>44 207</b>	<b>18 561</b>	<b>300</b>	<b>1 208</b>	<b>1 208</b>	<b>2 150</b>	<b>8 500</b>	<b>500</b>
<b>Biological or Cultivated Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Computer Equipment		354	1 930	5 814	5 770	7 975	7 975	4 270	5 270	3 500
Furniture and Office Equipment		3 128	3 149	1 397	770	2 938	2 938	1 710	1 825	1 365
Machinery and Equipment		11 883	10 929	8 627	13 165	7 811	7 811	22 930	14 613	7 686
Transport Assets		16 040	4 531	1 717	10 166	12 025	12 025	20 000	11 500	10 600
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
<b>Total Renewal of Existing Assets</b>	2	<b>30 214</b>	<b>40 909</b>	<b>22 303</b>	<b>33 634</b>	<b>55 927</b>	<b>55 927</b>	<b>40 620</b>	<b>54 460</b>	<b>78 812</b>
<i>Roads Infrastructure</i>		25 841	28 892	7 973	4 500	27 178	27 178	8 000	11 800	8 000
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		2 819	194	10 612	17 034	17 067	17 067	20 670	30 660	56 562
<i>Water Supply Infrastructure</i>		1 138	7 132	2 605	4 000	695	695	6 000	6 000	8 000
<i>Sanitation Infrastructure</i>		-	2 468	593	4 000	10 117	10 117	5 750	6 000	6 000
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		<b>29 798</b>	<b>38 687</b>	<b>21 783</b>	<b>29 534</b>	<b>55 058</b>	<b>55 058</b>	<b>40 420</b>	<b>54 460</b>	<b>78 562</b>
Community Facilities		-	-	73	400	349	349	50	-	-
Sport and Recreation Facilities		216	904	329	3 700	520	520	150	-	250
<b>Community Assets</b>		<b>216</b>	<b>904</b>	<b>402</b>	<b>4 100</b>	<b>869</b>	<b>869</b>	<b>200</b>	<b>-</b>	<b>250</b>
<b>Heritage Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Operational Buildings		200	680	117	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
<b>Other Assets</b>		<b>200</b>	<b>680</b>	<b>117</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Biological or Cultivated Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	638	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
<b>Total Upgrading of Existing Assets</b>	6	<b>72 523</b>	<b>138 456</b>	<b>89 100</b>	<b>162 343</b>	<b>135 611</b>	<b>135 611</b>	<b>307 062</b>	<b>265 721</b>	<b>175 706</b>
<i>Roads Infrastructure</i>		6 697	18 610	18 421	38 200	31 362	31 362	32 558	38 700	32 656
<i>Storm water Infrastructure</i>		1 307	14	-	100	600	600	50	200	300
<i>Electrical Infrastructure</i>		16 624	19 304	5 483	11 381	13 326	13 326	8 953	6 250	6 250
<i>Water Supply Infrastructure</i>		10 993	5 804	6 962	33 600	20 673	20 673	101 368	73 750	30 250
<i>Sanitation Infrastructure</i>		6 780	27 278	38 721	39 840	19 751	19 751	62 354	54 900	87 500
<i>Solid Waste Infrastructure</i>		772	769	-	1 500	1 530	1 530	4 500	-	-

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		138	903	137	6 000	5 945	5 945	2 500	2 500	2 750
<b>Infrastructure</b>		<b>43 313</b>	<b>72 682</b>	<b>69 724</b>	<b>130 621</b>	<b>93 188</b>	<b>93 188</b>	<b>212 283</b>	<b>176 300</b>	<b>159 706</b>
Community Facilities		6 527	7 232	6 974	13 980	17 199	17 199	48 179	44 421	8 400
Sport and Recreation Facilities		1 720	32 464	1 856	4 211	6 841	6 841	4 050	1 200	1 000
<b>Community Assets</b>		<b>8 247</b>	<b>39 696</b>	<b>8 830</b>	<b>18 191</b>	<b>24 040</b>	<b>24 040</b>	<b>52 229</b>	<b>45 621</b>	<b>9 400</b>
<b>Heritage Assets</b>		<b>263</b>	<b>-</b>	<b>276</b>	<b>5 781</b>	<b>7 483</b>	<b>7 483</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenue Generating		3 276	-	-	-	-	-	-	-	-
Non-revenue Generating		5 785	5 082	4 852	-	-	-	-	-	-
<b>Investment properties</b>		<b>9 061</b>	<b>5 082</b>	<b>4 852</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Operational Buildings		3 018	17 693	5 211	5 500	9 481	9 481	38 150	40 300	2 600
Housing		1 874	-	-	1 000	350	350	3 650	3 000	3 000
<b>Other Assets</b>		<b>4 893</b>	<b>17 693</b>	<b>5 211</b>	<b>6 500</b>	<b>9 831</b>	<b>9 831</b>	<b>41 800</b>	<b>43 300</b>	<b>5 600</b>
<b>Biological or Cultivated Assets</b>		<b>-</b>	<b>-</b>	<b>207</b>	<b>250</b>	<b>350</b>	<b>350</b>	<b>250</b>	<b>-</b>	<b>-</b>
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Computer Equipment		6 577	3 210	-	1 000	720	720	500	500	1 000
Furniture and Office Equipment		169	93	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure</b>	4	<b>392 941</b>	<b>340 170</b>	<b>321 989</b>	<b>504 800</b>	<b>491 726</b>	<b>491 726</b>	<b>612 345</b>	<b>570 142</b>	<b>544 780</b>
<i>Roads Infrastructure</i>		71 754	50 840	58 813	67 500	85 484	85 484	73 858	88 800	66 256
<i>Storm water Infrastructure</i>		1 307	14	291	2 600	7 200	7 200	4 050	2 800	300
<i>Electrical Infrastructure</i>		39 819	65 067	74 152	112 113	99 465	99 465	85 874	130 403	193 104
<i>Water Supply Infrastructure</i>		35 036	38 195	80 666	138 954	97 399	97 399	182 121	121 910	121 470
<i>Sanitation Infrastructure</i>		35 628	56 939	39 809	46 340	29 868	29 868	68 104	60 900	93 500
<i>Solid Waste Infrastructure</i>		10 237	6 099	7 463	62 000	87 907	87 907	44 100	25 700	25 500
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		269	985	137	8 000	7 855	7 855	6 500	6 500	4 750
<b>Infrastructure</b>		<b>194 050</b>	<b>218 138</b>	<b>261 332</b>	<b>437 507</b>	<b>415 177</b>	<b>415 177</b>	<b>464 606</b>	<b>437 013</b>	<b>504 880</b>
Community Facilities		11 946	9 938	11 446	15 380	18 548	18 548	49 729	44 421	8 400
Sport and Recreation Facilities		4 298	18 552	2 432	8 211	7 660	7 660	4 400	3 200	1 250
<b>Community Assets</b>		<b>16 244</b>	<b>28 490</b>	<b>13 878</b>	<b>23 591</b>	<b>26 209</b>	<b>26 209</b>	<b>54 129</b>	<b>47 621</b>	<b>9 650</b>
<b>Heritage Assets</b>		<b>263</b>	<b>-</b>	<b>276</b>	<b>5 781</b>	<b>7 483</b>	<b>7 483</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenue Generating		6 957	1 400	-	-	-	-	-	-	-
Non-revenue Generating		7 791	5 082	4 852	-	-	-	-	-	-
<b>Investment properties</b>		<b>14 748</b>	<b>6 482</b>	<b>4 852</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Operational Buildings		78 796	49 180	23 890	5 800	9 719	9 719	40 300	48 800	3 100
Housing		50 689	13 399	-	1 000	1 320	1 320	3 650	3 000	3 000
<b>Other Assets</b>		<b>129 484</b>	<b>62 579</b>	<b>23 890</b>	<b>6 800</b>	<b>11 039</b>	<b>11 039</b>	<b>43 950</b>	<b>51 800</b>	<b>6 100</b>
<b>Biological or Cultivated Assets</b>		<b>-</b>	<b>-</b>	<b>207</b>	<b>250</b>	<b>350</b>	<b>350</b>	<b>250</b>	<b>-</b>	<b>-</b>
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Computer Equipment		6 931	5 140	5 814	6 770	8 695	8 695	4 770	5 770	4 500
Furniture and Office Equipment		3 298	3 880	1 397	770	2 938	2 938	1 710	1 825	1 365
Machinery and Equipment		11 883	10 929	8 627	13 165	7 811	7 811	22 930	14 613	7 686
Transport Assets		16 040	4 531	1 717	10 166	12 025	12 025	20 000	11 500	10 600
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>		<b>392 941</b>	<b>340 170</b>	<b>321 989</b>	<b>504 800</b>	<b>491 726</b>	<b>491 726</b>	<b>612 345</b>	<b>570 142</b>	<b>544 780</b>
<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	<b>5 855 602</b>	<b>6 012 889</b>	<b>6 060 452</b>	<b>6 436 612</b>	<b>6 325 839</b>	<b>6 325 839</b>	<b>6 688 776</b>	<b>6 999 523</b>	<b>7 274 521</b>
<i>Roads Infrastructure</i>		811 846	835 803	855 978	846 054	889 683	889 683	908 343	939 350	946 229
<i>Storm water Infrastructure</i>		37 002	35 982	35 117	16 651	41 326	41 326	44 270	45 921	45 025
<i>Electrical Infrastructure</i>		938 767	992 045	994 052	1 103 158	1 060 306	1 060 306	1 111 642	1 206 125	1 361 872
<i>Water Supply Infrastructure</i>		1 405 035	1 389 284	1 408 325	1 500 274	1 454 398	1 454 398	1 583 640	1 650 036	1 713 771
<i>Sanitation Infrastructure</i>		997 701	1 051 418	1 048 268	1 064 221	1 045 107	1 045 107	1 076 465	1 099 149	1 152 905
<i>Solid Waste Infrastructure</i>		75 733	59 652	52 849	127 372	143 244	143 244	184 689	207 850	230 709
<i>Rail Infrastructure</i>		-	-	-	-	6 251	6 251	6 251	6 251	6 251
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		1 207	1 413	1 129	12 789	14 110	14 110	20 662	28 540	34 643
<b>Infrastructure</b>		<b>4 267 291</b>	<b>4 365 597</b>	<b>4 401 969</b>	<b>4 670 518</b>	<b>4 654 425</b>	<b>4 654 425</b>	<b>4 935 963</b>	<b>5 183 222</b>	<b>5 491 406</b>
<b>Community Assets</b>		<b>93 240</b>	<b>131 816</b>	<b>140 355</b>	<b>160 806</b>	<b>160 027</b>	<b>160 027</b>	<b>206 076</b>	<b>247 465</b>	<b>250 675</b>
<b>Heritage Assets</b>		<b>1 037</b>	<b>1 037</b>	<b>1 313</b>	<b>3 537</b>	<b>1 313</b>	<b>1 313</b>	<b>1 313</b>	<b>1 312</b>	<b>1 312</b>
<b>Investment properties</b>		<b>412 144</b>	<b>425 500</b>	<b>425 076</b>	<b>418 091</b>	<b>426 893</b>	<b>426 893</b>	<b>426 452</b>	<b>425 994</b>	<b>425 518</b>
<b>Other Assets</b>		<b>419 085</b>	<b>439 641</b>	<b>462 044</b>	<b>541 924</b>	<b>469 515</b>	<b>469 515</b>	<b>500 601</b>	<b>532 219</b>	<b>525 650</b>

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousand</b>										
Biological or Cultivated Assets		5 143	5 143	5 143	5 643	5 493	5 493	5 743	5 743	5 743
Intangible Assets		10 979	7 067	4 261	4 514	4 997	4 997	3 850	2 658	1 418
Computer Equipment		24 915	29 108	28 633	22 359	20 796	20 796	12 624	3 758	(4 803)
Furniture and Office Equipment		15 441	18 666	15 423	16 885	13 202	13 202	9 614	4 611	(1 126)
Machinery and Equipment		43 469	26 944	21 850	43 688	20 145	20 145	35 150	45 398	38 144
Transport Assets		105 199	100 801	92 814	91 687	87 464	87 464	89 819	85 570	79 012
Land		457 660	461 571	461 571	456 960	461 571	461 571	461 571	461 571	461 571
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	<b>5</b>	<b>5 855 602</b>	<b>6 012 889</b>	<b>6 060 452</b>	<b>6 436 612</b>	<b>6 325 839</b>	<b>6 325 839</b>	<b>6 688 776</b>	<b>6 999 523</b>	<b>7 274 521</b>
<b>EXPENDITURE OTHER ITEMS</b>										
<u>Depreciation</u>	7	209 909	221 416	233 255	220 283	239 799	239 799	249 408	259 395	269 782
<u>Repairs and Maintenance by Asset Class</u>	3	66 302	63 917	84 992	113 859	125 123	125 123	120 048	128 918	143 108
<i>Roads Infrastructure</i>		11 835	18 132	20 485	21 913	20 447	20 447	25 042	25 859	26 725
<i>Storm water Infrastructure</i>		1 387	286	862	1 289	1 684	1 684	968	1 026	1 088
<i>Electrical Infrastructure</i>		(3 894)	65	10 633	15 056	11 277	11 277	12 624	13 145	13 693
<i>Water Supply Infrastructure</i>		6 124	2 192	10 858	13 750	16 342	16 342	15 171	15 925	16 721
<i>Sanitation Infrastructure</i>		13 672	5 780	7 327	11 316	36 383	36 383	22 316	24 007	25 938
<i>Solid Waste Infrastructure</i>		1 997	11 125	6 163	4 533	5 166	5 166	6 800	7 128	7 474
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		9 567	5 515	2 371	3 053	2 612	2 612	2 756	2 920	3 094
<b>Infrastructure</b>		<b>40 688</b>	<b>43 096</b>	<b>58 698</b>	<b>70 910</b>	<b>93 911</b>	<b>93 911</b>	<b>85 677</b>	<b>90 010</b>	<b>94 734</b>
Community Facilities		9 431	8 348	7 049	9 618	8 346	8 346	6 289	8 404	8 783
Sport and Recreation Facilities		1 287	850	-	135	15	15	15	15	16
<b>Community Assets</b>		<b>10 719</b>	<b>9 198</b>	<b>7 049</b>	<b>9 753</b>	<b>8 361</b>	<b>8 361</b>	<b>6 304</b>	<b>8 419</b>	<b>8 799</b>
<b>Heritage Assets</b>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Operational Buildings		8 629	3 368	7 106	16 159	10 400	10 400	14 292	16 075	24 495
Housing		719	287	123	261	130	130	226	232	240
<b>Other Assets</b>		<b>9 348</b>	<b>3 655</b>	<b>7 229</b>	<b>16 420</b>	<b>10 530</b>	<b>10 530</b>	<b>14 518</b>	<b>16 308</b>	<b>24 735</b>
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		2 671	2 035	2 806	3 876	2 169	2 169	2 473	2 627	2 783
Machinery and Equipment		-	-	743	563	563	563	834	885	938
Transport Assets		2 876	5 933	8 468	12 337	9 589	9 589	10 241	10 670	11 121
Libraries		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURE OTHER ITEMS</b>		<b>276 211</b>	<b>285 333</b>	<b>318 247</b>	<b>334 142</b>	<b>364 922</b>	<b>364 922</b>	<b>369 455</b>	<b>388 313</b>	<b>412 891</b>
<i>Renewal and upgrading of Existing Assets as % of total capex</i>		26.1%	52.7%	34.6%	38.8%	39.0%	39.0%	56.8%	56.2%	46.7%
<i>Renewal and upgrading of Existing Assets as % of deprecn</i>		48.9%	81.0%	47.8%	89.0%	79.9%	79.9%	139.4%	123.4%	94.3%
<i>R&amp;M as a % of PPE &amp; Investment Property</i>		1.1%	1.1%	1.4%	1.8%	2.0%	2.0%	1.8%	1.8%	2.0%
<i>Renewal and upgrading and R&amp;M as a % of PPE and Investment Prop</i>		2.9%	4.1%	3.2%	4.8%	5.0%	5.0%	7.0%	6.4%	5.5%

WC024 Stellenbosch - Table A10 Basic service delivery measurement

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>Household service targets</b>	1									
<b>Water:</b>										
Piped water inside dwelling		40 626	40 676	40 726	40 776	40 776	40 776	40 826	40 826	40 826
Piped water inside yard (but not in dwelling)		4 461	4 561	4 664	4 769	4 769	4 769	4 876	4 876	4 876
Using public tap (at least min.service level)	2	4 778	4 878	4 980	5 084	5 084	5 084	5 191	5 191	5 191
Other water supply (at least min.service level)	4	684	834	1 017	1 240	1 240	1 240	1 512	1 512	1 512
<i>Minimum Service Level and Above sub-total</i>		50 550	50 950	51 387	51 869	51 869	51 869	52 404	52 404	52 404
Using public tap (< min.service level)	3	1 170	1 070	979	896	896	896	820	820	820
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		207	157	119	90	90	90	68	68	68
<i>Below Minimum Service Level sub-total</i>		1 377	1 227	1 098	986	986	986	888	888	888
<b>Total number of households</b>	5	<b>51 927</b>	<b>52 177</b>	<b>52 485</b>	<b>52 855</b>	<b>52 855</b>	<b>52 855</b>	<b>53 292</b>	<b>53 292</b>	<b>53 292</b>
<b>Sanitation/sewerage:</b>										
Flush toilet (connected to sewerage)		46 256	46 306	46 356	46 406	46 406	46 406	46 456	46 456	46 456
Flush toilet (with septic tank)		2 165	2 265	2 370	2 480	2 480	2 480	2 595	2 595	2 595
Chemical toilet		407	420	433	446	446	446	460	460	460
Pit toilet (ventilated)		50	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)		1 898	2 236	2 633	3 101	3 101	3 101	3 652	3 652	3 652
<i>Minimum Service Level and Above sub-total</i>		50 777	51 227	51 792	52 433	52 433	52 433	53 163	53 163	53 163
Bucket toilet		800	700	613	537	537	537	470	470	470
Other toilet provisions (< min.service level)		50	-	-	-	-	-	-	-	-
No toilet provisions		300	250	208	173	173	173	144	144	144
<i>Below Minimum Service Level sub-total</i>		1 150	950	821	710	710	710	614	614	614
<b>Total number of households</b>	5	<b>51 927</b>	<b>52 177</b>	<b>52 613</b>	<b>53 143</b>	<b>53 143</b>	<b>53 143</b>	<b>53 777</b>	<b>53 777</b>	<b>53 777</b>
<b>Energy:</b>										
Electricity (at least min.service level)		14 821	15 071	15 325	15 583	15 583	15 583	15 846	15 846	15 846
Electricity - prepaid (min.service level)		35 003	35 253	35 505	35 759	35 759	35 759	36 014	36 014	36 014
<i>Minimum Service Level and Above sub-total</i>		49 824	50 324	50 830	51 342	51 342	51 342	51 860	51 860	51 860
Electricity (< min.service level)		150	150	150	150	150	150	150	150	150
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		1 953	1 703	1 485	1 295	1 295	1 295	1 129	1 129	1 129
<i>Below Minimum Service Level sub-total</i>		2 103	1 853	1 635	1 445	1 445	1 445	1 279	1 279	1 279
<b>Total number of households</b>	5	<b>51 927</b>	<b>52 177</b>	<b>52 465</b>	<b>52 787</b>	<b>52 787</b>	<b>52 787</b>	<b>53 140</b>	<b>53 140</b>	<b>53 140</b>
<b>Refuse:</b>										
Removed at least once a week		47 649	48 149	48 654	49 164	49 164	49 164	49 680	49 680	49 680
<i>Minimum Service Level and Above sub-total</i>		47 649	48 149	48 654	49 164	49 164	49 164	49 680	49 680	49 680
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump		1 028	978	930	885	885	885	841	841	841
Using own refuse dump		2 100	2 000	1 905	1 815	1 815	1 815	1 728	1 728	1 728
Other rubbish disposal		750	700	653	609	609	609	568	568	568
No rubbish disposal		400	350	306	268	268	268	234	234	234
<i>Below Minimum Service Level sub-total</i>		4 278	4 028	3 794	3 576	3 576	3 576	3 372	3 372	3 372



Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>Total number of households</b>	5	51 927	52 177	52 448	52 740	52 740	52 740	53 052	53 052	53 052
<b>Households receiving Free Basic Service</b>	7									
Water (6 kilolitres per household per month)		25 538 738	25 194 935	6 943 731	8 565 096	8 888 406	8 888 406	9 439 487	9 873 703	10 327 893
Sanitation (free minimum level service)		10 545 132	10 039 242	7 815 214	9 795 251	10 047 480	10 047 480	10 851 278	11 719 380	12 656 930
Electricity/other energy (50kwh per household per month)		14 758 992	18 155 071	20 302 554	71 634 445	71 634 445	71 634 445	80 732 020	84 445 693	88 330 195
Refuse (removed at least once a week)		-	-	11 513 549	21 500 396	21 500 396	21 500 396	22 983 923	24 041 183	25 147 077
Informal Settlements		-	-	-	-	-	-	-	-	-
<b>Cost of Free Basic Services provided - Formal Settlements (R'000)</b>	8									
Water (6 kilolitres per indigent household per month)		25 539	25 195	6 944	8 565	8 888	8 888	9 439	9 874	10 328
Sanitation (free sanitation service to indigent households)		10 545	10 039	7 815	9 795	10 047	10 047	10 851	11 719	12 657
Electricity/other energy (50kwh per indigent household per month)		14 759	18 155	20 303	71 634	71 634	71 634	80 732	84 446	88 330
Refuse (removed once a week for indigent households)		-	-	11 514	21 500	21 500	21 500	22 984	24 041	25 147
<b>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</b>		-	-	-	-	-	-	-	-	-
<b>Total cost of FBS provided</b>		<b>50 843</b>	<b>53 389</b>	<b>46 575</b>	<b>111 495</b>	<b>112 071</b>	<b>112 071</b>	<b>124 007</b>	<b>130 080</b>	<b>136 462</b>
<b>Highest level of free service provided per household</b>										
Property rates (R value threshold)		200 000	200 000	200 000	200 000	200 000	200 000	250 000	250 000	250 000
Water (kilolitres per household per month)		10	10	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (Rand per household per month)		101	101	112	112	112	112	112	112	112
Electricity (kwh per household per month)		100	100	100	100	100	100	100	100	100
Refuse (average litres per week)		250	250	250	250	250	250	250	250	250
<b>Revenue cost of subsidised services provided (R'000)</b>	9									
Property rates (tariff adjustment) ( impermissable values per section 17 of MPRA)		-	-	-	-	-	-	-	-	-
Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)		53 282	51 233	35 175	56 811	56 811	56 811	48 315	50 538	52 863
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates		-	-	-	-	-	-	-	-	-
Housing - top structure subsidies		-	-	-	-	-	-	-	-	-
Other	6	-	-	-	-	-	-	-	-	-
<b>Total revenue cost of subsidised services provided</b>		<b>53 282</b>	<b>51 233</b>	<b>35 175</b>	<b>56 811</b>	<b>56 811</b>	<b>56 811</b>	<b>48 315</b>	<b>50 538</b>	<b>52 863</b>

## PART 2

### A: OVERVIEW OF STELLENBOSCH MUNICIPALITY

#### Background

Stellenbosch Municipality is located in the heart of the Cape Winelands. It is situated about 50 km from Cape Town and is flanked by the N1 and N2 main routes. The municipal area covers approximately 900 km<sup>2</sup>.



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## State of the Greater Stellenbosch Area

### Introduction

Stellenbosch Municipality is located at the edge of the City of Cape Town but 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 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 CEOs and executives, which in turn means that it can 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 several rural hamlets such as Wemmershoek, La Motte, De Novo, Kylemore, Pniël, Johannesburg, Lanquedoc, Groot Drakenstein, Muldersvlei, Klapmuts, 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 several 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 their heritage and traditions, but also divisions of the past.

The area houses excellent educational institutions, including the University of Stellenbosch and several prestigious schools. It has a strong business sector, ranging 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 sports facilities are available. Coetzenburg, with its athletics and rugby stadiums, has delivered star performances over

many generations. The municipal area has a variety of theatres, which include 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, Dorp Street Theatre, and Aan de Braak Theatre.

**Ward Demarcation**

The Stellenbosch Municipality is currently structured into the following **23** wards:

**Table 1: Municipal ward demarcation**

Ward	Areas
1	Mooiwater, Franschoek Town and Surrounding Farms
2	Langrug, La Motte, Dennegeur, Groendal
3	Lanquedoc, Wemmershoek to La Motte Wine Farm and Leopards Leap Wine Farm
4	Kylemore, Johannesdal, Pniël and Surrounding Farms
5	Ida’s Valley (Hillside Village, La Gratitude Park (Kreefgat), The Ridge, La Roche, Lindida, Bloekomlaan(Moses / Martin) Lindley)
6	The Hydro, Rustenberg and Surrounding Farms
7	Mostertsdrift, Karindal, Rozendal, Uniepark, Simonswyk and Universiteitsoord
8	Stellenbosch University campus and university residence area; Coetzenburg, (partially:) Koloniesland
9	Stellenbosch CBD, Part of the US campus (residential areas within both these areas), the Southern border is the Eerste River, the Northern border is Merriman Street, the Eastern border is Die Laan and the Western border is Bird Street
10	Tenantville, Lakay Street, Titus Street, Langsuid Street up to Lakay Street, Tennant Street, Lapan Street, Bell Street, Bird Street, La Colline (Dr Malan Street, Dan Pienaar Street, Paul Roos Street, Tobruk Park, Irene Park, La Colline Road, Conde Street, Taylor Street, Mount Albert Street), Kromrivier Road, Jan Celliers Street, Hammanshand, Ds Botha Street, Voorplein Street, Bird Street, Langenhoven Street, Du Toit Station, Ryneveld Street, Karee Street, Olienhout Street, Banghoek Road, Academia, Bosman Street, Smuts Road, Joubert Street, De Beer Road, De Villiers Road from Ryneveld Street to Cluver Road on the left-hand side
11	Boundaries of the ward are: Kridge Road, Herte Street, Skone Uitsig Road onto Alexander Street onto Du Toit Street toward Merriman Avenue towards Adam Tas Road onto George Blake Street, Mark Street, Distillery Road, Santhagen Road, Swawel Avenue, Kanarie Road, Tarentaal Road, Bokmakierie Road, Fisant Road, Devon Valley Road, Kiewiet Road, Dagbreek Road, Pelikaan Street, Patrys Road, Hammerkop Road, Loerie Road, Muldersvlei Landgoed, and all areas in Onder Papegaaiberg and businesses
12	Kayamandi: Zone A, Chris Hani Drive, 10th and 13th Street, School Crescent, Snake Valley, Enkanini, Watergang, Watergang TRA 2 and Watergang Informal Settlements

Ward	Areas
<b>13</b>	Kayamandi: Zone J, Red Bricks, Zone K and L, Hostels, Dairy and University Hostels, Old Bricks Houses Red Roofs, Zwelitsha, Costaland
<b>14</b>	Kayamandi: Zone P, I, F, D and O, Costaland, Marikana, Watergang, Smarties (Mgabdeli Street), Monde Crescent
<b>15</b>	Kayamandi: Zone M, N, O, 4 <sup>th</sup> and 5 <sup>th</sup> Avenue, 10 <sup>th</sup> , 12 <sup>th</sup> and 14 <sup>th</sup> Street, Long Street, Retreat Street, Forest Drive
<b>16</b>	The borders are Tenant Road, Long Street, Crombi Road to the end of Gabriels Road. Asalea Road, 2 <sup>nd</sup> Road, Noble Road, Bailey Road, Eike Street, Curry Street, Hoop Road, Pansy Road, West Road, Laai Road, Anthony Road, Carriem Road, Archilles Road, Bergstedt Road, Davidse Road, Cupido Road, Pearce Road, Robyn Road, Gonzalves Road, Hercules Road, Chippendale Road, Afrika Road, Arnolds Road, September Road, Jakaranda Street, Short Road, Quarry Road, Middle Road, 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
<b>17</b>	A part of Cloetesville (Lakay Road towards Langstraat – Suid Road, Kloof Street, Fir Street, Fontein Road, Williams R towards Gabriels Road towards February Road, Valentyn Road, Pool Road, Raziet Road, Ortell Road, Rhode Road, King Road, Hine Road, Hendrikse Road, Rhode Road), as well as Welgevonden, Green Oaks, Stellita Park, Weltevrede, Welgevonden Estate ( Red Oak Road, Belladonna Street, Wildeklawer Welgevonden Boulevard, Olive Road, Sonnedou Road, Mountain Silver Road, Silver Oak Road, Froetang Road, Katbos Road, Everlasting, Fynbos Street, Sourfig Street, Scarlet Crescent, Pin Oak Street, Evergreen, Autumn Close, Nenta, Cherrywood, Candelabra, Froetang, Candelabra, Kouter, Protea Street, Minaret, Gooseberry, Honeybush), Klein Welgevonden (La Belle Vie, Chablis) and the Municipal Flats in Rhode, Kloof and Long Streets, Bertha Wines and Weltevreden Estate, 15 Weltevreden Estate,) The borders of the ward are the R44 Klapmuts Road and Long Street.
<b>18</b>	Klapmuts Town Centre, Bennitsville, Weltevrede Park, Klapmuts New Houses, Mandela City and La Rochelle Informal Settlement, Klapmuts Farms (The Purple Windmill, Arra Vineyards, Hidden Gems Wines, Gravel Junction Wine and Spirits Company, Wine Estate Le Bonheur, Anura Vinyard, Dalewood Farms, Blueberry Bar, Klapmuts Transfer Station, Trophy SA, DKL Transport Pty, Welgelee Estate)
<b>19</b>	De Novo, Kromme Rhee, Vaaldraai, Muldersvlei, Koelenhof and surrounding Farms, Koelenhof Station, Slayley, Hunting, Koelenhof Farms, Poultry / Mariendahl, De Hoop, Nooitgedacht Village, Bottelary and Surrounding Farms, De Waalshof, Weltevrede 1, Weltevrede 2, Smartie Town.

Ward	Areas
<b>20</b>	Vlottenberg, Raithby, Mooiberge, Lynedoch
<b>21</b>	Brandwacht Aan Rivier, Paradyskloof, Stellenbosch Golf Course, Blaauwklippen / Stellingzicht Farms, De Zalze, Jamestown, Mountainview, Stellenbosch Airfield
<b>22</b>	Die Boord, Dalsig, Brandwacht, Krigeville, Libertas Farm
<b>23</b>	Dorp Street, Krige, Hamman Street, Schroder Road, Die Braak, Bird Street from Dorp Street, Dennesig area, Muller Road, Banghoek Road, Ryneveld Street, Plankenburg Industrial area and Kayamandi Corridor.

Below is a map of the Cape Winelands District concerning the provincial district boundaries:

**Map 1: Locality of Cape Winelands concerning Provincial Boundaries**

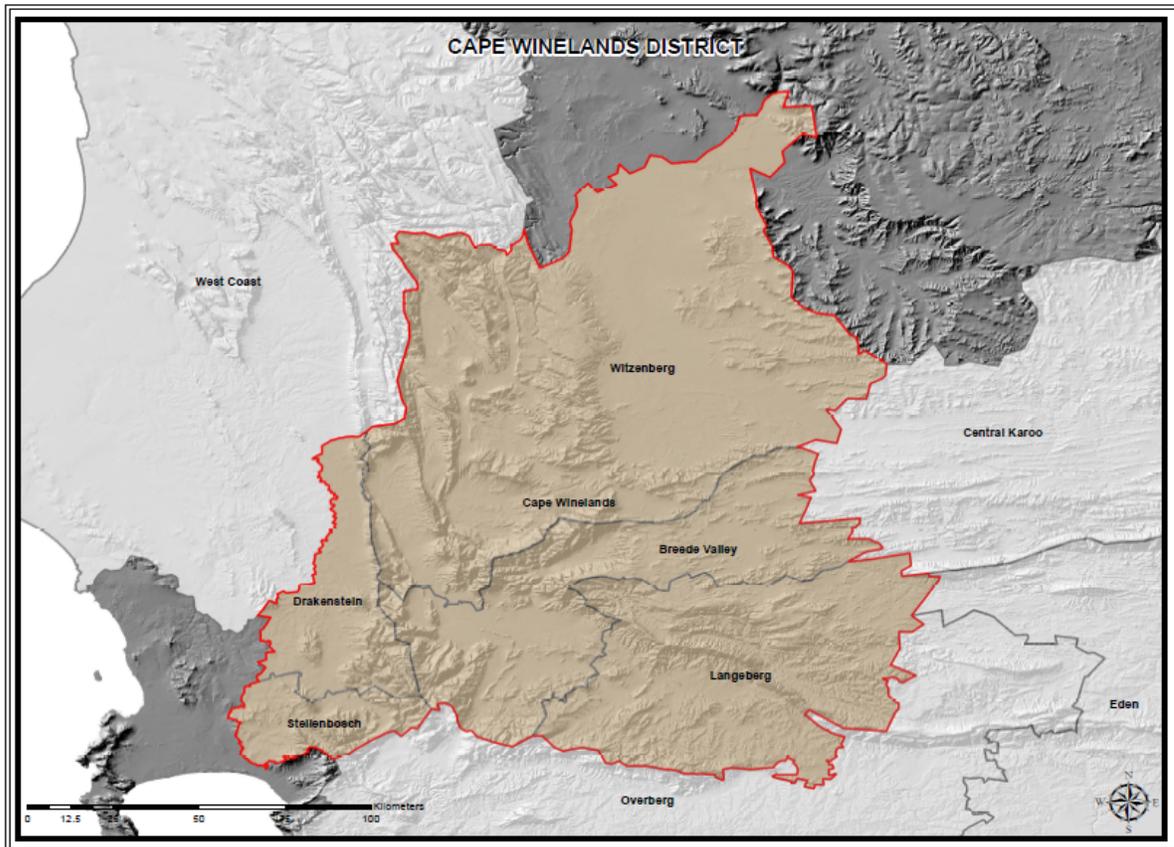


The Western Cape Province makes up 10.6% of the country's land surface and encompasses an area of 129 462 km<sup>2</sup>. The province's spatial area includes 1 metropolitan area (City of Cape Town), 5 district municipal areas (Central Karoo, Eden renamed Garden Route, Overberg, Cape Winelands, and West Coast), and 24 local municipalities.



Below is a map of the municipalities concerning the Cape Winelands District:

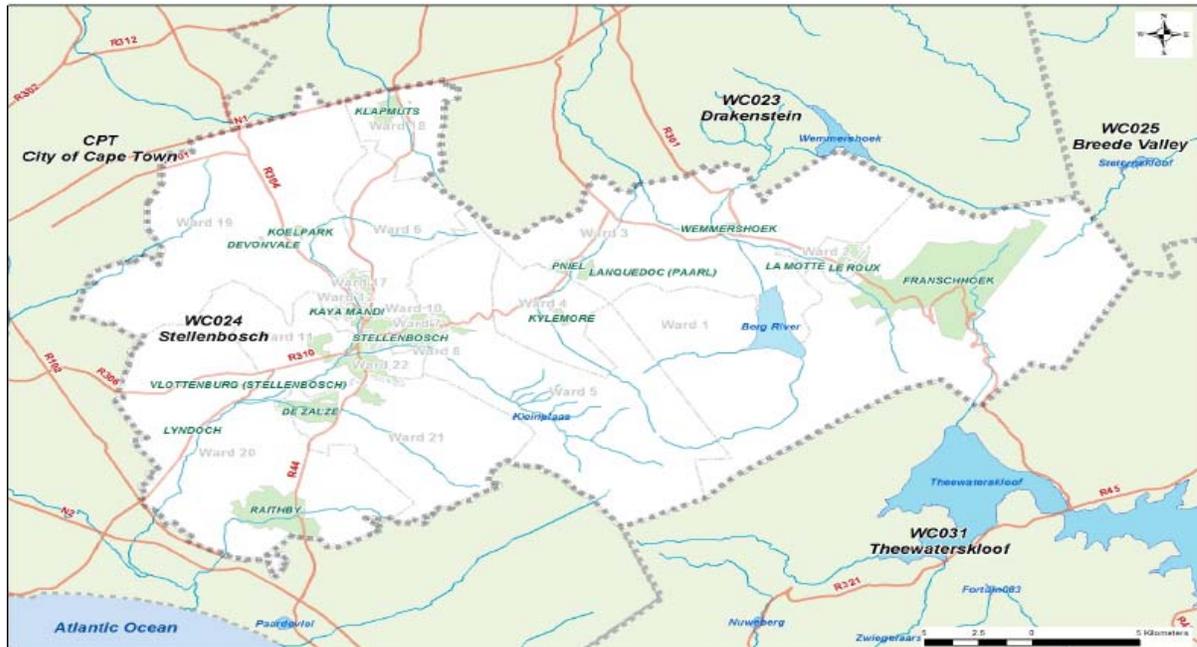
**Map 2: Locality map of Stellenbosch Municipality concerning Cape Winelands District Boundaries**



The Cape Winelands District Municipality is located within proximity of the City of Cape Town, which offers excellent access to trade opportunities, routes, and infrastructure such as expanding broadband networks, an international airport (with direct flights to international cities), the second-largest container port in the country, and a comprehensive road and rail network. This makes the Cape Winelands district ideally located as an investment destination. The Cape Winelands District municipal area incorporates Drakenstein, Stellenbosch, Breede Valley, Langeberg, and Witzenberg.

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

**Map 3: Locality map of municipal boundaries**



Stellenbosch Local Municipality is located in the heart of the Cape Winelands and adjacent to the City of Cape Town and Drakenstein Municipality. Stellenbosch Municipality, as a local authority, governs the towns of Stellenbosch, Pniël, Klipmuts, Kylemore, Jamestown, Raithby, Ida's Valley, Cloetesville, Kayamandi, and Vlootenburg, as well as the surrounding rural areas. The area covers 831 square kilometres and adjoins the City of Cape Town (CoCT) to the west and south and the Breede Valley, Drakenstein, and Theewaterskloof Municipalities to the east and north. Functionally, Stellenbosch Municipality (SM) forms part of the Greater Cape Town metropolitan area.

The main settlements in SM are the historic towns of Stellenbosch, Franschhoek, and Klipmuts. There are also several smaller villages, including Jamestown (contiguous with Stellenbosch town), Pniël, Johannesdal, Lanquedoc, Lynedoch, and Raithby. New nodes are emerging around agricultural service centres, for example, Koelenhof and Vlootenburg. Stellenbosch is a sought-after space, offering opportunity and quality of living while being near city life. This has placed the municipal area under constant development pressure.

### 1.3 Stellenbosch Municipality at a Glance

Table 2: Stellenbosch Municipality - Summarised Statistics

Population Estimates, 2022			Actual households, 2022		
	Population 175 411			Households 59 626	
Education		2022	Poverty		2022
	Matric Pass Rate	84.7%		Gini-Coefficient	0.61
	Learner Retention Rate	82.0%		Poverty Head Count Ratio (UBPL)	66.68%
	Learner-Teacher Ratio	26.7			
Health					2022/23
	Primary Health Care Facilities 8 (excl. mobile / satellite)	Immunisation Rate 64.5%	Maternal Mortality Ratio (per 100 000 live births) 60.2	Teenage Pregnancies – Delivery rate to women U/18 12.5%	
Safety and Security			The annual number of reported cases in 2022/23		
	Residential Burglaries 869	DUI 251	Drug-related Crimes 1463	Murder 77	Sexual Offences 207
Access to Basic Service Delivery			Percentage of households with access to basic services, 2022/23		
Water 86.4%		Refuse Removal 87.3%		Electricity 96.9%	
				Sanitation 96.8%	
				Housing 87.3%	
Road Safety 2021/22		Labour, 2023		Socio-economic Risks	
Fatal Crashes	31	Unemployment Rate (narrow definition)	15.2%	Risk 1	Job Losses
Road User Fatalities	39			Risk 2	Low Learner retention
				Risk 3	Low skills base (Labour)
Largest 3 sectors			Contribution to GDP, 2021		
Finance, insurance, real estate and business services 25.7%		Wholesale and retail trade, catering and accommodation 18.1%		Manufacturing 17.2%	
					

Source: Western Cape, Social–Economic Profile 2022 and 2023 (Stellenbosch Municipality) and StatsSA 2022

### 1.4 Socio – Economic Context

All socio-economic information is sourced from the Local Government Socio-Economic Profile 2022 and 2023. The statistical data are primarily sourced from Statistics South Africa, administrative data from sector departments, the Municipal Review and Outlook (MERO), Global Insight Regional Explorer, and Quantec. The GDPR performance, risk, and vulnerability factors can be read in detail within the Local Government Socio-economic Profile 2023 for the Stellenbosch municipal area.

### 1.4.1 Population Growth

In 2022, the Stellenbosch municipal area, a prominent region within the Cape Winelands, accommodated 21 per cent of the area's population, totalling **175 411** individuals. Projections indicate a steady rise, estimating a population of **192 951** residents by 2027, marking an average annual population growth rate of 2.0 per cent during this period. This growth rate surpasses the Cape Winelands District's average annual population growth rate of 1.7 per cent by 0.3 percentage points. The socio-economic implications of this demographic shift are multifaceted, impacting various sectors including housing, employment, and education within the region.

The table below depicts the population growth from 2022 to 2027:

**Table 3: Estimated Population Growth**

Area	2022	2023	2024	2025	2026	2027
	%					
Stellenbosch	3.3	2.0	2.1	1.8	2.0	1.6
Cape Winelands	2.7	1.6	1.6	1.7	1.7	1.6
Western Cape	2.9	1.6	1.6	1.6	1.7	1.6

*Source: Western Cape, Social–Economic Profile 2022 and 2023 (Stellenbosch Municipality) and StatsSA 2022*

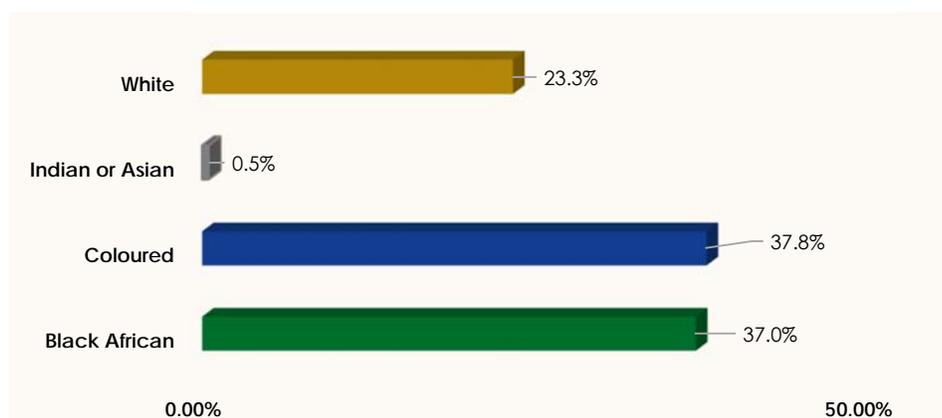
### 1.4.2 Racial Split

The race dynamics in the Stellenbosch municipal area present a diverse demographic landscape. Much of the population comprises Black African individuals, accounting for 37.0 per cent of the total, followed closely by the Coloured community, constituting 37.8 per cent. White residents make up 23.3 per cent of the population, while individuals categorised as Indian / Asian represent a smaller proportion at 0.5 per cent. This cross-analysis highlights the intricate racial composition within the Stellenbosch community, underscoring the significance of cultural diversity and its potential impact on economic and social interactions.

The table and graph below indicate the ratio split within the Cape Winelands District

**Table 4: Racial Split**

Race	Cape Winelands	Witzenberg	Drakenstein	Stellenbosch	Breede Valley	Langeberg
Black African	28.2%	30.1%	27.6%	37.0%	29.1%	19.4%
Coloured	61.8%	64.1%	61.8%	37.8%	62.3%	70.6%
Indian or Asian	0.4%	0.2%	0.4%	0.5%	0.5%	0.3%
White	9.6%	5.7%	10.2%	23.3%	8.1%	9.6%

**Figure 1: Racial Split for the WCO24**

Source: Western Cape Local Government Social–Economic Profile 2023 and Statistics South Africa 2022

### 1.4.3 Gender Ratio

According to Stats SA, the Stellenbosch municipal area presented a gender ratio of 94.2, indicating that there are 94.2 men for every 100 women in the population. This ratio translates to 48.5 per cent males and 51.5 per cent females. The slight increase in the ratio observed towards 2023 suggests a potential influx of working males to the area or a rise in female mortality rates. This demographic shift carries significant socio-economic implications, as it impacts workforce dynamics and social structures within the municipal area.

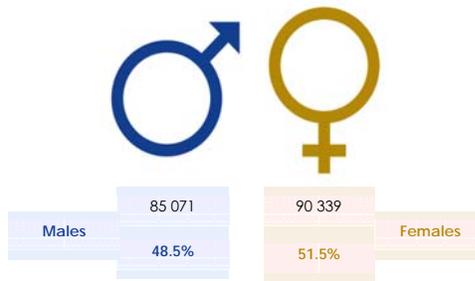
The table below depicts the gender ratio within the Stellenbosch municipal area.

**Table 5: Gender Ratio**

Year	Cape Winelands	Witzenberg	Drakenstein	Stellenbosch	Breede Valley	Langeberg
2022	94.1	97.7	98.8	94.2	93.3	92.7
2023	98.7	110.0	98.4	96.2	94.4	96.9
2024	98.8	110.3	98.5	96.3	94.4	97.0
2025	98.9	110.6	98.6	96.3	94.3	97.1
2026	99.0	110.3	98.9	96.3	94.3	97.4

Source: Western Cape, Social–Economic Profile 2023 and StatsSA 2022

**Figure 2: Ratio of % females and males**



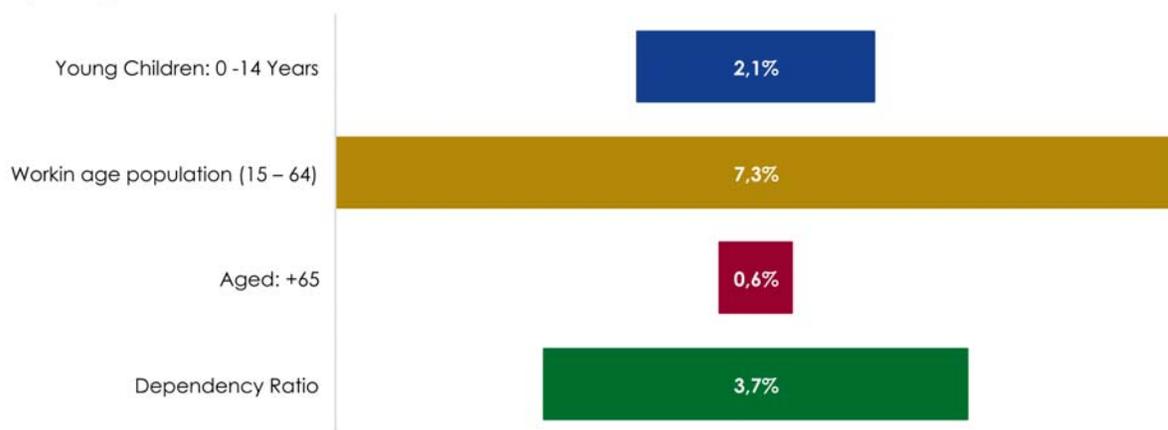
Source: Western Cape, Social–Economic Profile 2023 and StatsSA 2022

**1.4.4 Age Cohorts**

Within the Stellenbosch municipal area, a distinct age composition was apparent in 2022. The youth population was the largest, accounting for a substantial 73.1 per cent of residents. Following closely behind were those between the ages of 35 and 64, who constituted 31.5 per cent of the population. This composition is primarily attributed to the presence of the acclaimed Stellenbosch University, which attracts students from across South Africa and around the world.

Additionally, the age composition of the population is analysed through dependency ratios, which highlight the proportion of individuals within the working age group (15 – 64) supporting dependents, including children and senior citizens. The higher dependency ratio in the graph below places increased strain on social systems and essential service delivery.

**Graph 1: Age Cohorts for 2022**



Source: Western Cape, Social–Economic Profile 2022 and 2023 (Stellenbosch Municipality) and StatsSA

### 1.4.5 Household Size

Household size refers to the number of people per household. The average size of households is expected to remain an average of 2.9 individuals from 2022 to 2026. The trend of the average household size could be attributed to a wide range of factors, including but not limited to underlying socio-economic factors like patterns in employment opportunities, educational access, and housing market dynamics that shape this trend.

The table below depicts the household sizes from 2022 to 2026:

Figure 3: Household size



Source: Western Cape, Social–Economic Profile 2022 and 2023 (Stellenbosch Municipality) and StatsSA 2022

### 1.4.6 Population Density

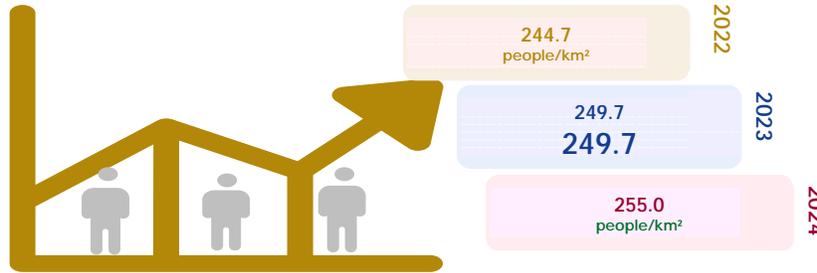
Amidst rapid urbanisation across the Western Cape, population density figures will aid public sector decision-makers in mitigating environmental, health, and service delivery risks. In 2022, the population density of the Cape Winelands District was 45 persons per square kilometer. In order of highest to lowest, the various local municipal areas are compared as follows:

In order of highest to lowest, the various local municipal areas compare as follows:

- ‡ Stellenbosch 245 people/km<sup>2</sup>;
- ‡ Drakenstein 194 people/km<sup>2</sup>;
- ‡ Breede Valley 51 people/km<sup>2</sup>;
- ‡ Langeberg 27 people/km<sup>2</sup>; and
- ‡ Witzenberg 14 people/km<sup>2</sup>.

According to the above comparison, Stellenbosch has the **highest density** in the Cape Winelands District. This is helped a lot by the fact that the Municipal Spatial Development Framework (*mSDF*) says that urban development should stay within the limits of the urban edge.

**Graph 2: Level of Urbanisation**



Source: Western Cape, Social–Economic Profile 2022 and 2023 (Stellenbosch Municipality) and StatsSA 2022

### 1.5 Education

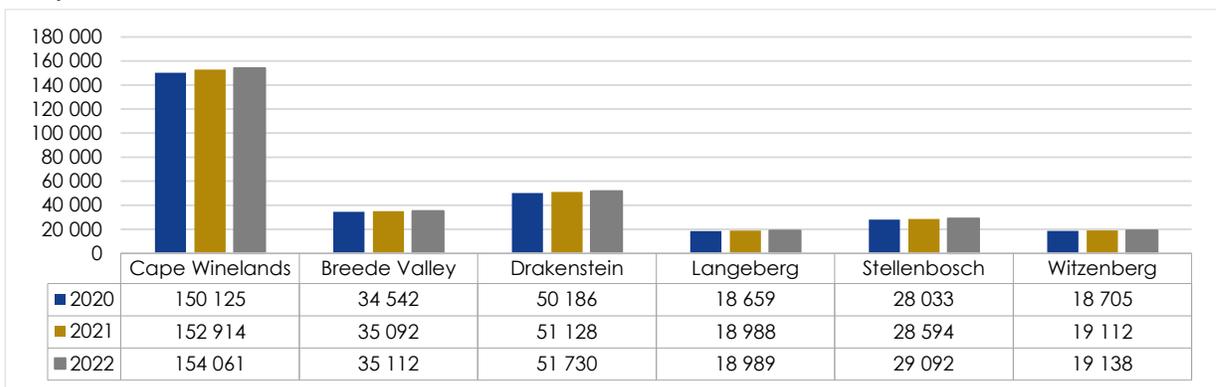
The socio-economic impact of education within municipalities is profound and complex, touching on various aspects of community development and individual well-being. Quality education equips individuals with essential skills, knowledge, and critical thinking abilities, empowering them to participate meaningfully in the local economy. As the educational attainment level rises within a municipality, there is a corresponding increase in employment opportunities and higher earning potential for residents. Additionally, an educated workforce attracts investments and industries, fostering economic growth and stability. Education also plays a pivotal role in reducing poverty and promoting social equity by breaking the cycle of intergenerational poverty.

#### 1.5.1 Learner enrolment, the learner-teacher ratio and learner retention rate

Learner enrolment in Stellenbosch experienced a notable surge from 28 033 enrolments in 2020 to 29 092 in 2022, which reflects an increase of 1 059 learners. It is evident that the educational growth depicts a positive socio-economic trend within the region, presenting an enhanced emphasis on education and potentially indicating improved access to educational facilities.

The graphs below depict learner enrollments, learner-teacher ratios, and learner retention from 2020 to 2022.

**Graph 3: Learner Enrolment**



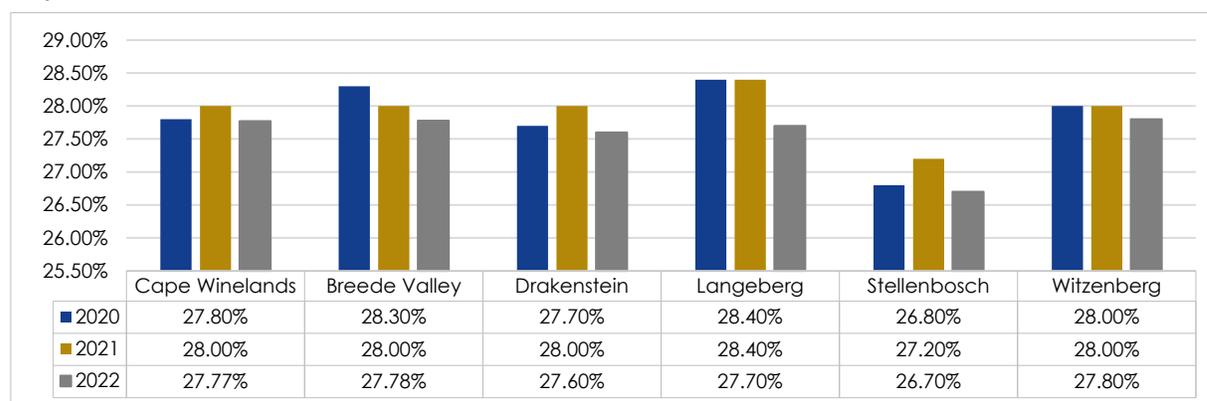
Source: Western Cape, Social–Economic Profile 2022 and 2023 (Stellenbosch Municipality)



It is crucial to establish healthy learner-teacher ratios to determine the schools' capacity to accommodate the students. Lower learner-teacher ratios are associated with enhanced teacher-student interaction, fostering better-quality education. The 2022 Schools Realities Publications emphasise that government-paid teachers face high learner-teacher ratios, indicating larger class sizes. Despite a minor decrease from 26.8 students per teacher in 2020 to 26.6 in 2022, the ratio remains within the recommended range of 35:1 to 40:1.

This suggests relatively uncrowded classrooms, aligning with established standards and ensuring a conducive learning environment, ultimately impacting the socio-economic landscape positively.

**Graph 4: Learner-Teacher Ratio**



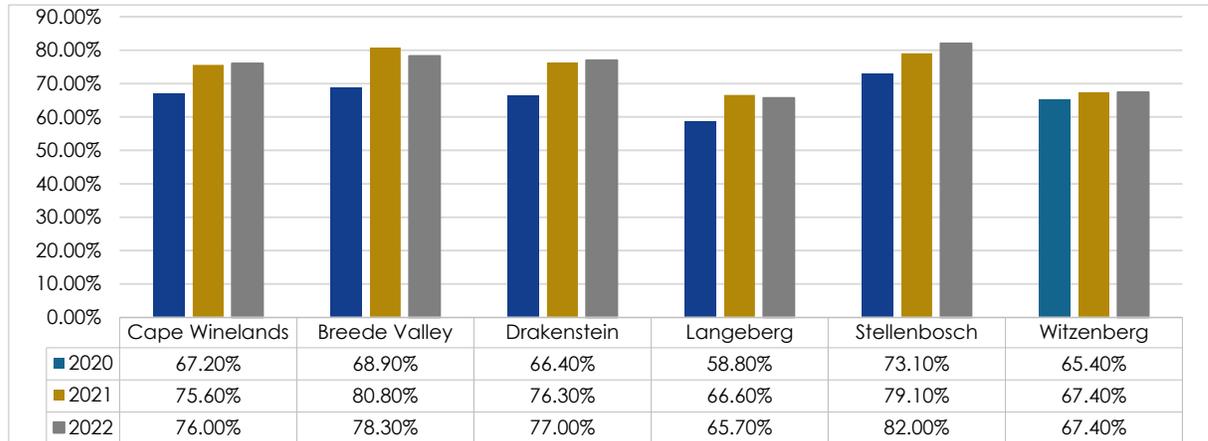
Source: Western Cape, Social-Economic Profile 2022 and 2023 (Stellenbosch Municipality)

The learner retention rate measures the proportion of learners in Grade 12 who were in Grade 10 two years prior. This can reflect essential socio-economic factors and personal circumstances that have a significant impact on education.

The inverse of the learner-retention rate is commonly referred to as the drop-out rate. Learner retention rates are influenced by a wide array of factors, including low socio-economic background, student attitudes towards education, overcrowded classrooms, critical thinking skills, study skills, and other personal circumstances that can make it difficult for the learner to focus on education.

Despite the learner retention rate progressing in the Stellenbosch municipal area, improving from 79.1 per cent in 2021 to 82 per cent in 2022, 18 per cent of the learners did not complete their studies. Addressing these factors is necessary for encouraging a more conducive learning environment, ensuring higher retention rates, and ultimately enhancing the region's overall socio-economic landscape.

**Graph 5: Learner retention**

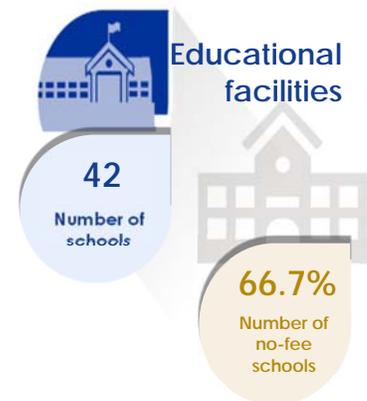


Source: Western Cape, Social–Economic Profile 2022 and 2023 (Stellenbosch Municipality)

**1.5.2 Number of schools and no-fee schools**

**Figure 4: Number of schools and no-fee schools**

The number of schools within the Stellenbosch municipal area was recorded at 42 in 2022. Over the Medium-Term Expenditure Framework (MTEF), a substantial budget has been allocated for vital upgrades, additions, and the construction of new facilities in specific schools. This allocation is slated for use in enhancing the infrastructure of key educational institutions, including Aviation, Elsenburg Agri School, New Klapmuts Primary and High Schools, and New Stellenbosch Primary School. Such investments signify a proactive approach to bolstering the educational landscape, fostering an environment conducive to quality learning.



The proportion of no-fee schools in the Stellenbosch municipal area remains at 66.7 per cent in 2022, whereby 71.4 per cent are equipped with libraries.

Source: Western Cape, Social–Economic Profile 2023

**1.5.3 Schools with libraries / media centres**

The Stellenbosch municipal area consists of 42 schools in 2022, of which 30 were equipped with libraries. The availability of library facilities within schools contributes towards narrowing the academic attainment gap by allowing students access to information, which is in turn directly linked to improved education outcomes.

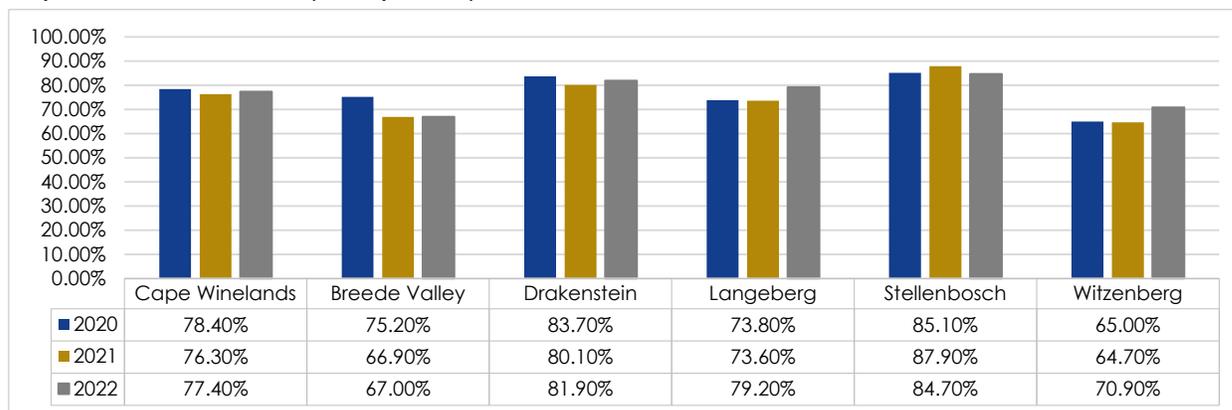


### 1.5.4 Education outcomes (matric pass rate)

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

The graph below depicts the Matric pass rates from 2020 to 2022.

**Graph 6: Education outcomes (matric pass rate)**



Source: Western Cape, Social–Economic Profile 2023

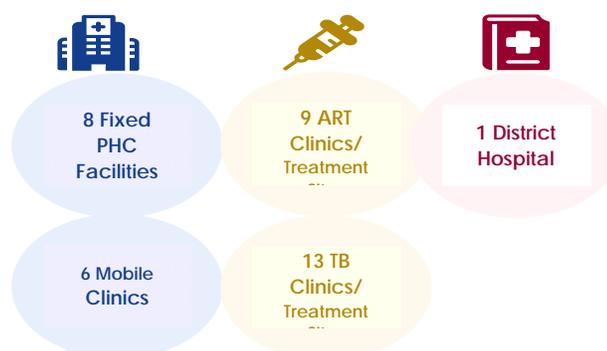
## 1.6 Health

### 1.6.1 Health Facilities

According to the LGSEP 2022, in 2021, the Stellenbosch municipal area had 8 fixed primary healthcare facilities, comprising 7 fixed clinics, 1 community day centre, as well as 6 mobile / satellite clinics. In addition to these primary healthcare facilities, there is one district hospital, nine ART treatment sites, and 13 TB clinics. The municipal area has 14 (17.9 per cent) out of the 78 primary healthcare facilities within the Cape Winelands district.

The table depicts the total healthcare facilities.

**Table 6: Health facilities**

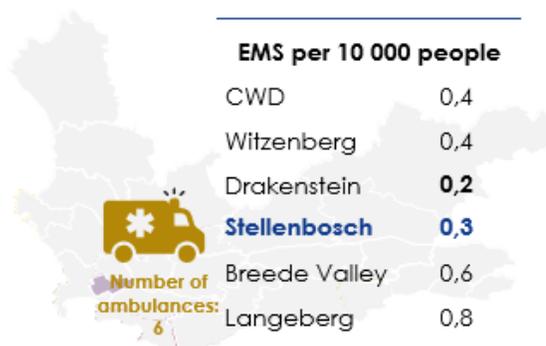


Source: Western Cape, Social–Economic Profile 2023

### 1.6.2 Emergency Medical Services

The provision of more operational ambulances can provide greater coverage for emergency medical services. This number below only refers to provincial ambulances and excludes all private service providers, and it remained unchanged between 2021/22 and 2022/23.

Figure 5: Emergency Medical Services



### 1.6.3 HIV / AIDS and Tuberculosis

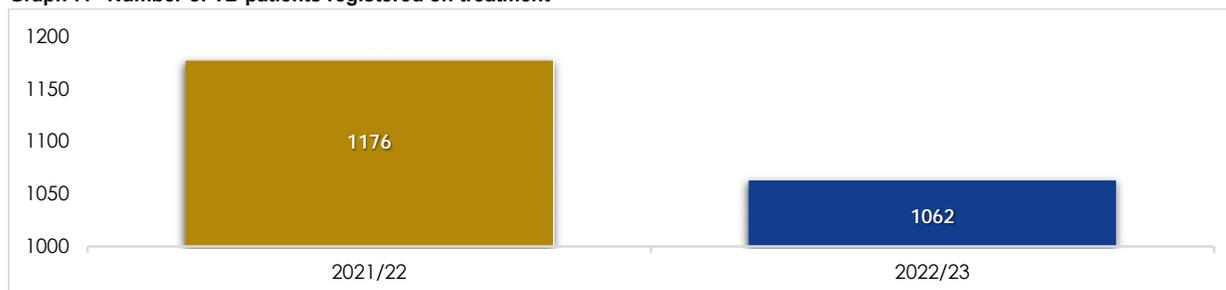
The number of clients (patients) that remain committed to their antiretroviral treatment (ART) plan in the Stellenbosch municipal area increased from 6 915 registered patients in 2021/22 to 7 062 in 2022/23, while the number of new patients receiving ART declined from 481 to 429 during the same period. Similarly, the number of registered patients receiving TB treatment exhibited an average annual decrease of 9.7 per cent between 2021/22 and 2022/23.

Table 7: HIV/AIDS Management

Area	Registered patients receiving ART		Number of new ART patients	
	2021/22	2022/23	2021/22	2022/23
Stellenbosch	6915	7062	481	429

Source: Western Cape, Social–Economic Profile 2023

Graph 7: Number of TB patients registered on treatment



Source: Western Cape, Social–Economic Profile 2023

### 1.6.4 Child Health

The immunisation coverage rate for children under the age of one in the municipal area worsened from 73.3 per cent to 64.5 per cent between 2021/22 and 2022/23. The overall Child Welfare and Development (CWD) rate also showed improvement, rising from 60.6 per cent to 62.2 per cent. However, there was a notable increase in malnourished children under the age of five, with severe acute malnutrition rising from 1.5 to 1.6 per 100 000 people between 2021/22 and 2022/23.

The CWD also increased from 1.8 per cent to 2.2 per cent while the provincial average changed from 0.9 to 1.3 per cent. The neonatal mortality rate (deaths per 1 000 live births before 28 days of life) for the municipal area declined from 6.3 in 2020/21 to 3.1 in 2021/22. The rate was still notably below the CWD average of 8.0. A total of 9.8 per cent of all babies born in a facility in the municipal area in 2021/22 weighed less than 2 500 grams, indicating possible challenges with long-term maternal malnutrition and poor health care during pregnancy

**Table 8: Child Health**

Area	Low Birth Weight		Neonatal Mortality Rate per 1000		Acute Malnutrition Rate (Under 5) per 100 000		Immunisation Rate (Under 1)	
	2022	2023	2022	2023	2022	2023	2022	2023
Stellenbosch	9.8	9.8	3.1	4.8	1.5	1.6	73.3	64.5
Cape Winelands District	16.0	16.7	8.0	8.6	2.2	2.5	77.0	76.4

Source: Western Cape, Social–Economic Profile 2023

### 1.6.5 Maternal Health

In 2021/22, the Stellenbosch municipal area recorded the second lowest number of maternal deaths (61.1 per cent) and the lowest teenage pregnancies (13.2 per cent) in the CWD; however, these numbers decreased to 60.2 per cent (maternal deaths) and 12.5 per cent (teenage pregnancies) in 2022/23. However, the termination of pregnancy rate (0.7 per cent) remained unchanged across this period.

**Table 9: Maternal Health**

Area	Maternal Mortality Rate		The delivery rate of women 10- 19 years		Termination of pregnancy rate	
	2022	2023	2022	2023	2022	2023
Stellenbosch	61.1	60.2	13.2	12.5	0.6	0.7
Cape Winelands District	120.1	54.7	14.0	13.3	0.7	0.8

Source: Western Cape, Social–Economic Profile 2023

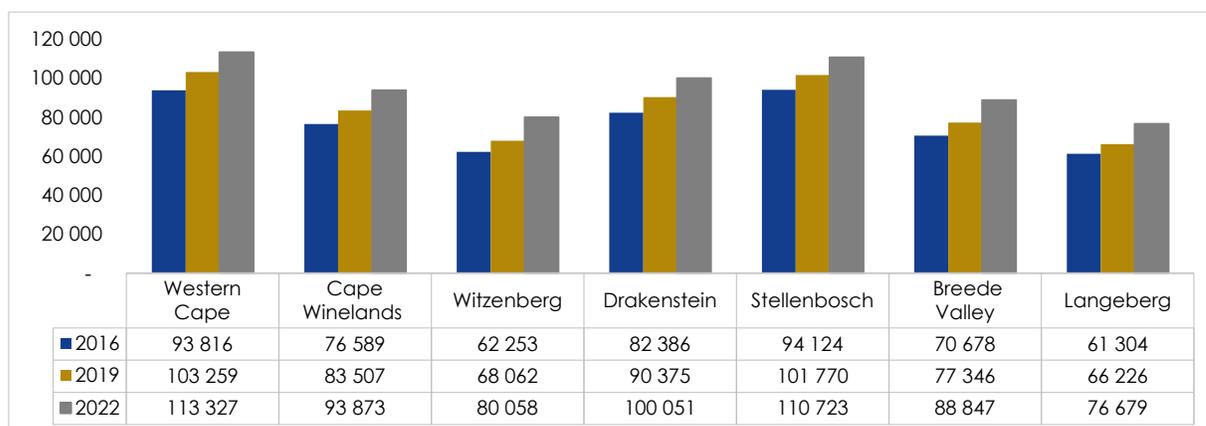
## 1.7 Poverty

### 1.7.1 GDP Per Capita

In terms of Gross Domestic Product per capita (GDPR), an increase is only witnessed when economic growth surpasses population growth. According to the LGSEP 2023, the real GDPR per capita was R93 873 whereby the Stellenbosch municipal area has grown significantly with a per capita income of R110 7, marking the highest figure in the Cape Winelands District for 2022. All the data below are sourced from the Local Government Socio-economic Profile 2023 for the Stellenbosch Municipal area.

Despite a moderate regression in the period between 2016 and 2022, this highlights the municipality's robust economic potential, particularly noteworthy considering the recent economic challenges posed by the recession and the global COVID-19 pandemic, which impacted economic activities regionally and globally.

**Graph 8: GDP Per Capita**



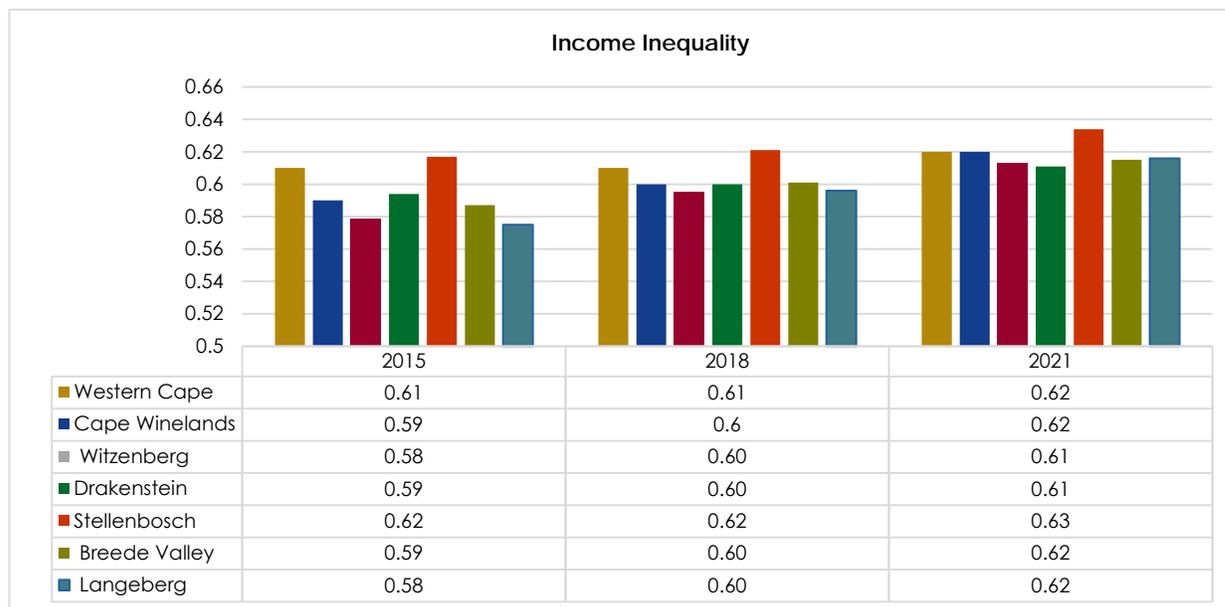
Source: Western Cape, Social–Economic Profile 2022

### 1.7.2 Income Inequality

According to the widely used Gini index, South Africa has one of the highest levels of inequality globally. Inequality is seen through a distorted distribution of income, unequal opportunities, and regional discrepancies.

The National Development Plan (NDP) has set a target of reducing income inequality in South Africa from a Gini coefficient of 0.7 in 2010 to 0.6 by 2030. In the Cape Winelands District, income inequality worsened to 0.69 in 2022, a trend expected to exacerbate due to the potential aftermath of the COVID-19 pandemic. Stellenbosch improved its income inequality, with inequality levels declining from 0.63 in 2021 to 0.61 in 2022, aligning below the district's trajectory.

Graph 9: Income Inequality



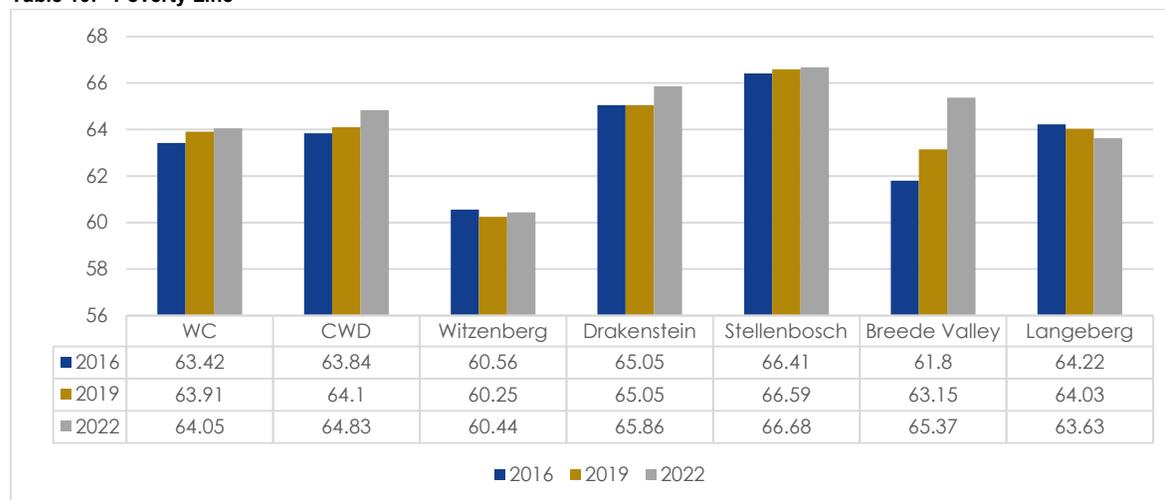
Source: Western Cape, Social–Economic Profile 2022

### 1.7.3 Poverty Line

The Upper Bound Poverty Line (UBPL) headcount ratio is the proportion of the population living below the UBPL, i.e., that cannot afford to purchase adequate levels of food and non-food items.

Poverty affects the social development of communities through lower life expectancy, malnutrition and food insecurity, higher exposure to crime and substance abuse, lower educational attainment, and poor living conditions.

In 2022, 66.7 per cent of Stellenbosch’s population fell below the UBPL. In 2022, 66.7 per cent of Stellenbosch’s population fell below the UBPL, a slight improvement from 2016 and 2019. Stellenbosch and Drakenstein had the highest poverty rates in the Cape Winelands District, with Stellenbosch’s 66.7 per cent slightly below the district’s 64.8 per cent in 2022. Addressing these socio-economic challenges is essential for ensuring sustainable growth and development within the municipality.

**Table 10: Poverty Line**

Source: Western Cape, Social–Economic Profile 2023

## 1.8 Basic Service Delivery

The Constitution stipulates that every citizen has the right to adequate housing access and that the state must take reasonable legislative and other measures within its available resources to achieve the progressive realisation of this right. Access to housing also includes access to basic services such as potable water, basic sanitation, safe energy sources, and refuse removal services, to ensure that households enjoy a decent standard of living.

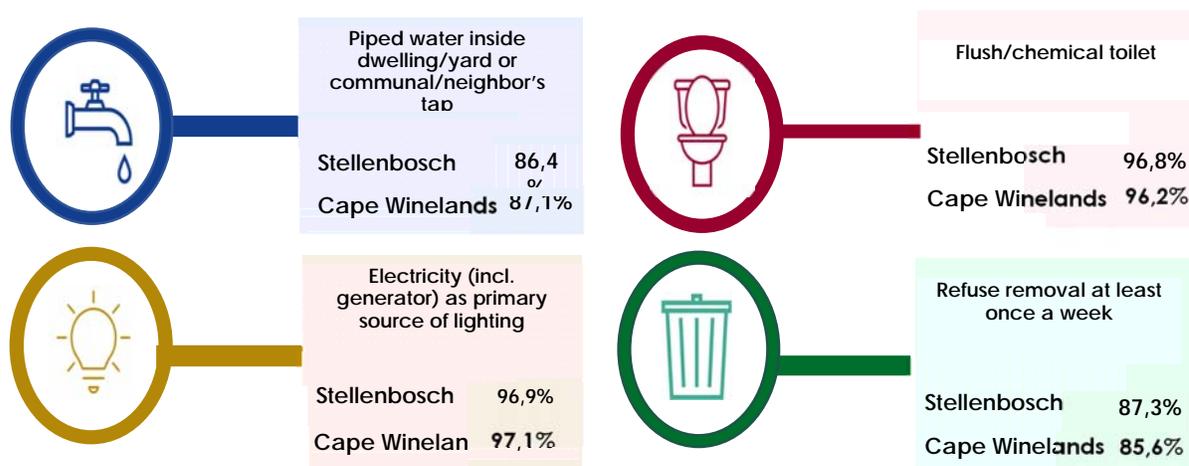
This section considers to what extent this has been achieved by reflecting on the latest available information from Quantec Research for 2021. The latest official statistics were collected by Statistics South Africa for the 2016 Community Survey; the 2021 Census will provide the updated official statistics. The information on free basic services is obtained from Statistics South Africa’s Non-Financial Census of Municipalities Survey findings.

### 1.8.1 Housing and household services

During 2023, the Stellenbosch municipal area, which comprises 59 626 households, 87.3 per cent had access to formal housing, lower than the Cape Winelands District average of 88.8 per cent. The area also recorded a significantly higher proportion of informal dwellings, totaling 11.8 per cent, in contrast to the District’s 10.3 per cent. Service delivery access levels within the municipal area were considerably higher than the access to formal housing, with access to piped water access (86.4 per cent), flush or chemical toilet access (96.8 per cent), electricity access (including generators) for lighting (96.9 per cent), for lighting at 96.9 per cent and the removal of refuse at least weekly by the local authority at 87.3 per cent of households. These access levels were above the District figures for electricity and refuse removal services.



Figure 6: Service delivery access levels (HH)



Source: Western Cape: Socio-Economic Profile 2023

### 1.8.2 Free Basic Services

The following table indicates the percentage of average registered indigent households that have access to free basic municipal services. The total number of indigent households excludes all informal households and includes formal households that have been registered as indigent households. The total i.t.o. of free basic electricity includes only indigent households claiming 100 kWh from the Stellenbosch Municipality. Additionally, it excludes the totals for areas where ESKOM manages the electricity distribution. Per the approved Indigent Policy of the municipality, all households earning less than R6 500 per month will receive free basic services as prescribed by national policy and in terms of Stellenbosch Municipality's Indigent Policy.

The table below indicates the number of households receiving free basic services.

Table 11: Access to Free Basic Services

Year	Total no. of HH	Number of Households							
		Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse Removal	
		Access	%	Access	%	Access	%	Access	%
2018/19	52 374	6 813	13.01	6 813	13.01	4 833	9.23	6 813	13.01
2019/20	52 374	6 666	100%	6 666	100%	4 932	100%	6 666	100%
2020/21	50 328	7 283	100%	7 283	100%	5 189	100%	7 283	100%
2021/22	50 328	4 681	100%	4 681	100%	4 982	84.25%	4 681	100%
2022/23	59 626	5 744	100%	5 744	100%	5 744	100%	5 744	100%

Source: Western Cape Local Government Social–Economic Profile 2023 and Statistics South Africa 2022

Municipalities offer free basic services to financially vulnerable households, and the number of households receiving these services in the Stellenbosch municipal area sharply declined in 2020. The strained economic conditions are anticipated to increase demand for these services, leading to a rise in the number of indigent households. However, this trend is area-specific and contingent on the qualifying criteria applied. These findings underscore the persistent challenges and socio-economic factors influencing housing and essential service access within the Stellenbosch municipal area, emphasising the need for targeted interventions to uphold citizens' constitutional rights and enhance overall living standards.

### **1.9 Safety and Security**

All the data below are sourced from the Local Government Socio–Economic Profile for 2023 for Stellenbosch Municipal area.

#### **1.9.1 Murder**

**Murder** is defined as the unlawful and intentional killing of another person.

Within the Stellenbosch area, the number of murders de-escalated from 90 cases in 2021/22, reaching 77 cases in 2022/23. The Stellenbosch municipal area's murder rate (per 100 000 people) decreased from 46 in 2021/22 to 38 in 2022/23, reflecting a similar trend in the Cape Winelands District, where the rate increased from 45 to 41 for the same period.

#### **1.9.2 Sexual Offences**

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

In 2022/23, there were 207 sexual offences in the Stellenbosch area, compared to 989 reported cases in the Cape Winelands District. The incidence of sexual offences (per 100 000 people) in the Stellenbosch municipal area (104) was higher than that of the district (102) in 2022/23.

#### **1.9.3 Common Assault**

In Stellenbosch, the crime rate per 100 000 people for common assault showed a concerning upward trend, with 510 reported incidents per 100 000 people, which increased from 527 in 2021/22 to 557 in 2022/23. This escalation in common assault cases per capita suggests a challenging security environment, which could potentially have socio-economic implications. Addressing this rising trend is vital to ensuring the safety and well-being of the community and fostering a secure environment for residents, businesses, and investors. Implementing effective crime prevention measures and

community outreach initiatives may be essential to reversing this trend and creating a safer atmosphere conducive to economic growth and development.

#### **1.9.4 Commercial Crime**

In Stellenbosch, the crime rate per 100 000 people for commercial crime showed a steady upward trend over the analysed period. In 2020/21, there were 340 reported incidents per 100 000 people, which increased slightly to 443 in 2021/22 but then increased significantly to 528 in 2022/23. This fluctuation in commercial crime rates could indicate varying challenges faced by local businesses and law enforcement in combating economic offences. Addressing this issue is crucial as it directly impacts the business environment, investor confidence, and the overall economic stability of the municipality. Implementing robust measures to combat commercial crimes, such as fraud and embezzlement, is essential for fostering a secure and trustworthy business environment, supporting economic growth, and attracting investments in the Stellenbosch municipal area.

#### **1.9.5 Drug-Related Offences**

*Drug-related crimes refer to the situation where the perpetrator is found to have, been under the influence of, or selling illegal drugs.*

Drug-related crime within the Stellenbosch area increased from 1 224 cases in 2021/22 to 1 463 cases in 2022/23. The Cape Winelands District's drug-related offences surged from 6 047 in 2021/22 to 6 783 in 2022/23. When considering the rate per 100 000 people, with 734 drug-related offences per 100 000 people in 2022/23, the Stellenbosch area's rate is above the district's rate of 700 per 100 000 population.

#### **1.9.6 Driving under the influence (DUI)**

A situation where the driver of a vehicle is found to be over the legal blood alcohol limit.

The number of cases of driving under the influence of alcohol or drugs in the Stellenbosch area declined from 262 in 2021/22 to 251 in 2022/23. This translates into a rate of 126 per 100 000 people in 2022/23, which is above the district's 79 per 100 000 people.

#### **1.9.7 Residential Burglaries**

The unlawful entry of a residential structure with the intent to commit a crime, usually theft.

Stellenbosch's rate of 436 residential burglaries per 100 000 people, which is well below the district's rate of 453 for 2022/23, indicates that the targeted strategies that were implicated to address these crime rates improved the safety and security in the community.

## **1.10. Economy and Labour Market Performance**

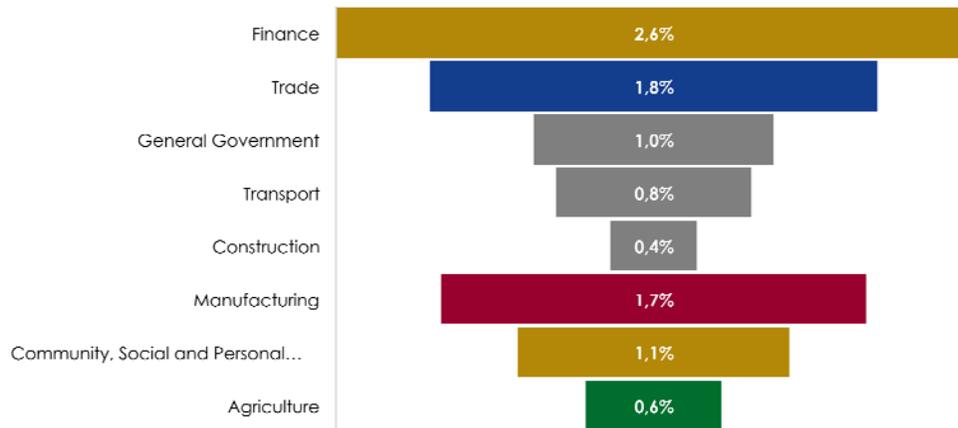
### **1.10.1 Sectoral Overview**

In 2021, the economic landscape of the Stellenbosch municipal area boasted a Gross Domestic Product at regional level (GDPR) totaling R20.6 billion and provided gainful employment to 69 012 individuals. The municipality's economy thrives on a robust agriculture sector, primarily specialising in grape cultivation for its globally acclaimed wineries, which serves as a pivotal driver for trade and tourism. Notably, the finance sector emerged as the primary contributor to the local economy, generating R5.3 billion in 2021 and constituting 25.7 per cent of the total GDPR, further solidifying the area's economic significance. The sectors that contributed to GDPR growth in 2022 were finance and transport, both accounting for 1.0 percentage point, followed by trade, which contributed a 0.6 percentage point.

Moreover, the potential for overall Gross Domestic Product at the regional level (GDPR) growth was impeded by declines in the primary and secondary sectors. Apart from agriculture, which experienced growth rates of 20.3 per cent in 2020 and 5.0 per cent in 2021, these sectors have yet to recover to their 2019 levels. The occurrence of load-shedding in 2022 had adverse effects on both farmers and manufacturers, diminishing their production capacities significantly.

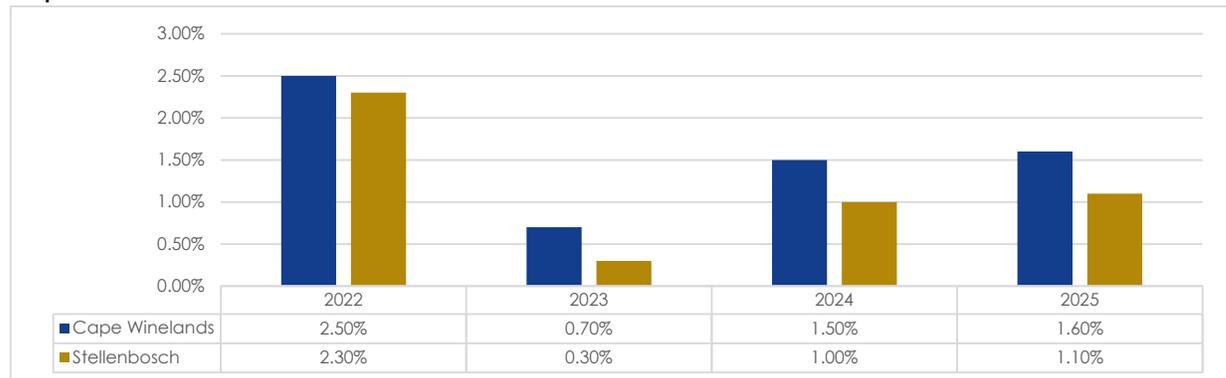
In the current economic landscape of South Africa, marked by challenges such as load-shedding, constrained consumer spending, and diminished business confidence, the Stellenbosch municipal area is predicted to experience near-stagnant Gross Domestic Product at regional level (GDPR) growth of 0.3 per cent in 2023, as indicated on the graph below. Several sectors, including agriculture, manufacturing, construction, general government, and personal services, are expected to underperform due to the macroeconomic pressures dampening overall business activities. However, there is a more optimistic outlook for GDPR growth in 2024, projected at 1.0 per cent. This optimism is rooted in the anticipation of increased tourist activities and robust growth in the finance sector, which are poised to bolster the local economy.

Figure 7: Sectoral contribution to GDP 2021



Source: Western Cape, Social–Economic Profile 2023

Graph 10: GDP Forecast

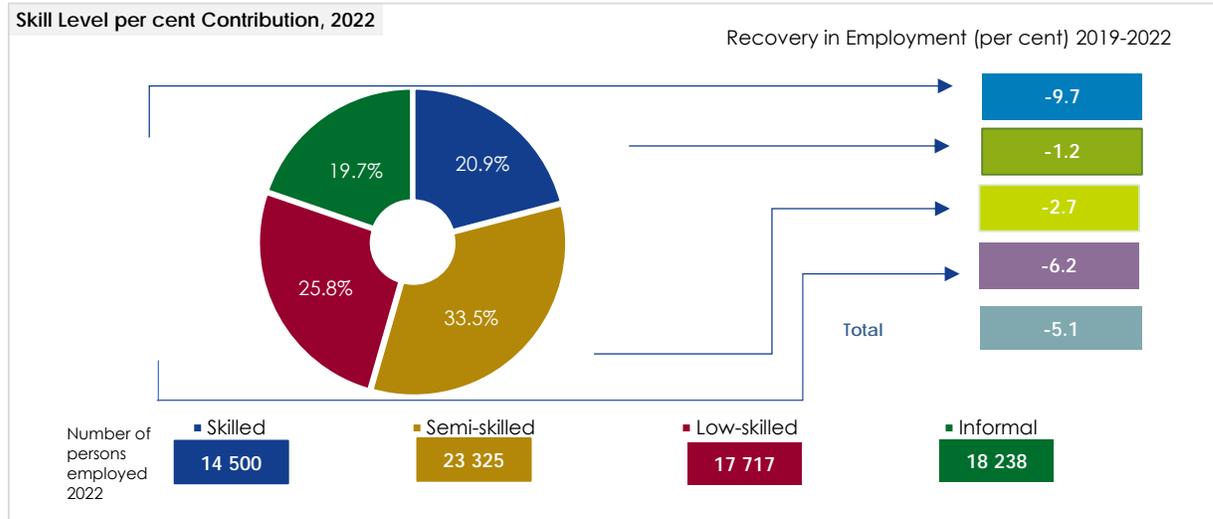


Source: Western Cape, Social–Economic Profile 2023

### 1.10.2 Formal and Informal Employment

The presence of Stellenbosch University and the diverse industries in the area have led to a significant workforce composition, with 20.9 per cent classified as skilled workers and 33.5 per cent as semi-skilled workers. Informal sector activities, particularly in trade, agriculture, and personal services, contribute significantly to employment, accounting for 19.7 per cent of the workforce in 2021. However, a notable challenge exists for low-skilled workers, constituting 25.8 per cent of the workforce, as recent job creation trends have favoured semi-skilled and skilled workers, limiting opportunities for this demographic.

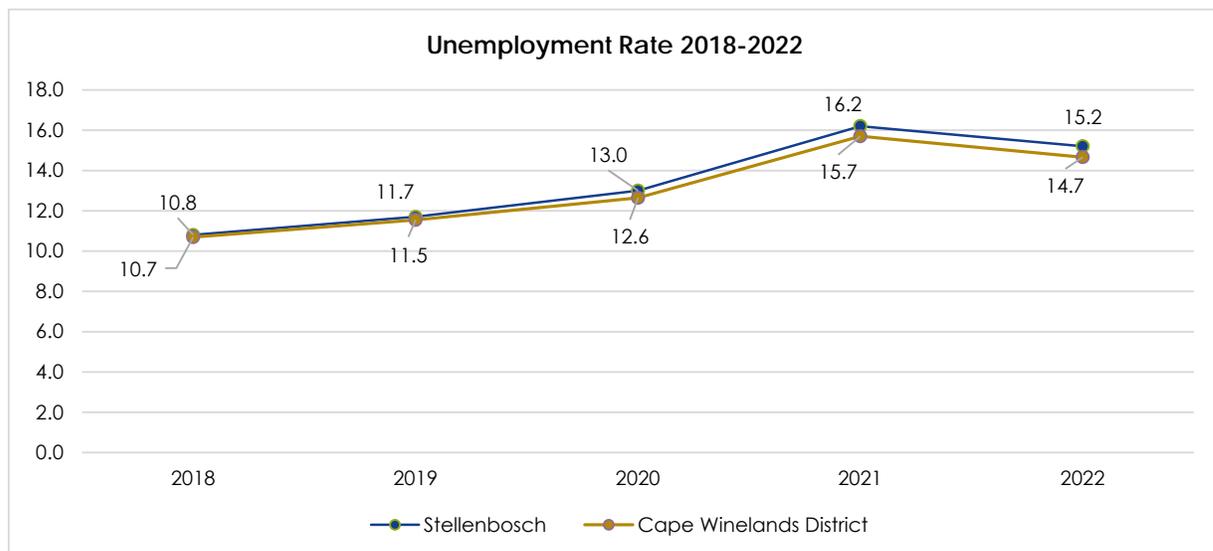
**Graph 11: Skills Level Contribution, 2022**



### 1.10.3 Unemployment

It is crucial to facilitate access to education and skills development initiatives in communities where high unemployment rates occur. Social transformation needs to be promoted and provide enough relevant opportunities and resources for affected demographic areas. Not only does this initiative enhance the socio-economic landscape, but it also has implications for municipal revenue. A skilled and educated workforce can contribute to a more vibrant local economy, generating higher tax revenues to support municipal projects and services.

**Graph 12: Unemployment Rate**



## **B: LEGISLATIVE ENVIRONMENT**

### **Legal Requirements**

The medium term revenue and expenditure framework for 2023/2024, 2024/2025 and 2025/2026 was compiled in accordance with the requirements the relevant legislation, of which the following are the most important:

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

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

### **Guidelines issued by National Treasury**

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

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

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

### **Other circulars used during the compilation of the budget:**

**MFMA: Circulars:** All Municipal Budget Circulars from 2 March 2009 until 9 December 2016

- MFMA Circular No. 86 Municipal Budget Circular for 2017/2018 MTREF – 8 March 2017
- MFMA Circular No. 89 Municipal Budget Circular for 2018/2019 MTREF – 8 December 2017
- MFMA Circular No. 91 Municipal Budget Circular for 2018/2019 MTREF – 7 March 2018
- Local Government: Municipal Finance Management Act, 2003-Municipal Cost Containment Regulation (Draft)- 16 February 2018/ Cost Containment regulations issued June 2019
- MFMA Circular No. 93 Municipal Budget Circular for 2019/2020 MTREF – 7 December 2018
- MFMA Circular No. 94 Municipal Budget Circular for 2019/2020 MTREF – 7 March 2019
- Local Government: Municipal Finance Management Act, 2003-Municipal Cost Containment Regulations issued June 2019
- MFMA Circular No. 98 Municipal Budget Circular for 2020/2021 MTREF – 6 December 2019
- MFMA Circular No. 99 Municipal Budget Circular for 2020/2021 MTREF – 9 March 2020
- MFMA Circular No.107 Municipal Budget Circular for 2021/2022 MTREF – 4 December 2020
- MFMA Circular No.108 Municipal Budget Circular for 2021/2022 MTREF – 8 March 2021
- MFMA Circular No.112 Municipal Budget Circular for 2022/2023 MTREF- 6 December 2021
- MFMA Circular No.115 Municipal Budget Circular for 2022/2023 MTREF- 4 March 2022

- MFMA Circular No.122 Municipal Budget Circular for 2023/2024 MTREF- 12 December 2022
- MFMA Circular No.123 Municipal Budget Circular for 2023/2024 MTREF – 3 March 2023
- MFMA Circular No.123 Municipal Budget Circular for 2023/2024 MTREF – 7 December 2023
- MFMA Circular No.123 Municipal Budget Circular for 2023/2024 MTREF – 8 March 2024

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

- National outcomes/priorities
- Economy and Headline inflation forecasts
- Division of Revenue outlook
- Local Government Conditional Grants & additional allocations and Changes to structure of conditional grant allocations
- Unfunded budgets in Local Government
- Municipal Standard Chart of Accounts (mSCOA)
- IDP Consultation process post 2021 Local Government Elections
- Development of Integrated Development Plan (IDP)
- Revising rates, tariffs and other charges
- Cost Reflective Tariffs
- Eskom Bulk Tariff Increases
- Funding choices and budgeting issues
- Transfers to Municipalities
- Conditional transfers to municipalities
- Unconditional transfers to municipalities
- Borrowing for capital infrastructure
- Revenue Budget
- Cost Containment Measures
- Municipal Budget and Reporting Regulations
- Preparation of Municipal Budgets for 2024/2025 MTREF
- Budget process and submissions for the 2024/25 MTREF and
- Submission of Budget Documentation

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



## C: OVERVIEW OF ANNUAL BUDGET PROCESS

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

A time schedule outlining important dates and deadlines as prescribed for the IDP/Budget process was approved on **23 August 2023**. The budget process for the 2024/2025 MTREF period proceeded/will proceed according to the following timeline

<b>Activity</b>	<b>Time frame</b>
Formulation of budget assumptions	September 2023
Detailed programmes and projects to further define budget	November 2023 – March 2024
IDP and Budget considered by Council	27 March 2024
IDP and Budget - public participation	April 2024
Final approval of IDP and the Budget	22 May 2024

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

The intent of the Strategic goals for the Fourth Generation IDP will remain the same as the goals of the Third Generation IDP, although a slight change for 3 of the goals namely: “Preferred Investment Destination” has been amended to “Valley of Possibility” to have a clearer indication that it needs to include possibilities for all and not just investors; “Greenest Municipality” has been amended to “A Green and Sustainable Valley” to incorporate all facets of sustainability; “ Safest Valley” has been amended to “A Safe Valley”, whilst “Dignified Living” and “Good Governance and Compliance”, remain unchanged.

### Horizontal Alignment Matrix

**Table 12: Horizontal Alignment Matrix**

<b>Strategic Focus Areas</b>	<b>National Strategic Outcomes</b>	<b>National Planning Commission</b>	<b>Western Cape Provincial Government Strategic Plan</b>	<b>CWDM Strategic Objectives</b>
<b>Valley of Possibility</b>	Ensuring decent employment through inclusive economic growth (4) Ensuring decent employment through inclusive economic growth (4)	Creating jobs (1)	Create opportunities for growth and jobs (1)	Promoting sustainable infrastructure services and transport system which fosters social and economic opportunities.
<b>Green and Sustainable Valley</b>	Ensuring that the environmental assets and natural resources are well protected and continually enhanced (10)	Transitioning to a low carbon economy (3) Transforming urban and rural spaces (4)	Enable resilient, sustainable, quality and inclusive living environment (4)	To create an environment and forge partnerships that ensures the health, safety, social and economic development of all communities including the empowerment of the poor in the Cape Winelands District through economic, environmental and social infrastructure investment.

Strategic Focus Areas	National Strategic Outcomes	National Planning Commission	Western Cape Provincial Government Strategic Plan	CWDM Strategic Objectives
	<p>Ensuring vibrant, equitable and sustainable rural communities with food security for all (7)</p> <p>Promoting sustainable human settlements and improved quality of household life (8)</p>	<p>Transitioning to a low carbon economy (3)</p> <p>Transforming urban and rural spaces (4)</p>	<p>Increase wellness, safety and tackle social ills (3)</p> <p>Enable resilient, sustainable, quality and inclusive living environment (4)</p>	<p>Environmental and social infrastructure investment.</p>
<b>Safe Valley</b>	<p>Ensuring all people in South Africa are and feel safe (3)</p>		<p>Increase wellness, safety and tackle social ills (3).</p>	<p>To create an environment and forging partnerships that ensures the health, safety, social and economic development of all communities including the empowerment of the poor in the Cape Winelands District.</p>
<b>Dignified Living</b>	<p>Providing improved quality of basic education (1)</p> <p>Enabling a long, healthy life for all South Africans (2)</p>	<p>Providing quality health care (6)</p>	<p>Improve education outcomes and opportunities for growth and jobs (2)</p> <p>Increase wellness, safety and tackle social ills (3)</p>	<p>To create an environment and forging partnerships that ensures the health, safety, social and economic development of all communities, including the empowerment of the poor in the Cape Winelands District.</p>

Strategic Focus Areas	National Strategic Outcomes	National Planning Commission	Western Cape Provincial Government Strategic Plan	CWDM Strategic Objectives
	Setting up an efficient, competitive and responsive economic infrastructure network (6)	Expanding infrastructure (2)	Create opportunities for growth and jobs (1) Embed good governance and integrated service delivery through partnerships and spatial alignment (5)	Promoting sustainable infrastructure services and transport system which fosters social and economic opportunities.
<b>Good Governance and Compliance</b>	Achieving an accountable, effective and efficient local government system (9) Creating a better South Africa and a better and safer Africa and world (11) Building an efficient, effective and development oriented public service and an empowered fair and inclusive citizenship (12)	Improving education and training (5) Building a capable state (7) Fighting corruption (8)	Embed good governance and integrated service delivery through partnerships and spatial alignment (5)	Promoting sustainable infrastructure services and transport system which fosters social and economic opportunities.
	Achieving a responsive, accountable, effective and efficient local government system (9)	Building a capable state (7)	Embed good governance and integrated service delivery through partnerships and spatial alignment (5)	To provide an effective and efficient financial and strategic support service to the Cape Winelands District Municipality.

**Measurable performance objectives and indicators**

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities.

**Performance management at Stellenbosch municipality is evaluated to embody the following;**

**Consistency:** Objectives, performance indicators and targets are consistent between planning and reporting documents.

**Measurability:** Performance indicators are well defined and verifiable, and targets are specific, measurable and time bound.

**Relevance:** Performance indicators relate logically and directly to an aspect of the municipality's mandate and the realisation of its strategic goals and objectives.

**Reliability:** Recording, measuring, collating, preparing and presenting information on actual performance / target achievements is valid, accurate and complete.

Stellenbosch municipality targets, monitors, assess and reviews organisational performance which in turn is directly linked to individual employees' performance. The performance of the municipality relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations.

The Five-Year Top-Level Service Delivery and Budget Implementation is part of the Integrated Development Plan and the financial performance objectives are captured in supporting table SA7.

**E: OVERVIEW OF MUNICIPAL BY-LAWS BUDGET RELATED POLICIES****The following existing policies were reviewed and amended****Rates Policy**

The revised Rates Policy as required by the Municipal Property Rates Act (Act no 6 of 2004) is attached as Appendix 5.

**Indigent Policy**

Due to the level of unemployment and subsequent poverty in the municipal area, there are households which are unable to pay for basic municipal services. The provision of free basic services ensures that registered indigent consumers have access to basic services. This policy provides the framework for the administration of free basic services to indigent consumers. Refer to Appendix 6.

**Credit Control and Debt Collection Policy**

This policy provides a framework to enable Council to proactively manage and collect all money due for services rendered and outstanding property taxes, subject to the provisions of the Municipal Systems Act of 2000 and any other applicable legislation and internal policies of Council. Refer to Appendix 7.

**Irrecoverable Debt Policy**

This policy enables Council and the CFO to write off irrecoverable debt of indigent consumers, debt which cannot be recovered due to consumers not being registered as indigent or not traceable or due to prescription of debt. Refer to Appendix 8.

**Tariff Policy**

This policy serves as the implementing tool which guides the levying of tariffs for municipal services in accordance with the provisions of the Municipal Systems Act and any other applicable legislation. Tariffs represent the charges levied by Council on consumers for the utilization of services provided by the Municipality and rates on properties. Tariffs will be calculated in various ways, dependent upon the nature of the service being provided. Refer to Appendix 9.

**Special Ratings Area Policy**

The aim of the policy is to provide the framework to strike an appropriate balance between facilitating self-funded community initiatives that aim to improve and/or upgrade neighbourhoods. Refer to Appendix 10.

**Travel and Subsistence Policy**

This policy sets out the basis for the payment of subsistence, travel allowance, hourly rate when applicable for the purpose of official travelling. Refer to Appendix 11.

**Cash Management and Investment Policy**

To regulate and provide directives in respect of the investment of funds and to maximize returns from authorized investments, consistent with the primary objective of minimizing risk. Refer to Appendix 12.

**Development Charges Policy**

The Municipality derives its authority to impose a development charge in terms of Section 75A. General power to levy and recover fees, charges and tariffs of the Local Government: Municipal Systems Act, 2000, Act 32 of 2000. The Municipality approved its new Land Use Planning Bylaw in terms of the Spatial Planning and Land Use Planning Act, 2013 (Act 16 of 2013) in October 2015 and it was officially promulgated and became effective in December 2015. Since then, the Municipality faces significant changes in the planning environment, amongst others the need for and manner of generating development charges. Refer to Appendix 13.

**Accounting Policy**

This policy provides the accounting framework applicable to the finances of the municipality and is informed by the Municipal Finance Management Act (Act no 56 of 2003). Refer to Appendix 14.

**Financing of External Bodies performing municipal functions Policy**

The purpose of this Policy is to provide a framework for financial assistance by Stellenbosch Municipality (“the Municipality”) to external organisations/bodies conducting local government functions to the extent as set out in section 155(6)(a) and (7) of the Constitution as listed in Part B of Schedule 4 and 5. Refer to Appendix 15.

**Ward Allocation Policy**

The objective of the Ward Allocations Policy is to create opportunities for Councillors to identify ward projects in line with the identified IDP needs, with the support of their Ward Committees, which would improve the quality of living in all wards. These projects would need to fit into the basket of services of the relevant User Department and must comply with the following, namely, Local Government’s mandate; council policies; support the pillars and objectives of the IDP and directly benefit the community.

The Policy shall be governed by the underlying principle of ensuring that ward allocation projects meet the requirements of the Integrated Development Plan, including specific reference to, valley of opportunity, green and sustainable valley, safe valley, valley with dignified living and valley of good governance and compliance. Refer to Appendix 16.

### **Wayleave Policy**

In terms of S151 of the Constitution of the Republic of South Africa, 108 of 1996, a municipality has the right to govern on its own initiative, the local government affairs of its community, subject to national and provincial legislation. S156 of the Constitution grants the municipalities the right to administer the local government matters listed in Schedule 5B, which include municipal roads. A municipality may make by-laws for the effective administration of municipal roads. This Policy will be converted into municipal by-laws to give it legal effect. Refer to Appendix 17.

### **Ward Committee Policy**

This policy is compiled in terms of the Local Government: Municipal Structures Act, 117 of 1998; Local Government: Municipal Systems Act, 32 of 2000 and 2005 DPLG Guidelines.

#### **Preamble of Policy:**

WHEREAS the Municipality is committed to encouraging the involvement of communities and community organisations in its affairs.

WHEREAS the Municipality is a municipality with an executive mayoral system combined with a ward participatory system as set out in section 9(d) of the Act.

WHEREAS the Council has resolved in terms of section 72(2) of the Act to adopt the ward participatory system.

IT IS THEREFORE RESOLVED by the Council as follows. Refer to Appendix 18.



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**The following existing budget related policies and by-laws were reviewed but no amendments were necessary:**

**Grant-in-aid Policy**

This policy provides the framework for grants-in-aid to non-governmental organisations (NGO's), community-based organisations (CBO's) or non-profit organisations (NPO's) and bodies that are used by government as an agency to serve the poor, marginalised or otherwise vulnerable as envisaged by Sections 12 and 67 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003). Refer Appendix 19.

**Infrastructure Asset Unbundling Policy**

This policy is intended to provide a framework for the unbundling of completed infrastructure services capital projects and financial asset year-end processes within the requirements of sections 60, 62, 63, 78, and 79 of the Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA), and the South African Standards of Generally Recognised Accounting Practices (GRAP) as well as to promote good financial management practices. This policy applies to all officials within the Stellenbosch Local Municipality who utilise and/or manage any type of infrastructure assets. The Municipal Council of Stellenbosch have adopted an Asset Management Policy to regulate the effective management of all council's assets and wants to lay down broad guidelines for consistent, effective and efficient asset management principles of Stellenbosch Municipality. The Municipality of Stellenbosch have agreed to adopt an Infrastructure Unbundling Policy that will guide the Municipality with the effective, complete, and accurate capitalisation of their assets and complying with year-end processes relating to assets. Refer to Appendix 20.

**Asset Management Policy**

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

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

- **And whereas** the municipal manager as accounting officer of municipal funds, assets and liabilities is responsible for the effective implementation of the asset management policy which regulates the acquisition, safeguarding, maintenance of all assets and

disposal of assets where the assets are no longer used to provide a minimum level of basic service as regulated in terms of section 14 of the MFMA.

- **And whereas** these assets must be protected over their useful life and may be used in the production or supply of goods and services or for administrative purposes in meeting the municipality's operational requirements.
- **Now therefore** the municipal council of the Stellenbosch Municipality adopts this asset management policy. Refer to Appendix 21.

### **Borrowing, Funds and Reserves**

This policy strives to establish a borrowing framework policy for the Municipality and set out the objectives, policies, statutory requirements and guidelines for the borrowing of funds. The policy provides a framework to ensure that the annual budget of Stellenbosch Municipality is fully funded and that all funds and reserves are maintained at the required level to avoid future year noncash backed liabilities. The policy aims to give effect to the requirements and stipulations of the Municipal Finance Management Act and Municipal Budget and Reporting Framework. Refer to Appendix 22.

### **Budget Implementation and Monitoring Policy**

The policy aims to give effect to the requirements and stipulations of the Municipal Finance Management Act and Municipal Budget and Reporting Framework in terms of the planning, preparation and approval of the annual and adjustments budgets. The framework for virements is also explained and regulated in this policy as well as monitoring roles and responsibilities. Refer to Appendix 23.

### **Pool Vehicle Policy**

The purpose of this policy is to ensure the proper procedure of booking and utilization of a pool vehicle. The policy clearly stipulates that no person, other than a municipal official in possession of a valid driver's licence may drive a Pool Vehicle and no person other than an official may be transported in a Pool Vehicle, provided that the CFO, Municipal Manager or a director may in exceptional circumstances authorise that other passenger may be transported in such Pool Vehicle. Municipal officials that receive car allowance are NOT allowed to use any pool vehicle. Refer to Appendix 24.

### **Cost Containment Policy**

The purpose of the policy is to regulate spending and to implement cost containment measures at Stellenbosch Local Municipality. The objectives of this policy are to ensure that the resources of the municipality are used effectively, efficiently and economically and to implement cost containment

measures. The cost containment policy will apply to council and all municipal employees. Refer to Appendix 25.

### **Liquidity Policy**

The documented Liquidity Policy sets out the minimum risk management measures that Stellenbosch Municipality has to implement and adhere to in order to ensure that its current and future liquidity position is managed in a prudent manner. This policy will be implemented to provide guidance on the minimum liquidity level that Stellenbosch Municipality has to maintain in order to comply with required legislative and / or National Treasury directives and within the overall financial management objectives as approved/reviewed by the Council from time to time. Refer to Appendix 26.

### **Virement Policy**

The policy sets out the Virement principles and processes which the Stellenbosch Municipality will follow during a financial year. These virements will represent a flexible mechanism to effect budgetary amendments within a municipal financial year. The policy shall give effect to the requirements and stipulations of the Municipal Finance Management Act and Municipal Budget and Reporting Framework in terms of the Approved budget, and it will be applicable to all municipal staff and councillors involved in budget implementation. Refer to Appendix 27.

### **Petty Cash Policy**

All purchases below R 2 000 are regulated by this policy. Clear processes and procedures are stipulated to ensure that all transactions are processed effective and efficiently in a bid to ensure prudent financial control. Refer to Appendix 28.

### **Supply Chain Management Policy**

Section 111 of the MFMA requires each Municipality and municipal entity to adopt and implement a supply chain management policy, which gives effect to the requirements of the Act. The Preferential Procurement Policy Framework Act, no 5 of 2000 and its accompanying regulations influences and dictates process around the evaluation and awarding of points. In this regard, the Minister of Finance acting in terms of section 5 of the Procurement Policy Framework Act, revised the Regulations accompanying this Act on the 20<sup>th</sup> January 2017 for implementation by all affected public entities by the 1 April 2017. The Supply Chain Management Policy was therefore amended and adopted at Council during February 2017. Refer to Appendix 29.

**Preferential Procurement Policy**

Section 217(1) of the Constitution, 1996 (Act 108 of 1996) provides that when contracting for goods and services, organs of state must do so in accordance with a system that is fair, equitable, transparent, competitive and cost effective. Section 217(2) and (3) of the Constitution allows organs of state to grant preferences when procuring for goods and services within a Framework prescribed by National legislation. The preferential procurement policy is founded on the following principles, namely, value for money, open and effective competition, ethics and fair dealing, accountability and reporting and equity. This policy will be applicable to all active industry sectors within the Stellenbosch Municipal area and must be read with the supply chain management policy of the municipality. Refer to Appendix 30.

**Inventory Management Policy**

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

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

The policy aims to achieve the following objectives which are to provide guidelines that employees of the Municipality must follow in the management and control of inventory, including safeguarding and disposal of inventory, procure inventory in line with the established procurement principles contained in the Municipality's Supply Chain Management Policy and eliminate any potential misuse of inventory and possible theft. Refer to Appendix 31.

**Credit Control and Debt Collection By-Law**

This by-law give effect to the implementation and enforcement of Municipality's Credit Control and Debt Collection Policy and/or to regulate its implementation and enforcement in the Stellenbosch Municipal Area (WC024) in terms of section 156(2) of the Constitution of the Republic of South Africa (Act 108 of 1996) and sections 96 and 98 of the Municipal Systems Act (Act 32 of 2000); to provide for the collection of all monies due and payable to the Municipality; and to provide for matters incidental thereto. All debt owing to the Municipality must be collected in accordance with this By-law and the Credit Control and Debt Collection Policy. Refer to Appendix 32.

**Special Ratings Area By-Law**

A “special rating area” refers to a special rating area approved by the Council in accordance with the provisions of section 22 of the Property Rates Act. This By-law aims to provide for the establishment of special ratings areas, to provide for additional rates and to provide for matter incidental thereto. Refer to Appendix 33.

**Rates By-Law**

In terms of Section 3 of the Property Rates Act, a municipal council must adopt a policy consistent with the property rates act on levying of rates on rateable properties in the municipality. Refer to Appendix 34.

**Tariff By-Law**

In terms of section 75(1) of the Systems Act, a municipal council must adopt by-laws to give effect to the implementation and enforcement of its tariff policy. In terms of section 75(2) of the Systems Act, by-laws adopted in terms of section 75(1) of the Systems Act may differentiate between different categories of users, debtors, service providers, services, service standards and geographical areas as long as such differentiation does not amount to unfair discrimination. Refer to Appendix 35.

## F: OVERVIEW OF KEY BUDGET ASSUMPTIONS

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

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

	2024/2025	2025/2026	2026/2027
<b>Percentage Increase:</b>			
Water	6.20%	6.00%	6.00%
Electricity	11.00%	11.00%	11.00%
Sanitation	8.00%	8.00%	8.00%
Refuse	6.90%	6.90%	6.90%
Property Rates	6.30%	6.00%	6.00%
<b>Collection Rates</b>			
Water	95%	95%	95%
Electricity (Post Paid Meters)	97%	97%	97%
Sanitation	96%	96%	96%
Refuse	96%	96%	96%
Rates	96%	96%	96%
<b>Employee Related Costs</b>			
Salaries and Wages and related costs	4.90%	4.60%	4.60%
Notch Increment	2.40%	2.40%	2.40%
<b>Other Assumptions</b>			
Bulk Purchases - Electricity	12.70%	12.70%	12.70%

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

Municipalities should also pay particular attention to managing all revenue and cash streams effectively and carefully evaluate all spending decisions.”

**G: HIGH LEVEL BUDGET OVERVIEW****Capital Budget for 2024/2025, 2025/2026 and 2026/2027**

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

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

The capital budgets as proposed, amounts to:

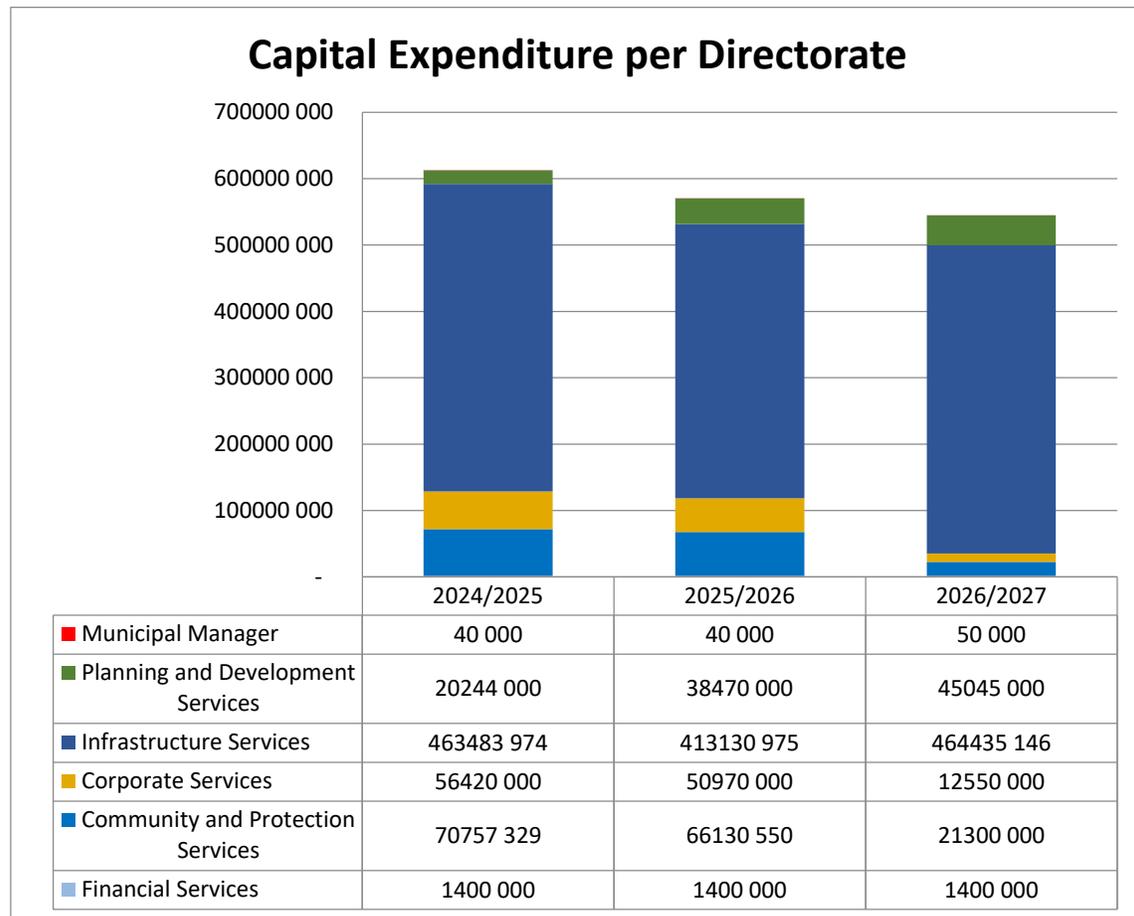
<u>2024/2025</u>	<u>2025/2026</u>	<u>2026/2027</u>
R	R	R
612 345 303	570 141 525	544 780 146

**Compilation of the Capital Budget**

The capital budgets depicted per Directorate are as follows:

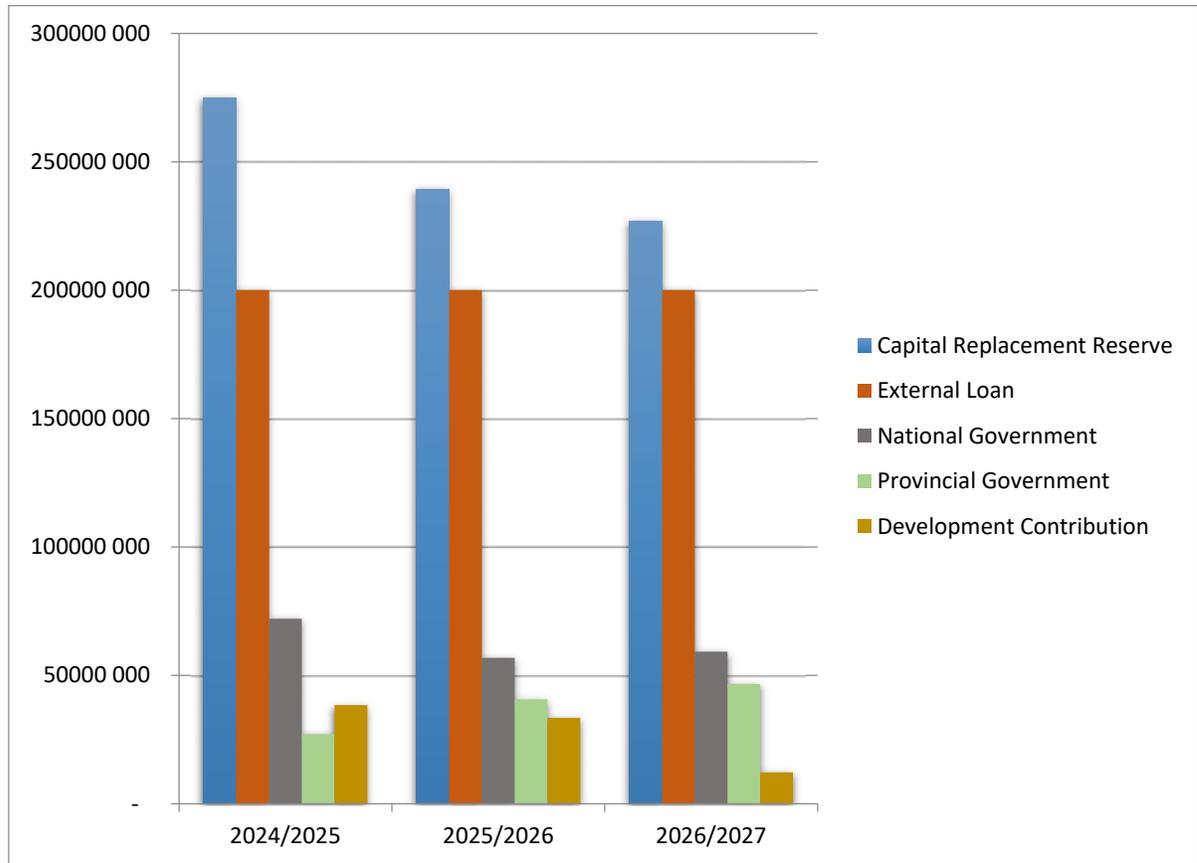
	<u>2024/2025</u>		<u>2025/2026</u>		<u>2026/2027</u>	
	R	%	R	%	R	%
Municipal Manager	40 000	0.01%	40 000	0.01%	50 000	0.01%
Planning and Development Services	20 244 000	3.31%	38 470 000	6.75%	45 045 000	8.27%
Infrastructure Services	463 483 974	75.69%	413 130 975	72.46%	464 435 146	85.25%
Corporate Services	56 420 000	9.21%	50 970 000	8.94%	12 550 000	2.30%
Community and Protection Services	70 757 329	11.56%	66 130 550	11.60%	21 300 000	3.91%
Financial Services	1 400 000	0.23%	1 400 000	0.25%	1 400 000	0.26%
	<b>612 345 303</b>	<b>100.00%</b>	<b>570 141 525</b>	<b>100.0%</b>	<b>544 780 146</b>	<b>100.0%</b>



**Investment in infrastructure for the next three years' equals:****Financing of the Capital Budget**

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

	2024/2025		2025/2026		2026/2027	
	R		R		R	
<u>Own Funding</u>						
Capital Replacement Reserve	274 794 767	44.88%	239 164 975	41.95%	226 708 296	41.61%
Development Contribution	38 427 536	6.28%	33 500 000	5.88%	12 200 000	2.24%
<u>External Funding</u>						
Grants National Government	72 056 000	11.77%	56 820 550	9.97%	59 215 850	10.87%
Grants Provincial Government	27 067 000	4.42%	40 656 000	7.13%	46 656 000	8.56%
External Loans	200 000 000	32.66%	200 000 000	33.83%	200 000 000	36.78%
	<b>612 345 303</b>	<b>100.00%</b>	<b>570 141 525</b>	<b>100.00%</b>	<b>544 780 146</b>	<b>100.00%</b>



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

## Operating Budget for 2024/2025, 2025/2026 and 2026/2027

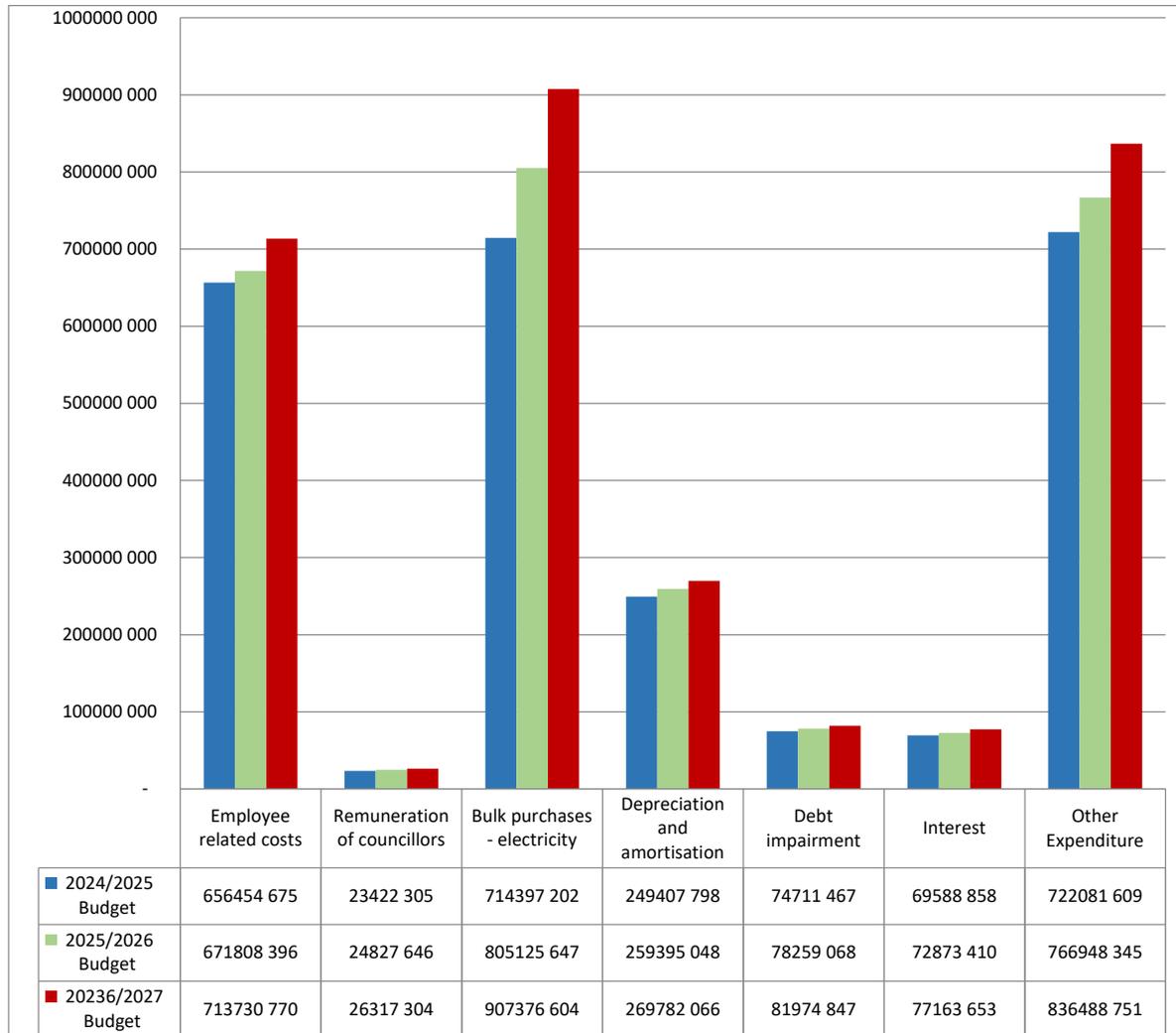
### Expenditure

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

	<u>2024/2025</u>	<u>2025/2026</u>	<u>2026/2027</u>
	R	R	R
Municipal Manager	17 202 891	18 017 781	19 028 840
Planning and Development Services	98 228 257	103 224 537	116 856 319
Infrastructure Services	1 539 980 340	1 683 109 233	1 865 333 439
Corporate Services	216 618 258	226 265 059	236 773 030
Community and Protection Services	510 981 472	517 885 165	537 233 394
Financial Services	127 052 696	130 735 785	137 608 973
<b>Total Expenditure</b>	<b>2 510 063 914</b>	<b>2 679 237 560</b>	<b>2 912 833 995</b>

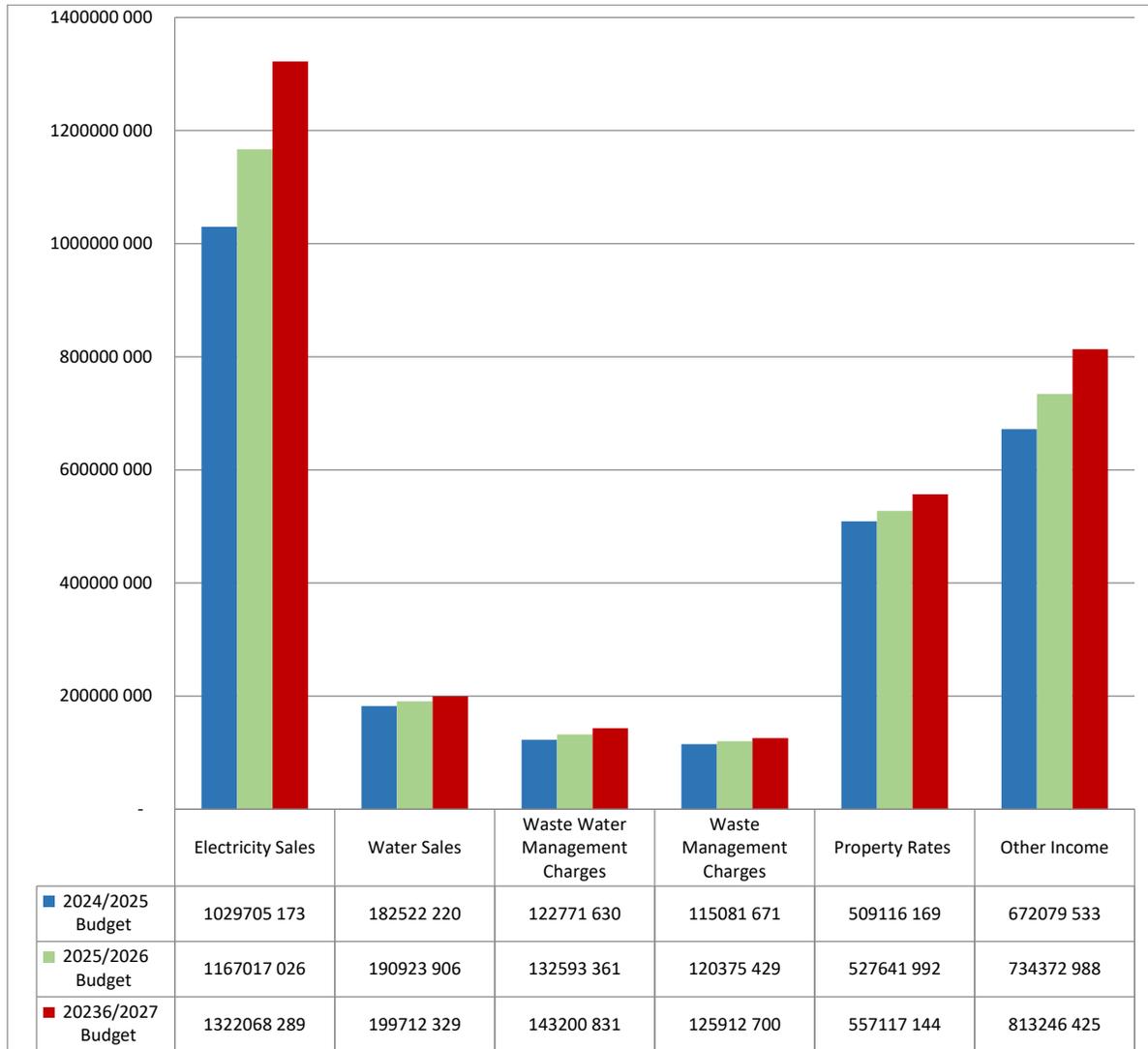
The operating expenditure budget per category is as follows:

	<u>2024/2025</u>	<u>2025/2026</u>	<u>2026/2027</u>
	R	R	R
Employee related costs	656 454 675	671 808 396	713 730 770
Remuneration of councillors	23 422 305	24 827 646	26 317 304
Bulk purchases - electricity	714 397 202	805 125 647	907 376 604
Depreciation and amortisation	249 407 798	259 395 048	269 782 066
Debt impairment	74 711 467	78 259 068	81 974 847
Interest	69 588 858	72 873 410	77 163 653
Other Expenditure	722 081 609	766 948 345	836 488 751
<b>Total Expenditure</b>	<b>2 510 063 914</b>	<b>2 679 237 560</b>	<b>2 912 833 995</b>



The operational budget will be funded as follows:

	<u>2024/2025</u>	<u>2025/2026</u>	<u>2026/2027</u>
	R	R	R
Electricity Sales	1 029 705 173	1 167 017 026	1 322 068 289
Water Sales	182 522 220	190 923 906	199 712 329
Wastewater Management Charges	122 771 630	132 593 361	143 200 831
Waste Management Charges	115 081 671	120 375 429	125 912 700
Property Rates	509 116 169	527 641 992	557 117 144
Other Income	672 079 533	734 372 988	813 246 425
<b>Total Income</b>	<b>2 631 276 396</b>	<b>2 872 924 702</b>	<b>3 161 257 718</b>



## H: OVERVIEW OF THE BUDGET FUNDING

### Financing of the Capital Budget

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

	<u>2024/2025</u>	<u>2025/2026</u>	<u>2026/2027</u>
	<b>R</b>	<b>R</b>	<b>R</b>
Capital Replacement Reserve	274 794 767	239 164 975	226 708 296
Grants National Government	72 056 000	56 820 550	59 215 850
Grants Provincial Government	27 067 000	40 656 000	46 656 000
External Loans	200 000 000	200 000 000	200 000 000
Development Contribution	38 427 536	33 500 000	12 200 000
	<b>612 345 303</b>	<b>570 141 525</b>	<b>544 780 146</b>

#### Grant funding from National Government includes the following:

- Integrated National Electrification Programme (Municipal) Grant
- Integrated Urban Development Grant
- Electricity Demand Side Management (Municipal) Grant (Schedule 6)

#### Grant funding from Provincial Government includes the following:

- Human Settlement Development Grant
- Informal Settlements Upgrading Partnership Grant: Provinces (Beneficiaries)
- Integrated Transport Planning
- Regional Socio-Economic Project/violence through urban upgrading (RSEP/VPUU)

### Financing of the Operational Budget

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

- Equitable Share Allocation
- Community Library Services Grant
- Local Government Financial Management Grant
- Municipal Accreditation and Capacity Building Grant
- Financial assistance to municipalities for maintenance and Construction of Transport Infrastructure
- Community Development Workers Operational Support Grant
- Expanded Public Works Program Incentive Grant
- Human Settlement Development Grant
- Title Deeds Restoration Grant

**I: EXPENDITURE ON ALLOCATION AND GRANT PROGRAMMES**

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>EXPENDITURE:</b>	1									
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		178 568	168 531	188 219	210 148	209 881	209 881	221 720	236 786	255 634
Operational Revenue:General Revenue:Equitable Share		170 632	157 136	179 634	200 841	200 841	200 841	215 604	232 617	251 231
Expanded Public Works Programme Integrated Grant for Municipalities (Schedule 5B)		4 961	5 998	3 748	4 786	4 519	4 519	2 021	-	-
Local Government Financial Management Grant (Schedule 5B)		1 550	1 550	1 550	1 550	1 550	1 550	1 600	1 700	1 800
Integrated Urban Development Grant		1 425	3 847	3 287	2 971	2 971	2 971	2 495	2 469	2 603
<b>Provincial Government:</b>		11 850	20 200	24 947	30 763	14 583	14 583	12 768	12 365	12 532
Library Services: Conditional Grant		10 720	9 336	10 628	11 252	11 252	11 252	11 333	11 359	11 868
Municipal Accreditation and Capacity Building Grant		-	77	669	245	245	245	249	249	260
Financial Management Capacity Building Grant		495	395	319	-	-	-	-	-	-
Title Deeds Restoration Grant		468	432	940	1 503	1 503	1 503	803	369	-
Community Development Workers Operational Support Grant		93	38	38	38	38	38	38	38	38
Maintenance and Construction of Transport Infrastructure		-	-	495	345	345	345	345	350	366
Western Cape Municipal Energy Resilience Grant (WC MER Grant)		-	-	1 184	-	244	244	-	-	-
HUMAN SETTLEMENTS DEVELOPMENT GRANT		-	7 973	6 954	17 380	535	535	-	-	-
Library Services: Replacement Funding for Most Vulnerable B3 Municipalities		-	-	-	-	180	180	-	-	-
Municipal Library Support Grant		-	150	3 102	-	-	-	-	-	-
WC Financial Management Support Grant		-	-	550	-	-	-	-	-	-
Local Government Public Employment Support Grant		-	1 800	-	-	-	-	-	-	-
Financial Management Capability Building Grant		-	-	-	-	241	241	-	-	-
LG Graduate Internship Grant		74	-	-	-	-	-	-	-	-
Housing consumer education		-	-	68	-	-	-	-	-	-
<b>District Municipality:</b>		2 424	-	599	-	700	700	650	-	-
Cape Winelands District Grant		1 984	-	484	-	500	500	500	-	-
Safety Initiative Implementation-whole of society approach (WOSA)		440	-	-	-	-	-	-	-	-
Cape Winelands District Municipality Grant Community safety		-	-	115	-	-	-	-	-	-
Cape Winelands District Municipality Grant Capacity and support		-	-	-	-	200	200	150	-	-
<b>Other Grant Providers:</b>		1 948	-	-	-	-	-	-	-	-
LG SETA Discretionary grant		139	-	-	-	-	-	-	-	-
Foreign Government and International Organisations		-	-	-	-	-	-	-	-	-
Households		-	-	-	-	-	-	-	-	-
Non-profit Institutions		-	-	-	-	-	-	-	-	-
Private Enterprises		-	-	-	-	-	-	-	-	-
DBSA		1 809	-	-	-	-	-	-	-	-
Higher Educational Institutions		-	-	-	-	-	-	-	-	-
Parent Municipality / Entity		-	-	-	-	-	-	-	-	-
<b>Total operating expenditure of Transfers and Grants:</b>		194 790	188 731	213 765	240 911	225 164	225 164	235 138	249 151	268 166
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		57 481	68 112	91 162	79 190	106 572	106 572	72 056	56 500	58 943
Integrated National Electrification Programme (Municipal Grant) (Schedule 5B)		12 000	15 018	28 702	22 750	20 000	20 000	5 056	11 000	9 943
Municipal Disaster Recovery Grant (Schedule 4B)		-	-	-	-	30 132	30 132	-	-	-
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	5 000	5 000	5 000
Integrated Urban Development Grant		45 481	53 094	62 460	56 440	56 440	56 440	62 000	40 500	44 000
<b>Provincial Government:</b>		12 366	17 970	14 597	24 666	29 257	29 257	39 370	95 799	135 156
EMERGENCY MUNICIPAL LOAD SHEDDING RELIEF GRANT		-	-	6 175	-	6 175	6 175	-	-	-
Integrated Transport Planning		-	600	-	-	-	-	628	656	656
HUMAN SETTLEMENTS DEVELOPMENT GRANT		11 648	7 229	1 576	5 033	2 159	2 159	18 692	79 143	118 500
Development of Sport and Recreational Facilities		-	600	220	-	-	-	-	-	-
Informal Settlements Upgrading Partnership Grant: Provinces (Beneficiaries)		-	5 928	4 786	18 633	15 583	15 583	18 550	16 000	16 000
Library Services: Conditional Grant		55	337	69	-	4 339	4 339	-	-	-
RSEP		662	2 566	1 771	1 000	1 000	1 000	1 500	-	-
Western Cape Municipal Energy Resilience Grant (WC MER Grant)		-	710	-	-	-	-	-	-	-
Public Transport		-	-	-	-	-	-	-	-	-
Road Infrastructure		-	-	-	-	-	-	-	-	-
Sports and Recreation		-	-	-	-	-	-	-	-	-
Waste Water Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
All Grants		-	-	-	-	-	-	-	-	-
<b>Other Grant Providers:</b>		-	1 115	-	-	-	-	-	-	-
Departmental Agencies and Accounts		-	307	-	-	-	-	-	-	-
Foreign Government and International Organisations		-	-	-	-	-	-	-	-	-
Households		-	-	-	-	-	-	-	-	-
Non-Profit Institutions		-	-	-	-	-	-	-	-	-
Private Enterprises		-	808	-	-	-	-	-	-	-
Public Corporations		-	-	-	-	-	-	-	-	-
Higher Educational Institutions		-	-	-	-	-	-	-	-	-
Parent Municipality / Entity		-	-	-	-	-	-	-	-	-
Transfer from Operational Revenue		-	-	-	-	-	-	-	-	-
<b>Total capital expenditure of Transfers and Grants</b>		69 847	87 197	105 758	103 856	135 828	135 828	111 426	152 299	194 099
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		264 637	275 928	319 524	344 766	360 992	360 992	346 564	401 450	462 265

**J: ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITY**

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousand</b>											
<u>Cash Transfers to other municipalities</u>											
Operational	1	-	-	-	-	-	-	-	-	-	-
Capital		-	-	-	-	-	-	-	-	-	-
<b>Total Cash Transfers To Municipalities:</b>		-	-	-	-	-	-	-	-	-	-
<u>Cash Transfers to Entities/Other External Mechanisms</u>											
Operational	2	-	-	-	-	-	-	-	-	-	-
Capital		-	-	-	-	-	-	-	-	-	-
<b>Total Cash Transfers To Entities/Ems'</b>		-	-	-	-	-	-	-	-	-	-
<u>Cash Transfers to other Organs of State</u>											
Operational	3	-	-	-	-	-	-	-	-	-	-
Capital		-	-	-	-	-	-	-	-	-	-
<b>Total Cash Transfers To Other Organs Of State:</b>		-	-	-	-	-	-	-	-	-	-
<u>Cash Transfers to Organisations</u>											
Operational		10 514	12 556	12 531	7 937	8 410	8 410	6 360	8 833	9 230	9 645
Capital		-	-	-	-	-	-	-	-	-	-
<b>Total Cash Transfers To Organisations</b>		10 514	12 556	12 531	7 937	8 410	8 410	6 360	8 833	9 230	9 645
<u>Cash Transfers to Groups of Individuals</u>											
Operational		495	808	962	8 402	7 292	7 292	4 866	7 000	7 140	7 283
Capital		-	-	-	-	-	-	-	-	-	-
<b>Total Cash Transfers To Groups Of Individuals:</b>		495	808	962	8 402	7 292	7 292	4 866	7 000	7 140	7 283
<b>TOTAL CASH TRANSFERS AND GRANTS</b>	6	11 010	13 364	13 494	16 338	15 701	15 701	11 225	15 833	16 370	16 928
<u>Non-Cash Transfers to other municipalities</u>											
Operational	1	-	-	-	-	-	-	-	-	-	-
Capital		-	-	-	-	-	-	-	-	-	-
<b>Total Non-Cash Transfers To Municipalities:</b>		-	-	-	-	-	-	-	-	-	-
<u>Non-Cash Transfers to Entities/Other External Mechanisms</u>											
Operational	2	-	-	-	-	-	-	-	-	-	-
Capital		-	-	-	-	-	-	-	-	-	-
<b>Total Non-Cash Transfers To Entities/Ems'</b>		-	-	-	-	-	-	-	-	-	-
<u>Non-Cash Transfers to other Organs of State</u>											
Operational	3	-	-	-	-	-	-	-	-	-	-
Capital		-	-	-	-	-	-	-	-	-	-
<b>Total Non-Cash Transfers To Other Organs Of State:</b>		-	-	-	-	-	-	-	-	-	-
<u>Non-Cash Grants to Organisations</u>											
Operational	4	-	-	-	-	-	-	-	-	-	-
Capital		-	-	-	-	-	-	-	-	-	-
<b>Total Non-Cash Grants To Organisations</b>		-	-	-	-	-	-	-	-	-	-
<u>Non-Cash Transfers to Groups of Individuals</u>											
Operational	5	-	-	4 265	4 297	4 497	4 497	2 533	4 906	5 123	5 347
Capital		-	-	-	-	-	-	-	-	-	-
<b>Total Non-Cash Grants To Groups Of Individuals:</b>		-	-	4 265	4 297	4 497	4 497	2 533	4 906	5 123	5 347
<b>TOTAL NON-CASH TRANSFERS AND GRANTS</b>		-	-	4 265	4 297	4 497	4 497	2 533	4 906	5 123	5 347
<b>TOTAL TRANSFERS AND GRANTS</b>	6	11 010	13 364	17 758	20 636	20 199	20 199	13 759	20 739	21 493	22 276



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## **REPORT RECEIVED FROM COMMUNITY DEVELOPMENT: 2024/2025 GRANT-IN-AID ALLOCATIONS AND DONATIONS**

### **1. SUBJECT**

#### **GRANT IN AID APPLICATIONS AND DONATIONS 2024/2025**

### **2. PURPOSE**

To obtain Council's approval for Grant-in-Aid (GiA) applications and recommended donations for the financial year 2024-2025.

### **3. DELEGATED AUTHORITY (FOR DECISION BY MUNICIPAL COUNCIL)**

In terms of Municipal Finance Management Act (MFMA), Act (56 of 2003) Section 17. (3) (e) relating to content of annual budgets and supporting documents.

### **4. EXECUTIVE SUMMARY**

This policy aims to provide a framework for Grant-in-Aid to non-governmental organisations (NGOs), community-based organisations (CBOs), non-profit organisations (NPOs) or non-profit companies (NPC), Public Benefit Organisations (PBO's) in so far as to alleviate the burden on municipal cemeteries and bodies that are used by government as an agency to serve the poor, marginalised or otherwise vulnerable as envisaged by the Grant in Aid Policy approved at the Council Meeting in May 2023.

### **5. RECOMMENDATIONS**

- a) That council consider and approve the recommended donations to organizations as per detailed list.

### **6. DISCUSSION / CONTENTS**

#### **6.1. Background**

In terms of Council's Grant-in-Aid Policy, proposals were called for by means of advertisement in the press on 12 October 2023 (Eikestad Nuus) and on the municipal website and Facebook page.

The advertisement included an invitation to attend one of three compulsory workshops on either 25, 26 or 27 October 2023 to assist and give guidance on the policy and application procedure. One hundred and fifty seven (157) persons attended the workshops.

A workshop to assist with capacity building of small, emerging organisations was conducted on 3 November 2023 focussing on financial management. This workshop was also advertised in the local newspaper and is not compulsory. The workshop was attended by seventeen (17) persons.

By the closing date (1 December 2023), 97 applications were received.

## 6.2 Discussion

The Department Community Development and the Sport and Recreation Department scrutinized and evaluated ninety-seven (97) applications representing the following categories:

CATEGORY	SUB CATEGORY	APP'S RECEIVED	APP'S RECOMMENDED/ CONDITIONALLY RECOMMENDED	WARDS SERVED THROUGH THE ORGANIZATIONS	RECOMMENDED AMOUNT (2023-2024)
Social Development	General	5	4	1,2, 6-11, 16, 19, 22	160 000.00
	Partial Care	46	12	ALL	470 000.00
	Disability	4	3	All	120 000.00
	Elderly	5	0	NA	0.00
	Youth	5	2	4, 12-15	80 000.00
	Substance Abuse	4	1	4, 5, 7, 9, 10, 12, 16, 20	40 000.00
	Gender	3	0	NA	0.00
	Food Security	2	1	3-5, 12-16, 18-20	2 979 890.40
	People Living on the Street	3	2	All	2 568 331.78
	Safety	1	0	NA	0.00
	Skills Development	2	1	ALL	40 000.00
Health	Physical and Psychological	3	2	ALL	80 000.00
Sport, Art and Culture	Sport Clubs	8	1	6, 17	40 000.00
	Art and Culture	6	2	4, 5-10	80 000.00
	<b>Total</b>	<b>97</b>	<b>31</b>		<b>6 698 222.18</b>

Table 1: Applications and draft grant recommendations per category

The detailed list of applications received and evaluated can be found with the item. Reason for not recommending organizations can be found in the notes column of said list.

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

**Declarations of Interest:**

Where officials were indicated as linked to an applicant, either directly or indirectly through a family member, and said official formed part of the Grant in Aid assessment team, the official was excused from any assessment or discussions relating to the application in question. The following declarations relating to municipal officials and councillors are noted:

<b>Applicant</b>	<b>Person</b>	<b>Organisation Capacity</b>	<b>Municipal Capacity</b>	<b>Declaration Received</b>
Abba Stellenbosch	Portia Jansen	Vice Chairperson	Community Development Coordinator (Daughter of Chairperson)	Y
	Wilfred Frederick Pietersen	Chairperson	PR Councillor	Y
Cape Winelands Farm Workers Sport and Recreation Association	Tanya Carstens	Vice President	Snr Clerk: Administration Infrastructure Services	Y
	Adele Wagner	Vice Secretary	Administrative Officer, Financial Services	Y
Caring and Learning Development	Donray Beerwinkel	Treasurer	Snr Accountant, Financial Services	Y
Celtic United FC	Adele Wagenaar	Member	Administrative Officer, Financial Services	Y
Christian Dependency Ministry	Wilfred Frederick Pietersen	Chairperson	PR Councillor	Y
Hospice NPC	Wilfred Frederick Pietersen	Director	PR Councillor	Y
Isibane Sempumelelo	Mary Nkopane	Chairperson	Ward 13 Councillor	Y
Jessie Keet ECD	Wilfred Frederick Pietersen	Director	PR Councillor	Y
Kylemore ECD	Wilfred Frederick Pietersen	Director	PR Councillor	Y
Lithalethu Educare Centre	Nokuzola Kakaza	Chairperson	Traffic Warden, Community and Protection Services	Y
Kylemore Secondary School	Gerrit Africa	Additional Member	General Worker, Community and Protection Services	Y
Nomzamo Seniors	Funeka Mayembana	Daughter to Member	Community Development Coordinator, Community and Protection Services	Y
	Tulani Hani	Niece to Secretary	Clerk, Financial Services	Y
Nora Tyres ECD	Wilfred Frederick Pietersen	Member	PR Councillor	Y

Sizamile ECD	Wilfred Frederick Pietersen	Member	PR Councillor	Y
StellCare	Wilfred Frederick Pietersen	Member	PR Councillor	Y
Stellenbosch Work Centre for Adult Persons with Disabilities	Portia Jansen	Manager	Community Development Coordinator (Niece of Manager)	Y
Stellemploy	Portia Jansen	Director	Community Development Coordinator (Daughter of Director)	Y
Umnyama	Wilhelmina Petersen	Unspecified	Ward 2 Councillor	Y
Youth Empowerment Action	Wilhelmina Petersen	Member	Ward 2 Councillor	Y

### 6.3 Financial Implications

This report has the following financial implications:

<b>2024-2025 (Cat A)</b>
1 150 000.00

<b>2024-2025 (Cat B)</b>	<b>2025-2026 (Cat B)</b>	<b>2026-2027 (Cat B)</b>
5 548 222.18	5 365 701.12	3 118 780.11

<b>DRAFT BUDGET TOTAL</b>	<b>6 698 222.18</b>
<b>2024-2025</b>	

### 6.4 Legal Implications

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

### 6.5 Staff Implications

This report has no staff implications to the Municipality.

### 6.6 Previous / Relevant Council Resolutions:

None

**6.7 Risk Implications**

This report has no risk implications for the Municipality.

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

Financial Services agree with the recommendations. The funding for the Grant in Aid donations will be provided for in the Medium-Term Revenue and Expenditure Framework (MTREF/Budget).

**ANNEXURES****Grant in Aid 2024-2025 Register of applications and donation recommendations****FOR FURTHER DETAILS, CONTACT:**

<b>NAME</b>	<i>Michelle Aalbers</i>
<b>POSITION</b>	<i>Manager: Community Development</i>
<b>DIRECTORATE</b>	<i>Community and Protection Services</i>
<b>CONTACT NUMBERS</b>	<i>8408</i>
<b>E-MAIL ADDRESS</b>	<i>Michelle.aalbers@ Stellenbosch.gov.za</i>
<b>REPORT DATE</b>	<i>31-01-2024</i>

**DIRECTOR: COMMUNITY AND PROTECTION SERVICES**

The contents of this report have not been discussed with the Portfolio Committee Chairperson.

## **2024/2025 GRANT-IN-AID APPLICATIONS**

## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2024– 2027

2024/25 GRANT-IN-AID APPLICATIONS				Category A		Category B	
No	Applicant Name	Notes	Recommendation	Funds proposed	Funds proposed YEAR 1 (2024-2025)	Funds proposed YEAR 2 (2025-2026)	Funds proposed YEAR 3 (2026-2027)
<b>SOCIAL DEVELOPMENT</b>							
<b>GENERAL</b>							
1	ACVV Franschhoek	COMMIT TO PROVIDE FEEDBACK BY APRIL 2024.	CONDITIONAL RECOMMENDATION	40 000.00	0.00	0.00	0.00
2	ACVV Stellenbosch		RECOMMENDED	40 000.00	0.00	0.00	0.00
3	FRANCO		RECOMMENDED	40 000.00	0.00	0.00	0.00
4	StellCare Stellenbosch	FUNDING RECEIVED IN 2022 NOT YET SPENT DUE TO SHORTAGE TO COMPLETE PROJECT. COMMIT TO PROVIDE FEEDBACK BY APRIL 2024.	CONDITIONAL RECOMMENDATION	40 000.00	0.00	0.00	0.00
5	Transform Cloetesville Together (TCT)	NO AFS	NOT RECOMMENDED	0.00	0.00	0.00	0.00
				<b>160 000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2024– 2027

PARTIAL CARE							
6	ABC 99 Educare Centre	FIRST YEAR APPLICATION WITHOUT C REG.	RECOMMENDED	40 000.00	0.00	0.00	0.00
7	Anganathi Educare	REMAIN ON YEAR 1 OF APPLICATION WITHOUT C REG. ESTABLISHED IN 2013. AFS NOT AUDITED.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
8	Busy Kids Daycare	YEAR 1 OF APPLICATION WITHOUT C REGISTRATION. AFS FOR INCORRECT FIN PERIOD.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
9	Caring and Learning Development	REMAIN ON YEAR 1 OF APPLICATION WITHOUT C REG.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
10	Early Education Centre, The	C REGISTRATION NOT REQUIRED. PARTIAL FEEDBACK, COMMIT TO PROVIDE FULL FEEDBACK BY APRIL 2024.	CONDITIONAL RECOMMENDATION	40 000.00	0.00	0.00	0.00
11	Froggies Aftercare	YEAR 2 OF APPLICATION WITHOUTH C REG.	CONDITIONAL RECOMMENDATION	40 000.00	0.00	0.00	0.00
12	Funda Early Educare	YEAR 1 OF APPLICATION WITHOUT C REGISTRATION. CONSTITUTION NOT SIGNED. NO PROOF OF REGISTRATION OF ANY KIND. AFS FOR INCORRECT REPORTING PERIOD. BANK FORM NOT SIGNED OR COMPLETED. DID NOT INDICATED AMOUNT REQUESTED.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
13	Isibane Sempumelelo	ESTABLISHED IN 1994. NO AUDITED AFS.	NOT RECOMMENDED	0.00	0.00	0.00	0.00



## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2024– 2027

14	Jessie Keet Early Childhood Development	AFS INDICATE ECD AS ECD OF STELLCARE. STELLCARE ALREADY CONDITIONALLY RECOMMENDED FOR GIA DONATION. POLICY ONLY ALLOWS FOR ONE DONATION PER ORGANISATION. BOARD OF ECD IS THAT OF STELLCARE.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
15	Junior Akademie Trust	ESTABLISHED IN 2009. NO AUDITED AFS.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
16	Kin Culture NPC	C REGISTRATION NOT REQUIRED FOR FOSTER CARE	RECOMMENDED	40 000.00	0.00	0.00	0.00
17	Kuyasa Playgroup	REGISTRATION IN NAME OF DIFFERENT ORGANISATION. AFS NOT AUDITED, BUT ESTABLISH DATE OF APPLICANT NOT INDICATED.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
18	Kylemore Early Childhood Development	AFS INDICATE ECD AS ECD OF STELLCARE. STELLCARE ALREADY CONDITIONALLY RECOMMENDED FOR GIA DONATION. POLICY ONLY ALLOWS FOR ONE DONATION PER ORGANISATION. BOARD OF ECD IS THAT OF STELLCARE.	NOT RECOMMENDED	0.00	0.00	0.00	0.00

## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2024– 2027

19	Lethokuhle Educare	REMAIN IN YEAR 1 OF APPLICATION WITHOUT C REG. AFS NOT AUDITED, ESTABLISHED IN 2018 - OLDER THAN 5 YEARS. FEEDBACK PROVIDED FOR ITEMS NOT REQUESTED IN PREVIOUS APPLICATION WITHOUT REQUESTING APPROVAL FOR CHANGE.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
20	Lisa Educentre	NO AFS. APPLICATION FORM NOT COMPLETE.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
21	Lithalethu Educare Centre	C REGISTRATION EXPIRES DEC 23. BUDGET NOT LINKED TO A PERIOD AND AMOUNT IS DIFFERENT TO WHAT IS REQUESTED. DID NOT DECLARE CHAIRPERSON AS A MUNICIPAL OFFICIAL. NO OVERALL BUDGET FOR GENERAL APPLICATION.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
22	Little Explorers	ESTABLISHED IN 2017. AFS NOT AUDITED.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
23	Lubabalo Creche Centre	ESTABLISHED 2017, AFS NOT AUDITED. COMMITTED TO PROVIDE FEEDBACK BY APRIL 2024.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
24	Luloyiso Educare	NO AFS SUBMITTED.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
25	Luthando Educare	AFS INCOMPLETE. AUDITORS REPORT OUTSTANDING.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
26	Masifunde Creche	NO AFS SUBMITTED.	NOT RECOMMENDED	0.00	0.00	0.00	0.00

## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2024– 2027

27	Nora Tyres ECD	AFS INDICATE ECD AS ECD OF STELLCARE. STELLCARE ALREADY CONDITIONALLY RECOMMENDED FOR GIA DONATION. POLICY ONLY ALLOWS FOR ONE DONATION PER ORGANISATION. BOARD OF ECD IS THAT OF STELLCARE.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
28	Noxolo Educare		RECOMMENDED	40 000.00	0.00	0.00	0.00
29	Okuhle Connie's Educare		RECOMMENDED	40 000.00	0.00	0.00	0.00
30	Phakamani Educare	GENERAL APPLICATION WITHOUT OVERALL BUDGET.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
31	Phumelela Educare	YEAR 1 OF APPLICATION WITHOUT C REG. BANK FORM INCOMPLETE. AFS NOT REQUIRED TO BE AUDITED. ESTABLISHED IN 2020, BUT PROVIDED FOR INCORRECT PERIOD.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
32	Pillars of the Nation	ESTABLISHED IN 2017. AFS NOT AUDITED.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
33	Prochorus Community Development	AFTERCARES IN LIMBO BETWEEN DSD AND DoE. UNCERTAIN RE TYPE OF REGISTRATION REQUIRED.	RECOMMENDED	40 000.00	0.00	0.00	0.00

## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2024– 2027

34	Samnkies Creche	REMAIN IN YEAR 1 OF APPLICATION WITHOUT C REG. ESTABLISHED IN 2015 - AFS NOT AUDITED. PARTIAL FEEDBACK PROVIDED. COMMITTED TO PROVIDE BY APRIL 2024.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
35	Sibongumusa ECD Centre	COMMIT TO PROVIDE FEEDBACK BY MARCH 2024. DID NOT INIDCATE SPECIFIC OR GENERAL, BUT DID INCLUDE SPECIFIC LIST OF ITEMS REQUESTING FUNDS FOR.	CONDITIONAL RECOMMENDATION	40 000.00	0.00	0.00	0.00
36	Simni Educare Centre	PARTIAL FEEDBACK REPORT PROVIDED. COMMIT TO PROVIDE FINAL FEEDBACK BY APRIL 2024.	CONDITIONAL RECOMMENDATION	40 000.00	0.00	0.00	0.00
37	Sivuyise Creche	REMAIN IN YEAR 1 OF APPLICATION WITHOUT C REG. ESTABLISHED IN 2018, AFS NOT AUDITED.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
38	Siyanqoba Creche	ESTABLISHED IN 2013, AFS NOT AUDITED.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
39	Siyavuya Creche	Registration number is valid till May 2024. CONDITION: MUST INCLUDE SERVICING FIRE EXTINGUISHERS AS PART OF THE REQUESTED MAINTENANCE.	CONDITIONAL RECOMMENDATION	30 000.00	0.00	0.00	0.00
40	Siyazama Creche	FIVE YEAR BUDGET FOR PERIOD ENDING 2024. PARTIAL FEEDBACK, COMMIT TO PROVIDE FINAL FEEDBACK BY APRIL 2024. FEEDBACK INCLUDE ITEMS NOT PART OF APPROVED REQUEST WITHOUT DEVIATION.	NOT RECOMMENDED	0.00	0.00	0.00	0.00

## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2024– 2027

41	Sizamile Child Care Facility	AFS INDICATE ECD AS ECD OF STELLCARE. STELLCARE ALREADY CONDITIONALLY RECOMMENDED FOR GIA DONATION. POLICY ONLY ALLOWS FOR ONE DONATION PER ORGANISATION. BOARD OF ECD IS THAT OF STELLCARE.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
42	Steggies Kleuterskool	Registration expires March 24. NOT LATEST AFS. SUBMITTED AFS ENDING DEC 2021. APPLICATION FORM INCOMPLETE.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
43	Thanduxolo Daycare	DID NOT INDICATE SPECIFIC BUDGET, BUT DID SUBMIT SPECIFIC LIST OF ITEMS REQUESTING FUNDING FOR. AFS NOT SUBMITTED.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
44	Ukusiza Creche	ESTABLISHED IN 2013, AFS NOT AUDITED.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
45	Umthombo Wemfundo Educare	Registration Certificate expires on 15 August 2024. FEEDBACK REPORT DOES NOT ACCOUNT FOR R7 563,18, WITH NOT EXPLANATION. ESTABLISHED IN 2015, AFS NOT AUDITED.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
46	Unakho Day Care for Disable	ESTABLISHED 2011, AFS NOT AUDITED.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
47	Vinyard Houses	COMMIT TO PROVIDE FEEDBACK BY APRIL 2024.	CONDITIONAL RECOMMENDATION	40 000.00	0.00	0.00	0.00

## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2024– 2027

48	Vision Africa		RECOMMENDED	40 000.00	0.00	0.00	0.00
49	Wielie Walie Educare	BANK FORM NOT SIGNED	NOT RECOMMENDED	0.00	0.00	0.00	0.00
50	Yolies Creche	REMAIN IN YEAR 1 OF APPLICATION WITHOUT C REG. PARTIAL FEEDBACK AND COMMIT TO PROVIDE FINAL BY FEBR 2024. ESTABLISHED 2016, AFS NOT AUDITED. APPLICATION FORM INCOMPLETE.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
51	Zenzele Educare Centre		RECOMMENDED	40 000.00	0.00	0.00	0.00
				<b>510 000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>DISABILITY</b>							
52	ChangeAbility	PARTIAL FEEDBACK. COMMIT TO PROVIDE FINAL BY 31 MAY 2024. NOTE: CAN ONLY SIGN MOU ONCE FEEDBACK HAS BEEN RECEIVED.	CONDITIONAL RECOMMENDATION	40 000.00	0.00	0.00	0.00
53	Huis Horison		RECOMMENDED	40 000.00	0.00	0.00	0.00
54	Stellenbosch Work Centre for adult persons with disabilities	DID NOT DECLARE FAMILY CONNECTION WITH MUNICIPAL OFFICIAL - NOT RECEIVING FINANCIAL BENEFIT. IF APPROVED, REQUIRE DECLARATION.	RECOMMENDED	40 000.00	0.00	0.00	0.00
55	Winelands Parasupport	Did not attend the Compulsory Clarification Meeting. Attended the Financial Management Workshop	NOT RECOMMENDED	0.00	0.00	0.00	0.00
				<b>120 000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>ELDERLY</b>							

## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2024– 2027

56	Idas Valley Golden Boys and Girls	NO FEEDBACK PROVIDED. AFS NOT SIGNED. APPLICATION NOT COMPLETED (SIGNATURES)	NOT RECOMMENDED	0.00	0.00	0.00	0.00
57	Kylemore Survivors Senior Club	COMMIT TO PROVIDE FEEDBACK BY 31 MARCH 2024. NO AFS SUBMITTED. APPLICATION FORM INCOMPLETE. CONSTITUTION REQUIRES 9 BOARD MEMBERS, APPLICATION LIST ONLY 6.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
58	Nomzamo Senior Citizen Centre	ESTABLISHED IN 1980. OLDER THAN 5 YEARS, REQUIRE AUDITED AFS	NOT RECOMMENDED	0.00	0.00	0.00	0.00
59	Young Ideas Elderly Club	AFS SUBMITTED FOR CURRENT FIN YEAR THAT IS NOT YET CLOSED. CONSTITUTION REQUIRES 8 BOARD MEMBER, LISTED ONLY 6	NOT RECOMMENDED	0.00	0.00	0.00	0.00
60	Umnyama	AFS ENDING MARCH 2022. NOT LATEST.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
				<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>YOUTH</b>							
61	Kylemore Secondary		RECOMMENDED	40 000.00	0.00	0.00	0.00
62	Legacy Community Development		RECOMMENDED	40 000.00	0.00	0.00	0.00
63	Sports for Life	AFS NOT AUDITED AND SIGNED BY GENERAL MANAGER OF ORG. ESTABLISHED 2011.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
64	Training 4 Changes NPC	COMMIT TO PROVIDE FEEDBACK BY 30 MARCH 2024. ESTABLISHED 2013. AFS NOT AUDITED.	NOT RECOMMENDED	0.00	0.00	0.00	0.00

## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2024– 2027

65	Youth Empowerment Action	ANNUAL OVERALL BUDGET ONLY REFLECTS EXPENDITURE. COMMIT TO PROVIDE FINAL FEEDBACK BY 29 FEBR 2024. ESTABLISHED 2003, AFS NOT AUDITED.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
				<b>80 000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>SUBSTANCE ABUSE</b>							
66	ABBA Stellenbosch a project of BADISA Stellenbosch		RECOMMENDED	40 000.00	0.00	0.00	0.00
67	Christian Dependency Ministry	NO FEEDBACK REPORT. AFS NOT INCLUDED. INDICATE AVAILABLE DATE IN DECEMBER, BUT DO NOT CONFIRM TO SUBMIT.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
68	Ithemba Community Development	NO AFS. OVERALL BUDGET FOR INCORRECT REPORTING PERIOD	NOT RECOMMENDED	0.00	0.00	0.00	0.00
69	Salvation Army. The. Hesketh King Treatment Centre	INDICATE BOTH SPECIFIC AND GENERAL APPLICATION. BUDGET ONLY INCLUDE EXPENDITURE. APPLICATION FORM REQUEST SPECIFIC ITEMS, BUT BUSINESS PLAN NOT ALIGNED TO THE SPECIFIC ITEMS. AFS NOT FOR MOST RECENT FIN YEAR (FEBR 2022)	NOT RECOMMENDED	0.00	0.00	0.00	0.00
				<b>40 000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>GENDER</b>							
70	Gentlemen's Club NPC	AFS SIGNED OFF BEFORE THE END OF THE FINANCIAL YEAR.	NOT RECOMMENDED	0.00	0.00	0.00	0.00



## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2024– 2027

71	Hlathi Clan Economy and Empowerment Institute NPC	GENERAL APPLICATION REQUIRE OVERALL BUDGET - NOT SUBMITTED. COMMIT TO PROVIDE FEEDBACK BY MARCH 2024. NOT OLDER THAN 5 YEARS. SIGNED AFS FOR PERIOD ENDING MARCH 2024? INDICATE LACK OF FIN MANAGEMENT SKILLS.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
72	Kayamandi Women and Children Development	INDICATED GENERAL APPLICATION, BUT PROVIDED SPECIFIC LIST OF ITEMS WITH BUDGET ALLOCATED TOWARDS EACH. CONSTITUTION INDICATE 6 BOARD MEMBERS. APPLICATION LIST 5. OLDER THAN 5 YEARS. NO AUDITED AFS. COMMITTED TO PROVIDE BY 1/12/23, BUT DID NOT PROVIDE SAME.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
				<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>FOOD SECURITY</b>							
73	SA Institute for Entrepreneurship	REQUEST IMPLEMENTATION PLAN, CONFIRMATION OF SITES, WATER PAYMENTS AND COSTS ASSOCIATED WITH m&e AND MANAGEMENT.	RECOMMENDED	0.00	2 979 890.40	2 535 300.00	0.00
74	Stellenbosch Feeding In Action	OVERALL BUDGET SUBMITTED FOR INCORRECT PERIOD. PROPOSAL REFERS TO "PROVIDE FOOD DURING COVID-19 THIS YEAR?"	NOT RECOMMENDED	0.00	0.00	0.00	0.00
				<b>0.00</b>	<b>2 979 890.40</b>	<b>2 535 300.00</b>	<b>0.00</b>

## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2024– 2027

PEOPLE LIVING ON THE STREET							
75	Stellenbosch Night Shelter	REQUESTED GENERAL APPLICATION, BUT SUBMITTED SPECIFIC PROJECT DETAILS AND BUDGET. TO MAKE SUPPORT SUSTAINABLE, WE DO NOT RECOMMEND PAYMENT OF ADMINISTRATION FEE AS ORGANISATION HAS SUBSTANTIAL INVESTMENTS.	RECOMMENDED	0.00	1 472 851.78	1 646 121.12	1 840 880.11
76	Ubuntu-Circle of Courage NPC	REGISTERED IN 2014. AFS NOT AUDITED. COVER LETTER INDICATE END FEBR 2023, BUT ACCOUNTING SERVICE INDICATE END FEBR 2020? AGM MINUTES OF 28/02/2023 CONTAIN THAT CHURCHES WILL STILL IN FUTURES START TO OPERATE ONCE LOCKDOWN HAS BEEN LIFTED. (?) AGM DATE ON THE LAST DATE OF FIN YEAR. TIME FOR FINANCIAL REPORT TO BE DEVELOPED? CANNOT CONFIRM APPLICANT IS ABLE TO IMPLEMENT SOUND FINANCIAL PRACTICES.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
77	U Turn Homeless Ministries	APPLICANT COMPLIES WITH ALL POLICY REQUIREMENTS. CONDITION RELATES TO FINALISATION AND PROOF OF ACCESS TO PHYSICAL	CONDITIONAL RECOMMENDATION	0.00	1 095 480.00	1 184 280.00	1 277 900.00

## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2024– 2027

		SPACE IN WCO24 FROM WHERE SERVICES CAN BE RENDERED.					
				<b>0.00</b>	<b>2 568 331.78</b>	<b>2 830 401.12</b>	<b>3 118 780.11</b>
<b>SAFETY</b>							
78	Neighbourhood Safety Initiative	FUNDING FEEDBACK FOR 22/23 FUNDING INCOMPLETE. CONSTITUTION REQUIRES 7 BOARD MEMBERS, LIST ONLY 4. NO AFS. NO BUSINESS PLAN SUBMITTED.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
				<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>SKILLS DEVELOPMENT</b>							
79	Bergzicht Training		RECOMMENDED	40 000.00	0.00	0.00	0.00
80	Stellemploy	COMMIT TO PROVIDE FEEDBACK REPORT BY FEBRUARY 2024. CONSTITUTION LIST NO LESS THAN 7 DIRECTORS. APPLICATION LIST ONLY 4.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
				<b>40 000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>SUBTOTAL SOCIAL DEVELOPMENT</b>				<b>R 950 000.00</b>	<b>R5 548 222.18</b>	<b>R 5 365 701.12</b>	<b>R 3 118 780.11</b>
<b>HEALTH</b>							
81	Stellenbosch Aids Action T/A atHeart	FINAL FEEDBACK BY 31 MARCH 2024 TO INCLUDE ALL PROOF OF PAYMENTS AND NOT JUST INVOICES.	CONDITIONAL RECOMMENDATION	40 000.00	0.00	0.00	0.00

## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2024– 2027

82	Community Keepers	COMMIT TO PROVIDE FINAL FEEDBACK BY FEBR 2024. NEED TO CONFIRM FEEDBACK REPORT SPEAKS TO WHAT WAS REQUESTED. NO OVERALL BUDGET WAS INCLUDED - ONLY EXPENDITURE AND NOT INCOME.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
83	Stellenbosch Hospice NPC		RECOMMENDED	40 000.00	0.00	0.00	0.00

<b>SUBTOTAL HEALTH</b>				<b>R 80 000.00</b>	<b>R 0.00</b>	<b>R 0.00</b>	<b>R 0.00</b>
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<b>SPORT ARTS AND CULTURE</b>							
<b>SPORT CLUBS</b>							
84	Cape Winelands Farmworkers Sport & Recreation Ass	ESTABLISHED 2008. AFS NOT AUDITED. NOT LATEST AFS (FEBR 2022 - OUTSIDE OF FIN YEAR PERIOD AS PER CONSTITUTION (WHICH INDICATES END OF FIN YEAR AS 31 DEC). BOARD MEMBERS LISTED IN APPLICATION IS NOT ACCORDING TO THE POSITIONS REQUIRED IN CONSTITUTION. GENERAL APPLICATION WITHOUT OVERALL BUDGET. AGM MINUTES NOT SIGNED.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
85	Celtic United FC	GENERAL APPLICATION WITHOUT OVERALL BUDGET. PARTIAL FEEDBACK WITHOUT COMMITMENT TO PROVIDE FINAL FEEDBACK. FEEDBACK NOT ON	NOT RECOMMENDED	0.00	0.00	0.00	0.00

## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2024– 2027

		PRESCRIBED FROM. CONSTITUTION NOT SIGNED. NO AFS. APPLICATION INCOMPLETE.					
86	Groot Drakenstein Games Club	ESTABLISHED 1895. AFS NOT AUDITED. PARTIAL FEEDBACK, COMMIT TO PROVIDE FINAL BY APRIL 2024.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
87	Kingdom Development Projects	CONSTITUTION: INDICATE MAX 3 OFFICE BEARERS, APPLICATION LIST 5. FIN YEAR END MARCH, INCOME AND EXPENSE STATEMENTS FROM JAN-DEC. ESTABLISHED 2021 - AFS NOT SUBMITTED - ONLY INCOME AND EXPENSE.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
88	Nietvoorbij United FC		RECOMMENDED	40 000.00	0.00	0.00	0.00
89	Pniel Villagers RFC	CONSTITUTION LIST 16 BOARD MEMBERS. APPLICATION LISTS 10. INDICATE THAT AFS AND BUSINESS PLAN IS NOT INCLUDED IN APPLICATION, THUS APPLICATION INCOMPLETE.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
90	Stellenbosch Cricket Club	ESTABLISHED 1994. AFS NOT AUDITED. CONSTITUTION NOT SIGNED.	NOT RECOMMENDED	0.00	0.00	0.00	0.00

## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2024– 2027

91	Stellenbosch & Distrikte Coronation RFC	APPLICATION DOES NOT INCLUDE ALL THE BOARD MEMBERS PER PORTFOLIO AS INDICATED IN THE CONSTITUTION. PROVIDED FEEDBACK PROVIDED FOR 20/21 DONATION INCLUDE PETTY CASH SLIPS/PAYMENTS. CONSTITUTION EXPLICITLY FORBID ANY CASH PAYMENTS. CONSTITUTION INDICATE END AUG AS END OF FIN YEAR. AFS PROVIDED FOR END DEC 2022. UNSURE WHETHER IT IS AUDITED (DOES NOT INDICATE SPECIFICALLY) AS ESTABLISHED 1902.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
				<b>40 000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>ARTS AND CULTURE</b>							
92	Celebration Gospel Choir	ESTABLISHED AROUND 2014. AFS NOT AUDITED.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
93	eBosch		RECOMMENDED	40 000.00	0.00	0.00	0.00
94	Siphimpendulo Youth Development	NO FEEDBACK. AFS SUBMITTED FOR NOV 2022 WITH REFERENCE TO ANOTHER ORGS NAME? NOV 2023 AFS SIGNED PRIOR TO YEAR END?	NOT RECOMMENDED	0.00	0.00	0.00	0.00
95	Stellenbosch Heemkring	VOLUNTARY ASS. ESTABLISHED 1968, AFS NOT AUDITED.	NOT RECOMMENDED	0.00	0.00	0.00	0.00

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2024– 2027

96	Stellenbosch United Brothers	NO APPLICATION FORM, CONSTITUTION, REG DOC, AFS OR CONFIRMATION OF BANK DETAILS.	NOT RECOMMENDED	0.00	0.00	0.00	0.00
97	Sunny Sky Projects t/a Imbali Western Cape		RECOMMENDED	40 000.00	0.00	0.00	0.00
				<b>80 000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>SUTOTAL SPORT ARTS AND CULTURE</b>				<b>R 120 000.00</b>	<b>R 0.00</b>	<b>R 0.00</b>	<b>R 0.00</b>

<b>R 1 150 000.00</b>	<b>R 5 548 222.18</b>	<b>R 5 365 701.12</b>	<b>R 3 118 780.11</b>
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**R6 698 222.18**

<b>SOCIAL DEVELOPMENT</b>							
<b>GENERAL</b>							
					0.00	0.00	0.00
				<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>PARTIAL CARE</b>							
					0.00	0.00	0.00
				<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>DISABILITY</b>							
				<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>YOUTH</b>							
					0.00	0.00	0.00
				<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>SUBSTANCE ABUSE</b>							
					0.00	0.00	0.00
				<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>FOOD SECURITY</b>							

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2024– 2027

					0.00	0.00	0.00	0.00
				<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>PEOPLE LIVING ON THE STREETS</b>								
					0.00	0.00	0.00	0.00
				<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>SKILLS DEVELOPMENT</b>								
80	Stellemploy	FINAL FEEDBACK PROVIDED. CONSTITUTION LIST NO LESS THAN 7 DIRECTORS. APPLICATION LIST ONLY 4.	NOT RECOMMENDED	0.00	0.00	0.00	0.00	0.00
				<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>SPORT ARTS AND CULTURE</b>								
<b>SPORT CLUBS</b>								
86	Groot Drakenstein Games Club	ESTABLISHED 1895. AFS NOT AUDITED. FINAL FEEDBACK PROVIDED JAN 2024.	NOT RECOMMENDED	0.00	0.00	0.00	0.00	0.00
				<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>ARTS AND CULTURE</b>								
					0.00	0.00	0.00	0.00
					0.00	0.00	0.00	0.00
				<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
				<b>0.00</b>	<b>0.00</b>	<b>R0.00</b>	<b>R0.00</b>	
				<b>1 150 000.00</b>	<b>5 548 222.18</b>	<b>5 365 701.12</b>	<b>3 118 780.11</b>	
				<b>6 698 222.18</b>				
<b>FEEDBACK NOT PROVIDED BY 25 APRIL 2023</b>								
					0.00	0.00	0.00	0.00



**K: COUNCILLOR AND BOARD MEMBER ALLOWANCES AND EMPLOYEE BENEFITS**

Summary of Employee and Councillor remuneration	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand		A	B	C	D	E	F	G	H	I
<b>Councillors (Political Office Bearers plus Other)</b>	1									
Basic Salaries and Wages		12 149	15 253	19 152	18 759	18 759	18 759	19 884	21 077	22 342
Pension and UIF Contributions		–	438	511	495	495	495	525	556	589
Medical Aid Contributions		–	157	115	133	133	133	141	150	159
Motor Vehicle Allowance		4 356	2 039	985	763	763	763	809	858	909
Cellphone Allowance		1 997	1 929	2 003	1 946	1 946	1 946	2 063	2 187	2 318
Housing Allowances		–	–	–	–	–	–	–	–	–
Other benefits and allowances		155	–	–	–	–	–	–	–	–
<b>Sub Total - Councillors</b>		<b>18 657</b>	<b>19 815</b>	<b>22 765</b>	<b>22 097</b>	<b>22 097</b>	<b>22 097</b>	<b>23 422</b>	<b>24 828</b>	<b>26 317</b>
% increase	4		6.2%	14.9%	(2.9%)	–	–	6.0%	6.0%	6.0%
<b>Senior Managers of the Municipality</b>	2									
Basic Salaries and Wages		4 991	7 245	8 064	8 540	8 540	8 540	9 053	9 596	10 172
Pension and UIF Contributions		–	660	671	757	774	774	820	870	922
Medical Aid Contributions		–	118	123	132	135	135	143	152	161
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		1 190	1 242	1 230	1 472	1 658	1 658	1 758	1 863	1 975
Motor Vehicle Allowance	3	–	550	500	601	624	624	662	701	743
Cellphone Allowance	3	–	133	241	169	169	169	179	190	201
Housing Allowances	3	–	18	18	20	20	20	21	23	24
Other benefits and allowances	3	0	104	122	109	109	109	115	122	129
Payments in lieu of leave		–	–	–	–	–	–	–	–	–
Long service awards		3 957	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	6	(9 653)	(452)	(30 656)	–	–	–	–	–	–
Entertainment		–	–	–	–	–	–	–	–	–
Scarcity		–	–	–	–	–	–	–	–	–
Acting and post related allowance		–	–	–	–	–	–	–	–	–
In kind benefits		–	–	–	–	–	–	–	–	–
<b>Sub Total - Senior Managers of Municipality</b>		<b>484</b>	<b>9 617</b>	<b>(19 687)</b>	<b>11 799</b>	<b>12 030</b>	<b>12 030</b>	<b>12 752</b>	<b>13 517</b>	<b>14 328</b>
% increase	4		1 885.9%	(304.7%)	(159.9%)	2.0%	–	6.0%	6.0%	6.0%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		333 582	333 629	339 618	363 114	355 382	355 382	371 358	369 054	392 224
Pension and UIF Contributions		56 980	55 262	58 329	63 177	67 240	67 240	71 416	75 852	80 564
Medical Aid Contributions		25 058	25 564	26 985	28 303	30 393	30 393	32 277	34 278	36 404
Overtime		40 619	42 035	42 458	45 105	47 932	47 932	50 904	54 060	57 411
Performance Bonus		25 010	24 641	26 109	28 473	29 584	29 584	31 418	33 366	35 435
Motor Vehicle Allowance	3	9 266	8 923	8 357	11 405	12 202	12 202	12 974	13 778	14 631
Cellphone Allowance	3	1 883	1 751	1 930	2 577	2 821	2 821	2 996	3 181	3 378
Housing Allowances	3	2 773	2 780	2 698	3 037	3 212	3 212	3 411	3 623	3 847
Other benefits and allowances	3	22 707	20 610	24 138	23 272	24 890	24 890	26 433	28 072	29 813
Payments in lieu of leave		(3)	294	–	–	–	–	–	–	–
Long service awards		(53)	–	5 150	–	–	–	–	–	–
Post-retirement benefit obligations	6	38 067	23 146	25 294	35 781	35 781	35 781	37 999	40 355	42 857
Entertainment		–	1	–	–	–	–	–	–	–
Scarcity		1 630	738	807	824	1 518	1 518	1 612	1 712	1 818
Acting and post related allowance		469	564	593	828	852	852	905	961	1 021
In kind benefits		–	–	–	–	–	–	–	–	–
<b>Sub Total - Other Municipal Staff</b>		<b>557 987</b>	<b>539 937</b>	<b>562 466</b>	<b>605 895</b>	<b>611 806</b>	<b>611 806</b>	<b>643 703</b>	<b>658 292</b>	<b>699 403</b>
% increase	4		(3.2%)	4.2%	7.7%	1.0%	–	5.2%	2.3%	6.2%
<b>Total Parent Municipality</b>		<b>577 129</b>	<b>569 370</b>	<b>565 544</b>	<b>639 790</b>	<b>645 932</b>	<b>645 932</b>	<b>679 877</b>	<b>696 636</b>	<b>740 048</b>
			(1.3%)	(0.7%)	13.1%	1.0%	–	5.3%	2.5%	6.2%
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>577 129</b>	<b>569 370</b>	<b>565 544</b>	<b>639 790</b>	<b>645 932</b>	<b>645 932</b>	<b>679 877</b>	<b>696 636</b>	<b>740 048</b>
% increase	4		(1.3%)	(0.7%)	13.1%	1.0%	–	5.3%	2.5%	6.2%
<b>TOTAL MANAGERS AND STAFF</b>	5,7	<b>558 472</b>	<b>549 555</b>	<b>542 779</b>	<b>617 694</b>	<b>623 836</b>	<b>623 836</b>	<b>656 455</b>	<b>671 808</b>	<b>713 731</b>



## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2024– 2027

## L: MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW

MONTHLY CASH FLOWS	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousand</b>															
<b>Cash Receipts By Source</b>													1		
Property rates	40 729	40 729	40 729	40 729	40 729	40 729	40 729	40 733	40 729	40 729	40 729	40 729	488 755	506 540	534 835
Service charges - electricity revenue	87 925	90 529	100 018	78 304	76 693	76 850	68 467	74 424	98 074	98 074	61 623	247 648	1 158 627	1 313 104	1 487 537
Service charges - water revenue	12 434	12 747	14 223	15 665	15 301	20 112	21 456	29 555	18 617	18 617	18 617	5 196	202 541	211 859	221 604
Service charges - sanitation revenue	11 322	11 324	11 322	11 322	11 322	11 318	11 320	11 320	11 322	11 322	11 322	11 359	135 898	146 757	158 485
Service charges - refuse revenue	18 474	8 106	8 536	8 342	8 421	8 545	8 573	8 521	11 486	11 486	11 257	25 022	136 768	143 057	149 635
Rental of facilities and equipment	1 044	1 354	1 080	1 047	1 002	979	1 033	1 228	1 310	1 258	1 258	7 763	20 357	21 293	22 271
Interest earned - external investments	3 686	3 686	3 686	3 686	3 686	3 686	3 686	3 686	3 686	3 686	3 686	3 686	44 232	44 674	45 121
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	3 407	3 417	3 401	3 408	3 498	3 408	3 402	3 411	3 402	3 400	3 400	3 427	40 982	42 814	44 728
Licences and permits	412	743	891	470	1 048	250	397	346	687	679	506	1 957	8 386	8 763	9 157
Agency services	269	302	341	196	427	38	-	-	293	293	293	1 343	3 794	3 965	4 144
Transfers and Subsidies - Operational	67 958	168	168	1 241	168	33 390	(159)	4 773	15 606	15 606	15 606	90 960	245 488	299 530	355 884
Other revenue	(657)	13 930	9 938	7 673	11 109	10 094	5 212	9 569	15 027	12 166	15 162	25 430	134 653	121 629	118 085
<b>Cash Receipts by Source</b>	<b>247 003</b>	<b>187 035</b>	<b>194 334</b>	<b>172 083</b>	<b>173 406</b>	<b>209 401</b>	<b>164 117</b>	<b>187 566</b>	<b>220 239</b>	<b>217 316</b>	<b>183 460</b>	<b>464 521</b>	<b>2 620 482</b>	<b>2 863 984</b>	<b>3 151 486</b>
<b>Other Cash Flows by Source</b>															
Transfers and subsidies - capital (monetary allocations)	744	2 444	12 462	6 869	15 061	8 799	2 739	2 032	5 870	6 293	5 870	29 938	99 123	97 477	105 872
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	16 667	16 667	16 667	16 667	16 667	16 667	16 667	16 667	16 667	16 667	16 667	16 667	200 000	200 000	200 000
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>	<b>264 414</b>	<b>206 146</b>	<b>223 463</b>	<b>195 619</b>	<b>205 134</b>	<b>234 867</b>	<b>183 523</b>	<b>206 264</b>	<b>242 776</b>	<b>240 276</b>	<b>205 997</b>	<b>511 126</b>	<b>2 919 605</b>	<b>3 161 461</b>	<b>3 457 358</b>
<b>Cash Payments by Type</b>															
Employee related costs	(53 553)	(53 553)	(53 553)	(53 553)	(53 553)	(53 553)	(53 553)	(53 553)	(53 553)	(53 553)	(53 553)	(53 553)	(642 634)	(656 930)	(697 724)
Remuneration of councillors	(1 952)	(1 952)	(1 952)	(1 952)	(1 952)	(1 952)	(1 952)	(1 952)	(1 952)	(1 952)	(1 952)	(1 952)	(23 422)	(24 828)	(26 317)
Finance charges	-	-	-	-	-	(27 681)	-	-	-	-	-	(27 681)	(55 361)	(58 361)	(62 361)
Bulk purchases - Electricity	(59 533)	(59 533)	(59 533)	(59 533)	(59 533)	(59 533)	(59 533)	(59 533)	(59 533)	(59 533)	(59 533)	(59 533)	(714 397)	(805 126)	(907 377)
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	(9 767)	(9 767)	(9 767)	(9 767)	(9 767)	(9 767)	(9 767)	(9 767)	(9 767)	(9 767)	(9 767)	(9 767)	(117 201)	(124 058)	(131 322)
Contracted services	(28 504)	(28 504)	(28 504)	(28 504)	(28 504)	(28 504)	(28 504)	(28 504)	(28 504)	(28 504)	(28 504)	(28 504)	(342 049)	(370 646)	(428 737)
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	(852)	(9 570)	(852)	(852)	(852)	(852)	(852)	(852)	(852)	(852)	(852)	(2 648)	(20 739)	(21 493)	(22 276)
Other expenditure	(14 786)	(14 851)	(15 457)	(16 180)	(17 092)	(17 697)	(15 437)	(15 008)	(14 953)	(14 953)	(14 953)	(15 460)	(186 827)	(192 607)	(197 780)
<b>Cash Payments by Type</b>	<b>(168 947)</b>	<b>(177 729)</b>	<b>(169 617)</b>	<b>(170 341)</b>	<b>(171 253)</b>	<b>(199 538)</b>	<b>(169 597)</b>	<b>(169 168)</b>	<b>(169 114)</b>	<b>(169 114)</b>	<b>(169 114)</b>	<b>(199 097)</b>	<b>(2 102 631)</b>	<b>(2 254 048)</b>	<b>(2 473 894)</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	-	-	-	-	-	-	-	-	-	-	-	(704 197)	(704 197)	(655 663)	(626 497)
Repayment of borrowing	(5 327)	(5 327)	(5 327)	(5 327)	(5 327)	(5 327)	(5 327)	(5 327)	(5 327)	(5 327)	(5 327)	(5 327)	(63 920)	(77 612)	(95 905)
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Payments by Type</b>	<b>(174 274)</b>	<b>(183 056)</b>	<b>(174 944)</b>	<b>(175 668)</b>	<b>(176 579)</b>	<b>(204 865)</b>	<b>(174 924)</b>	<b>(174 495)</b>	<b>(174 441)</b>	<b>(174 441)</b>	<b>(174 441)</b>	<b>(908 621)</b>	<b>(2 870 747)</b>	<b>(2 987 323)</b>	<b>(3 196 296)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>90 140</b>	<b>23 090</b>	<b>48 519</b>	<b>19 951</b>	<b>28 554</b>	<b>30 002</b>	<b>8 599</b>	<b>31 769</b>	<b>68 335</b>	<b>65 835</b>	<b>31 557</b>	<b>(397 495)</b>	<b>48 857</b>	<b>174 138</b>	<b>261 062</b>
Cash/cash equivalents at the month/year begin:	621 473	711 613	734 704	783 223	803 174	831 728	861 730	870 329	902 098	970 433	1 036 268	1 067 825	621 473	670 330	844 469
Cash/cash equivalents at the month/year end:	711 613	734 704	783 223	803 174	831 728	861 730	870 329	902 098	970 433	1 036 268	1 067 825	670 330	670 330	844 469	1 105 531

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2024– 2027

**M: CONTRACTS HAVING FUTURE AND BUDGETARY IMPLICATIONS**

Description	Ref	Preceding Years	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework			Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Forecast 2030/31	Forecast 2031/32	Forecast 2032/33	Forecast 2033/34	Total Contract Value
				Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
R thousand	1,3	Total	Original Budget				Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
<b>Parent Municipality:</b>														
<b>Revenue Obligation By Contract</b>	2													
Contract 1														-
Contract 2														-
<b>Total Operating Revenue Implication</b>		-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Expenditure Obligation By Contract</b>	2													
DBSA 61001059		3 973	3 290	2 535	1 688	759								12 245
DBSA 61000816		1 415	1 093	734	331									3 572
DBSA 61007281		7 012	6 430	5 813	5 056	4 288	3 429	2 489	1 454	299				36 270
NEDBANK 05/7831035613/000001		8 912	11 985	10 706	9 171	7 588	5 819	3 885	1 730					59 795
NEDBANK 05/7831035613/000002		13 199	8 301	7 675	6 897	6 127	5 267	4 341	3 297	2 207	976			58 287
STANDARD BANK 730033			15 614	14 611	13 665	12 404	11 081	9 634	7 945	6 134	4 141	1 861		97 089
<b>Total Operating Expenditure Implication</b>		34 511	46 712	42 075	36 808	31 166	25 596	20 349	14 426	8 639	5 117	1 861	-	267 259
<b>Capital Expenditure Obligation By Contract</b>	2													
Contract 1														-
Contract 2														-
<b>Total Capital Expenditure Implication</b>		-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Parent Expenditure Implication</b>		34 511	46 712	42 075	36 808	31 166	25 596	20 349	14 426	8 639	5 117	1 861	-	267 259
<b>Entities:</b>														
<b>Revenue Obligation By Contract</b>	2													
Contract 1				3 954 130,00										-
Contract 2														-
Contract 3														-
Contract 4														-
<b>Total Operating Revenue Implication</b>		-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Expenditure Obligation By Contract</b>	2													
Contract 1														-
Contract 2														-
<b>Total Operating Expenditure Implication</b>		-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Capital Expenditure Obligation By Contract</b>	2													
Contract 1														-
Contract 2														-
Contract 3														-
Contract 4														-
<b>Total Capital Expenditure Implication</b>		-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Entity Expenditure Implication</b>		-	-	-	-	-	-	-	-	-	-	-	-	-

**N: DETAIL CAPITAL BUDGET 2024-2027**

DRAFT CAPITAL BUDGET 2024-2027  
MUNICIPAL MANAGER

Directorate	Department	Name	Strategic Focus Area	Budget 2024 / 2025	Budget 2025 / 2026	Budget 2026 / 2027	MTREF Total
Municipal Manager	Municipal Manager	Furniture, Tools & Equipment: MM	Good Governance and Compliance	40 000	40 000	50 000	130 000
				<b>40 000</b>	<b>40 000</b>	<b>50 000</b>	<b>130 000</b>

**DRAFT CAPITAL BUDGET 2024-2027  
PLANNING AND DEVELOPMENT SERVICES**

Directorate	Department	Name	Strategic Focus Area	Budget 2024 / 2025	Budget 2025 / 2026	Budget 2026 / 2027	MTREF Total
Planning and Development Services	Economic Development & Tourism	Establishment of the Kayamandi Informal Trading Area	Dignified Living	1 500 000	-	-	1 500 000
Planning and Development Services	Economic Development & Tourism	Furniture, Tools & Equipment: LED	Dignified Living	75 000	75 000	80 000	230 000
Planning and Development Services	Economic Development & Tourism	Installation of Agricultural Irrigation infrastructure on Farm 502BH (Emerging Farmers)	Dignified Living	300 000	1 000 000	1 000 000	2 300 000
Planning and Development Services	Housing Development	Adam Tas Corridor Precinct 10	Dignified Living	-	16 000 000	16 000 000	32 000 000
Planning and Development Services	Housing Development	Erf 64, Kylemore	Dignified Living	1 946 000	-	-	1 946 000
Planning and Development Services	Housing Development	Erf 7001 Cloetesville (380) FLISP	Dignified Living	300 000	8 000 000	8 000 000	16 300 000
Planning and Development Services	Housing Development	Erven 81/2 and 82/9, Stellenbosch	Dignified Living	250 000	-	-	250 000
Planning and Development Services	Housing Development	Furniture, Tools & Equipment: Housing Development	Good Governance and Compliance	80 000	150 000	150 000	380 000
Planning and Development Services	Housing Development	Housing projects	Dignified Living	300 000	310 000	320 000	930 000
Planning and Development Services	Housing Development	Housing Projects (Social housing planning)	Dignified Living	500 000	500 000	1 000 000	2 000 000
Planning and Development Services	Housing Development	ISSP Kayamandi	Dignified Living	2 000 000	2 000 000	1 000 000	5 000 000
Planning and Development Services	Housing Development	Kayamandi Town Centre	Dignified Living	2 000 000	3 000 000	4 000 000	9 000 000
Planning and Development Services	Housing Development	Klapmuts La Rochelle (100)	Dignified Living	2 000 000	3 000 000	3 000 000	8 000 000
Planning and Development Services	Housing Development	La Motte Old Forest Station (±430 services & ±430 units)	Dignified Living	4 443 000	-	6 000 000	10 443 000
Planning and Development Services	IHS: Informal Settlements	Upgrading of Informal Settlements: General	Dignified Living	1 000 000	1 000 000	1 000 000	3 000 000
Planning and Development Services	IHS: Informal Settlements	Rehabilitation of Langrug Dam and Engineering Services	Dignified Living	500 000	1 000 000	1 000 000	2 500 000
Planning and Development Services	Housing Administration	Flats: Interior Upgrading - Kayamandi	Dignified Living	1 650 000	1 000 000	1 000 000	3 650 000
Planning and Development Services	Housing Administration	Furniture, Tools & Equipment: Housing Administration	Dignified Living	150 000	150 000	170 000	470 000
Planning and Development Services	Housing Administration	Upgrading of Flats: General	Dignified Living	1 000 000	1 000 000	1 000 000	3 000 000
Planning and Development Services	Town Development	Furniture, Tools and Equipment: Spatial Planning	Dignified Living	75 000	75 000	80 000	230 000
Planning and Development Services	Town Planning	Furniture, Tools & Equipment: Town Planning	Dignified Living	75 000	85 000	95 000	255 000
Planning and Development Services	Building Control	Furniture, Tools & Equipment: Building Control	Dignified Living	100 000	125 000	150 000	375 000
				<b>20 244 000</b>	<b>38 470 000</b>	<b>45 045 000</b>	<b>103 759 000</b>

**DRAFT CAPITAL BUDGET 2024-2027  
INFRASTRUCTURE SERVICES**

Directorate	Department	Name	Strategic Focus Area	Budget 2024 / 2025	Budget 2025 / 2026	Budget 2026 / 2027	MTREF Total
Infrastructure Services	Infrastructure Services	Furniture, Tools & Equipment: IS	Good Governance and Compliance	85 000	80 000	65 000	230 000
Infrastructure Services	Waste Management: Solid Waste Management	Area Cleaning Depot: Franschoek	Dignified Living	2 500 000	-	-	
Infrastructure Services	Waste Management: Solid Waste Management	Expansion of the landfill site (New cells)	Green and Sustainable Valley	15 000 000	16 000 000	-	31 000 000
Infrastructure Services	Waste Management: Solid Waste Management	Furniture, Tools & Equipment: Solid Waste	Dignified Living	100 000	50 000	50 000	200 000
Infrastructure Services	Waste Management: Solid Waste Management	Landfill Gas To Energy	Green and Sustainable Valley	16 000 000	500 000	17 000 000	33 500 000
Infrastructure Services	Waste Management: Solid Waste Management	Major Drop-Offs: Construction - Franschoek	Green and Sustainable Valley	3 000 000	2 000 000	-	5 000 000
Infrastructure Services	Waste Management: Solid Waste Management	Major Drop-offs: Construction - Klamputs	Green and Sustainable Valley	2 199 985	3 000 000	4 000 000	9 199 985
Infrastructure Services	Waste Management: Solid Waste Management	Mini Waste drop-off facilities	Green and Sustainable Valley	100 000	200 000	500 000	800 000
Infrastructure Services	Waste Management: Solid Waste Management	Plant and Vehicles: Solid Waste	Dignified Living	2 500 000	3 500 000	4 000 000	10 000 000
Infrastructure Services	Waste Management: Solid Waste Management	Upgrade depot and sites	Dignified Living	-	300 000	-	300 000
Infrastructure Services	Waste Management: Solid Waste Management	Upgrade Material Recovery Facility	Dignified Living	2 000 000	-	-	2 000 000
Infrastructure Services	Waste Management: Solid Waste Management	Waste containers	Green and Sustainable Valley	200 000	500 000	200 000	900 000
Infrastructure Services	Waste Management: Solid Waste Management	Waste Minimization Projects	Green and Sustainable Valley	800 000	500 000	-	1 300 000
Infrastructure Services	Electrical Services	Ad-Hoc Provision of Streetlighting	Safe Valley	2 500 000	2 500 000	2 289 800	7 289 800
Infrastructure Services	Electrical Services	Alternative Energy	Safe Valley	20 000 000	24 500 000	26 994 517	71 494 517
Infrastructure Services	Electrical Services	Automatic Meter Reader	Green and Sustainable Valley	400 000	440 000	484 000	1 324 000
Infrastructure Services	Electrical Services	Bien don 66/11kV substation new	Valley of Possibility	8 347 227	20 000 000	44 920 700	73 267 927
Infrastructure Services	Electrical Services	Cable Network: Franschoek	Dignified Living	-	500 000	5 000 000	5 500 000
Infrastructure Services	Electrical Services	Cable replacement 66kV	Valley of Possibility	-	400 000	-	400 000
Infrastructure Services	Electrical Services	Cloeteville - Add the third transformer and associated works 20MVA transformer	Dignified Living	1 050 000	450 000	-	1 500 000
Infrastructure Services	Electrical Services	Demand Side Management Geyser Control	Green and Sustainable Valley	500 000	1 000 000	1 000 000	2 500 000
Infrastructure Services	Electrical Services	Electricity Network: Pniel	Valley of Possibility	3 500 000	3 500 000	3 500 000	10 500 000
Infrastructure Services	Electrical Services	Electrification INEP	Valley of Possibility	5 056 000	11 000 000	9 943 000	25 999 000



**DRAFT CAPITAL BUDGET 2024-2027  
INFRASTRUCTURE SERVICES**

Directorate	Department	Name	Strategic Focus Area	Budget 2024 / 2025	Budget 2025 / 2026	Budget 2026 / 2027	MTREF Total
Infrastructure Services	Electrical Services	Energy Balancing - Metering and Mini-Substations	Valley of Possibility	250 000	250 000	250 000	750 000
Infrastructure Services	Electrical Services	Energy Efficiency and Demand Side Management	Green and Sustainable Valley	5 000 000	5 000 000	5 000 000	15 000 000
Infrastructure Services	Electrical Services	Furniture, Tools and Equipment: Electrical Services	Good Governance and Compliance	100 000	333 182	366 501	799 683
Infrastructure Services	Electrical Services	General System Improvements - Franschhoek	Valley of Possibility	3 500 000	3 500 000	3 500 000	10 500 000
Infrastructure Services	Electrical Services	General Systems Improvements - Stellenbosch	Valley of Possibility	5 500 000	5 900 000	6 340 000	17 740 000
Infrastructure Services	Electrical Services	Infrastructure Improvement - Franschhoek	Valley of Possibility	1 500 000	1 500 000	1 500 000	4 500 000
Infrastructure Services	Electrical Services	Integrated National Electrification Programme	Valley of Possibility	321 957	321 957	321 957	965 871
Infrastructure Services	Electrical Services	Jan Marais Upgrade: Remove Existing Tx and replace with 20MVA	Valley of Possibility	2 359 587	-	-	2 359 587
Infrastructure Services	Electrical Services	Kayamandi new substation 11kV switching station	Valley of Possibility	7 500 000	15 000 000	7 500 000	30 000 000
Infrastructure Services	Electrical Services	Laterra Substation	Valley of Possibility	225 680	-	-	225 680
Infrastructure Services	Electrical Services	Meter Panels	Green and Sustainable Valley	250 000	250 000	250 000	750 000
Infrastructure Services	Electrical Services	Network Cable Replace 11 Kv	Valley of Possibility	3 000 000	3 300 000	3 630 000	9 930 000
Infrastructure Services	Electrical Services	Replace Control Panels 66 kV & Circuit breakers	Dignified Living	4 664 498	2 000 000	2 500 000	9 164 498
Infrastructure Services	Electrical Services	Replace Ineffective Meters	Green and Sustainable Valley	250 000	302 500	332 750	885 250
Infrastructure Services	Electrical Services	Stellenbosch Switchgear (11kV) SF6	Valley of Possibility	1 000 000	9 000 000	27 606 738	37 606 738
Infrastructure Services	Electrical Services	Streetlights R304	Dignified Living	1 000 000	1 000 000	1 000 000	3 000 000
Infrastructure Services	Electrical Services	Substation 66kV equipment	Good Governance and Compliance	2 295 974	5 301 136	6 361 363	13 958 473
Infrastructure Services	Electrical Services	System Control Centre & Upgrade Telemetry	Dignified Living	3 960 000	4 356 000	4 791 600	13 107 600
Infrastructure Services	Electrical Services	Uninterrupted Power Supply for buildings	Safe Valley	2 000 000	2 000 000	-	4 000 000
Infrastructure Services	Electrical Services	Upgrade transformers at Main substation 7.5MVA to 20MVA	Dignified Living	500 000	7 571 200	27 571 200	35 642 400
Infrastructure Services	Electrical Services	Vehicles: Electrical Services	Dignified Living	3 500 000	-	3 200 000	6 700 000
Infrastructure Services	Project Management Unit (PMU)	Franschhoek Mooiwater 236	Dignified Living	10 800 000	-	-	10 800 000
Infrastructure Services	Project Management Unit (PMU)	Furniture, Tools & Equipment: PMU	Dignified Living	75 000	75 000	110 000	260 000

**DRAFT CAPITAL BUDGET 2024-2027**  
**INFRASTRUCTURE SERVICES**

Directorate	Department	Name	Strategic Focus Area	Budget 2024 / 2025	Budget 2025 / 2026	Budget 2026 / 2027	MTREF Total
Infrastructure Services	Project Management Unit (PMU)	Kayamandi: Zone O (±711 services)	Dignified Living	1 750 000	8 000 000	8 000 000	17 750 000
Infrastructure Services	Project Management Unit (PMU)	Upgrading Ad hoc Housing Projects	Dignified Living	300 000	350 000	400 000	1 050 000
Infrastructure Services	Water and Wastewater Services: Water	Bulk Water Supply Pipe and Reservoir: Kayamandi	Dignified Living	298 093	-	-	298 093
Infrastructure Services	Water and Wastewater Services: Water	Bulk Water Supply Pipe and Reservoir: Stellenbosch	Valley of Possibility	75 000 000	50 000 000	3 000 000	128 000 000
Infrastructure Services	Water and Wastewater Services: Water	Bulk Water Supply Pipe Line & Pumpstations: Franschoek	Valley of Possibility	10 000 000	4 000 000	-	14 000 000
Infrastructure Services	Water and Wastewater Services: Water	Bulk Water Supply Pipe: Cloetesville/ Idas Valley	Valley of Possibility	1 000 000	7 000 000	14 000 000	22 000 000
Infrastructure Services	Water and Wastewater Services: Water	Bulk Water Supply Pipe: Idas Valley/Papegaaiberg and Network Upgrades	Valley of Possibility	2 000 000	-	-	2 000 000
Infrastructure Services	Water and Wastewater Services: Water	Bulk Water Supply Pipeline & Reservoir - Jamestown	Valley of Possibility	13 716 870	-	-	13 716 870
Infrastructure Services	Water and Wastewater Services: Water	Bulk Water Upgrades Franschoek	Valley of Possibility	-	-	1 000 000	1 000 000
Infrastructure Services	Water and Wastewater Services: Water	Chlorination Installation: Upgrade	Valley of Possibility	500 000	500 000	500 000	1 500 000
Infrastructure Services	Water and Wastewater Services: Water	Dwarsriver Bulk Supply Augmentation and Network Upgrades	Valley of Possibility	7 320 153	750 000	1 500 000	9 570 153
Infrastructure Services	Water and Wastewater Services: Water	Furniture, Tools & Equipment: Water	Dignified Living	150 000	200 000	200 000	550 000
Infrastructure Services	Water and Wastewater Services: Water	New Reservoir & Pipeline: Vlottenburg	Dignified Living	28 946 474	-	-	28 946 474
Infrastructure Services	Water and Wastewater Services: Water	Reservoirs and Dam Safety	Dignified Living	950 000	500 000	1 000 000	2 450 000
Infrastructure Services	Water and Wastewater Services: Water	Specialized Vehicles: Water	Good Governance and Compliance	-	5 500 000	-	5 500 000
Infrastructure Services	Water and Wastewater Services: Water	Uniepark & Helshoogte Storage and Supply scheme	Dignified Living	5 000 000	6 000 000	40 000 000	51 000 000
Infrastructure Services	Water and Wastewater Services: Water	Update Water Masterplan	Dignified Living	500 000	500 000	750 000	1 750 000
Infrastructure Services	Water and Wastewater Services: Water	Upgrade and Replace Water Meters	Dignified Living	1 000 000	1 000 000	2 000 000	4 000 000
Infrastructure Services	Water and Wastewater Services: Water	Vehicles: Water	Good Governance and Compliance	1 000 000	1 000 000	-	2 000 000
Infrastructure Services	Water and Wastewater Services: Water	Water Conservation & Demand Management	Good Governance and Compliance	2 000 000	2 000 000	2 000 000	6 000 000
Infrastructure Services	Water and Wastewater Services: Water	Water Telemetry Upgrade	Good Governance and Compliance	1 500 000	1 500 000	-	3 000 000
Infrastructure Services	Water and Wastewater Services: Water	Waterpipe Replacement	Dignified Living	6 000 000	6 000 000	8 000 000	20 000 000
Infrastructure Services	Water and Wastewater Services: Sanitation	Compilation of Water Service Development Plan (tri-annually)	Good Governance and Compliance	300 000	400 000	400 000	1 100 000

**DRAFT CAPITAL BUDGET 2024-2027**  
**INFRASTRUCTURE SERVICES**

Directorate	Department	Name	Strategic Focus Area	Budget 2024 / 2025	Budget 2025 / 2026	Budget 2026 / 2027	MTREF Total
Infrastructure Services	Water and Wastewater Services: Sanitation	Dorp Street Bulk Sewer Upgrade	Dignified Living	500 000	-	-	500 000
Infrastructure Services	Water and Wastewater Services: Sanitation	Extention Of WWTW: Stellenbosch	Dignified Living	4 000 000	15 000 000	15 000 000	34 000 000
Infrastructure Services	Water and Wastewater Services: Sanitation	Furniture, Tools & Equipment: Sanitation	Dignified Living	400 000	400 000	400 000	1 200 000
Infrastructure Services	Water and Wastewater Services: Sanitation	Pond rehabilitation and pond pumping systems construction WWTW	Dignified Living	1 500 000	1 500 000	-	3 000 000
Infrastructure Services	Water and Wastewater Services: Sanitation	Refurbish Plant & Equipment - Raithby WWTW	Dignified Living	4 500 000	4 000 000	-	8 500 000
Infrastructure Services	Water and Wastewater Services: Sanitation	Sewer Pumpstation & Telemetry Upgrade	Dignified Living	1 500 000	1 500 000	1 500 000	4 500 000
Infrastructure Services	Water and Wastewater Services: Sanitation	Sewerpipe Replacement	Dignified Living	5 750 000	6 000 000	6 000 000	17 750 000
Infrastructure Services	Water and Wastewater Services: Sanitation	Specialized Vehicles: Sanitation	Dignified Living	3 000 000	-	-	3 000 000
Infrastructure Services	Water and Wastewater Services: Sanitation	Update Sewer Masterplan	Good Governance and Compliance	500 000	500 000	600 000	1 600 000
Infrastructure Services	Water and Wastewater Services: Sanitation	Upgrade Laboratory Equipment	Dignified Living	500 000	-	-	500 000
Infrastructure Services	Water and Wastewater Services: Sanitation	Upgrade of WWTW Wemmershoek	Dignified Living	30 000 000	30 000 000	20 000 000	80 000 000
Infrastructure Services	Water and Wastewater Services: Sanitation	Upgrade of WWTW: Klapmuts	Dignified Living	5 000 000	6 000 000	50 000 000	61 000 000
Infrastructure Services	Water and Wastewater Services: Sanitation	Vehicles: Sanitation	Good Governance and Compliance	1 000 000	2 000 000	-	3 000 000
Infrastructure Services	Water and Wastewater Services: Sanitation	Vlottenburg Outfall Sewer: Construction of Digteby Sewerpipe	Dignified Living	19 053 526	-	-	19 053 526
Infrastructure Services	Roads and Stormwater	Adam Tas Road Intersection Upgrades	Valley of Possibility	300 000	300 000	-	600 000
Infrastructure Services	Roads and Stormwater	Adhoc Minor Upgrading of Roads (WC024)	Dignified Living	300 000	700 000	-	1 000 000
Infrastructure Services	Roads and Stormwater	Adhoc Reconstruction Of Roads (WC024)	Valley of Possibility	5 000 000	5 000 000	5 000 000	15 000 000
Infrastructure Services	Roads and Stormwater	Bridge Assessment and Design	Dignified Living	2 000 000	1 000 000	-	3 000 000
Infrastructure Services	Roads and Stormwater	Furniture, Tools & Equipment: Roads & Stormwater	Good Governance and Compliance	400 000	400 000	400 000	1 200 000
Infrastructure Services	Roads and Stormwater	George Blake Urban Upgrade	Dignified Living	300 000	-	-	300 000
Infrastructure Services	Roads and Stormwater	Gravel Roads Devon Valley - Safety Improvements Structural Repairs	Dignified Living	500 000	800 000	-	1 300 000
Infrastructure Services	Roads and Stormwater	Klapmuts Transport Network	Valley of Possibility	800 000	800 000	800 000	2 400 000
Infrastructure Services	Roads and Stormwater	Lanquedoc Access road and Bridge	Good Governance and Compliance	23 000 000	15 000 000	-	38 000 000

**DRAFT CAPITAL BUDGET 2024-2027  
INFRASTRUCTURE SERVICES**

Directorate	Department	Name	Strategic Focus Area	Budget 2024 / 2025	Budget 2025 / 2026	Budget 2026 / 2027	MTREF Total
Infrastructure Services	Roads and Stormwater	Parking Area Upgrades - Franschhoek	Valley of Possibility	500 000	-	-	500 000
Infrastructure Services	Roads and Stormwater	Parking Area Upgrades - Stellenbosch	Valley of Possibility	500 000	2 000 000	-	2 500 000
Infrastructure Services	Roads and Stormwater	Reseal Roads - Franschhoek & Surrounding	Dignified Living	100 000	100 000	2 000 000	2 200 000
Infrastructure Services	Roads and Stormwater	Reseal Roads - Klapmuts, Raithby & Surrounding	Dignified Living	1 000 000	100 000	-	1 100 000
Infrastructure Services	Roads and Stormwater	Reseal Roads - Kylemore & Surrounding	Dignified Living	100 000	1 500 000	-	1 600 000
Infrastructure Services	Roads and Stormwater	Reseal Roads - Stellenbosch & Surrounding	Dignified Living	2 900 000	3 000 000	4 000 000	9 900 000
Infrastructure Services	Roads and Stormwater	River Rehabilitation Implementation	Dignified Living	2 000 000	2 100 000	-	4 100 000
Infrastructure Services	Roads and Stormwater	Specialized Vehicles: Roads and Stormwater	Good Governance and Compliance	1 500 000	-	-	1 500 000
Infrastructure Services	Roads and Stormwater	Update Stormwater Masterplan	Valley of Possibility	1 500 000	-	-	1 500 000
Infrastructure Services	Roads and Stormwater	Upgrade Stormwater Retention Facilities	Dignified Living	500 000	500 000	-	1 000 000
Infrastructure Services	Roads and Stormwater	Upgrade Stormwater System	Dignified Living	50 000	200 000	300 000	550 000
Infrastructure Services	Roads and Stormwater	Vehicles Fleet: Roads and Stormwater	Good Governance and Compliance	200 000	-	-	200 000
Infrastructure Services	Roads and Stormwater	Wilderbosch Extension to Trumali	Valley of Possibility	1 500 000	3 000 000	2 000 000	6 500 000
Infrastructure Services	Roads and Stormwater	Wilderbosch Extension to Technopark	Valley of Possibility	-	1 000 000	-	1 000 000
Infrastructure Services	Traffic Engineering	Adhoc Intersection Improvements	Safe Valley	-	1 000 000	-	1 000 000
Infrastructure Services	Traffic Engineering	Bird Street Dualling - Adam Tas to Kayamandi	Dignified Living	200 000	10 000 000	15 000 000	25 200 000
Infrastructure Services	Traffic Engineering	Furniture, Tools & Equipment: Traffic Engineering	Dignified Living	150 000	150 000	150 000	450 000
Infrastructure Services	Traffic Engineering	Jamestown Transport Network - School Street	Dignified Living	5 000 000	5 000 000	2 000 000	12 000 000
Infrastructure Services	Traffic Engineering	Main Road Intersection Improvements: Franschhoek	Dignified Living	2 129 950	3 000 000	-	5 129 950
Infrastructure Services	Traffic Engineering	Main road intersection improvements: Helshoogte rd/La Colline	Dignified Living	400 000	2 000 000	4 000 000	6 400 000
Infrastructure Services	Traffic Engineering	Main Road Intersection Improvements: R44 / Merriman Street	Dignified Living	3 000 000	1 500 000	2 000 000	6 500 000
Infrastructure Services	Traffic Engineering	Main Road Intersection Improvements: Strand / Adam Tas / Alexander	Dignified Living	4 000 000	15 000 000	10 000 000	29 000 000
Infrastructure Services	Traffic Engineering	Pedestrian Crossing Implementation	Safe Valley	100 000	100 000	300 000	500 000

**DRAFT CAPITAL BUDGET 2024-2027  
INFRASTRUCTURE SERVICES**

Directorate	Department	Name	Strategic Focus Area	Budget 2024 / 2025	Budget 2025 / 2026	Budget 2026 / 2027	MTREF Total
Infrastructure Services	Traffic Engineering	Raised Intersection Implementation	Safe Valley	600 000	500 000	500 000	1 600 000
Infrastructure Services	Traffic Engineering	Road Safety Improvements	Safe Valley	500 000	-	-	500 000
Infrastructure Services	Traffic Engineering	Road Upgrades at School Precincts	Dignified Living	200 000	200 000	-	400 000
Infrastructure Services	Traffic Engineering	Specialized Equipment: Roadmarking Machine + Trailer	Good Governance and Compliance	1 000 000	-	-	1 000 000
Infrastructure Services	Traffic Engineering	Traffic Calming Projects: Implementation	Safe Valley	500 000	500 000	-	1 000 000
Infrastructure Services	Traffic Engineering	Traffic Management Improvement Programme	Safe Valley	1 000 000	1 000 000	1 000 000	3 000 000
Infrastructure Services	Traffic Engineering	Traffic Signal Control: Installation and Upgrading of Traffic Signals and Associated Components	Safe Valley	500 000	500 000	1 700 000	2 700 000
Infrastructure Services	Traffic Engineering	Traffic Signal Management System	Safe Valley	500 000	1 000 000	-	1 500 000
Infrastructure Services	Traffic Engineering	Universal Access Implementation	Safe Valley	200 000	-	300 000	500 000
Infrastructure Services	Transport Planning	Adam Tas - Corridor Transport	Safe Valley	1 000 000	2 000 000	-	3 000 000
Infrastructure Services	Transport Planning	Adam Tas - Technopark Link Road	Safe Valley	2 500 000	5 000 000	5 000 000	12 500 000
Infrastructure Services	Transport Planning	Bicycle Lockup Facilities	Safe Valley	-	-	500 000	500 000
Infrastructure Services	Transport Planning	Comprehensive Integrated Transport Plan	Good Governance and Compliance	628 000	1 000 000	2 656 000	4 284 000
Infrastructure Services	Transport Planning	Cycle Plan - Design & Implementation	Safe Valley	500 000	1 000 000	500 000	2 000 000
Infrastructure Services	Transport Planning	Freight Strategy for Stellenbosch & Franschhoek	Valley of Possibility	500 000	-	-	500 000
Infrastructure Services	Transport Planning	Non-Motorised Transport Implementation	Safe Valley	2 000 000	3 000 000	3 000 000	8 000 000
Infrastructure Services	Transport Planning	Non-Motorised Transport Plan	Valley of Possibility	1 000 000	-	-	1 000 000
Infrastructure Services	Transport Planning	Park and Ride (Transport Interchange)	Safe Valley	700 000	700 000	-	1 400 000
Infrastructure Services	Transport Planning	Pedestrian Streets in Stellenbosch	Safe Valley	1 000 000	-	500 000	1 500 000
Infrastructure Services	Transport Planning	Provision of Bulk Parking Planning & Development	Safe Valley	3 000 000	-	-	3 000 000
Infrastructure Services	Transport Planning	Public Transport Facilities (Taxi Ranks) Adhoc Upgrades	Safe Valley	1 000 000	-	1 000 000	2 000 000
Infrastructure Services	Transport Planning	Public Transport Infrastructure ( Public Transport Shelters & Embayments)	Valley of Possibility	400 000	-	-	400 000
Infrastructure Services	Transport Planning	Public Transport Planning - WC024	Valley of Possibility	1 000 000	1 000 000	1 000 000	3 000 000

**DRAFT CAPITAL BUDGET 2024-2027  
INFRASTRUCTURE SERVICES**

Directorate	Department	Name	Strategic Focus Area	Budget 2024 / 2025	Budget 2025 / 2026	Budget 2026 / 2027	MTREF Total
Infrastructure Services	Transport Planning	Re-design of Bergzicht Public Transport Facility	Valley of Possibility	1 000 000	500 000	-	1 500 000
Infrastructure Services	Transport Planning	Stellenbosch - Bicycle network	Valley of Possibility	-	-	500 000	500 000
Infrastructure Services	Transport Planning	Technopark Kerb and Channel Upgrade	Safe Valley	500 000	-	-	500 000
				<b>463 483 974</b>	<b>413 130 975</b>	<b>464 435 126</b>	<b>1 338 550 075</b>

**DRAFT CAPITAL BUDGET 2024-2027  
COMMUNITY AND PROTECTION SERVICES**

Directorate	Department	Name	Strategic Focus Area	Budget 2024 / 2025	Budget 2025 / 2026	Budget 2026 / 2027	MTREF Total
Community and Protection Services	Community Development	Furniture, Tools & Equipment: Comm Development	Good Governance and Compliance	60 000	50 000	50 000	160 000
Community and Protection Services	Community Development	Social Relief Distress Vehicle	Good Governance and Compliance	350 000	500 000	-	850 000
Community and Protection Services	Community Development	Upgrading and Maintenance: Early Childhood Development Centres	Good Governance and Compliance	6 329 003	-	6 000 000	12 329 003
Community and Protection Services	Community Services: Library Services	Furniture, Tools & Equipment: Pniel Library	Good Governance and Compliance	10 000	10 000	-	20 000
Community and Protection Services	Community Services: Library Services	Library Books	Good Governance and Compliance	200 000	200 000	200 000	600 000
Community and Protection Services	Community Services: Library Services	Upgrading: Cloetesville Library	Dignified Living	450 000	-	-	450 000
Community and Protection Services	Community Services: Library Services	Furniture, Tools and Equipment: Idas Valley	Good Governance and Compliance	500 000	-	-	500 000
Community and Protection Services	Community Services: Library Services	Furniture, Tools and Equipment: Kayamandi	Good Governance and Compliance	20 000	500 000	-	520 000
Community and Protection Services	Community Services: Library Services	Vehicle Fleet: Library Services	Good Governance and Compliance	400 000	400 000	-	800 000
Community and Protection Services	Halls	Furniture, Tools & Equipment: Halls	Good Governance and Compliance	200 000	-	-	200 000
Community and Protection Services	Halls	Upgrading of Halls	Dignified Living	50 000	-	-	50 000
Community and Protection Services	Halls	Vehicle Fleet: Halls	Good Governance and Compliance	-	500 000	500 000	1 000 000
Community and Protection Services	Sports Grounds and Picnic Sites	Clubhouse Devon Valley Sport Facility	Dignified Living	200 000	2 000 000	-	2 200 000
Community and Protection Services	Sports Grounds and Picnic Sites	Fencing: Sport Grounds (WC024)	Safe Valley	1 750 000	-	-	1 750 000
Community and Protection Services	Sports Grounds and Picnic Sites	Furniture, Tools & Equipment: Sports	Good Governance and Compliance	400 000	-	-	400 000
Community and Protection Services	Sports Grounds and Picnic Sites	Installation of Cricket nets	Dignified Living	150 000	-	250 000	400 000
Community and Protection Services	Sports Grounds and Picnic Sites	Recreational Equipment Sport	Valley of Possibility	200 000	-	-	200 000
Community and Protection Services	Sports Grounds and Picnic Sites	Specialized Vehicles: Sports	Dignified Living	1 000 000	-	-	1 000 000
Community and Protection Services	Sports Grounds and Picnic Sites	Upgrade of netball courts	Dignified Living	1 000 000	-	-	1 000 000
Community and Protection Services	Sports Grounds and Picnic Sites	Upgrade of Sport Facilities	Dignified Living	1 000 000	1 000 000	1 000 000	3 000 000
Community and Protection Services	Sports Grounds and Picnic Sites	Upgrading of Swimming Pool	Dignified Living	300 000	200 000	-	500 000
Community and Protection Services	Environmental Management: Implementation	Furniture, Tools & Equipment: Air and Noise Control	Good Governance and Compliance	-	100 000	-	100 000
Community and Protection Services	Environmental Management: Implementation	Furniture, Tools & Equipment: Environmental Management	Good Governance and Compliance	150 000	150 000	200 000	500 000

**DRAFT CAPITAL BUDGET 2024-2027  
COMMUNITY AND PROTECTION SERVICES**

Directorate	Department	Name	Strategic Focus Area	Budget 2024 / 2025	Budget 2025 / 2026	Budget 2026 / 2027	MTREF Total
Community and Protection Services	Environmental Management: Implementation	Jonkershoek Picnic Site: Upgrade of Facilities.	Valley of Possibility	700 000	-	-	700 000
Community and Protection Services	Environmental Management: Implementation	Specialized Equipment: Workshop	Good Governance and Compliance	1 500 000	-	-	1 500 000
Community and Protection Services	Environmental Management: Implementation	Vehicle Fleet: Workshop	Good Governance and Compliance	800 000	-	-	800 000
Community and Protection Services	Environmental Management: Urban Forestry	Design and implement electronic Urban Forestry management tool	Green and Sustainable Valley	250 000	-	-	250 000
Community and Protection Services	Environmental Management: Urban Forestry	Fencing :Urban Forestry	Good Governance and Compliance	1 000 000	-	-	1 000 000
Community and Protection Services	Environmental Management: Urban Forestry	Furniture, Tools & Equipment: Urban Forestry	Good Governance and Compliance	1 500 000	-	-	1 500 000
Community and Protection Services	Environmental Management: Urban Forestry	Specialized equipment: Urban Forestry	Good Governance and Compliance	1 500 000	-	-	1 500 000
Community and Protection Services	Environmental Management: Urban Forestry	Urban Forestry: Purchasing of trailer	Good Governance and Compliance	-	-	1 000 000	1 000 000
Community and Protection Services	Environmental Management: Urban Forestry	Vehicle Fleet: Urban Forestry	Good Governance and Compliance	-	-	1 200 000	1 200 000
Community and Protection Services	Cemeteries	Calcatta Memorial Park	Dignified Living	30 000 000	42 320 550	-	72 320 550
Community and Protection Services	Cemeteries	Vehicle Fleet: Cemeteries	Good Governance and Compliance	500 000	-	1 000 000	1 500 000
Community and Protection Services	Parks and Cemeteries	Beautification of Parks and Cemeteries	Green and Sustainable Valley	1 000 000	1 000 000	1 000 000	3 000 000
Community and Protection Services	Parks and Cemeteries	Fencing :Parks and Gardens	Safe Valley	1 000 000	1 000 000	1 000 000	3 000 000
Community and Protection Services	Parks and Cemeteries	Furniture, Tools & Equipment: Parks & Cemeteries	Good Governance and Compliance	50 000	-	300 000	350 000
Community and Protection Services	Parks and Cemeteries	Purchase of Specialised Vehicles	Good Governance and Compliance	-	-	1 200 000	1 200 000
Community and Protection Services	Parks and Cemeteries	Stellenbosch Beautification	Good Governance and Compliance	-	100 000	-	100 000
Community and Protection Services	Parks and Cemeteries	Upgrading of Parks	Green and Sustainable Valley	-	-	200 000	200 000
Community and Protection Services	Parks and Cemeteries	Urban Greening: Beautification: Main Routes and Tourist Routes	Good Governance and Compliance	-	-	200 000	200 000
Community and Protection Services	Parks and Cemeteries	Vehicle Fleet: Parks & Cemeteries	Good Governance and Compliance	1 000 000	1 000 000	-	2 000 000
Community and Protection Services	Disaster Management	Re-tarring drill yard: Stellenbosch	Safe Valley	-	-	1 000 000	1 000 000
Community and Protection Services	Disaster Management	Vehicle Fleet: Disaster Management	Safe Valley	-	600 000	-	600 000
Community and Protection Services	Fire and Rescue Services	Fire Station - Jamestown	Safe Valley	1 150 000	8 000 000	-	9 150 000
Community and Protection Services	Fire and Rescue Services	Furniture, Tools & Equipment: Fire	Good Governance and Compliance	50 000	-	500 000	550 000



DRAFT CAPITAL BUDGET 2024-2027  
COMMUNITY AND PROTECTION SERVICES

Directorate	Department	Name	Strategic Focus Area	Budget 2024 / 2025	Budget 2025 / 2026	Budget 2026 / 2027	MTREF Total
Community and Protection Services	Fire and Rescue Services	Rescue equipment	Safe Valley	1 000 000	-	1 000 000	2 000 000
Community and Protection Services	Fire and Rescue Services	Specialized Vehicles: Fire	Safe Valley	3 500 000	-	-	3 500 000
Community and Protection Services	Fire and Rescue Services	Vehicle Fleet: Fire Services	Safe Valley	-	1 000 000	-	1 000 000
Community and Protection Services	Law Enforcement and Security	Furniture, Tools & Equipment: Law Enforcement	Good Governance and Compliance	200 000	-	-	200 000
Community and Protection Services	Law Enforcement and Security	Install and Upgrade CCTV/ LPR Cameras In WC024	Safe Valley	1 343 326	1 000 000	1 000 000	3 343 326
Community and Protection Services	Law Enforcement and Security	Install Computerized Access Security Systems and CCTV Cameras At Municipal Buildings	Safe Valley	1 000 000	1 000 000	1 000 000	3 000 000
Community and Protection Services	Law Enforcement and Security	Law Enforcement Tools and Equipment	Safe Valley	300 000	-	-	300 000
Community and Protection Services	Law Enforcement and Security	Neighborhood Watch Safety equipment	Safe Valley	250 000	-	-	250 000
Community and Protection Services	Law Enforcement and Security	Security Upgrades	Safe Valley	650 000	-	-	650 000
Community and Protection Services	Law Enforcement and Security	Vehicle Fleet: Law Enforcement	Good Governance and Compliance	1 500 000	1 500 000	1 500 000	4 500 000
Community and Protection Services	Traffic Services	Furniture, Tools & Equipment: Traffic Services	Good Governance and Compliance	45 000	-	-	
Community and Protection Services	Traffic Services	Specialized Equipment: Traffic	Good Governance and Compliance	1 500 000	-	-	
Community and Protection Services	Traffic Services	Specialized Vehicles: Traffic	Good Governance and Compliance	2 750 000	2 000 000	-	
				<b>70 757 329</b>	<b>66 130 550</b>	<b>21 300 000</b>	<b>151 892 879</b>

**DRAFT CAPITAL BUDGET 2024-2027**  
**CORPORATE SERVICES**

Directorate	Department	Name	Strategic Focus Area	Budget 2024 / 2025	Budget 2025 / 2026	Budget 2026 / 2027	MTREF Total
Corporate Services	Information and Communications Technology (ICT)	Fibre Optic Implementation	Good Governance and Compliance	4 000 000	4 000 000	2 000 000	10 000 000
Corporate Services	Information and Communications Technology (ICT)	ICT Cable Reticulation and Management	Valley of Possibility	500 000	500 000	1 000 000	2 000 000
Corporate Services	Information and Communications Technology (ICT)	Purchase and Replacement of Computer/software and Peripheral devices	Good Governance and Compliance	1 270 000	1 270 000	1 500 000	4 040 000
Corporate Services	Information and Communications Technology (ICT)	Server Storage expansion and upgrades	Good Governance and Compliance	1 000 000	1 000 000	2 000 000	4 000 000
Corporate Services	Information and Communications Technology (ICT)	Upgrade and Expansion of IT Infrastructure Platforms	Good Governance and Compliance	1 000 000	2 000 000	2 000 000	5 000 000
Corporate Services	Information and Communications Technology (ICT)	Upgrading Communication Network	Safe Valley	1 500 000	1 500 000	750 000	3 750 000
Corporate Services	Properties and Municipal Building Maintenance	Airconditioners	Dignified Living	700 000	200 000	200 000	1 100 000
Corporate Services	Properties and Municipal Building Maintenance	Furniture, Tools & Equipment: Property Management	Good Governance and Compliance	250 000	-	-	250 000
Corporate Services	Properties and Municipal Building Maintenance	Kayamandi: Upgrading of Makapula Hall	Dignified Living	3 000 000	-	-	3 000 000
Corporate Services	Properties and Municipal Building Maintenance	Structural Improvement: General	Valley of Possibility	11 000 000	4 000 000	1 500 000	16 500 000
Corporate Services	Properties and Municipal Building Maintenance	Structural Maintenance/Upgrade: Beltana	Valley of Possibility	25 000 000	35 000 000	-	60 000 000
Corporate Services	Properties and Municipal Building Maintenance	Structural Upgrade: Jamestown Economic Hub	Valley of Possibility	3 900 000	-	-	3 900 000
Corporate Services	Properties and Municipal Building Maintenance	Upgrade Millenium Hall Pniel	Dignified Living	800 000	-	-	800 000
Corporate Services	Properties and Municipal Building Maintenance	Upgrading Fencing	Safe Valley	1 500 000	1 000 000	1 100 000	3 600 000
Corporate Services	Properties and Municipal Building Maintenance	Upgrading of New Office Space: Ryneveld Street	Valley of Possibility	1 000 000	500 000	500 000	2 000 000
				<b>56 420 000</b>	<b>50 970 000</b>	<b>12 550 000</b>	<b>119 940 000</b>

DRAFT CAPITAL BUDGET 2024-2027  
FINANCIAL SERVICES

Directorate	Department	Name	Strategic Focus Area	Budget 2024 / 2025	Budget 2025 / 2026	Budget 2026 / 2027	MTREF Total
Financial Services	Financial Management Services	Furniture, Tools & Equipment: FS	Good Governance and Compliance	100 000	100 000	100 000	300 000
Financial Services	Revenue and Expenditure	Furniture, Tools & Equipment: Rev n Exp	Good Governance and Compliance	150 000	150 000	150 000	450 000
Financial Services	Supply Chain Management	Furniture, Tools & Equipment: SCM	Good Governance and Compliance	150 000	150 000	150 000	450 000
Financial Services	Financial Management Services	Vehicle Fleet: FMS	Good Governance and Compliance	1 000 000	1 000 000	1 000 000	3 000 000
				<b>1 400 000</b>	<b>1 400 000</b>	<b>1 400 000</b>	<b>4 200 000</b>

**O: LEGISLATION COMPLIANCE**

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

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

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## **P: OTHER SUPPORTING DOCUMENTS**

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

- SA1 - Supporting detail to Budgeted Financial Performance
- SA2 - Matrix Financial Performance Budget (revenue source/expenditure type and type)
- SA3 - Supporting detail to Budgeted Financial Position
- SA4 - Reconciliation of IDP strategic objectives and budget (revenue)
- SA5 - Reconciliation of IDP strategic objectives and budget (operational expenditure)
- SA6 - Reconciliation of IDP strategic objectives and budget (capital expenditure)
- SA7 - Measurable Performance Objectives
- SA8 - Performance indicators and benchmarks
- SA9 - Social, economic and demographic statistics and assumptions
- SA10 - Funding measurement
- SA11 - Property Rates Summary
- SA12a- Property rates by category (2023/2024)
- SA12b- Property rates by category (2024/2025)
- SA13a Service Tariffs by category
- SA13b Service Tariffs by category-explanatory
- SA14 - Household bills
- SA15 - Investment particulars by type
- SA16 - Investment particulars by maturity
- SA17 - Borrowing
- SA18 - Transfers and grant receipts
- SA19 - Expenditure on transfers and grant programme
- SA20 - Reconciliation of transfers grant receipts and unspent funds
- SA21 - Transfers and grants made by the municipality
- SA22 - Summary councillor and staff benefits
- SA23 - Salaries, allowances & benefits (political office bearers/councillors/senior managers)
- SA24 - Summary of personnel numbers
- SA25 - Consolidated budgeted monthly revenue and expenditure
- SA26 - Budgeted monthly revenue and expenditure (municipal vote)

- SA27 - Budgeted monthly revenue and expenditure (functional classification)
- SA28 - Budgeted monthly capital expenditure (municipal vote)
- SA29 - Budgeted monthly capital expenditure (functional classification)
- SA30 - Budgeted monthly cash flow
- SA31 - Not applicable
- SA32 - List of external mechanism
- SA33 - Contracts having future budgetary implications
- SA34a- Capital expenditure on new asset class
- SA34b- Capital expenditure on the renewal of existing assets by asset class
- SA34c- Repairs and maintenance expenditure by asset class
- SA34d- Depreciation by asset class
- SA34e- Capital expenditure on the upgrading of existing assets by asset class
- SA35 - Future financial implications of the capital budget
- SA36 - Detailed Capital Budget
- SA37 - Projects delayed from previous financial years
- SA38 - Consolidated detailed operational projects

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

Description	Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand											
<b>REVENUE ITEMS:</b>											
<b>Non-exchange revenue by source</b>											
<b>Property rates</b>											
Total Property Rates	6	447 766	473 203	487 194	530 400	530 400	530 400	374 794	557 432	578 180	609 980
<i>less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i>		53 282	51 233	35 175	56 811	56 811	56 811	(6 217)	48 315	50 538	52 863
Net Property Rates		394 484	421 969	452 019	473 589	473 589	473 589	381 011	509 116	527 642	557 117
<b>Exchange revenue service charges</b>											
<b>Service charges - Electricity</b>											
Total Service charges - Electricity	6	647 160	774 586	800 286	985 304	985 304	985 304	660 645	1 110 437	1 251 463	1 410 398
<i>less Revenue Foregone (in excess of 50 kwh per indigent household per month)</i>		-	-	-	-	-	-	-	-	-	-
<i>less Cost of Free Basic Services (50 kwh per indigent household per month)</i>		14 759	18 155	20 303	71 634	71 634	71 634	14 250	80 732	84 446	88 330
Net Service charges - Electricity		632 401	756 431	779 984	913 669	913 669	913 669	646 395	1 029 705	1 167 017	1 322 068
<b>Service charges - Water</b>											
Total Service charges - Water	6	159 965	172 025	169 082	194 187	180 755	180 755	142 690	191 962	200 798	210 040
<i>less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)</i>		-	-	-	-	-	-	-	-	-	-
<i>less Cost of Free Basic Services (6 kilolitres per indigent household per month)</i>		25 539	25 195	6 944	8 565	8 888	8 888	(1 442)	9 439	9 874	10 328
Net Service charges - Water		134 426	146 830	162 138	185 622	171 866	171 866	144 132	182 522	190 924	199 712
<b>Service charges - Waste Water Management</b>											
Total Service charges - Waste Water Management	6	103 184	112 325	114 555	118 442	123 725	123 725	84 282	133 623	144 313	155 858
<i>less Revenue Foregone (in excess of free sanitation service to indigent households)</i>		-	-	-	-	-	-	-	-	-	-
<i>less Cost of Free Basic Services (free sanitation service to indigent households)</i>		10 545	10 039	7 815	9 795	10 047	10 047	(1 595)	10 851	11 719	12 657
Net Service charges - Waste Water Management		92 639	102 285	106 739	108 647	113 677	113 677	85 877	122 772	132 593	143 201
<b>Service charges - Waste Management</b>											
Total refuse removal revenue	6	70 502	81 495	97 413	124 097	124 097	124 097	69 598	132 659	138 762	145 145
Total landfill revenue		2 648	3 157	3 938	5 057	5 057	5 057	3 089	5 406	5 655	5 915
<i>less Revenue Foregone (in excess of one removal a week to indigent households)</i>		-	-	-	-	-	-	-	-	-	-
<i>less Cost of Free Basic Services (removed once a week to indigent households)</i>		-	-	11 514	21 500	21 500	21 500	(1 553)	22 984	24 041	25 147
Net Service charges - Waste Management		73 150	84 652	89 837	107 654	107 654	107 654	74 240	115 082	120 375	125 913
<b>EXPENDITURE ITEMS:</b>											
<b>Employee related costs</b>											
Basic Salaries and Wages	2	338 573	340 874	347 682	371 655	363 922	363 922	239 574	380 411	378 650	402 396
Pension and UIF Contributions		61 230	61 829	66 155	69 205	73 781	73 781	47 279	78 362	83 226	88 393
Medical Aid Contributions		25 058	25 682	27 108	28 434	30 528	30 528	21 970	32 421	34 430	36 565
Overtime		40 619	42 035	42 458	45 105	47 932	47 932	35 438	50 904	54 060	57 411
Performance Bonus		26 200	25 883	27 339	29 945	31 242	31 242	26 123	33 176	35 229	37 410
Motor Vehicle Allowance		9 266	9 473	8 857	12 006	12 827	12 827	6 529	13 636	14 479	15 375
Cellphone Allowance		1 883	1 884	2 172	2 746	2 990	2 990	1 488	3 175	3 371	3 580

Description	Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand											
Housing Allowances		2 773	2 798	2 716	3 057	3 232	3 232	1 837	3 433	3 645	3 871
Other benefits and allowances		18 457	14 806	17 105	18 109	19 231	19 231	11 468	20 423	21 690	23 034
Payments in lieu of leave		(3)	294	–	–	–	–	–	–	–	–
Long service awards		3 904	–	5 150	2 402	2 402	2 402	–	2 551	2 709	2 877
Post-retirement benefit obligations	4	28 414	22 694	(5 362)	33 378	33 378	33 378	–	35 448	37 646	39 980
Entertainment		–	1	–	–	–	–	–	–	–	–
Scarcity		1 630	738	807	824	1 518	1 518	1 809	1 612	1 712	1 818
Acting and post related allowance		469	564	593	828	852	852	365	905	961	1 021
In kind benefits		–	–	–	–	–	–	–	–	–	–
<i>sub-total</i>	5	558 472	549 555	542 779	617 694	623 836	623 836	393 880	656 455	671 808	713 731
<u>Less: Employees costs capitalised to PPE</u>		–	–	–	–	–	–	–	–	–	–
Total Employee related costs	1	558 472	549 555	542 779	617 694	623 836	623 836	393 880	656 455	671 808	713 731
<u>Depreciation and amortisation</u>											
Depreciation of Property, Plant & Equipment		209 249	217 197	230 507	218 558	236 893	236 893	126 273	246 369	256 224	266 472
Lease amortisation		660	1 496	1 175	1 725	1 175	1 175	51	1 222	1 271	1 322
Capital asset impairment		–	2 723	1 573	–	1 730	1 730	–	1 816	1 900	1 987
Total Depreciation and amortisation	1	209 909	221 416	233 255	220 283	239 799	239 799	126 325	249 408	259 395	269 782
<u>Bulk purchases - electricity</u>											
Electricity Bulk Purchases		422 735	528 012	521 012	636 393	633 893	633 893	369 607	714 397	805 126	907 377
Total bulk purchases	1	422 735	528 012	521 012	636 393	633 893	633 893	369 607	714 397	805 126	907 377
<u>Transfers and grants</u>											
Cash transfers and grants		11 010	13 364	13 494	16 338	15 701	15 701	11 225	15 833	16 370	16 928
Non-cash transfers and grants		–	–	4 265	4 297	4 497	4 497	2 533	4 906	5 123	5 347
Total transfers and grants	1	11 010	13 364	17 758	20 636	20 199	20 199	13 759	20 739	21 493	22 276
<u>Contracted services</u>											
<i>Outsourced Services</i>		100 351	97 723	120 227	120 123	131 817	131 817	77 847	138 318	116 704	114 258
<i>Consultants and Professional Services</i>		35 551	27 629	25 003	47 013	23 876	23 876	7 039	35 930	73 714	112 510
<i>Contractors</i>		91 802	82 881	83 208	121 732	135 278	135 278	68 102	123 185	131 882	146 047
<i>sub-total</i>	1	227 704	208 232	228 438	288 868	290 971	290 971	152 988	297 434	322 301	372 815
<u>Operational Costs</u>											
Collection costs		2 702	2 420	1 832	2 527	2 527	2 527	1 215	3 857	4 050	4 252
Contributions to 'other' provisions		40 861	57 999	(69 694)	6 297	9 137	9 137	–	2 845	2 845	2 845
Audit fees		6 598	5 414	8 105	9 405	9 255	9 255	8 215	9 439	9 628	9 820
<i>Other Operational Costs</i>											
<i>Operating Leases</i>	3	14 881	14 991	9 292	17 513	10 839	10 839	6 373	11 447	12 084	12 774
<i>Operational Cost</i>		103 548	105 639	121 549	144 858	145 993	145 993	75 254	142 297	148 352	152 634
<i>Statutory Payments other than Income Taxes</i>		–	–	–	–	–	–	–	–	–	–
<i>Discontinued Operations</i>		–	–	–	–	–	–	–	–	–	–
Total Operational Costs	1	168 590	186 462	71 085	180 599	177 751	177 751	91 057	169 885	176 959	182 325
<u>Repairs and Maintenance by Expenditure Item</u>											
Employee related costs	8	(9 645)	(2)	–	–	–	–	–	–	–	–
Inventory Consumed (Project Maintenance)		1 198	1 162	22 903	28 959	27 783	27 783	16 988	31 035	32 094	33 195
Contracted Services		69 051	62 727	62 089	84 899	97 340	97 340	48 973	89 013	96 824	109 913



Description	Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand											
Other Expenditure		5 697	29	-	-	-	-	-	-	-	-
<b>Total Repairs and Maintenance Expenditure</b>	<b>9</b>	<b>66 302</b>	<b>63 917</b>	<b>84 992</b>	<b>113 859</b>	<b>125 123</b>	<b>125 123</b>	<b>65 960</b>	<b>120 048</b>	<b>128 918</b>	<b>143 108</b>
<b>Inventory Consumed</b>											
Inventory Consumed - Water		-	-	-	33 257	31 682	31 682	-	42 054	44 577	47 251
Inventory Consumed - Other		22 696	38 758	32 922	67 192	66 886	66 886	22 795	70 588	74 774	79 268
<b>Total Inventory Consumed &amp; Other Material</b>		<b>22 696</b>	<b>38 758</b>	<b>32 922</b>	<b>100 449</b>	<b>98 568</b>	<b>98 568</b>	<b>22 795</b>	<b>112 641</b>	<b>119 350</b>	<b>126 520</b>

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

R thousand	1	Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	Vote 2 - PLANNING AND DEVELOPMENT SERVICES	Vote 3 - INFRASTRUCTURE SERVICES	Vote 4 - COMMUNITY AND PROTECTION SERVICES	Vote 5 - CORPORATE SERVICES	Vote 6 - FINANCIAL SERVICES	Total
<b>Revenue</b>								
<b>Exchange Revenue</b>								
Service charges - Electricity	-	-	1 029 705	-	-	-	-	1 029 705
Service charges - Water	-	-	182 522	-	-	-	-	182 522
Service charges - Waste Water Management	-	-	122 772	-	-	-	-	122 772
Service charges - Waste Management	-	-	115 082	-	-	-	-	115 082
Sale of Goods and Rendering of Services	-	9 065	3	8 119	6 099	1 368	-	24 654
Agency services	-	-	-	3 794	-	-	-	3 794
Interest	-	-	-	-	-	-	-	-
Interest earned from Receivables	-	-	18 173	-	-	-	-	18 173
Interest earned from Current and Non Current Assets	-	-	-	-	-	-	44 232	44 232
Dividends	-	-	-	-	-	-	-	-
Rent on Land	-	-	-	-	-	-	-	-
Rental from Fixed Assets	-	8 360	-	666	4 623	-	-	13 649
Licence and permits	-	180	-	8 049	4	152	-	8 386
Operational Revenue	-	12	38 684	4 591	1 591	2 815	-	47 692
<b>Non-Exchange Revenue</b>								
Property rates	-	-	-	-	-	-	509 116	509 116
Surcharges and Taxes	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	96	-	163 284	-	-	0	163 380
Licences or permits	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational	-	2 439	155 784	11 414	320	75 682	-	245 638
Interest	-	-	-	-	-	-	3 359	3 359
Fuel Levy	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-
Gains on disposal of Assets	-	-	-	-	-	-	-	-
Other Gains	-	-	-	-	-	-	-	-
Discontinued Operations	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contribution)</b>	-	20 151	1 662 723	199 917	12 637	636 725	-	2 532 153
<b>Expenditure</b>								
Employee related costs	13 785	62 116	213 029	205 426	93 207	68 892	-	656 455
Remuneration of councillors	-	-	-	-	23 422	-	-	23 422
Bulk purchases - electricity	-	-	714 397	-	-	-	-	714 397
Inventory consumed	114	1 981	92 241	16 213	1 216	876	-	112 641
Debt impairment	-	1 828	32 926	44 459	-	(2 685)	-	76 528
Depreciation and amortisation	178	50	204 540	23 243	19 580	1	-	247 591
Interest	-	-	67 888	-	1 701	-	-	69 589
Contracted services	2 087	20 265	161 090	85 101	15 194	13 696	-	297 434
Transfers and subsidies	-	7 177	-	13 562	-	-	-	20 739
Irrecoverable debts written off	-	655	7 172	110 874	-	2 682	-	121 383
Operational costs	1 040	4 157	46 698	12 104	62 297	43 590	-	169 885
Losses on disposal of Assets	-	-	-	-	-	-	-	-
Other Losses	-	-	-	-	-	-	-	-

R thousand	1	Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	Vote 2 - PLANNING AND DEVELOPMENT SERVICES	Vote 3 - INFRASTRUCTURE SERVICES	Vote 4 - COMMUNITY AND PROTECTION SERVICES	Vote 5 - CORPORATE SERVICES	Vote 6 - FINANCIAL SERVICES	Total
Total Expenditure		17 203	98 228	1 539 980	510 981	216 618	127 053	2 510 064
Surplus/(Deficit)		(17 203)	(78 077)	122 743	(311 064)	(203 981)	509 672	22 089
Transfers and subsidies - capital (monetary allocations)		-	13 889	85 234	-	-	-	99 123
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		-	-	-	-	-	-	-
Income Tax		(17 203)	(64 188)	207 977	(311 064)	(203 981)	509 672	121 212

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

Description	Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand											
<b>ASSETS</b>											
<b>Trade and other receivables from exchange transactions</b>											
Electricity		112 346	123 619	167 445	160 333	192 167	192 167	194 210	219 876	251 113	286 330
Water		113 249	139 361	156 428	131 216	155 217	155 217	202 431	168 927	183 268	198 268
Waste		29 439	36 940	47 654	42 551	47 115	47 115	59 528	45 201	43 200	41 107
Waste Water		27 761	32 279	39 167	38 988	49 444	49 444	48 595	56 555	64 184	72 369
Other trade receivables from exchange transactions		55 802	59 371	76 275	58 567	73 772	73 772	81 437	68 358	62 691	56 761
Gross: Trade and other receivables from exchange transactions		338 597	391 571	486 968	431 655	517 716	517 716	586 201	558 917	604 456	654 834
Less: Impairment for debt		(167 113)	(204 292)	(238 755)	(212 277)	(269 610)	(269 610)	(238 755)	(301 743)	(335 354)	(370 511)
Impairment for Electricity		(12 050)	(14 737)	(13 669)	(16 054)	(14 628)	(14 628)	(13 669)	(15 636)	(16 690)	(17 793)
Impairment for Water		(75 475)	(96 374)	(111 911)	(91 513)	(121 010)	(121 010)	(111 911)	(130 565)	(140 559)	(151 013)
Impairment for Waste		(23 373)	(29 359)	(39 267)	(33 497)	(49 427)	(49 427)	(39 267)	(60 094)	(71 252)	(82 924)
Impairment for Waste Water		(19 763)	(24 146)	(30 805)	(32 481)	(38 279)	(38 279)	(30 805)	(46 126)	(54 335)	(62 921)
Impairment for other trade receivables from exchange transactions		(36 451)	(39 675)	(43 104)	(38 732)	(46 266)	(46 266)	(43 104)	(49 321)	(52 517)	(55 860)
Total net Trade and other receivables from Exchange Trx		171 484	187 278	248 213	219 378	248 105	248 105	347 446	257 174	269 102	284 323
<b>Receivables from non-exchange transactions</b>											
Property rates		48 106	44 296	6 790	68 779	50 108	50 108	76 690	71 149	92 878	115 821
Less: Impairment of Property rates		(29 558)	(32 127)	(2 053)	(29 542)	(35 154)	(35 154)	(34 180)	(36 176)	(37 246)	(38 365)
Net Property rates		18 548	12 169	4 737	39 237	14 954	14 954	42 510	34 973	55 632	77 457
Other receivables from non-exchange transactions		182 557	204 947	237 737	239 405	258 542	258 542	311 161	270 065	282 082	294 613
Impairment for other receivables from non-exchange transactions		(143 629)	(155 516)	(196 037)	(165 409)	(235 710)	(235 710)	(196 037)	(277 473)	(321 267)	(367 192)
Net other receivables from non-exchange transactions		38 927	49 431	41 700	73 996	22 832	22 832	115 125	(7 407)	(39 185)	(72 579)
Total net Receivables from non-exchange transactions		57 475	61 600	46 437	113 233	37 785	37 785	157 634	27 565	16 447	4 878
<b>Inventory</b>											
<b>Water</b>											
Opening Balance		1 805	1 907	1 890	2 563	2 563	2 563	2 563	4 138	4 138	4 138
System Input Volume		102	(17)	673	33 257	33 257	33 257	-	42 054	44 577	47 251
Water Treatment Works		-	-	-	-	-	-	-	-	-	-
Bulk Purchases		102	(17)	673	33 257	33 257	33 257	-	42 054	44 577	47 251
Natural Sources		-	-	-	-	-	-	-	-	-	-
Authorised Consumption	6	-	-	-	(33 257)	(31 682)	(31 682)	-	(42 054)	(44 577)	(47 251)
Billed Authorised Consumption		-	-	-	(33 257)	(31 682)	(31 682)	-	(42 054)	(44 577)	(47 251)
Billed Metered Consumption		-	-	-	(33 257)	(31 682)	(31 682)	-	(42 054)	(44 577)	(47 251)
Free Basic Water		-	-	-	-	-	-	-	-	-	-
Subsidised Water		-	-	-	-	-	-	-	-	-	-
Revenue Water		-	-	-	(33 257)	(31 682)	(31 682)	-	(42 054)	(44 577)	(47 251)
Billed Unmetered Consumption		-	-	-	-	-	-	-	-	-	-
Free Basic Water		-	-	-	-	-	-	-	-	-	-
Subsidised Water		-	-	-	-	-	-	-	-	-	-
Revenue Water		-	-	-	-	-	-	-	-	-	-
UnBilled Authorised Consumption		-	-	-	-	-	-	-	-	-	-
Unbilled Metered Consumption		-	-	-	-	-	-	-	-	-	-
Unbilled Unmetered Consumption		-	-	-	-	-	-	-	-	-	-
Water Losses		-	-	-	-	-	-	-	-	-	-
Apparent losses		-	-	-	-	-	-	-	-	-	-
Unauthorised Consumption		-	-	-	-	-	-	-	-	-	-
Customer Meter Inaccuracies		-	-	-	-	-	-	-	-	-	-
Real losses		-	-	-	-	-	-	-	-	-	-
Leakage on Transmission and Distribution Mains		-	-	-	-	-	-	-	-	-	-
Leakage and Overflows at Storage Tanks/Reservoirs		-	-	-	-	-	-	-	-	-	-
Leakage on Service Connections up to the point of Customer Meter		-	-	-	-	-	-	-	-	-	-
Data Transfer and Management Errors		-	-	-	-	-	-	-	-	-	-
Unavoidable Annual Real Losses		-	-	-	-	-	-	-	-	-	-
Non-revenue Water		-	-	-	-	-	-	-	-	-	-
Closing Balance Water		1 907	1 890	2 563	2 563	4 138	4 138	2 563	4 138	4 138	4 138
<b>Agricultural</b>											
Opening Balance		-	-	-	-	-	-	-	-	-	-
Acquisitions		-	-	-	-	-	-	-	-	-	-
Issues	7	-	-	-	-	-	-	-	-	-	-
Adjustments	8	-	-	-	-	-	-	-	-	-	-
Write-offs	9	-	-	-	-	-	-	-	-	-	-
Closing balance - Agricultural		-	-	-	-	-	-	-	-	-	-
<b>Consumables</b>											
<b>Standard Rated</b>											
Opening Balance		(20 972)	563	874	462	462	462	462	978	978	978
Acquisitions		34 874	6 365	2 857	5 447	5 447	5 447	3 262	5 382	5 530	5 683
Issues	7	(13 338)	(5 909)	(2 907)	(5 447)	(5 652)	(5 652)	(2 259)	(5 382)	(5 530)	(5 683)
Adjustments	8	0	(146)	2	-	-	-	3	-	-	-
Write-offs	9	(0)	-	(364)	-	-	-	-	-	-	-
Closing balance - Consumables Standard Rated		563	874	462	462	257	257	1 468	978	978	978
<b>Zero Rated</b>											
Opening Balance		5	13	(75)	(72)	(72)	(72)	(72)	(12)	1 372	1 861

Description	Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousand</b>											
Acquisitions		9	131	247	30 960	31 080	31 080	193	32 944	34 921	37 016
Issues	7	-	(219)	(245)	(30 960)	(30 997)	(30 997)	(183)	(31 560)	(34 432)	(37 565)
Adjustments	8	-	-	-	-	-	-	-	-	-	-
Write-offs	9	-	-	-	-	-	-	-	-	-	-
Closing balance - Consumables Zero Rated		13	(75)	(72)	(72)	11	11	(62)	1 372	1 861	1 313
<b>Finished Goods</b>											
Opening Balance		-	-	-	-	-	-	-	-	-	-
Acquisitions		-	-	-	-	-	-	-	-	-	-
Issues	7	-	-	-	-	-	-	-	-	-	-
Adjustments	8	-	-	-	-	-	-	-	-	-	-
Write-offs	9	-	-	-	-	-	-	-	-	-	-
Closing balance - Finished Goods		-	-	-	-	-	-	-	-	-	-
<b>Materials and Supplies</b>											
Opening Balance		57 540	27 060	2 914	9 826	9 826	9 826	9 826	8 758	5 625	3 157
Acquisitions		(20 507)	8 449	36 684	30 785	28 785	28 785	27 878	30 512	32 343	34 284
Issues	7	(9 358)	(32 630)	(29 770)	(30 785)	(30 237)	(30 237)	(20 353)	(33 645)	(34 812)	(36 020)
Adjustments	8	(529)	36	(2)	-	-	-	(3)	-	-	-
Write-offs	9	(86)	-	-	-	-	-	-	-	-	-
Closing balance - Materials and Supplies		27 060	2 914	9 826	9 826	8 375	8 375	17 349	5 625	3 157	1 420
<b>Work-in-progress</b>											
Opening Balance		-	-	-	-	-	-	-	-	-	-
Materials		-	-	-	-	-	-	-	-	-	-
Transfers		-	-	-	-	-	-	-	-	-	-
Closing balance - Work-in-progress		-	-	-	-	-	-	-	-	-	-
<b>Housing Stock</b>											
Opening Balance		9 625	9 625	9 275	9 100	9 100	9 100	9 100	9 100	9 100	9 100
Acquisitions		-	-	-	-	-	-	-	-	-	-
Transfers		-	-	-	-	-	-	-	-	-	-
Sales		-	(350)	(175)	-	-	-	-	-	-	-
Closing Balance - Housing Stock		9 625	9 275	9 100	9 100	9 100	9 100	9 100	9 100	9 100	9 100
<b>Land</b>											
Opening Balance		14 147	14 147	14 147	14 147	14 147	14 147	14 147	14 147	14 147	14 147
Acquisitions		-	-	-	-	-	-	-	-	-	-
Sales		-	-	-	-	-	-	-	-	-	-
Adjustments		-	-	-	-	-	-	-	-	-	-
Correction of Prior period errors		-	-	-	-	-	-	-	-	-	-
Transfers		-	-	-	-	-	-	-	-	-	-
Closing Balance - Land		14 147	14 147	14 147	14 147	14 147	14 147	14 147	14 147	14 147	14 147
Closing Balance - Inventory & Consumables		53 315	29 025	36 026	36 026	36 027	36 027	44 565	35 360	33 381	31 096
<b>Property, plant and equipment (PPE)</b>											
PPE at cost/valuation (excl. finance leases)		7 280 978	7 630 003	7 877 155	8 499 412	8 380 582	8 380 582	8 127 437	8 990 860	9 559 102	10 101 895
Leases recognised as PPE	3	-	-	-	-	-	-	-	-	-	-
Less: Accumulated depreciation		(1 854 679)	(2 055 861)	(2 252 496)	(2 494 584)	(2 493 438)	(2 493 438)	(2 378 578)	(2 739 442)	(2 995 287)	(3 261 365)
Total Property, plant and equipment (PPE)	2	5 426 299	5 574 143	5 624 659	6 004 827	5 887 144	5 887 144	5 748 859	6 251 418	6 563 815	6 840 530
<b>LIABILITIES</b>											
<b>Current liabilities - Financial liabilities</b>											
Short term loans (other than bank overdraft)		-	-	-	-	-	-	-	-	-	-
Current portion of long-term liabilities		34 224	51 902	55 047	63 043	62 457	62 457	28 153	62 457	62 457	62 457
Total Current liabilities - Financial liabilities		34 224	51 902	55 047	63 043	62 457	62 457	28 153	62 457	62 457	62 457
<b>Trade and other payables</b>											
Trade and other payables from exchange transactions		294 495	267 902	323 552	278 475	323 986	323 986	195 163	433 187	557 456	688 099
Other trade payables from exchange transactions		141 754	3 102	340	-	-	-	-	-	-	-
Trade payables from Non-exchange transactions: Unspent conditional		15 504	24 931	33 391	6 113	21 332	21 332	116 241	21 182	21 182	20 673
Trade payables from Non-exchange transactions: Other		-	1 746	(4 786)	-	(97)	(97)	340	(97)	(97)	(97)
VAT		474 538	-	-	3 472	5 029	5 029	138 837	10 919	17 453	24 704
Total Trade and other payables	2	926 290	297 681	352 497	288 060	350 249	350 249	450 581	465 191	595 994	733 378
<b>Non current liabilities - Financial liabilities</b>											
Borrowing	4	334 733	426 834	446 903	652 944	583 861	583 861	446 903	719 941	842 328	946 423
Other financial liabilities		-	2 118	695	2 118	695	695	698	695	695	695
Total Non current liabilities - Financial liabilities		334 733	428 952	447 598	655 062	584 555	584 555	447 601	720 635	843 023	947 118
<b>Non current liabilities - Long Term portion of trade payables</b>											
Electricity Bulk Purchases		-	-	-	-	-	-	-	-	-	-
Payables and Accruals - General		-	-	-	-	-	-	-	-	-	-
Water Bulk Purchases		-	-	-	-	-	-	-	-	-	-
Municipal Debt Relief		-	-	-	-	-	-	-	-	-	-
<b>Provisions</b>											
Retirement benefits		177 057	179 494	166 384	199 852	186 179	186 179	166 384	207 202	229 528	253 238
Refuse landfill site rehabilitation		141 497	160 533	95 422	184 732	111 392	111 392	95 422	123 918	136 695	149 728

Description	Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousand</b>											
Other		23 387	24 607	24 816	20 016	24 816	24 816	24 816	24 816	24 816	24 816
Total Provisions		341 941	364 634	286 622	404 600	322 387	322 387	286 622	355 936	391 039	427 782
<b>CHANGES IN NET ASSETS</b>											
<b>Accumulated surplus/(deficit)</b>											
Accumulated surplus/(deficit) - opening balance		5 167 779	5 230 326	5 374 201	5 578 519	5 625 162	5 625 162	5 611 659	5 573 258	5 969 266	6 389 661
GRAP adjustments		-	-	-	-	-	-	-	-	-	-
Restated balance		5 167 779	5 230 326	5 374 201	5 578 519	5 625 162	5 625 162	5 611 659	5 573 258	5 969 266	6 389 661
Surplus/(Deficit)		(135 352)	102 793	237 458	130 434	95 742	95 742	352 888	121 212	193 687	248 424
Transfers to/from Reserves		211 185	-	-	(147 615)	(147 615)	(147 615)	-	274 795	226 708	(226 708)
Depreciation offsets		-	-	-	-	-	-	-	-	-	-
Other adjustments		3 773	41 082	-	-	-	-	-	-	-	-
Accumulated Surplus/(Deficit)	1	5 247 385	5 374 201	5 611 659	5 561 338	5 573 289	5 573 289	5 964 547	5 969 266	6 389 661	6 411 376
<b>Reserves</b>											
Housing Development Fund		-	9 396	9 396	-	9 396	9 396	9 396	9 396	9 396	9 396
Capital replacement		152 605	(58 580)	(58 580)	176 826	89 035	89 035	(58 580)	(185 760)	(412 468)	(185 760)
Self-insurance		9 885	9 885	9 885	9 885	9 885	9 885	9 885	9 885	9 885	9 885
Other reserves		-	211 185	211 185	-	211 185	211 185	211 185	211 185	211 185	211 185
Revaluation		-	-	-	-	-	-	-	-	-	-
Total Reserves	2	162 491	171 887	171 887	186 712	319 502	319 502	171 887	44 707	(182 001)	44 707
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>5 409 876</b>	<b>5 546 088</b>	<b>5 783 546</b>	<b>5 748 050</b>	<b>5 892 791</b>	<b>5 892 791</b>	<b>6 136 434</b>	<b>6 013 973</b>	<b>6 207 660</b>	<b>6 456 083</b>

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

R thousand	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Green and Sustainable Valley			
Valley of Possibility			
Dignified Living	1 473 562	1 614 808	1 450 081
Safe Valley	163 380	170 694	178 337
Good Governance and Compliance	994 334	1 087 422	1 532 840
Allocations to other priorities			
<b>Total Revenue (excluding capital tran</b>	<b>2 631 276</b>	<b>2 872 925</b>	<b>3 161 258</b>

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

R thousand	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Green and Sustainable Valley	7 315	7 404	7 496
Valley of Possibility	764 880	788 873	835 225
Dignified Living	1 023 952	1 145 981	1 299 813
Safe Valley	68 449	63 766	59 625
Good Governance and Compliance	645 468	673 213	710 675
Allocations to other priorities			
<b>Total Expenditure</b>	<b>2 510 064</b>	<b>2 679 238</b>	<b>2 912 834</b>



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

R thousand	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Green and Sustainable Valley	44 950	30 693	29 967
Valley of Possibility	208 397	189 522	141 312
Dignified Living	236 392	237 643	287 268
Safe Valley	55 543	60 400	50 434
Good Governance and Compliance	67 063	51 884	35 799
Allocations to other priorities			
<b>Total Capital Expenditure</b>	<b>612 345</b>	<b>570 142</b>	<b>544 780</b>

WC024 Stellenbosch - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>Vote 1 - Municipal Manager</b>										
<b>Function 1 - Budget Performance</b>										
Sub-function 1 - Capital Expenditure		40 000	44 000	40 000	40 000	40 000	40 000	40 000	40 000	50 000
<i>Insert measure/s description</i>										
Sub-function 2 - Operational Expenditure		44 811 506	25 972 966	26 015 794	17 841 031	16 463 100	17 841 031	17 202 891	18 017 781	19 028 840
<i>Insert measure/s description</i>										
Sub-function 3 - Operational Revenue		327 853	550 000	550 000	-	-	-	-	-	-
<i>Insert measure/s description</i>										
<b>Vote 2 - Planning and Development Services</b>										
<b>Function 1 - Budget Performance</b>										
Sub-function 1 - Capital Expenditure		13 888 078	17 209 720	12 665 281	9 043 500	4 619 500	4 619 500	20 244 000	38 470 000	45 045 000
<i>Insert measure/s description</i>										
Sub-function 2 - Operational Expenditure		96 986 122	81 551 338	85 666 333	93 402 566	88 000 618	88 000 618	98 228 257	103 224 537	116 856 319
<i>Insert measure/s description</i>										
Sub-function 3 - Operational Revenue		33 638 469	36 975 990	20 611 707	26 357 080	24 008 548	24 008 548	34 040 441	51 122 803	57 595 082
<i>Insert measure/s description</i>										
<b>Vote 3 - Community &amp; Protection</b>										
<b>Function 1 - Budget Performance</b>										
Sub-function 1 - Capital Expenditure		43 713 748	38 617 860	29 774 772	24 642 002	37 114 547	37 114 547	70 757 329	66 130 550	21 300 000
<i>Insert measure/s description</i>										
Sub-function 2 - Operational Expenditure		361 162 417	391 179 184	435 402 212	422 902 773	484 014 477	484 014 477	510 981 472	517 885 165	537 233 394
<i>Insert measure/s description</i>										
Sub-function 3 - Operational Revenue		173 335 962	178 158 671	164 480 939	164 776 725	196 159 847	196 159 847	199 917 110	208 353 879	217 696 296
<i>Insert measure/s description</i>										
<b>Vote 4 - Infrastructure services</b>										
<b>Function 1 - Budget Performance</b>										
Sub-function 1 - Capital Expenditure			317 662 137	280 468 879	436 423 363	413 449 960	413 449 960	463 483 974	413 130 975	464 435 146
<i>Insert measure/s description</i>										
Sub-function 2 - Operational Expenditure			1 184 638 272	1 258 386 849	1 366 656 493	1 444 056 004	1 444 056 004	1 539 980 340	1 683 109 233	1 865 333 439
<i>Insert measure/s description</i>										
Sub-function 3 - Operational Revenue			1 389 691 831	1 457 443 050	1 589 956 393	1 626 184 558	1 626 184 558	1 747 957 087	1 939 228 232	2 174 439 986
<i>Insert measure/s description</i>										
<b>Vote 5 - Corporate Services</b>										
<b>Function 1 - Budget Performance</b>										
Sub-function 1 - Capital Expenditure		73 695 157	29 573 919	32 708 208	33 901 000	34 583 166	34 583 166	56 420 000	50 970 000	12 550 000
<i>Insert measure/s description</i>										
Sub-function 2 - Operational Expenditure		180 072 266	193 939 626	220 759 869	234 756 698	211 408 189	211 408 189	216 618 258	226 265 059	236 773 030
<i>Insert measure/s description</i>										
Sub-function 3 - Operational Revenue		5 591 627	5 845 547	9 691 061	10 178 570	12 553 225	12 553 225	12 636 977	12 895 901	13 502 000
<i>Insert measure/s description</i>										
<b>Vote 6 - Financial services</b>										
<b>Function 1 - Budget Performance</b>										
Sub-function 1 - Capital Expenditure		850 000	400 000	1 877 000	750 000	1 918 848	1 918 848	1 400 000	1 400 000	1 400 000
<i>Insert measure/s description</i>										
Sub-function 2 - Operational Expenditure		91 858 500	100 397 726	93 433 488	122 789 307	116 435 042	116 435 042	127 052 696	130 735 785	137 608 973
<i>Insert measure/s description</i>										
Sub-function 3 - Operational Revenue		490 895 216	504 884 679	550 746 341	597 514 060	597 182 651	597 182 651	636 724 781	661 323 887	698 024 354
<i>Insert measure/s description</i>										
And so on for the rest of the Votes										

## WC024 Stellenbosch - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>Borrowing Management</b>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	12.9%	13.2%	14.2%	12.2%	12.5%	12.5%	12.2%	12.5%	12.6%	12.6%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	17.6%	16.7%	16.9%	15.2%	16.0%	16.0%	11.3%	15.5%	15.0%	14.6%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	-58.7%	0.0%	53.1%	59.5%	59.5%	0.0%	42.1%	45.5%	46.9%
<b>Safety of Capital</b>											
Gearing	Long Term Borrowing/ Funds & Reserves	206.0%	249.6%	260.4%	350.8%	183.0%	183.0%	260.4%	1611.9%	-463.2%	2118.5%
<b>Liquidity</b>											
Current Ratio	Current assets/current liabilities	1.2	1.7	1.9	1.8	2.0	2.0	2.7	1.6	1.6	1.6
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.2	1.7	1.9	1.8	2.0	2.0	2.7	1.6	1.6	1.6
Liquidity Ratio	Monetary Assets/Current Liabilities	0.5	1.5	1.7	1.4	1.8	1.8	2.1	1.5	1.5	1.6
<b>Revenue Management</b>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		258.8%	196.5%	187.0%	146.6%	147.7%	147.7%	-198.3%	143.9%	141.8%	140.4%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	6.4%	4.6%	3.9%	6.2%	3.2%	3.2%	11.6%	2.5%	1.8%	1.2%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Creditors Management</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%	98.0%	98.0%
Creditors to Cash and Investments		10.7%	21.5%	14.7%	27.9%	27.5%	27.5%	-5.9%	64.6%	66.0%	62.2%
<b>Other Indicators</b>											
	Total Volume Losses (kW)	21177668.7	383146654.2	386978120.8	390847902	390847902	390847902	390847902	390847902	390847902	
	Total Volume Losses (kW) non technical										
Electricity Distribution Losses (2)	Total Cost of Losses (Rand '000)	1 525	26 820	27 088	27 359	27 359	27 359	27 359	27 359	27 359	27 633
	% Volume (units purchased and generated less units sold)/units purchased and generated	0	0	0	0	0	0	0	0	0	-
Water Volumes :System input	Bulk Purchase Water treatment works Natural sources										
	Total Volume Losses (kℓ)	9 141	9 233	9 325	9 418	9 418	9 418	9 418	9 418	9 418	9 512
	Total Cost of Losses (Rand '000)	2011055	2031166	2051477	2071992	2071992	2071992	2071992	2071992	2071992	2092712.15
Water Distribution Losses (2)											

Description of financial indicator	Basis of calculation	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Water Distribution Losses (%)	% Volume (units purchased and generated less units sold)/units purchased and generated	0	0	0	0	0	0	0	0	0	0
Employee costs	Employee costs/(Total Revenue - capital revenue)	32.2%	28.2%	25.8%	27.0%	26.9%	26.9%	22.7%	25.9%	24.2%	23.4%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	33.3%	29.2%	26.9%	28.0%	27.8%	27.8%		26.8%	25.1%	24.2%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	3.8%	3.3%	4.0%	5.0%	5.4%	5.4%		4.7%	4.6%	4.7%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	12.1%	11.4%	14.7%	10.4%	13.4%	13.4%	7.3%	12.8%	12.2%	11.5%
<b>IDP regulation financial viability indicators</b>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	36.7	29.7	17.0	18.1	18.1	18.1	12.5	16.5	15.9	17.7
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	11.5%	8.1%	7.1%	10.6%	5.5%	5.5%	20.8%	4.3%	3.0%	2.0%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	21.0	8.9	16.0	6.2	7.2	7.2	(34.3)	3.8	4.5	5.4

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

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2020/21	2021/22	2022/23	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework		
						Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>Demographics</b>												
Population		Statistics South Africa	200 524	155 718	170 654	207	207	207	207	207	207	207
Females aged 5 - 14		Statistics South Africa	17 865	11 020	12 077	15	15	15	15	15	15	15
Males aged 5 - 14		Statistics South Africa	16 352	11 092	12 157	15	15	15	15	15	15	15
Females aged 15 - 34		Statistics South Africa	38 791	33 191	36 374	45	45	45	45	45	45	45
Males aged 15 - 34		Statistics South Africa	41 919	32 718	35 856	44	44	44	44	44	44	44
Unemployment		Statistics South Africa	15 513	10 178	11 154	14	14	14	14	14	14	14
<b>Monthly household income (no. of households)</b>												
No income	1, 12	Statistics South Africa, regional	3 557	8 961	9 820	12	12	13	13	13	13	13
R1 - R1 600		Statistics South Africa, regional	245	914	2 065	2	3	3	3	3	3	3
R1 601 - R3 200		Statistics South Africa, regional	1 126	1 517	1 614	2	2	2	2	2	2	2
R3 201 - R6 400		Statistics South Africa, regional	3 728	4 415	4 699	6	6	6	6	6	6	6
R6 401 - R12 800		Statistics South Africa, regional	4 484	7 160	7 620	9	10	10	10	10	10	10
R12 801 - R25 600		Statistics South Africa, regional	6 463	6 742	7 176	9	9	9	9	10	10	10
R25 601 - R51 200		Statistics South Africa, regional	4 144	4 994	5 316	7	7	7	7	7	7	7
R52 201 - R102 400		Statistics South Africa, regional	2 578	3 671	3 907	5	5	5	5	5	5	5
R102 401 - R204 800		Statistics South Africa, regional	1 680	2 874	3 058	4	4	4	4	4	4	4
R204 801 - R409 600		Statistics South Africa, regional	69	1 432	1 523	2	2	2	2	2	2	2
R409 601 - R819 200		Statistics South Africa, regional	242	430	458	1	1	1	1	1	1	1
> R819 200		Statistics South Africa, regional	245	305	325	0	0	0	0	0	0	0
<b>Poverty profiles (no. of households)</b>												
< R2 060 per household per month	13	0	8 656	15 807	16 824	20 678	21 256	21 850	22 461	23 089	23 089	23 089
	2	0	-	-	<R1600	<R1600	<R1600	<R1600	<R1600	<R1600	<R1600	<R1600
<b>Household/demographics (000)</b>												
Number of people in municipal area		Statistics South Africa, regional	200 524	155 718	170 654	210	210	210	210	210	210	210
Number of poor people in municipal area		Statistics South Africa, regional	-	-	-	-	-	-	-	-	-	-
Number of households in municipal area		Statistics South Africa, regional	36 413	43 417	47 582	58	58	58	58	58	58	58
Number of poor households in municipal area		Statistics South Africa, regional	8 656	15 807	17 323	21	21	21	21	21	21	21
Definition of poor household (R per month)		0	-	-	<R1600	<R1600	<R1600	<R1600	<R1600	<R1600	<R1600	<R1600
<b>Housing statistics</b>												
Formal	3	0	32 918	32 620	35 749	20 678	21 256	21 850	52 283	55 421	55 421	55 421
Informal		0	3	11	12	<R1600	<R1600	<R1600	17 304	18 342	18 342	18 342
Total number of households		0	36 413	43 417	47 581	20 678	21 256	21 850	69 587	73 763	73 763	73 763
Dwellings provided by municipality	4	0	-	-	-	-	-	-	-	-	-	-
Dwellings provided by province/s		0	-	-	-	-	-	-	-	-	-	-
Dwellings provided by private sector	5	0	-	-	-	-	-	-	-	-	-	-
Total new housing dwellings		-	-	-	-	-	-	-	-	-	-	-
<b>Economic</b>												
Inflation/inflation outlook (CPIX)	6					4.5%	4.6%	4.0%	4.4%	4.9%	4.6%	4.6%
Interest rate - borrowing						10.5%	10.5%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest rate - investment						8.5%	8.5%	0.0%	0.0%	0.0%	0.0%	0.0%
Remuneration increases						6.3%	7.0%	7.3%	6.9%	7.0%	7.0%	7.0%

Consumption growth (electricity)				1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Consumption growth (water)				1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
<b>Collection rates</b>	7									
Property tax/service charges				96.0%	96.0%	96.0%	96.0%	96.0%	96.0%	96.0%
Rental of facilities & equipment				97.0%	97.0%	97.0%	97.0%	97.0%	97.0%	97.0%
Interest - external investments				100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Interest - debtors				96.0%	96.0%	96.0%	96.0%	96.0%	96.0%	96.0%
Revenue from agency services				100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Detail on the provision of municipal services for A10

Total municipal services	Ref.		2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
		<b>Household service targets (000)</b>									
		<u>Water:</u>									
		Piped water inside dwelling	40 626	40 676	40 726	40 776	40 776	40 776	40 826	40 826	40 826
		Piped water inside yard (but not in dwelling)	4 461	4 561	4 664	4 769	4 769	4 769	4 876	4 876	4 876
8		Using public tap (at least min.service level)	4 778	4 878	4 980	5 084	5 084	5 084	5 191	5 191	5 191
10		Other water supply (at least min.service level)	684	834	1 017	1 240	1 240	1 240	1 512	1 512	1 512
		<i>Minimum Service Level and Above sub-total</i>	50 550	50 950	51 387	51 869	51 869	51 869	52 404	52 404	52 404
9		Using public tap (< min.service level)	1 170	1 070	979	896	896	896	820	820	820
10		Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-
		No water supply	207	157	119	90	90	90	68	68	68
		<i>Below Minimum Service Level sub-total</i>	1 377	1 227	1 098	986	986	986	888	888	888
		<b>Total number of households</b>	51 927	52 177	52 485	52 855	52 855	52 855	53 292	53 292	53 292
		<u>Sanitation/sewerage:</u>									
		Flush toilet (connected to sewerage)	46 256	46 306	46 356	46 406	46 406	46 406	46 456	46 456	46 456
		Flush toilet (with septic tank)	2 165	2 265	2 370	2 480	2 480	2 480	2 595	2 595	2 595
		Chemical toilet	407	420	433	446	446	446	460	460	460
		Pit toilet (ventilated)	50	-	-	-	-	-	-	-	-
		Other toilet provisions (> min.service level)	1 898	2 236	2 633	3 101	3 101	3 101	3 652	3 652	3 652
		<i>Minimum Service Level and Above sub-total</i>	50 777	51 227	51 792	52 433	52 433	52 433	53 163	53 163	53 163
		Bucket toilet	800	700	613	537	537	537	470	470	470
		Other toilet provisions (< min.service level)	50	-	-	-	-	-	-	-	-
		No toilet provisions	300	250	208	173	173	173	144	144	144
		<i>Below Minimum Service Level sub-total</i>	1 150	950	821	710	710	710	614	614	614
		<b>Total number of households</b>	51 927	52 177	52 613	53 143	53 143	53 143	53 777	53 777	53 777

		<b>Energy:</b>									
		Electricity (at least min.service level)	14 821	15 071	15 325	15 583	15 583	15 583	15 846	15 846	15 846
		Electricity - prepaid (min.service level)	35 003	35 253	35 505	35 759	35 759	35 759	36 014	36 014	36 014
		<i>Minimum Service Level and Above sub-total</i>	49 824	50 324	50 830	51 342	51 342	51 342	51 860	51 860	51 860
		Electricity (< min.service level)	150	150	150	150	150	150	150	150	150
		Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
		Other energy sources	1 953	1 703	1 485	1 295	1 295	1 295	1 129	1 129	1 129
		<i>Below Minimum Service Level sub-total</i>	2 103	1 853	1 635	1 445	1 445	1 445	1 279	1 279	1 279
		<b>Total number of households</b>	51 927	52 177	52 465	52 787	52 787	52 787	53 140	53 140	53 140
		<b>Refuse:</b>									
		Removed at least once a week	47 649	48 149	48 654	49 164	49 164	49 164	49 680	49 680	49 680
		<i>Minimum Service Level and Above sub-total</i>	47 649	48 149	48 654	49 164	49 164	49 164	49 680	49 680	49 680
		Removed less frequently than once a week	-	-	-	-	-	-	-	-	-
		Using communal refuse dump	1 028	978	930	885	885	885	841	841	841
		Using own refuse dump	2 100	2 000	1 905	1 815	1 815	1 815	1 728	1 728	1 728
		Other rubbish disposal	750	700	653	609	609	609	568	568	568
		No rubbish disposal	400	350	306	268	268	268	234	234	234
		<i>Below Minimum Service Level sub-total</i>	4 278	4 028	3 794	3 576	3 576	3 576	3 372	3 372	3 372
		<b>Total number of households</b>	51 927	52 177	52 448	52 740	52 740	52 740	53 052	53 052	53 052
Municipal in-house services	Ref.		2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
		<b>Household service targets (000)</b>									
		<b>Water:</b>									
		Piped water inside dwelling	40 626	40 676	40 726	40 776	40 776	40 776	40 826	40 826	40 826
		Piped water inside yard (but not in dwelling)	4 461	4 561	4 664	4 769	4 769	4 769	4 876	4 876	4 876
8		Using public tap (at least min.service level)	4 778	4 878	4 980	5 084	5 084	5 084	5 191	5 191	5 191
10		Other water supply (at least min.service level)	684	834	1 017	1 240	1 240	1 240	1 512	1 512	1 512
		<i>Minimum Service Level and Above sub-total</i>	50 550	50 950	51 387	51 869	51 869	51 869	52 404	52 404	52 404
9		Using public tap (< min.service level)	1 170	1 070	979	896	896	896	820	820	820
10		Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-
		No water supply	207	157	119	90	90	90	68	68	68
		<i>Below Minimum Service Level sub-total</i>	1 377	1 227	1 098	986	986	986	888	888	888
		<b>Total number of households</b>	51 927	52 177	52 485	52 855	52 855	52 855	53 292	53 292	53 292
		<b>Sanitation/sewerage:</b>									
		Flush toilet (connected to sewerage)	46 256	46 306	46 356	46 406	46 406	46 406	46 456	46 456	46 456
		Flush toilet (with septic tank)	2 165	2 265	2 370	2 480	2 480	2 480	2 595	2 595	2 595
		Chemical toilet	407	420	433	446	446	446	460	460	460
		Pit toilet (ventilated)	50	-	-	-	-	-	-	-	-
		Other toilet provisions (> min.service level)	1 898	2 236	2 633	3 101	3 101	3 101	3 652	3 652	3 652
		<i>Minimum Service Level and Above sub-total</i>	50 777	51 227	51 792	52 433	52 433	52 433	53 163	53 163	53 163
		Bucket toilet	800	700	613	537	537	537	470	470	470
		Other toilet provisions (< min.service level)	50	-	-	-	-	-	-	-	-
		No toilet provisions	300	250	208	173	173	173	144	144	144
		<i>Below Minimum Service Level sub-total</i>	1 150	950	821	710	710	710	614	614	614
		<b>Total number of households</b>	51 927	52 177	52 613	53 143	53 143	53 143	53 777	53 777	53 777
		<b>Energy:</b>									
		Electricity (at least min.service level)	14 821	15 071	15 325	15 583	15 583	15 583	15 846	15 846	15 846
		Electricity - prepaid (min.service level)	35 003	35 253	35 505	35 759	35 759	35 759	36 014	36 014	36 014
		<i>Minimum Service Level and Above sub-total</i>	49 824	50 324	50 830	51 342	51 342	51 342	51 860	51 860	51 860
		Electricity (< min.service level)	150	150	150	150	150	150	150	150	150
		Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-

		Other energy sources	1 953	1 703	1 485	1 295	1 295	1 295	1 129	1 129	1 129
		<i>Below Minimum Service Level sub-total</i>	2 103	1 853	1 635	1 445	1 445	1 445	1 279	1 279	1 279
		<b>Total number of households</b>	51 927	52 177	52 465	52 787	52 787	52 787	53 140	53 140	53 140
		<b>Refuse:</b>									
		Removed at least once a week	47 649	48 149	48 654	49 164	49 164	49 164	49 680	49 680	49 680
		<i>Minimum Service Level and Above sub-total</i>	47 649	48 149	48 654	49 164	49 164	49 164	49 680	49 680	49 680
		Removed less frequently than once a week	-	-	-	-	-	-	-	-	-
		Using communal refuse dump	1 028	978	930	885	885	885	841	841	841
		Using own refuse dump	2 100	2 000	1 905	1 815	1 815	1 815	1 728	1 728	1 728
		Other rubbish disposal	750	700	653	609	609	609	568	568	568
		No rubbish disposal	400	350	306	268	268	268	234	234	234
		<i>Below Minimum Service Level sub-total</i>	4 278	4 028	3 794	3 576	3 576	3 576	3 372	3 372	3 372
		<b>Total number of households</b>	51 927	52 177	52 448	52 740	52 740	52 740	53 052	53 052	53 052
Municipal entity services	Ref.		2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Name of municipal entity		<b>Household service targets (000)</b>									
		<b>Water:</b>									
		Piped water inside dwelling	-	-	-	-	-	-	-	-	-
		Piped water inside yard (but not in dwelling)	-	-	-	-	-	-	-	-	-
	8	Using public tap (at least min.service level)	-	-	-	-	-	-	-	-	-
	10	Other water supply (at least min.service level)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
	9	Using public tap (< min.service level)	-	-	-	-	-	-	-	-	-
	10	Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-
		No water supply	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Name of municipal entity		<b>Total number of households</b>	-	-	-	-	-	-	-	-	-
		<b>Sanitation/sewerage:</b>									
		Flush toilet (connected to sewerage)	-	-	-	-	-	-	-	-	-
		Flush toilet (with septic tank)	-	-	-	-	-	-	-	-	-
		Chemical toilet	-	-	-	-	-	-	-	-	-
		Pit toilet (ventilated)	-	-	-	-	-	-	-	-	-
		Other toilet provisions (> min.service level)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Bucket toilet	-	-	-	-	-	-	-	-	-
		Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-
		No toilet provisions	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Name of municipal entity		<b>Total number of households</b>	-	-	-	-	-	-	-	-	-
		<b>Energy:</b>									
		Electricity (at least min.service level)	-	-	-	-	-	-	-	-	-
		Electricity - prepaid (min.service level)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Electricity (< min.service level)	-	-	-	-	-	-	-	-	-
		Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
		Other energy sources	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Name of municipal entity		<b>Total number of households</b>	-	-	-	-	-	-	-	-	-
		<b>Refuse:</b>									
		Removed at least once a week	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-



Services provided by 'external mechanisms'	Ref.		2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
		Removed less frequently than once a week	-	-	-	-	-	-	-	-	-
		Using communal refuse dump	-	-	-	-	-	-	-	-	-
		Using own refuse dump	-	-	-	-	-	-	-	-	-
		Other rubbish disposal	-	-	-	-	-	-	-	-	-
		No rubbish disposal	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
<b>Names of service providers</b>		<b>Household service targets (000)</b>									
		<u>Water:</u>									
		Piped water inside dwelling	-	-	-	-	-	-	-	-	-
		Piped water inside yard (but not in dwelling)	-	-	-	-	-	-	-	-	-
	8	Using public tap (at least min.service level)	-	-	-	-	-	-	-	-	-
	10	Other water supply (at least min.service level)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
	9	Using public tap (< min.service level)	-	-	-	-	-	-	-	-	-
	10	Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-
		No water supply	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
<b>Names of service providers</b>		<u>Sanitation/sewerage:</u>									
		Flush toilet (connected to sewerage)	-	-	-	-	-	-	-	-	-
		Flush toilet (with septic tank)	-	-	-	-	-	-	-	-	-
		Chemical toilet	-	-	-	-	-	-	-	-	-
		Pit toilet (ventilated)	-	-	-	-	-	-	-	-	-
		Other toilet provisions (> min.service level)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Bucket toilet	-	-	-	-	-	-	-	-	-
		Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-
		No toilet provisions	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
<b>Names of service providers</b>		<u>Energy:</u>									
		Electricity (at least min.service level)	-	-	-	-	-	-	-	-	-
		Electricity - prepaid (min.service level)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Electricity (< min.service level)	-	-	-	-	-	-	-	-	-
		Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
		Other energy sources	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
<b>Names of service providers</b>		<u>Refuse:</u>									
		Removed at least once a week	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Removed less frequently than once a week	-	-	-	-	-	-	-	-	-
		Using communal refuse dump	-	-	-	-	-	-	-	-	-
		Using own refuse dump	-	-	-	-	-	-	-	-	-
		Other rubbish disposal	-	-	-	-	-	-	-	-	-
		No rubbish disposal	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-

		Total number of households	-	-	-	-	-	-	-	-		
Detail of Free Basic Services (FBS) provided				2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
				Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Electricity	Ref.	<u>Location of households for each type of FBS</u>										
List type of FBS service		Formal settlements - (50 kwh per indigent household per month Rands)	14 758 992	18 155 071	20 302 554	71 634 445	71 634 445	71 634 445	80 732 020	84 445 693	88 330 195	
		<i>Number of HH receiving this type of FBS</i>	-	-	-	-	-	-	-	-	-	
		Informal settlements (Rands)	-	-	-	-	-	-	-	-	-	
		<i>Number of HH receiving this type of FBS</i>	-	-	-	-	-	-	-	-	-	
		Informal settlements targeted for upgrading (Rands)	-	-	-	-	-	-	-	-	-	
		<i>Number of HH receiving this type of FBS</i>	-	-	-	-	-	-	-	-	-	
		Living in informal backyard rental agreement (Rands)	-	-	-	-	-	-	-	-	-	
		<i>Number of HH receiving this type of FBS</i>	-	-	-	-	-	-	-	-	-	
		Other (Rands)	-	-	-	-	-	-	-	-	-	
		<i>Number of HH receiving this type of FBS</i>	-	-	-	-	-	-	-	-	-	
		<b>Total cost of FBS - Electricity for informal settlements</b>	-	-	-	-	-	-	-	-	-	

Water	Ref.	<u>Location of households for each type of FBS</u>									
List type of FBS service		Formal settlements - (6 kilolitre per indigent household per month Rands)	25 538 738	25 194 935	6 943 731	8 565 096	8 888 406	8 888 406	9 439 487	9 873 703	10 327 893
		<i>Number of HH receiving this type of FBS</i>	-	-	-	-	-	-	-	-	-
		Informal settlements (Rands)	-	-	-	-	-	-	-	-	-
		<i>Number of HH receiving this type of FBS</i>	-	-	-	-	-	-	-	-	-
		Informal settlements targeted for upgrading (Rands)	-	-	-	-	-	-	-	-	-
		<i>Number of HH receiving this type of FBS</i>	-	-	-	-	-	-	-	-	-
		Living in informal backyard rental agreement (Rands)	-	-	-	-	-	-	-	-	-
		<i>Number of HH receiving this type of FBS</i>	-	-	-	-	-	-	-	-	-
		Other (Rands)	-	-	-	-	-	-	-	-	-
		<i>Number of HH receiving this type of FBS</i>	-	-	-	-	-	-	-	-	-
		<b>Total cost of FBS - Water for informal settlements</b>	-	-	-	-	-	-	-	-	-
Sanitation	Ref.	<u>Location of households for each type of FBS</u>									
List type of FBS service		Formal settlements - (free sanitation service to indigent households)	10 545 132	10 039 242	7 815 214	9 795 251	10 047 480	10 047 480	10 851 278	11 719 380	12 656 930
		<i>Number of HH receiving this type of FBS</i>	-	-	-	-	-	-	-	-	-
		Informal settlements (Rands)	-	-	-	-	-	-	-	-	-
		<i>Number of HH receiving this type of FBS</i>	-	-	-	-	-	-	-	-	-
		Informal settlements targeted for upgrading (Rands)	-	-	-	-	-	-	-	-	-
		<i>Number of HH receiving this type of FBS</i>	-	-	-	-	-	-	-	-	-
		Living in informal backyard rental agreement (Rands)	-	-	-	-	-	-	-	-	-
		<i>Number of HH receiving this type of FBS</i>	-	-	-	-	-	-	-	-	-
		Other (Rands)	-	-	-	-	-	-	-	-	-
		<i>Number of HH receiving this type of FBS</i>	-	-	-	-	-	-	-	-	-
		<b>Total cost of FBS - Sanitation for informal settlements</b>	-	-	-	-	-	-	-	-	-
Refuse Removal	Ref.	<u>Location of households for each type of FBS</u>									

List type of FBS service	Formal settlements - (removed once a week to indigent households)	-	-	11 513 549	21 500 396	21 500 396	21 500 396	22 983 923	24 041 183	25 147 077
	<i>Number of HH receiving this type of FBS</i>	-	-	-	-	-	-	-	-	-
	Informal settlements (Rands)	-	-	-	-	-	-	-	-	-
	<i>Number of HH receiving this type of FBS</i>	-	-	-	-	-	-	-	-	-
	Informal settlements targeted for upgrading (Rands)	-	-	-	-	-	-	-	-	-
	<i>Number of HH receiving this type of FBS</i>	-	-	-	-	-	-	-	-	-
	Living in informal backyard rental agreement (Rands)	-	-	-	-	-	-	-	-	-
	<i>Number of HH receiving this type of FBS</i>	-	-	-	-	-	-	-	-	-
	Other (Rands)	-	-	-	-	-	-	-	-	-
	<i>Number of HH receiving this type of FBS</i>	-	-	-	-	-	-	-	-	-
	<b>Total cost of FBS - Refuse Removal for informal settle</b>	-	-	-	-	-	-	-	-	-

## WC024 Stellenbosch Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>Funding measures</b>												
Cash/cash equivalents at the year end - R'000	18(1)b	1	2 752 367	1 248 637	2 200 474	998 806	1 179 698	1 179 698	(3 295 222)	670 330	844 469	1 105 531
Cash + investments at the yr end less applications - R'000	18(1)b	2	(171 295)	218 666	290 227	(64 195)	26 572	26 572	467 665	(69 848)	(14 231)	116 083
Cash year end/monthly employee/supplier payments	18(1)b	3	21.0	8.9	16.0	6.2	7.2	7.2	(34.3)	3.8	4.5	5.4
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	-	-	-	-	-	-	-	-	-	-
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	7.9%	(0.8%)	6.5%	(6.5%)	(6.0%)	(31.2%)	4.0%	3.2%	3.8%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	61.2%	49.1%	45.1%	41.7%	41.2%	41.2%	(51.5%)	41.5%	42.4%	43.3%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	4.9%	5.0%	5.5%	5.6%	5.5%	5.5%	4.7%	5.7%	5.6%	5.4%
Capital payments % of capital expenditure	18(1)c;19	8	34.9%	11.4%	4.0%	0.0%	0.0%	0.0%	7.0%	115.0%	115.0%	115.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	(58.7%)	0.0%	53.1%	59.5%	59.5%	0.0%	42.1%	45.5%	46.9%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								100.7%	100.5%	100.5%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	(18.2%)	(9.0%)	72.3%	(48.0%)	0.0%	173.9%	(14.8%)	(20.8%)	(27.8%)
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	1.2%	1.1%	1.5%	1.9%	2.1%	2.1%	2.1%	1.9%	2.0%	2.1%
Asset renewal % of capital budget	20(1)(vi)	14	7.7%	12.0%	6.9%	6.7%	11.4%	11.4%	0.0%	6.6%	9.6%	14.5%

References

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

Description	MFMA section	Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>Supporting indicators</b>												
% incr total service charges (incl prop rates)	18(1)a			13.9%	5.2%	12.5%	(0.5%)	0.0%	(25.2%)	10.0%	9.2%	9.8%
% incr Property Tax	18(1)a			7.0%	7.1%	4.8%	0.0%	0.0%	(19.5%)	7.5%	3.6%	5.6%
% incr Service charges - Water	18(1)a			19.6%	3.1%	17.1%	0.0%	0.0%	(29.3%)	12.7%	13.3%	13.3%
% incr Service charges - Waste Water Management	18(1)a			9.2%	10.4%	14.5%	(7.4%)	0.0%	(16.1%)	6.2%	4.6%	4.6%
% incr Service charges - Waste Management	18(1)a			10.4%	4.4%	1.8%	4.6%	0.0%	(24.5%)	8.0%	8.0%	8.0%
#REF!	18(1)a			15.7%	6.1%	19.8%	0.0%	0.0%	(31.0%)	6.9%	4.6%	4.6%
% incr in Sale of Goods and Rendering of Services	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total billable revenue	18(1)a		1 327 100	1 512 168	1 590 717	1 789 180	1 780 456	1 780 456	1 331 654	1 959 197	2 138 552	2 348 011
Service charges			1 327 100	1 512 168	1 590 717	1 789 180	1 780 456	1 780 456	1 331 654	1 959 197	2 138 552	2 348 011
Property rates			394 484	421 969	452 019	473 589	473 589	473 589	381 011	509 116	527 642	557 117
Service charges - electricity revenue			632 401	756 431	779 984	913 669	913 669	913 669	646 395	1 029 705	1 167 017	1 322 068
Service charges - water revenue			134 426	146 830	162 138	185 622	171 866	171 866	144 132	182 522	190 924	199 712
Service charges - sanitation revenue			92 639	102 285	106 739	108 647	113 677	113 677	85 877	122 772	132 593	143 201
Service charges - refuse removal			73 150	84 652	89 837	107 654	107 654	107 654	74 240	115 082	120 375	125 913
Service charges - other												
Interest			3 248	3 020	3 438	3 358	3 617	3 617	1 572	3 794	3 965	4 144
Capital expenditure excluding capital grant funding			381 156	245 297	205 238	376 826	336 140	336 140	138 950	474 795	439 165	426 708
Cash receipts from ratepayers	18(1)a		2 484 634	2 197 361	2 187 159	2 106 841	2 142 527	2 142 527	(1 980 628)	2 330 761	2 519 780	2 750 481
Ratepayer & Other revenue	18(1)a		4 059 314	4 472 285	4 850 645	5 055 473	5 205 371	5 205 371	3 843 967	5 615 551	5 936 856	6 345 780
Change in consumer debtors (current and non-current)		N/A		18 759	43 650	40 083	(48 843)	-	219 190	(220 341)	810	3 652
Operating and Capital Grant Revenue	18(1)a		278 295	321 107	311 419	344 766	360 991	360 991	236 741	344 761	397 007	462 265
Capital expenditure - total	20(1)(vi)		392 941	340 170	321 989	504 800	491 726	491 726	193 043	612 345	570 142	544 780
Capital expenditure - renewal	20(1)(vi)		30 214	40 909	22 303	33 634	55 927	55 927		40 620	54 460	78 812
<b>Supporting benchmarks</b>												
Growth guideline maximum			6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
CPI guideline			4.3%	3.9%	4.6%	5.0%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%
DoRA operating grants total MFY										219 225	234 317	253 031
Provincial operating grants										23 268	63 065	101 032
Provincial capital grants										27 067	40 656	46 656
District Municipality grants										650	-	-
Total gazetted/advised national, provincial and district grants										342 266	394 859	459 935
Average annual collection rate (arrears inclusive)												

Description	MFMA section	Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>DoRA operating</b>												
Operational Revenue:General Revenue:Equitable Share										215 604	232 617	251 231
Operational:Revenue:General Revenue:Fuel Levy										-	-	-
2014 African Nations Championship Host City Operating Grant [Schedule 5B]										-	-	-
Agriculture Research and Technology										-	-	-
Agriculture, Conservation and Environmental										-	-	-
Arts and Culture Sustainable Resource Management										-	-	-
Community Library										-	-	-
Department of Environmental Affairs										-	-	-
Department of Tourism										-	-	-
Department of Water Affairs and Sanitation Masibambane										-	-	-
Emergency Medical Service										-	-	-
Energy Efficiency and Demand-side [Schedule 5B]										-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]										2 021	-	-
HIV and Aids										-	-	-
Housing Accreditation										-	-	-
Housing Top structure										-	-	-
Infrastructure Skills Development Grant [Schedule 5B]										-	-	-
Integrated City Development Grant										-	-	-
Khayelitsha Urban Renewal										-	-	-
Local Government Financial Management Grant [Schedule 5B]										1 600	1 700	1 800
Mitchell's Plain Urban Renewal										-	-	-
Municipal Demarcation and Transition Grant [Schedule 5B]										-	-	-
Municipal Disaster Grant [Schedule 5B]										-	-	-
Municipal Human Settlement Capacity Grant [Schedule 5B]										-	-	-
Municipal Systems Improvement Grant										-	-	-
Natural Resource Management Project										-	-	-
Neighbourhood Development Partnership Grant										-	-	-
Operation Clean Audit										-	-	-
Municipal Disaster Recovery Grant										-	-	-
Public Service Improvement Facility										-	-	-
Public Transport Network Operations Grant [Schedule 5B]										-	-	-
Restructuring - Seed Funding										-	-	-
Revenue Enhancement Grant Debtors Book										-	-	-
Rural Road Asset Management Systems Grant										-	-	-
Sport and Recreation										-	-	-
Terrestrial Invasive Alien Plants										-	-	-
Water Services Operating Subsidy Grant [Schedule 5B]										-	-	-
Health Hygiene in Informal Settlements										-	-	-
Municipal Infrastructure Grant [Schedule 5B]										-	-	-
Water Services Infrastructure Grant										-	-	-
Public Transport Network Grant [Schedule 5B]										-	-	-
Smart Connect Grant										-	-	-
Urban Settlement Development Grant										-	-	-
WiFi Grant [Department of Telecommunications and Postal Services										-	-	-
Street Lighting										-	-	-
Traditional Leaders - Imbizon										-	-	-
Department of Water and Sanitation Smart Living Handbook										-	-	-
Integrated National Electrification Programme Grant										-	-	-
Municipal Restructuring Grant										-	-	-
Regional Bulk Infrastructure Grant										-	-	-
Municipal Emergency Housing Grant										-	-	-
Metro Informal Settlements Partnership Grant										-	-	-
Integrated Urban Development Grant										2 495	2 148	2 330
Programme and Project Preparation Support Grant										-	-	-

Description	MFMA section	Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year	Budget Year	Budget Year
										2024/25	+1 2025/26	+2 2026/27
										219 225	234 317	253 031
<b>DoRA Capital</b>												
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]										5 056	11 000	9 943
Municipal Infrastructure Grant [Schedule 5B]										-	-	-
Municipal Water Infrastructure Grant [Schedule 5B]										-	-	-
Neighbourhood Development Partnership Grant [Schedule 5B]										-	-	-
Public Transport Infrastructure Grant [Schedule 5B]										-	-	-
Rural Household Infrastructure Grant [Schedule 5B]										-	-	-
Rural Road Asset Management Systems Grant [Schedule 5B]										-	-	-
Urban Settlement Development Grant [Schedule 4B]										-	-	-
Municipal Human Settlement										-	-	-
Community Library										-	-	-
Integrated City Development Grant [Schedule 4B]										-	-	-
Municipal Disaster Recovery Grant										-	-	-
Energy Efficiency and Demand Side Management Grant										5 000	5 000	5 000
Khayelitsha Urban Renewal										-	-	-
Local Government Financial Management Grant [Schedule 5B]										-	-	-
Municipal Systems Improvement Grant [Schedule 5B]										-	-	-
Public Transport Network Grant [Schedule 5B]										-	-	-
Public Transport Network Operations Grant [Schedule 5B]										-	-	-
Regional Bulk Infrastructure Grant (Schedule 5B)										-	-	-
Water Services Infrastructure Grant [Schedule 5B]										-	-	-
WIFI Connectivity										-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]										-	-	-
Aquaponic Project										-	-	-
Restition Settlement										-	-	-
Infrastructure Skills Development Grant [Schedule 5B]										-	-	-
Restructuring Seed Funding										-	-	-
Municipal Disaster Relief Grant										-	-	-
Municipal Emergency Housing Grant										-	-	-
Metro Informal Settlements Partnership Grant										-	-	-
Integrated Urban Development Grant										62 000	40 821	44 273



Description	MFMA section	Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>Trend</b>												
Change in consumer debtors (current and non-current)			23 502	18 759	43 650	40 083	(48 843)	-	219 190	(220 341)	810	3 652
<b>Total Operating Revenue</b>			1 735 542	1 949 813	2 102 017	2 284 927	2 320 261	2 320 261	1 736 525	2 532 153	2 775 448	3 055 386
<b>Total Operating Expenditure</b>			1 831 114	1 941 579	1 964 854	2 258 349	2 360 363	2 360 363	1 250 931	2 510 064	2 679 238	2 912 834
<b>Operating Performance Surplus/(Deficit)</b>			(95 572)	8 234	137 163	26 578	(40 102)	(40 102)	485 594	22 089	96 211	142 552
<b>Cash and Cash Equivalents (30 June 2012)</b>												
<b>Revenue</b>												
% Increase in Total Operating Revenue				12.3%	7.8%	8.7%	1.5%	0.0%	(25.2%)	9.1%	9.6%	10.1%
% Increase in Property Rates Revenue				7.0%	7.1%	4.8%	0.0%	0.0%	(19.5%)	33.6%	3.6%	5.6%
% Increase in Electricity Revenue				19.6%	3.1%	17.1%	0.0%	0.0%	(29.3%)	12.7%	13.3%	13.3%
% Increase in Property Rates & Services Charges				13.9%	5.2%	12.5%	(0.5%)	0.0%	(25.2%)	10.0%	9.2%	9.8%
<b>Expenditure</b>												
% Increase in Total Operating Expenditure				6.0%	1.2%	14.9%	4.5%	0.0%	(47.0%)	6.3%	6.7%	8.7%
% Increase in Employee Costs				(1.6%)	(1.2%)	13.8%	1.0%	0.0%	(36.9%)	5.2%	2.3%	6.2%
% Increase in Electricity Bulk Purchases				24.9%	(1.3%)	22.1%	(0.4%)	0.0%	(41.7%)	12.7%	12.7%	12.7%
Average Cost Per Budgeted Employee Position (Remuneration)					394175.3778	1255474.693				1334257.47		
Average Cost Per Councillor (Remuneration)					0	0				0		
R&M % of PPE			1.1%	1.1%	1.4%	1.8%	2.0%	2.0%		1.8%	1.8%	2.0%
Asset Renewal and R&M as a % of PPE			2.9%	4.1%	3.2%	4.8%	5.0%	5.0%		7.0%	6.4%	5.5%
Debt Impairment % of Total Billable Revenue			4.9%	5.0%	5.5%	5.6%	5.5%	5.5%	4.7%	5.7%	5.6%	5.4%
<b>Capital Revenue</b>												
Internally Funded & Other (R'000)			141 384	128 766	84 534	200 000	146 884	146 884	76 655	200 000	200 000	200 000
Borrowing (R'000)			-	-	-	-	-	-	-	-	-	-
Grant Funding and Other (R'000)			392 941	340 170	321 989	504 800	491 726	491 726	193 043	612 345	570 142	544 780
Internally Generated funds % of Non Grant Funding			(98.6%)	(100.0%)	(100.0%)	(100.0%)	(100.0%)	(100.0%)	(100.0%)	(100.0%)	(100.0%)	(100.0%)
Borrowing % of Non Grant Funding			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grant Funding % of Total Funding			165.4%	292.0%	266.8%	285.5%	259.8%	259.8%	309.9%	222.8%	238.4%	240.3%
<b>Capital Expenditure</b>												
Total Capital Programme (R'000)			390 748	340 120	321 989	504 800	491 726	491 726	193 043	612 345	570 142	544 780
Asset Renewal			102 737	179 364	111 403	195 977	191 538	191 538	-	347 682	320 180	254 518
Asset Renewal % of Total Capital Expenditure			26.3%	52.7%	34.6%	38.8%	39.0%	39.0%	0.0%	56.8%	56.2%	46.7%
<b>Cash</b>												
Cash Receipts % of Rate Payer & Other			61.2%	49.1%	45.1%	41.7%	41.2%	41.2%	(51.5%)	41.5%	42.4%	43.3%
Cash Coverage Ratio			0	0	0	0	0	0	(0)	0	0	0
<b>Borrowing</b>												
Credit Rating (2009/10)										0		
Capital Charges to Operating			12.9%	13.2%	14.2%	12.2%	12.5%	12.5%	12.2%	12.5%	12.6%	12.6%
Borrowing Receipts % of Capital Expenditure			0.0%	(58.7%)	0.0%	53.1%	59.5%	59.5%	0.0%	42.1%	45.5%	46.9%
<b>Reserves</b>												
Surplus/(Deficit)			(171 295)	218 666	290 227	(64 195)	26 572	26 572	467 665	(69 848)	(14 231)	116 083
<b>Free Services</b>												
Free Basic Services as a % of Equitable Share			29.8%	34.0%	25.9%	55.5%	55.8%	55.8%		57.5%	55.9%	54.3%
Free Services as a % of Operating Revenue (excl operational transfers)			3.5%	3.0%	1.9%	2.8%	2.7%	2.7%		2.1%	2.0%	2.0%
<b>Total Operating Revenue</b>			1 735 542	1 949 813	2 102 017	2 284 927	2 320 261	2 320 261	1 736 525	2 532 153	2 775 448	3 055 386
<b>Total Operating Expenditure</b>			1 831 114	1 941 579	1 964 854	2 258 349	2 360 363	2 360 363	1 250 931	2 510 064	2 679 238	2 912 834
<b>Surplus/(Deficit) Budgeted Operating Statement</b>			(95 572)	8 234	137 163	26 578	(40 102)	(40 102)	485 594	22 089	96 211	142 552
<b>Surplus/(Deficit) Considering Reserves and Cash Backing</b>			(171 295)	218 666	290 227	(64 195)	26 572	26 572	467 665	(69 848)	(14 231)	116 083
<b>MTREF Funded (1) / Unfunded (0)</b>		15	0	1	1	0	1	1	1	0	0	1
<b>MTREF Funded ✓ / Unfunded ✗</b>		15	✗	✓	✓	✗	✓	✓	✓	✗	✗	✓

## WC024 Stellenbosch - Supporting Table SA11 Property rates summary

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>Valuation:</b>	1									
Date of valuation:		02/07/2012	01/07/2017		02/07/2020			02/07/2020	02/07/2024	
Financial year valuation used		Y	Y		2023/2024			2024/2025	2025/2026	
Municipal by-laws s6 in place? (Y/N)	2	Y	Y	Y	Y			Y		
Municipal/assistant valuer appointed? (Y/N)		N	N	Y	Y			Y		
Municipal partnership s38 used? (Y/N)		N	N	N	N			N	N	
No. of assistant valuers (FTE)	3	2	2	1	1					
No. of data collectors (FTE)	3	8	8	4	4					
No. of internal valuers (FTE)	3	-	-	-	-					
No. of external valuers (FTE)	3	1	1	1	1					
No. of additional valuers (FTE)	4	-	-	3 Candidates	3 Candidates					
Valuation appeal board established? (Y/N)		Y	Y	Y	24			Y		
Implementation time of new valuation roll (mths)		12	12		24					
No. of properties	5	33 403	34 428	35 529	35 529			37 660	39920	
No. of sectional title values	5	7 617	7 930	8 245	8 245			8 740	9264	
No. of unreasonably difficult properties s7(2)		-	-	-	-			-	0	
No. of supplementary valuations		2	2	1 154	-			-	0	
No. of valuation roll amendments		-	-	71	-			-	0	
No. of objections by rate payers		-	-	71	-			-	0	
No. of appeals by rate payers		-	-	-	-			-	0	
No. of successful objections	8	-	-	58	-			-	0	
No. of successful objections > 10%	8	-	-	-	-			-	0	
Supplementary valuation		-	-	-	-			-	0	
Public service infrastructure value (Rm)	5	33	69	51	51			51	50600000	
Municipality owned property value (Rm)		1 161	1 074	1 447	1 399			1 469	1542700000	
<b>Valuation reductions:</b>										
Valuation reductions-public infrastructure (Rm)		33	69	51	51	-	-	51	51	-
Valuation reductions-nature reserves/park (Rm)		-	-	44	44	-	-	44	44	-
Valuation reductions-mineral rights (Rm)		-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)		382	418	409	409	-	-	429	451	-
Valuation reductions-public worship (Rm)		189	370	453	453	-	-	475	499	-
Valuation reductions-other (Rm)		2	2	26	26	-	-	28	29	-
<b>Total valuation reductions:</b>		605	858	983	983	-	-	1 027	1 074	-
Total value used for rating (Rm)	5	69 851	70 957	93 461	93 461	-	-	99 069	105 013	-
Total land value (Rm)	5	10 583	-	687	687	-	-	728	772	-
Total value of improvements (Rm)	5	59 873	-	92 774	92 774	-	-	98 340	104 241	-
Total market value (Rm)	5	70 456	73 300	93 461	93 461	-	-	99 069	105 013	-
<b>Rating:</b>										
Residential rate used to determine rate for other categories? (Y/N)		Y	Y	Y	Y					
Differential rates used? (Y/N)	5	Y	Y	N						
Limit on annual rate increase (s20)? (Y/N)		Y	Y							
Special rating area used? (Y/N)		Y	Y	Y						
Phasing-in properties s21 (number)		-	-			-	-			
Rates policy accompanying budget? (Y/N)		Y	Y	Y						
Fixed amount minimum value (R'000)		200	200	N	N					
Non-residential prescribed ratio s19? (%)		25.0%	25.0%							
<b>Rate revenue:</b>										
Rate revenue budget (R'000)	6	440 338	465 679	486 268	530 400			564 815	598 704	609 980
Rate revenue expected to collect (R'000)	6									
Expected cash collection rate (%)										
Special rating areas (R'000)	7	7 427	7 523	-	-			-	-	-
Rebates, exemptions - indigent (R'000)		-	-	-	-			-	-	-
Rebates, exemptions - pensioners (R'000)		2 921	3 235	3 112	3 299			3 497	3 707	4 249
Rebates, exemptions - bona fide farm. (R'000)		11 406	11 464	-	-			-	-	-
Rebates, exemptions - other (R'000)		15 501	12 735	44 214	53 512			57 033	60 455	48 614
Phase-in reductions/discounts (R'000)		23 453	23 799	-	-			-	-	-

**References**

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

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

Description	Ref	Business and commercial properties	Industrial properties	Mining properties	Residential properties	Agricultural properties	Public benefit organisations	Public service purpose properties	Public service infrastructure properties	Vacant land	Sport Clubs and Fields (Bitou only)	Sectional Title Garages (Drakenstein only)	Sum
<b>Current Year 2023/24</b>													
<b>Valuation:</b>													
No. of properties		3 034	-	-	28 622	1 894	2	71	744	1 162	-	-	36
No. of sectional title property values		1 035	-	-	7 210	-	-	-	-	-	-	-	8
No. of unreasonably difficult properties s7(2)		-	-	-	-	-	-	-	-	-	-	-	-
No. of supplementary valuations		-	-	-	-	-	-	-	-	-	-	-	-
Supplementary valuation (Rm)		-	-	-	-	-	-	-	-	-	-	-	-
No. of valuation roll amendments		-	-	-	-	-	-	-	-	-	-	-	-
No. of objections by rate-payers		-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers		-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers finalised		-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections	5	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections > 10%	5	-	-	-	-	-	-	-	-	-	-	-	-
Estimated no. of properties not valued		-	-	-	-	-	-	-	-	-	-	-	-
Years since last valuation (select)		-	-	-	-	-	-	-	-	-	-	-	-
Frequency of valuation (select)		-	-	-	-	-	-	-	-	-	-	-	-
Method of valuation used (select)		-	-	-	-	-	-	-	-	-	-	-	-
Base of valuation (select)		-	-	-	-	-	-	-	-	-	-	-	-
Phasing-in properties s21 (number)		-	-	-	-	-	-	-	-	-	-	-	-
Combination of rating types used? (Y/N)		-	-	-	-	-	-	-	-	-	-	-	-
Flat rate used? (Y/N)		-	-	-	-	-	-	-	-	-	-	-	-
Is balance rated by uniform rate/variable rate?		-	-	-	-	-	-	-	-	-	-	-	-
<b>Valuation reductions:</b>													
Valuation reductions-public infrastructure (Rm)		-	-	-	-	-	-	-	51	-	-	-	50 600
Valuation reductions-nature reserves/park (Rm)		-	-	-	-	44	-	-	-	-	-	-	44 100
Valuation reductions-mineral rights (Rm)		-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)		-	-	-	409	-	-	-	-	-	-	-	408 700
Valuation reductions-public worship (Rm)		364	-	-	89	-	-	-	-	-	-	-	452 800
Valuation reductions-other (Rm)	2	-	-	-	26	-	-	-	-	-	-	-	26 400
<b>Total valuation reductions:</b>													
Total value used for rating (Rm)	6	17 041	-	-	57 805	16 298	33	955	51	1 280	-	-	93 461 100
Total land value (Rm)	6	16	-	-	-	122	-	-	2	547	-	-	687 000
Total value of improvements (Rm)	6	17 024	-	-	57 805	16 176	33	955	49	733	-	-	92 774 000
Total market value (Rm)	6	17 041	-	-	57 805	16 298	33	955	51	1 280	-	-	93 461 100
<b>Rating:</b>													
Average rate	3	0.010367	-	-	0.004999	0.001257	0.001260	0.010593	-	0.011461	-	-	-
Rate revenue budget (R '000)		177	-	-	289	20	0	10	-	15	-	-	511
Rate revenue expected to collect (R'000)		-	-	-	-	-	-	-	-	-	-	-	-
Expected cash collection rate (%)	4	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-
Special rating areas (R'000)		-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - indigent (R'000)		-	-	-	-	-	-	-	-	-	-	-	-

Description	Ref	Business and commercial properties	Industrial properties	Mining properties	Residential properties	Agricultural properties	Public benefit organisations	Public service purpose properties	Public service infrastructure properties	Vacant land	Sport Clubs and Fields (Bitou only)	Sectional Title Garages (Drakenstein only)	Sum
Rebates, exemptions - pensioners (R'000)		-	-	-	4	-	-	-	-	-	-	-	4
Rebates, exemptions - bona fide farm. (R'000)		-	-	-	-	0	-	-	-	-	-	-	0
Rebates, exemptions - other (R'000)		9	-	-	26	-	-	-	-	-	-	-	35
Phase-in reductions/discounts (R'000)		-	-	-	-	-	-	-	-	-	-	-	-
Total rebates, exemptns, reductns, discs (R'000)		9	-	-	30	0	-	-	-	-	-	-	40

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

Description	Ref	Business and commercial properties	Industrial properties	Mining properties	Residential properties	Agricultural properties	Public benefit organisations	Public service purpose properties	Public service infrastructure properties	Vacant land	Sport Clubs and Fields (Bitou only)	Sectional Title Garages (Drakenstein only)	Sum
<b>Budget Year 2024/25</b>													
<b>Valuation:</b>													
No. of properties		-	-	-	-	-	-	-	-	-	-	-	-
No. of sectional title property values		-	-	-	-	-	-	-	-	-	-	-	-
No. of unreasonably difficult properties s7(2)		-	-	-	-	-	-	-	-	-	-	-	-
No. of supplementary valuations		-	-	-	-	-	-	-	-	-	-	-	-
Supplementary valuation (Rm)		-	-	-	-	-	-	-	-	-	-	-	-
No. of valuation roll amendments		-	-	-	-	-	-	-	-	-	-	-	-
No. of objections by rate-payers		-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers		-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers finalised		-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections	5	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections > 10%	5	-	-	-	-	-	-	-	-	-	-	-	-
Estimated no. of properties not valued		-	-	-	-	-	-	-	-	-	-	-	-
Years since last valuation (select)													
Frequency of valuation (select)													
Method of valuation used (select)													
Base of valuation (select)													
Phasing-in properties s21 (number)		-	-	-	-	-	-	-	-	-	-	-	-
Combination of rating types used? (Y/N)													
Flat rate used? (Y/N)													
Is balance rated by uniform rate/variable rate?													
<b>Valuation reductions:</b>													
Valuation reductions-public infrastructure (Rm)		-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-nature reserves/park (Rm)		-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-mineral rights (Rm)		-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)		-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-public worship (Rm)		-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-other (Rm)	2	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total valuation reductions:</b>													
Total value used for rating (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-
Total land value (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-
Total value of improvements (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-
Total market value (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-
<b>Rating:</b>													
Average rate	3	-	-	-	-	-	-	-	-	-	-	-	-
Rate revenue budget (R '000)		-	-	-	-	-	-	-	-	-	-	-	-
Rate revenue expected to collect (R'000)		-	-	-	-	-	-	-	-	-	-	-	-
Expected cash collection rate (%)	4	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-
Special rating areas (R'000)		-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - indigent (R'000)		-	-	-	-	-	-	-	-	-	-	-	-

Description	Ref	Business and commercial properties	Industrial properties	Mining properties	Residential properties	Agricultural properties	Public benefit organisations	Public service purpose properties	Public service infrastructure properties	Vacant land	Sport Clubs and Fields (Bitou only)	Sectional Title Garages (Drakenstein only)	Sum
Rebates, exemptions - pensioners (R'000)		-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - bona fide farm. (R'000)		-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - other (R'000)		-	-	-	-	-	-	-	-	-	-	-	-
Phase-in reductions/discounts (R'000)		-	-	-	-	-	-	-	-	-	-	-	-
Total rebates,exemptns,reductns,discs (R'000)		-	-	-	-	-	-	-	-	-	-	-	-

WC024 Stellenbosch - Supporting Table SA13a Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2020/21	2021/22	2022/23	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework		
							Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>Property rates (rate in the Rand)</b>									
Residential properties	1	Rate in rand	0.0054	0.0045	0.4759	0.0051	0.0054	0.0057	0.0061
Residential properties - vacant land		Rate in rand	0.0108	0.0090	0.9518	0.0101	0.0108	0.0114	0.0121
Formal/informal settlements				-	-	-	-	-	-
Small holdings				-	-	-	-	-	-
Farm properties - used		Rate in rand	0.0014	0.0011	0.1189	0.0013	0.0013	0.0014	0.0015
Farm properties - not used		Rate in rand	0.0014	0.0011	0.1189	0.0013	0.0013	0.0014	0.0015
Industrial properties		Rate in rand	0.0119	0.0099	1.0469	0.0112	0.0119	0.0126	0.0133
Business and commercial properties		Rate in rand	0.0119	0.0094	0.9993	0.0106	0.0113	0.0120	0.0127
Communal land - residential				-	-	-	-	-	-
Communal land - small holdings				-	-	-	-	-	-
Communal land - farm property				-	-	-	-	-	-
Communal land - business and commercial				-	-	-	-	-	-
Communal land - other				-	-	-	-	-	-
State-owned properties				-	-	-	-	-	-
Municipal properties				-	-	-	-	-	-
Public service infrastructure		Rate in rand	0.0014	0.0011	0.1189	0.0013	0.0013	0.0014	0.0015
Privately owned towns serviced by the owner				-	-	-	-	-	-
State trust land				-	-	-	-	-	-
Restitution and redistribution properties				-	-	-	-	-	-
Protected areas		Rate in rand	0.0014	0.0036	0.3807	0.0041	0.0043	0.0046	0.0048
National monuments properties				-	-	-	-	-	-
<b>Property rates by usage</b>									
Business and commercial properties			-	-	-	-	-	-	-
Industrial properties			-	-	-	-	-	-	-
Mining properties			-	-	-	-	-	-	-
Residential properties			-	-	-	-	-	-	-
Agricultural properties			-	-	-	-	-	-	-
Public benefit organisations			-	-	-	-	-	-	-
Public service purpose properties			-	-	-	-	-	-	-
Public service infrastructure properties			-	-	-	-	-	-	-
Vacant land			-	-	-	-	-	-	-
Sport Clubs and Fields (Bitou only)			-	-	-	-	-	-	-
Sectional Title Garages (Drakenstein only)			-	-	-	-	-	-	-
<b>Exemptions, reductions and rebates (Rands)</b>									
<i>Residential properties</i>									
R15 000 threshold rebate			15 000	15 000	15 000	15 000	15 000	15 000	15 000
General residential rebate		Rate in rand	185 000	185 000	235 000	235 000	235 000	235 000	235 000
Indigent rebate or exemption		Rate in rand	185 000	185 000	235 000	235 000	235 000	235 000	235 000
Pensioners/social grants rebate or exemption			depends on	depends on	depends on	depends on	depends on	depends on	depends on
Temporary relief rebate or exemption			n/a	n/a	n/a	n/a	n/a	n/a	n/a
Bona fide farmers rebate or exemption			n/a	n/a	n/a	n/a	n/a	n/a	n/a
<i>Other rebates or exemptions</i>									
	2		-	-	-	-	-	-	-
<b>Water tariffs</b>									
<i>Domestic</i>									
Basic charge/flat fee (Rands/month)		Rands	66	74	78	83	88	93	99
Service point - vacant land (Rands/month)			n/a	n/a	-	-	-	-	-
Water usage - flat rate tariff (c/kl)			n/a	n/a	-	-	-	-	-
Water usage - life line tariff		(describe structure)	n/a	n/a	-	-	-	-	-
Water usage - Block 1 (c/kl)		0 kilolitres to 6 kilolitres	6	7	7	7	8	8	9
Water usage - Block 2 (c/kl)		7 kilolitres to 12 kilolitres	9	10	11	11	12	12	13
Water usage - Block 3 (c/kl)		13 kilolitres to 20 kilolitres	15	17	18	18	20	21	22
Water usage - Block 4 (c/kl)		21 kilolitres to 25 kilolitres	25	31	33	33	35	37	39
Water usage - Block 5 (c/kl)			-	-	-	-	-	-	-
Water usage - Block 6 (c/kl)			-	-	-	-	-	-	-
<i>Other</i>	2	25 kilolitres and up	-	219	233	232	246	261	277
<b>Waste water tariffs</b>									
<i>Domestic</i>									
Basic charge/flat fee (Rands/month)			n/a	n/a	-	-	-	-	-

Description	Ref	Provide description of tariff structure where appropriate	2020/21	2021/22	2022/23	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework		
							Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Service point - vacant land (Rands/month)			n/a	n/a	-	-	-	-	-
Waste water - flat rate tariff (c/kl)			n/a	n/a	-	-	-	-	-
Volumetric charge - Block 1 (c/kl)		0 - 250	1 428	1 612	1 717	1 828	1 975	2 133	2 303
Volumetric charge - Block 2 (c/kl)		251 - 500	1 832	2 068	2 203	2 346	2 533	2 736	2 955
Volumetric charge - Block 3 (c/kl)		501 - 600	2 064	2 330	2 481	2 643	2 854	3 082	3 329
Volumetric charge - Block 4 (c/kl)		601 - 700	2 291	2 586	2 754	2 933	3 168	3 421	3 695
<i>Other</i>	2		n/a	n/a	-	-	-	-	-
<b>Electricity tariffs</b>									
<i>Domestic</i>									
Basic charge/fixed fee (Rands/month)			n/a	n/a	-	-	-	-	-
Service point - vacant land (Rands/month)			n/a	n/a	-	-	-	-	-
FBE		(how is this targeted?)	n/a	n/a	-	-	-	-	-
Life-line tariff - meter		0 - 50 kwh (c/kWh)	-	126	136	156	176	196	217
Life-line tariff - prepaid		51 - 350 kwh (c/kWh)	-	157	170	196	220	245	272
Flat rate tariff - meter (c/kwh)		351 - 600 kwh (c/kWh)	-	235	253	291	328	365	405
Flat rate tariff - prepaid (c/kwh)		601 - 99999 kwh (c/kWh)	-	270	291	335	378	419	466
Meter - IBT Block 1 (c/kwh)		0 - 50 kwh (c/kWh)	-	126	136	157	176	196	217
Meter - IBT Block 2 (c/kwh)		51 - 350 kwh (c/kWh)	-	162	175	201	227	252	280
Meter - IBT Block 3 (c/kwh)		351 - 600 kwh (c/kWh)	-	228	246	283	319	354	393
Meter - IBT Block 4 (c/kwh)		601 - 99999 kwh (c/kWh)	-	268	289	333	375	417	462
Meter - IBT Block 5 (c/kwh)			-	n/a	n/a	-	-	-	-
Prepaid - IBT Block 1 (c/kwh)		0 - 50 kwh (c/kWh)	-	126	136	157	176	196	217
Prepaid - IBT Block 2 (c/kwh)		51 - 350 kwh (c/kWh)	-	162	175	201	226	251	278
Prepaid - IBT Block 3 (c/kwh)		351 - 600 kwh (c/kWh)	-	228	246	283	319	354	393
Prepaid - IBT Block 4 (c/kwh)		601 - 99999 kwh (c/kWh)	-	268	289	333	375	417	462
Prepaid - IBT Block 5 (c/kwh)		(fill in thresholds)	n/a	n/a	n/a	n/a	n/a	-	-
<i>Other</i>	2		-	n/a	-	-	-	-	-
<b>Waste management tariffs</b>									
<i>Domestic</i>									
Street cleaning charge			n/a	n/a	-	-	-	-	-
Basic charge/fixed fee			n/a	n/a	-	-	-	-	-
80l bin - once a week			n/a	n/a	-	-	-	-	-
250l bin - once a week		Rands	176	230	248	270	289	309	330



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

Description	Ref	Provide description of tariff structure where appropriate	2020/21	2021/22	2022/23	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework		
							Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>Exemptions, reductions and rebates (Rands)</b>									
Property rates (R value threshold)			200 000	200 000	250 000	250 000	250 000	250 000	250 000
Water (kilolitres per household per month) - registered			6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)			-	-	-	-	-	-	-
Sanitation (Rand per household per month)			112	122	143	152	165	178	192
Electricity (kwh per household per month)			100	100	100	100	100	100	100
Refuse (average litres per week)			250	250	240	240	240	240	240
			-	-	-	-	-	-	-
<b>Water tariffs</b>									
Water usage - life line tariff			n/a	n/a	n/a	-	-	-	-
Water usage - Block 1 (c/l)		0 kilolitres to 6 kilolitres	6	7	7	7	8	8	9
Water usage - Block 2 (c/l)		7 kilolitres to 12 kilolitres	9	10	11	11	12	12	13
Water usage - Block 3 (c/l)		13 kilolitres to 20 kilolitres	15	17	18	18	20	21	22
Water usage - Block 4 (c/l)		21 kilolitres to 25 kilolitres	25	31	33	33	35	37	39
Water usage - Block 5 (c/l)		26 kilolitres to 40 kilolitres	53	43	46	46	48	51	54
Water usage - Block 6 (c/l)		41 kilolitres to 70 kilolitres	-	69	73	73	77	82	87
Water usage - Block 7 (c/l)		70 kilolitres and above	n/a	107	114	114	121	128	136
<b>Waste water tariffs</b>									
Size per erf in m <sup>2</sup> - Block 1 (c/l)		0 - 250	1 428	1 612	1 717	1 828	1 975	2 133	2 303
Size per erf in m <sup>2</sup> - Block 2 (c/l)		251 - 500	1 832	2 068	2 203	2 346	2 533	2 736	2 955
Size per erf in m <sup>2</sup> - Block 3 (c/l)		501 - 600	2 064	2 330	2 481	2 643	2 854	3 082	3 329
Size per erf in m <sup>2</sup> - Block 4 (c/l)		601 - 700	2 291	2 586	2 754	2 933	3 168	3 421	3 695
Size per erf in m <sup>2</sup> - Block 5 (c/l)		701 - 800	2 520	2 845	3 030	3 227	3 485	3 764	4 065
Size per erf in m <sup>2</sup> - Block 6 (c/l)		801 - 900	2 750	3 104	3 306	3 521	3 802	4 106	4 435
Size per erf in m <sup>2</sup> - Block 7 (c/l)		901 - 1000	2 977	3 361	3 579	3 812	4 117	4 446	4 802
Size per erf in m <sup>2</sup> - Block 8 (c/l)		Above - 1000	2 977	3 361	3 579	3 812	4 117	4 446	4 802
<b>Electricity tariffs</b>									
Regular - IBT Block 1 (c/kwh)		0 - 50 kwh (c/kWh)	-	126	136	160	176	196	217
Regular - IBT Block 2 (c/kwh)		51 - 350 kwh (c/kWh)	-	161	174	205	227	252	280
Regular - IBT Block 3 (c/kwh)		351 - 600 kwh (c/kWh)	-	228	246	289	319	354	393
Regular - IBT Block 4 (c/kwh)		601 - 99999 kwh (c/kWh)	-	268	289	340	375	417	462
Life Line Prepaid - IBT Block 1 (c/kwh)		0 - 50 kwh (c/kWh)	-	126	136	160	176	196	217
Life Line Prepaid - IBT Block 2 (c/kwh)		51 - 350 kwh (c/kWh)	-	157	170	200	220	245	272
Life Line Prepaid - IBT Block 3 (c/kwh)		351 - 600 kwh (c/kWh)	-	235	253	298	328	365	405
Life Line Prepaid - IBT Block 4 (c/kwh)		601 - 99999 kwh (c/kWh)	-	270	291	343	378	419	466
Regular Prepaid - IBT Block 1 (c/kwh)		0 - 50 kwh (c/kWh)	-	126	136	160	176	196	217
Regular Prepaid - IBT Block 2 (c/kwh)		51 - 350 kwh (c/kWh)	-	162	175	206	227	252	280
Regular Prepaid - IBT Block 3 (c/kwh)		351 - 600 kwh (c/kWh)	-	228	246	289	319	354	393
Regular Prepaid - IBT Block 4 (c/kwh)		601 - 99999 kwh (c/kWh)	-	268	289	340	375	417	462

WC024 Stellenbosch - Supporting Table SA14 Household bills

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25 % incr.	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>Rand/cent</b>											
<b>Monthly Account for Household - 'Middle Income Range'</b>											
Rates and services charges:											
Property rates		225.42	168.03	178.46	190.09	190.09	190.09	6.3%	202.06	214.19	227.04
Electricity: Basic levy		185.77	212.87	229.69	264.37	264.37	264.37	11.0%	293.45	325.73	361.56
Electricity: Consumption		1 939.36	2 222.27	2 397.81	2 759.87	2 759.87	2 759.87	11.0%	3 063.45	3 400.43	3 774.48
Water: Basic levy		69.84	73.69	78.25	82.95	82.95	82.95	6.2%	88.09	93.38	98.98
Water: Consumption		545.01	574.84	610.52	647.19	647.19	647.19	6.2%	687.32	728.55	772.27
Sanitation		162.59	215.51	183.55	195.48	195.48	195.48	8.0%	211.11	228.00	246.24
Refuse removal		205.11	229.71	248.08	270.41	270.41	270.41	6.9%	289.07	309.01	330.34
Other		-	-	-	-	-	-	-	-	-	-
sub-total		3 333.10	3 696.92	3 926.35	4 410.35	4 410.35	4 410.35	9.6%	4 834.56	5 299.30	5 810.91
VAT on Services		-	-	-	-	-	-	-	-	-	-
Total large household bill:		3 333.10	3 696.92	3 926.35	4 410.35	4 410.35	4 410.35	9.6%	4 834.56	5 299.30	5 810.91
% increase/-decrease			10.9%	6.2%	12.3%	-	-	9.6%	9.6%	9.6%	9.7%
<b>Monthly Account for Household - 'Affordable Range'</b>											
Rates and services charges:											
Property rates		135.25	93.35	99.15	105.60	105.60	105.60	6.3%	112.26	118.99	126.13
Electricity: Basic levy		185.77	-	229.69	264.37	264.37	264.37	11.0%	293.45	325.73	361.56
Electricity: Consumption		804.55	924.44	994.74	1 144.94	1 144.94	1 144.94	11.0%	1 270.88	1 410.67	1 565.85
Water: Basic levy		69.84	73.69	78.25	82.95	82.95	82.95	6.2%	88.09	93.38	98.98
Water: Consumption		353.36	372.69	395.82	419.59	419.59	419.59	6.2%	445.60	472.34	500.68
Sanitation		162.59	172.34	183.55	195.48	195.48	195.48	8.0%	211.11	228.00	246.24
Refuse removal		205.11	229.71	248.08	270.41	270.41	270.41	6.9%	289.07	309.01	330.34
Other		-	-	-	-	-	-	-	-	-	-
sub-total		1 916.47	1 866.22	2 229.27	2 483.34	2 483.34	2 483.34	9.1%	2 710.47	2 958.13	3 229.78
VAT on Services		-	-	-	-	-	-	-	-	-	-
Total small household bill:		1 916.47	1 866.22	2 229.27	2 483.34	2 483.34	2 483.34	9.1%	2 710.47	2 958.13	3 229.78
% increase/-decrease			(2.6%)	19.5%	11.4%	-	-	9.1%	9.1%	9.1%	9.2%
<b>Monthly Account for Household - 'Affordable Range'</b>											
Rates and services charges:											
Property rates		225.42	168.04	178.46	190.09	190.09	190.09	6.3%	202.06	214.19	227.04
Electricity: Basic levy		185.77	-	229.69	264.37	264.37	264.37	11.0%	293.45	325.73	361.56
Electricity: Consumption		804.55	924.44	994.74	1 144.94	1 144.94	1 144.94	11.0%	1 270.88	1 410.67	1 565.85
Water: Basic levy		69.84	73.69	78.25	82.95	82.95	82.95	6.2%	88.09	93.38	98.98
Water: Consumption		353.36	372.69	395.82	419.59	419.59	419.59	6.2%	445.60	472.34	500.68
Sanitation		162.59	172.34	183.55	195.48	195.48	195.48	8.0%	211.11	228.00	246.24
Refuse removal		205.11	229.71	248.08	270.41	270.41	270.41	6.9%	289.07	309.01	330.34
Other		-	-	-	-	-	-	-	-	-	-
sub-total		2 006.64	1 940.91	2 308.58	2 567.82	2 567.82	2 567.82	9.1%	2 800.27	3 053.33	3 330.69
VAT on Services		-	-	-	-	-	-	-	-	-	-
Total small household bill:		2 006.64	1 940.91	2 308.58	2 567.82	2 567.82	2 567.82	9.1%	2 800.27	3 053.33	3 330.69
% increase/-decrease			(3.3%)	18.9%	11.2%	-	-	9.1%	9.1%	9.0%	9.1%
<b>Monthly Account for Household - 'Indigent' Household receiving free basic services</b>											
Rates and services charges:											
Property rates		45.08	18.67	19.83	21.12	21.12	21.12	6.3%	22.45	23.80	25.23
Electricity: Basic levy		-	-	-	-	-	-	-	-	-	-
Electricity: Consumption		445.96	432.29	466.44	536.88	536.88	536.88	11.0%	595.94	661.49	734.25
Water: Basic levy		-	-	-	-	-	-	-	-	-	-
Water: Consumption		179.10	188.90	200.58	212.70	212.70	212.70	6.2%	225.89	239.44	253.81
Sanitation		35.87	-	-	-	-	-	-	-	-	-
Refuse removal		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
sub-total		706.01	639.86	686.85	770.70	770.70	770.70	9.5%	844.28	924.73	1 013.29
VAT on Services		-	-	-	-	-	-	-	-	-	-
Total small household bill:		706.01	639.86	686.85	770.70	770.70	770.70	9.5%	844.28	924.73	1 013.29
% increase/-decrease			(9.4%)	7.3%	12.2%	-	-	9.5%	9.5%	9.5%	9.6%

WC024 Stellenbosch - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousand</b>										
<b>Parent municipality</b>										
Securities - National Government		-	-	-	-	-	-	-	-	-
Listed Corporate Bonds		-	-	-	-	-	-	-	-	-
Deposits - Bank		222 681	347 294	429 499	377 148	429 499	429 499	467 870	506 625	545 767
Deposits - Public Investment Commissioners		-	-	-	-	-	-	-	-	-
Deposits - Corporation for Public Deposits		-	-	-	-	-	-	-	-	-
Bankers Acceptance Certificates		-	-	-	-	-	-	-	-	-
Negotiable Certificates of Deposit - Banks		-	-	-	-	-	-	-	-	-
Guaranteed Endowment Policies (sinking)		-	-	-	-	-	-	-	-	-
Repurchase Agreements - Banks		-	-	-	-	-	-	-	-	-
Municipal Bonds		-	-	-	-	-	-	-	-	-
<b>Municipality sub-total</b>	<b>1</b>	<b>222 681</b>	<b>347 294</b>	<b>429 499</b>	<b>377 148</b>	<b>429 499</b>	<b>429 499</b>	<b>467 870</b>	<b>506 625</b>	<b>545 767</b>
<b>Entities</b>										
Securities - National Government		-	-	-	-	-	-	-	-	-
Listed Corporate Bonds		-	-	-	-	-	-	-	-	-
Deposits - Bank		-	-	-	-	-	-	-	-	-
Deposits - Public Investment Commissioners		-	-	-	-	-	-	-	-	-
Deposits - Corporation for Public Deposits		-	-	-	-	-	-	-	-	-
Bankers Acceptance Certificates		-	-	-	-	-	-	-	-	-
Negotiable Certificates of Deposit - Banks		-	-	-	-	-	-	-	-	-
Guaranteed Endowment Policies (sinking)		-	-	-	-	-	-	-	-	-
Repurchase Agreements - Banks		-	-	-	-	-	-	-	-	-
<b>Entities sub-total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Consolidated total:</b>		<b>222 681</b>	<b>347 294</b>	<b>429 499</b>	<b>377 148</b>	<b>429 499</b>	<b>429 499</b>	<b>467 870</b>	<b>506 625</b>	<b>545 767</b>

WC024 Stellenbosch - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
		Yrs/Months												
<b>Parent municipality</b>														
ABSA		call	Variable	Yes	Variable rate	0.089			30 June 2024	97 732 102.17	4 394 397.83	-102 126 500.00	60 000 000.00	60 000 000.00
ABSA		4	Fixed Deposit	Yes	Fixed rate	0.0855			14 July 2023	51 253 219.18	152 260.27	-51 405 479.45		
ABSA		3	Fixed Deposit	Yes	Fixed rate	0.0855			19 July 2023	71 246 000.00	290 164.38	-71 536 164.38		
ABSA		6	Fixed Deposit	Yes	Fixed rate	0.0978			08 January 2024		4 583 958.83	-99 102 311.85	94 518 353.02	
ABSA		9	Fixed Deposit	Yes	Fixed rate	0.0966			07 October 2024		2 117 260.27		160 000 000.00	162 117 260.27
ABSA		4	Fixed Deposit	Yes	Fixed rate	0.0935			12 June 2024		512 328.77		100 000 000.00	100 512 328.77
NEDBANK		12	Fixed Deposit	Yes	Fixed rate	0.0905			13 October 2023	106 471 369.86	2 578 630.14	-109 050 000.00		
NEDBANK		12	Fixed Deposit	Yes	Fixed rate	0.0954			15 March 2024	102 796 657.53	6 743 342.47	-109 540 000.00		
NEDBANK		12	Fixed Deposit	Yes	Fixed rate	0.103			10 July 2024		6 965 256.59		105 481 646.98	112 446 903.57
NEDBANK		9	Fixed Deposit	Yes	Fixed rate	0.0967			19 December 2024				70 000 000.00	70 000 000.00
SBSA		call	Variable	Yes	Variable rate	0.0825			19 March 2024		652 647.88	-60 652 647.88	60 000 000.00	
SBSA		2	Fixed Deposit	Yes	Fixed rate	0.09075			18 May 2024				100 000 000.00	100 000 000.00
FNB		3	Fixed Deposit	Yes	Fixed rate	0.09			17 January 2024		2 663 013.69	-122 663 013.69	120 000 000.00	
-														
-														
-														
-														
<b>Municipality sub-total</b>										429 499 348.74		-726 076 117.25	870 000 000.00	605 076 492.61
<b>Entities</b>														
-														
-														
-														
-														
-														
-														
-														
-														
-														
-														
-														
-														
-														
<b>Entities sub-total</b>														
<b>TOTAL INVESTMENTS AND INTEREST</b>	1									429 499 348.74		-726 076 117.25	870 000 000.00	605 076 492.61

WC024 Stellenbosch - Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousand</b>										
<b>Parent municipality</b>										
Annuity and Bullet Loans		334 733	428 952	447 598	718 105	647 598	647 598	784 555	920 635	1 043 023
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
<b>Municipality sub-total</b>	1	334 733	428 952	447 598	718 105	647 598	647 598	784 555	920 635	1 043 023
<b>Entities</b>										
Annuity and Bullet Loans		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
<b>Entities sub-total</b>	1	-	-	-	-	-	-	-	-	-
<b>Total Borrowing</b>	1	334 733	428 952	447 598	718 105	647 598	647 598	784 555	920 635	1 043 023
<b>Unspent Borrowing - Categorised by type</b>										
<b>Parent municipality</b>										
Long-Term Loans (annuity/reducing balance)		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
<b>Municipality sub-total</b>	1	-	-	-	-	-	-	-	-	-
<b>Entities</b>										
Long-Term Loans (annuity/reducing balance)		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
<b>Entities sub-total</b>	1	-	-	-	-	-	-	-	-	-

Borrowing - Categorised by type	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand										
Total Unspent Borrowing	1	-	-	-	-	-	-	-	-	-

WC024 Stellenbosch - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>RECEIPTS:</b>	1, 2									
<b>Operating Transfers and Grants</b>										
National Government:		178 568	168 531	189 399	210 148	209 881	209 881	221 720	236 786	255 634
Operational Revenue:General Revenue:Equitable Share		170 632	157 136	179 634	200 841	200 841	200 841	215 604	232 617	251 231
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		4 961	5 998	4 928	4 786	4 519	4 519	2 021	-	-
Local Government Financial Management Grant [Schedule 5B]		1 550	1 550	1 550	1 550	1 550	1 550	1 600	1 700	1 800
Municipal Infrastructure Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Integrated Urban Development Grant		1 425	3 847	3 287	2 971	2 971	2 971	2 495	2 469	2 603
Provincial Government:		13 616	26 899	23 339	30 763	14 542	14 542	12 768	12 365	12 532
Library Services: Conditional Grant		13 022	11 144	14 112	11 252	11 252	11 252	11 333	11 359	11 868
Municipal Accreditation and Capacity Building Grant		238	252	256	245	245	245	249	249	260
Financial Management Capability Building Grant		-	-	300	-	200	200	-	-	-
Title Deeds Restoration Grant		-	-	-	1 503	1 503	1 503	803	369	-
Community Development Workers Operational Support Grant		56	38	38	38	38	38	38	38	38
Maintenance and Construction of Transport Infrastructure		-	-	495	345	345	345	345	350	366
Western Cape Municipal Energy Resilience Grant (WC MER Grant)		-	-	1 184	-	244	244	-	-	-
HUMAN SETTLEMENTS DEVELOPMENT GRANT		-	9 613	6 954	17 380	535	535	-	-	-
Library Services: Replacement Funding for Most Vulnerable B3 Municipalities		-	-	-	-	180	180	-	-	-
Municipal Library Support Grant		-	3 252	-	-	-	-	-	-	-
LG Graduate Internship Grant		-	-	-	-	-	-	-	-	-
Local Government Public Employment Support Grant		-	1 800	-	-	-	-	-	-	-
WC Financial Management Support Grant		-	550	-	-	-	-	-	-	-
Financial Management Capacity Building Grant		300	250	-	-	-	-	-	-	0
District Municipality:		540	984	115	-	200	200	650	-	-
Cape Winelands District Grant		100	984	-	-	-	-	500	-	-
Safety Initiative Implementation-whole of society approach (WOSA)		440	-	-	-	-	-	-	-	-
Cape Winelands District Municipality Grant Capacity and support		-	-	115	-	200	200	150	-	-
Other Grant Providers:		63	237	-	-	-	-	-	-	-
LG SETA Discretionary grant		63	237	-	-	-	-	-	-	-
DBSA		-	-	-	-	-	-	-	-	-
Households		-	-	-	-	-	-	-	-	-
Non-Profit Institutions		-	-	-	-	-	-	-	-	-
Private Enterprises		-	-	-	-	-	-	-	-	-
Public Corporations		-	-	-	-	-	-	-	-	-
Higher Educational Institutions		-	-	-	-	-	-	-	-	-
Parent Municipality / Entity		-	-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	5	192 786	196 652	212 854	240 911	224 623	224 623	235 138	249 151	268 166
<b>Capital Transfers and Grants</b>										
National Government:		57 481	76 494	90 810	79 190	106 572	106 572	72 056	56 500	58 943
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		12 000	23 400	28 350	22 750	20 000	20 000	5 056	11 000	9 943
Municipal Disaster Recovery Grant [Schedule 4B]		-	-	-	-	30 132	30 132	-	-	-
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	5 000	5 000	5 000
Integrated Urban Development Grant		45 481	53 094	62 460	56 440	56 440	56 440	62 000	40 500	44 000
Provincial Government:		19 844	56 656	37 085	24 666	17 320	17 320	39 370	95 799	135 156
EMERGENCY MUNICIPAL LOAD SHEDDING RELIEF GRANT		-	-	6 175	-	-	-	-	-	-
Integrated Transport Planning		-	600	-	-	-	-	628	656	656
HUMAN SETTLEMENTS DEVELOPMENT GRANT		15 189	36 296	8 150	5 033	1 970	1 970	18 692	79 143	118 500
Development of Sport and Recreational Facilities		600	600	220	-	-	-	-	-	-
Informal Settlements Upgrading Partnership Grant: Provinces (Beneficiaries)		-	18 350	20 850	18 633	14 350	14 350	18 550	16 000	16 000
Library Services: Conditional Grant		55	100	-	-	-	-	-	-	-
RSEP		4 000	-	-	1 000	1 000	1 000	1 500	-	-
Western Cape Municipal Energy Resilience Grant (WC MER Grant)		-	710	1 690	-	-	-	-	-	-
Public Transport		-	-	-	-	-	-	-	-	-
Road Infrastructure		-	-	-	-	-	-	-	-	-
Sports and Recreation		-	-	-	-	-	-	-	-	-
Waste Water Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Cape Winelands District Grant		-	-	-	-	-	-	-	-	-
Other Grant Providers:		-	-	-	-	-	-	-	-	-
Departmental Agencies and Accounts		-	-	-	-	-	-	-	-	-
Foreign Government and International Organisations		-	-	-	-	-	-	-	-	-
Households		-	-	-	-	-	-	-	-	-
Non-Profit Institutions		-	-	-	-	-	-	-	-	-
Private Enterprises		-	-	-	-	-	-	-	-	-
Public Corporations		-	-	-	-	-	-	-	-	-
Higher Educational Institutions		-	-	-	-	-	-	-	-	-
Parent Municipality / Entity		-	-	-	-	-	-	-	-	-
Transfer from Operational Revenue		-	-	-	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>	5	77 325	133 150	127 895	103 856	123 891	123 891	111 426	152 299	194 099
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		270 112	329 802	340 748	344 766	348 514	348 514	346 564	401 450	462 265

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

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>EXPENDITURE:</b>										
<b>Operating expenditure of Transfers and Grants</b>										
National Government:		178 568	168 531	188 219	210 148	209 881	209 881	221 720	236 786	255 634
Operational Revenue:General Revenue:Equitable Share		170 632	157 136	179 634	200 841	200 841	200 841	215 604	232 617	251 231
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		4 961	5 998	3 748	4 786	4 519	4 519	2 021	-	-
Local Government Financial Management Grant [Schedule 5B]		1 550	1 550	1 550	1 550	1 550	1 550	1 600	1 700	1 800
Municipal Infrastructure Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Integrated Urban Development Grant		1 425	3 847	3 287	2 971	2 971	2 971	2 495	2 469	2 603
Provincial Government:		11 850	20 200	24 947	30 763	14 583	14 583	12 768	12 365	12 532
Library Services: Conditional Grant		10 720	9 336	10 628	11 252	11 252	11 252	11 333	11 359	11 868
Municipal Accreditation and Capacity Building Grant		-	77	669	245	245	245	249	249	260
Financial Management Capacity Building Grant		495	395	319	-	-	-	-	-	-
Title Deeds Restoration Grant		468	432	940	1 503	1 503	1 503	803	369	-
Community Development Workers Operational Support Grant		93	38	38	38	38	38	38	38	38
Maintenance and Construction of Transport Infrastructure		-	-	495	345	345	345	345	350	366
Western Cape Municipal Energy Resilience Grant (WC MER Grant)		-	-	1 184	-	244	244	-	-	-
HUMAN SETTLEMENTS DEVELOPMENT GRANT		-	7 973	6 954	17 380	535	535	-	-	-
Library Services: Replacement Funding for Most Vulnerable B3 Municipalities		-	-	-	-	180	180	-	-	-
Municipal Library Support Grant		-	150	3 102	-	-	-	-	-	-
WC Financial Management Support Grant		-	-	550	-	-	-	-	-	-
Local Government Public Employment Support Grant		-	1 800	-	-	-	-	-	-	-
Financial Management Capability Building Grant		-	-	-	-	241	241	-	-	-
LG Graduate Internship Grant		74	-	-	-	-	-	-	-	-
Housing consumer education		-	-	68	-	-	-	-	-	-
District Municipality:		2 424	-	599	-	700	700	650	-	-
Cape Winelands District Grant		1 984	-	484	-	500	500	500	-	-
Safety Initiative Implementation-whole of society approach (WOSA)		440	-	-	-	-	-	-	-	-
Cape Winelands District Municipality Grant Community safety		-	-	115	-	-	-	-	-	-
Cape Winelands District Municipality Grant Capacity and support		-	-	-	-	200	200	150	-	-
Other Grant Providers:		1 948	-	-	-	-	-	-	-	-
LG SETA Discretionary grant		139	-	-	-	-	-	-	-	-
Foreign Government and International Organisations		-	-	-	-	-	-	-	-	-
Households		-	-	-	-	-	-	-	-	-
Non-profit Institutions		-	-	-	-	-	-	-	-	-
Private Enterprises		-	-	-	-	-	-	-	-	-
DBSA		1 809	-	-	-	-	-	-	-	-
Higher Educational Institutions		-	-	-	-	-	-	-	-	-
Parent Municipality / Entity		-	-	-	-	-	-	-	-	-
<b>Total operating expenditure of Transfers and Grants:</b>		<b>194 790</b>	<b>188 731</b>	<b>213 765</b>	<b>240 911</b>	<b>225 164</b>	<b>225 164</b>	<b>235 138</b>	<b>249 151</b>	<b>268 166</b>
<b>Capital expenditure of Transfers and Grants</b>										
National Government:		57 481	68 112	91 162	79 190	106 572	106 572	72 056	56 500	58 943
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		12 000	15 018	28 702	22 750	20 000	20 000	5 056	11 000	9 943
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	5 000	5 000	5 000
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Integrated Urban Development Grant		45 481	53 094	62 460	56 440	56 440	56 440	62 000	40 500	44 000
Provincial Government:		12 366	17 970	14 597	24 666	29 257	29 257	39 370	95 799	135 156
EMERGENCY MUNICIPAL LOAD SHEDDING RELIEF GRANT		-	-	6 175	-	6 175	6 175	-	-	-
Integrated Transport Planning		-	600	-	-	-	-	628	656	656
HUMAN SETTLEMENTS DEVELOPMENT GRANT		11 648	7 229	1 576	5 033	2 159	2 159	18 692	79 143	118 500
Development of Sport and Recreational Facilities		-	600	220	-	-	-	-	-	-
Informal Settlements Upgrading Partnership Grant: Provinces (Beneficiaries)		-	5 928	4 786	18 633	15 583	15 583	18 550	16 000	16 000
Library Services: Conditional Grant		55	337	69	-	4 339	4 339	-	-	-
RSEP		662	2 566	1 771	1 000	1 000	1 000	1 500	-	-
Western Cape Municipal Energy Resilience Grant (WC MER Grant)		-	710	-	-	-	-	-	-	-
Public Transport		-	-	-	-	-	-	-	-	-
Road Infrastructure		-	-	-	-	-	-	-	-	-
Sports and Recreation		-	-	-	-	-	-	-	-	-
Waste Water Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Cape Winelands District Grant		-	-	-	-	-	-	-	-	-
Other Grant Providers:		-	1 115	-	-	-	-	-	-	-
Departmental Agencies and Accounts		-	307	-	-	-	-	-	-	-
Foreign Government and International Organisations		-	-	-	-	-	-	-	-	-
Households		-	-	-	-	-	-	-	-	-
Non-Profit Institutions		-	-	-	-	-	-	-	-	-
Private Enterprises		-	808	-	-	-	-	-	-	-
Public Corporations		-	-	-	-	-	-	-	-	-
Higher Educational Institutions		-	-	-	-	-	-	-	-	-
Parent Municipality / Entity		-	-	-	-	-	-	-	-	-
Transfer from Operational Revenue		-	-	-	-	-	-	-	-	-
<b>Total capital expenditure of Transfers and Grants</b>		<b>69 847</b>	<b>87 197</b>	<b>105 758</b>	<b>103 856</b>	<b>135 828</b>	<b>135 828</b>	<b>111 426</b>	<b>152 299</b>	<b>194 099</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>264 637</b>	<b>275 928</b>	<b>319 524</b>	<b>344 766</b>	<b>360 992</b>	<b>360 992</b>	<b>346 564</b>	<b>401 450</b>	<b>462 265</b>



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

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand										
<b>Operating transfers and grants:</b>	1,3									
<b>National Government:</b>										
Balance unspent at beginning of the year		-	-	-	-	(1 180)	(1 180)	(1 000)	(1 000)	(1 000)
Current year receipts		(177 143)	(168 531)	(9 765)	(9 307)	(9 040)	(9 040)	(6 116)	(3 848)	(4 130)
Conditions met - transferred to revenue		177 143	168 531	8 585	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Closing Balance		-	-	(1 180)	(9 307)	(10 220)	(10 220)	(7 116)	(4 849)	(5 130)
<b>Provincial Government:</b>										
Balance unspent at beginning of the year		(2 379)	(2 522)	(6 119)	-	(7 913)	(7 913)	(7 608)	(7 608)	(7 608)
Current year receipts		(13 616)	(21 847)	(23 039)	(30 763)	(14 098)	(14 098)	(23 268)	(63 065)	(100 523)
Conditions met - transferred to revenue		11 850	18 250	20 424	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	4 523	-	-	-	-	-	-
Closing Balance		(4 145)	(6 119)	(4 211)	(30 763)	(22 011)	(22 011)	(30 876)	(70 673)	(108 131)
<b>District Municipality:</b>										
Balance unspent at beginning of the year		(2 031)	-	(484)	-	(500)	(500)	(200)	(50)	(50)
Current year receipts		(540)	(984)	(615)	-	(400)	(400)	(500)	-	-
Conditions met - transferred to revenue		2 424	500	599	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Closing Balance		(147)	(484)	(500)	-	(900)	(900)	(700)	(50)	(50)
<b>Other grant providers:</b>										
Balance unspent at beginning of the year		(3 475)	(5 042)	(5 675)	(5 675)	(7 937)	(7 937)	(7 937)	(7 937)	(7 937)
Current year receipts		(3 566)	(675)	(2 365)	-	-	-	-	-	-
Conditions met - transferred to revenue		1 999	41	103	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Closing Balance		(5 042)	(5 675)	(7 937)	(5 675)	(7 937)	(7 937)	(7 937)	(7 937)	(7 937)
<b>Total operating transfers and grants revenue</b>		<b>193 416</b>	<b>187 322</b>	<b>29 712</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total operating transfers and grants - CTBM</b>	2	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Capital transfers and grants:</b>	1,3									
<b>National Government:</b>										
Balance unspent at beginning of the year		-	-	(8 382)	-	(8 030)	(8 030)	(38 162)	(38 162)	(38 162)
Current year receipts		(58 906)	(76 494)	(90 810)	(79 190)	(106 572)	(106 572)	(72 056)	(56 821)	(59 216)
Conditions met - transferred to revenue		58 906	68 112	91 162	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Closing Balance		(0)	(8 382)	(8 030)	(79 190)	(114 602)	(114 602)	(110 218)	(94 983)	(97 378)
<b>Provincial Government:</b>										
Balance unspent at beginning of the year		(233)	(6 240)	(3 686)	-	(7 905)	(7 905)	34 164	34 164	34 164
Current year receipts		(16 817)	(8 778)	(10 895)	(24 666)	(17 320)	(17 320)	(27 067)	(40 656)	(46 656)
Conditions met - transferred to revenue		12 433	11 332	2 865	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	771	-	-	-	-	-	-
Closing Balance		(4 617)	(3 686)	(10 944)	(24 666)	(25 225)	(25 225)	7 097	(6 492)	(12 492)
<b>District Municipality:</b>										
Balance unspent at beginning of the year		-	(147)	(147)	-	(147)	(147)	(147)	(147)	(147)
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Closing Balance		-	(147)	(147)	-	(147)	(147)	(147)	(147)	(147)
<b>Other grant providers:</b>										
Balance unspent at beginning of the year		(745)	(1 553)	(440)	(438)	(440)	(440)	(440)	(440)	(440)
Current year receipts		(808)	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	307	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	808	-	-	-	-	-	-	-
Closing Balance		(1 553)	(438)	(440)	(438)	(440)	(440)	(440)	(440)	(440)
<b>Total capital transfers and grants revenue</b>		<b>71 339</b>	<b>79 751</b>	<b>94 026</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total capital transfers and grants - CTBM</b>	2	<b>(6 171)</b>	<b>(12 653)</b>	<b>(19 562)</b>	<b>(104 293)</b>	<b>(140 414)</b>	<b>(140 414)</b>	<b>(103 709)</b>	<b>(102 062)</b>	<b>(110 458)</b>
<b>TOTAL TRANSFERS AND GRANTS REVENUE</b>		<b>264 755</b>	<b>267 073</b>	<b>123 738</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL TRANSFERS AND GRANTS - CTBM</b>		<b>(6 171)</b>	<b>(12 653)</b>	<b>(19 562)</b>	<b>(104 293)</b>	<b>(140 414)</b>	<b>(140 414)</b>	<b>(103 709)</b>	<b>(102 062)</b>	<b>(110 458)</b>

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

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousand</b>											
<b>Cash Transfers to other municipalities</b>											
Operational	1	-	-	-	-	-	-	-	-	-	-
Capital		-	-	-	-	-	-	-	-	-	-
<b>Total Cash Transfers To Municipalities:</b>		-	-	-	-	-	-	-	-	-	-
<b>Cash Transfers to Entities/Other External Mechanisms</b>											
Operational	2	-	-	-	-	-	-	-	-	-	-
Capital		-	-	-	-	-	-	-	-	-	-
<b>Total Cash Transfers To Entities/Ems'</b>		-	-	-	-	-	-	-	-	-	-
<b>Cash Transfers to other Organs of State</b>											
Operational	3	-	-	-	-	-	-	-	-	-	-
Capital		-	-	-	-	-	-	-	-	-	-
<b>Total Cash Transfers To Other Organs Of State:</b>		-	-	-	-	-	-	-	-	-	-
<b>Cash Transfers to Organisations</b>											
Operational		10 514	12 556	12 531	7 937	8 410	8 410	6 360	8 833	9 230	9 645
Capital		-	-	-	-	-	-	-	-	-	-
<b>Total Cash Transfers To Organisations</b>		10 514	12 556	12 531	7 937	8 410	8 410	6 360	8 833	9 230	9 645
<b>Cash Transfers to Groups of Individuals</b>											
Operational		495	808	962	8 402	7 292	7 292	4 866	7 000	7 140	7 283
Capital		-	-	-	-	-	-	-	-	-	-
<b>Total Cash Transfers To Groups Of Individuals:</b>		495	808	962	8 402	7 292	7 292	4 866	7 000	7 140	7 283
<b>TOTAL CASH TRANSFERS AND GRANTS</b>	6	11 010	13 364	13 494	16 338	15 701	15 701	11 225	15 833	16 370	16 928
<b>Non-Cash Transfers to other municipalities</b>											
Operational	1	-	-	-	-	-	-	-	-	-	-
Capital		-	-	-	-	-	-	-	-	-	-
<b>Total Non-Cash Transfers To Municipalities:</b>		-	-	-	-	-	-	-	-	-	-
<b>Non-Cash Transfers to Entities/Other External Mechanisms</b>											
Operational	2	-	-	-	-	-	-	-	-	-	-
Capital		-	-	-	-	-	-	-	-	-	-
<b>Total Non-Cash Transfers To Entities/Ems'</b>		-	-	-	-	-	-	-	-	-	-
<b>Non-Cash Transfers to other Organs of State</b>											
Operational	3	-	-	-	-	-	-	-	-	-	-
Capital		-	-	-	-	-	-	-	-	-	-
<b>Total Non-Cash Transfers To Other Organs Of State:</b>		-	-	-	-	-	-	-	-	-	-
<b>Non-Cash Grants to Organisations</b>											
Operational	4	-	-	-	-	-	-	-	-	-	-
Capital		-	-	-	-	-	-	-	-	-	-
<b>Total Non-Cash Grants To Organisations</b>		-	-	-	-	-	-	-	-	-	-
<b>Non-Cash Transfers to Groups of Individuals</b>											
Operational	5	-	-	4 265	4 297	4 497	4 497	2 533	4 906	5 123	5 347
Capital		-	-	-	-	-	-	-	-	-	-
<b>Total Non-Cash Grants To Groups Of Individuals:</b>		-	-	4 265	4 297	4 497	4 497	2 533	4 906	5 123	5 347
<b>TOTAL NON-CASH TRANSFERS AND GRANTS</b>		-	-	4 265	4 297	4 497	4 497	2 533	4 906	5 123	5 347
<b>TOTAL TRANSFERS AND GRANTS</b>	6	11 010	13 364	17 758	20 636	20 199	20 199	13 759	20 739	21 493	22 276

## WC024 Stellenbosch - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand		A	B	C	D	E	F	G	H	I
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		12 149	15 253	19 152	18 759	18 759	18 759	19 884	21 077	22 342
Pension and UIF Contributions		-	438	511	495	495	495	525	556	589
Medical Aid Contributions		-	157	115	133	133	133	141	150	159
Motor Vehicle Allowance		4 356	2 039	985	763	763	763	809	858	909
Cellphone Allowance		1 997	1 929	2 003	1 946	1 946	1 946	2 063	2 187	2 318
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		155	-	-	-	-	-	-	-	-
<b>Sub Total - Councillors</b>		<b>18 657</b>	<b>19 815</b>	<b>22 765</b>	<b>22 097</b>	<b>22 097</b>	<b>22 097</b>	<b>23 422</b>	<b>24 828</b>	<b>26 317</b>
% increase	4		6.2%	14.9%	(2.9%)	-	-	6.0%	6.0%	6.0%
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages		4 991	7 245	8 064	8 540	8 540	8 540	9 053	9 596	10 172
Pension and UIF Contributions		-	660	671	757	774	774	820	870	922
Medical Aid Contributions		-	118	123	132	135	135	143	152	161
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		1 190	1 242	1 230	1 472	1 658	1 658	1 758	1 863	1 975
Motor Vehicle Allowance	3	-	550	500	601	624	624	662	701	743
Cellphone Allowance	3	-	133	241	169	169	169	179	190	201
Housing Allowances	3	-	18	18	20	20	20	21	23	24
Other benefits and allowances	3	0	104	122	109	109	109	115	122	129
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		3 957	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	(9 653)	(452)	(30 656)	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>		<b>484</b>	<b>9 617</b>	<b>(19 687)</b>	<b>11 799</b>	<b>12 030</b>	<b>12 030</b>	<b>12 752</b>	<b>13 517</b>	<b>14 328</b>
% increase	4		1 885.9%	(304.7%)	(159.9%)	2.0%	-	6.0%	6.0%	6.0%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		333 582	333 629	339 618	363 114	355 382	355 382	371 358	369 054	392 224
Pension and UIF Contributions		56 980	55 262	58 329	63 177	67 240	67 240	71 416	75 852	80 564
Medical Aid Contributions		25 058	25 564	26 985	28 303	30 393	30 393	32 277	34 278	36 404
Overtime		40 619	42 035	42 458	45 105	47 932	47 932	50 904	54 060	57 411
Performance Bonus		25 010	24 641	26 109	28 473	29 584	29 584	31 418	33 366	35 435
Motor Vehicle Allowance	3	9 266	8 923	8 357	11 405	12 202	12 202	12 974	13 778	14 631
Cellphone Allowance	3	1 883	1 751	1 930	2 577	2 821	2 821	2 996	3 181	3 378
Housing Allowances	3	2 773	2 780	2 698	3 037	3 212	3 212	3 411	3 623	3 847
Other benefits and allowances	3	22 707	20 610	24 138	23 272	24 890	24 890	26 433	28 072	29 813
Payments in lieu of leave		(3)	294	-	-	-	-	-	-	-
Long service awards		(53)	-	5 150	-	-	-	-	-	-
Post-retirement benefit obligations	6	38 067	23 146	25 294	35 781	35 781	35 781	37 999	40 355	42 857
Entertainment		-	1	-	-	-	-	-	-	-
Scarcity		1 630	738	807	824	1 518	1 518	1 612	1 712	1 818
Acting and post related allowance		469	564	593	828	852	852	905	961	1 021
In kind benefits		-	-	-	-	-	-	-	-	-
<b>Sub Total - Other Municipal Staff</b>		<b>557 987</b>	<b>539 937</b>	<b>562 466</b>	<b>605 895</b>	<b>611 806</b>	<b>611 806</b>	<b>643 703</b>	<b>658 292</b>	<b>699 403</b>
% increase	4		(3.2%)	4.2%	7.7%	1.0%	-	5.2%	2.3%	6.2%
<b>Total Parent Municipality</b>		<b>577 129</b>	<b>569 370</b>	<b>565 544</b>	<b>639 790</b>	<b>645 932</b>	<b>645 932</b>	<b>679 877</b>	<b>696 636</b>	<b>740 048</b>
			(1.3%)	(0.7%)	13.1%	1.0%	-	5.3%	2.5%	6.2%
<b>Board Members of Entities</b>										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	-	-	-	-	-	-	-	-	-
Cellphone Allowance	3	-	-	-	-	-	-	-	-	-
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	-	-	-	-	-	-	-	-
Board Fees		-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-

Summary of Employee and Councillor remuneration	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousand</b>										
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits	6	-	-	-	-	-	-	-	-	-
<b>Sub Total - Board Members of Entities</b>		-	-	-	-	-	-	-	-	-
<b>% increase</b>	4	-	-	-	-	-	-	-	-	-
<b>Senior Managers of Entities</b>										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	-	-	-	-	-	-	-	-	-
Cellphone Allowance	3	-	-	-	-	-	-	-	-	-
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Entities</b>		-	-	-	-	-	-	-	-	-
<b>% increase</b>	4	-	-	-	-	-	-	-	-	-
<b>Other Staff of Entities</b>										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	-	-	-	-	-	-	-	-	-
Cellphone Allowance	3	-	-	-	-	-	-	-	-	-
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
<b>Sub Total - Other Staff of Entities</b>		-	-	-	-	-	-	-	-	-
<b>% increase</b>	4	-	-	-	-	-	-	-	-	-
<b>Total Municipal Entities</b>		-	-	-	-	-	-	-	-	-
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		577 129	569 370	565 544	639 790	645 932	645 932	679 877	696 636	740 048
<b>% increase</b>	4		(1.3%)	(0.7%)	13.1%	1.0%	-	5.3%	2.5%	6.2%
<b>TOTAL MANAGERS AND STAFF</b>	5,7	558 472	549 555	542 779	617 694	623 836	623 836	656 455	671 808	713 731



WC024 Stellenbosch - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2022/23			Current Year 2023/24			Budget Year 2024/25		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
<b>Municipal Council and Boards of Municipal Entities</b>										
Councillors (Political Office Bearers plus Other Councillors)		43	43	-	45	44	-	45	45	-
Board Members of municipal entities	4	-	-	-	-	-	-	-	-	-
<b>Municipal employees</b>	5	-	-	-	-	-	-	-	-	-
Municipal Manager and Senior Managers	3	5	5	-	6	6	-	6	6	-
Other Managers	7	11	11	-	14	10	-	14	12	-
<b>Professionals</b>		110	74	6	114	88	-	114	97	-
<i>Finance</i>		27	17	3	16	15	-	16	15	-
<i>Spatial/town planning</i>		10	15	-	25	23	-	25	23	-
<i>Information Technology</i>		7	7	-	-	3	-	-	-	-
<i>Roads</i>		5	2	1	4	3	-	4	3	-
<i>Electricity</i>		2	1	-	-	3	-	-	-	-
<i>Water</i>		3	3	-	11	3	-	11	3	-
<i>Sanitation</i>		1	-	-	-	-	-	-	-	-
<i>Refuse</i>		4	1	-	-	3	-	-	-	-
<i>Other</i>		51	28	2	58	35	-	58	53	-
<b>Technicians</b>		177	163	-	597	359	-	597	234	-
<i>Finance</i>		-	-	-	65	50	-	65	28	-
<i>Spatial/town planning</i>		11	11	-	60	29	-	60	28	-
<i>Information Technology</i>		-	-	-	10	6	-	10	9	-
<i>Roads</i>		23	23	-	27	18	-	27	11	-
<i>Electricity</i>		29	29	-	46	23	-	46	28	-
<i>Water</i>		59	59	-	80	34	-	80	57	-
<i>Sanitation</i>		-	-	-	-	-	-	-	-	-
<i>Refuse</i>		11	11	-	7	-	-	7	1	-
<i>Other</i>		44	30	-	302	199	-	302	72	-
Clerks (Clerical and administrative)		241	241	85	409	227	-	409	177	-
Service and sales workers		160	160	96	184	72	-	184	150	-
Skilled agricultural and fishery workers		-	-	-	-	-	-	-	-	-
Craft and related trades		-	-	-	-	-	-	-	-	-
Plant and Machine Operators		58	58	-	170	103	-	170	109	-
Elementary Occupations		479	423	12	492	263	-	492	363	-
<b>TOTAL PERSONNEL NUMBERS</b>	9	1 284	1 178	199	2 031	1 172	-	2 031	1 193	-
% increase					58.2%	(0.5%)	(100.0%)	-	1.8%	-
<b>Total municipal employees headcount</b>	6, 10	-	-	-	-	-	-	-	1 193	-
Finance personnel headcount	8, 10	-	-	-	-	-	-	-	126	-
Human Resources personnel headcount	8, 10	-	-	-	-	-	-	-	17	-

WC024 Stellenbosch - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	
<b>R thousand</b>																	
<b>Revenue</b>																	
<b>Exchange Revenue</b>																	
Service charges - Electricity		77 887	80 207	88 672	69 051	67 880	68 183	60 336	65 913	87 179	87 179	54 714	222 504	1 029 705	1 167 017	1 322 068	
Service charges - Water		10 523	10 762	12 120	13 414	13 015	17 453	18 631	26 036	16 242	16 242	16 242	11 842	182 522	190 924	199 712	
Service charges - Waste Water Management		14 448	7 576	9 207	8 867	9 250	9 240	8 633	9 368	9 597	9 597	9 597	17 392	122 772	132 593	143 201	
Service charges - Waste Management		16 172	6 906	7 227	7 074	7 131	7 192	7 184	7 141	9 779	9 779	9 779	17 919	115 082	120 375	125 913	
Sale of Goods and Rendering of Services		1 706	1 814	1 746	1 480	2 346	1 315	1 453	2 272	1 858	1 821	1 821	5 021	24 654	25 775	26 953	
Agency services		269	302	341	196	427	38	-	-	293	293	293	1 343	3 794	3 965	4 144	
Interest		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest earned from Receivables		1 502	1 599	1 612	1 696	1 664	1 686	1 730	1 756	1 310	1 310	936	1 372	18 173	18 990	19 845	
Interest earned from Current and Non Current Assets		3 686	3 686	3 686	3 686	3 686	3 686	3 686	3 686	3 686	3 686	3 686	3 686	44 232	44 674	45 121	
Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rent on Land		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rental from Fixed Assets		827	975	845	829	807	797	822	915	954	929	929	4 021	13 649	14 272	14 924	
Licence and permits		412	743	891	470	1 048	250	397	346	687	679	506	1 957	8 386	8 763	9 157	
Operational Revenue		553	11 496	5 785	231	2 294	2 655	684	2 654	2 519	2 519	2 517	13 786	47 692	46 806	48 914	
<b>Non-Exchange Revenue</b>																	
Property rates		107 854	45 729	34 403	33 755	35 204	27 339	35 369	(1 032)	(6)	-	-	190 502	509 116	527 642	557 117	
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fines, penalties and forfeits		84	135	22 527	9 440	225	20	9	53 908	11 464	11 462	11 462	42 644	163 380	170 694	178 337	
Licences or permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer and subsidies - Operational		67 970	181	181	1 339	181	33 403	(146)	4 786	13 612	13 612	13 612	96 907	245 638	299 530	356 393	
Interest		301	314	318	439	367	343	366	71	280	280	280	-	3 359	3 426	3 587	
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Operational Revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Gains		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>304 196</b>	<b>172 424</b>	<b>189 561</b>	<b>151 967</b>	<b>145 526</b>	<b>173 599</b>	<b>139 151</b>	<b>177 820</b>	<b>159 453</b>	<b>159 388</b>	<b>126 374</b>	<b>632 694</b>	<b>2 532 153</b>	<b>2 775 448</b>	<b>3 055 386</b>	
<b>Expenditure</b>																	
Employee related costs		52 096	52 096	52 096	52 096	84 696	51 963	51 963	51 963	51 963	51 701	51 284	52 535	656 455	671 808	713 731	
Remuneration of councillors		1 952	1 952	1 952	1 952	1 952	1 952	1 952	1 952	1 952	1 952	1 952	1 952	23 422	24 828	26 317	
Inventory consumed		59 533	59 533	59 533	59 533	59 533	59 533	59 533	59 533	59 533	59 533	59 533	59 533	714 397	805 126	907 377	
Debt impairment		8 253	8 477	9 745	9 043	9 035	8 690	8 909	9 640	8 934	8 343	7 508	16 064	112 641	119 350	126 520	
Depreciation and amortisation		-	-	-	-	-	-	-	-	-	-	-	74 711	74 711	78 259	81 975	
Bulk purchases - electricity		0	0	0	0	0	0	0	0	0	0	-	249 408	249 408	259 395	269 782	
Interest		-	-	-	-	-	27 681	-	-	103	103	103	41 599	69 589	72 873	77 164	
Contracted services		17 900	21 160	24 795	26 097	28 776	23 484	24 124	20 561	22 131	16 030	10 177	62 198	297 434	322 301	372 815	
Transfers and subsidies		852	9 570	852	852	852	852	852	852	852	852	1 052	2 448	20 739	21 493	22 276	
Irrecoverable debts written off		-	5	-	9	2	3	11	0	17	17	17	121 302	121 383	126 845	132 553	
Operational costs		11 843	9 636	16 461	12 868	13 012	11 495	9 474	14 076	5 774	4 695	4 480	56 072	169 885	176 959	182 325	
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Losses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Expenditure</b>		<b>152 429</b>	<b>162 428</b>	<b>165 435</b>	<b>162 451</b>	<b>197 857</b>	<b>185 654</b>	<b>156 819</b>	<b>158 577</b>	<b>151 260</b>	<b>143 226</b>	<b>136 107</b>	<b>737 822</b>	<b>2 510 064</b>	<b>2 679 238</b>	<b>2 912 834</b>	
<b>Surplus/(Deficit)</b>		<b>151 768</b>	<b>9 996</b>	<b>24 126</b>	<b>(10 485)</b>	<b>(52 331)</b>	<b>(12 054)</b>	<b>(17 667)</b>	<b>19 243</b>	<b>8 193</b>	<b>16 162</b>	<b>(9 733)</b>	<b>(105 128)</b>	<b>22 089</b>	<b>96 211</b>	<b>142 552</b>	
Transfers and subsidies - capital (monetary allocations)		744	2 444	12 741	6 869	15 061	8 799	2 739	2 032	5 495	5 918	5 495	30 785	99 123	97 477	105 872	
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) after capital transfers & contributions		-	-	-	-	-	-	-	-	-	-	-	121 212	121 212	193 687	248 424	

Description	Ref	Budget Year 2024/25											Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand																
Income Tax		152 512	12 440	36 867	(3 615)	(37 270)	(3 255)	(14 928)	21 275	13 688	22 080	(4 237)	46 870	242 425	387 374	496 847
Surplus/(Deficit) after income tax		-	-	-	-	-	-	-	-	-	-	-	121 212	121 212	193 687	248 424
Surplus/(Deficit) attributable to municipality		-	-	-	-	-	-	-	-	-	-	-	121 212	121 212	193 687	248 424
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	152 512	12 440	36 867	(3 615)	(37 270)	(3 255)	(14 928)	21 275	13 688	22 080	(4 237)	46 870	242 425	387 374	496 847



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

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousand</b>																
<b>Revenue by Vote</b>																
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 2 - PLANNING AND DEVELOPMENT SERVICES		1 641	1 541	2 088	1 844	2 343	1 541	1 541	2 882	2 989	3 411	2 989	9 231	34 040	51 123	57 595
Vote 3 - INFRASTRUCTURE SERVICES		158 511	119 212	131 576	106 884	115 772	126 897	99 588	112 982	135 898	135 898	103 057	401 683	1 747 957	1 939 228	2 174 440
Vote 4 - COMMUNITY AND PROTECTION SERVICES		1 239	3 616	24 346	11 534	2 529	771	278	59 679	14 007	13 941	13 768	54 208	199 917	208 354	217 696
Vote 5 - CORPORATE SERVICES		818	714	629	526	599	625	1 020	635	884	880	880	4 428	12 637	12 896	13 502
Vote 6 - FINANCIAL SERVICES		142 732	49 784	43 663	38 048	39 344	52 565	39 463	3 673	11 170	11 176	11 176	193 930	636 725	661 324	698 024
<b>Total Revenue by Vote</b>		<b>304 940</b>	<b>174 868</b>	<b>202 302</b>	<b>158 836</b>	<b>160 587</b>	<b>182 399</b>	<b>141 891</b>	<b>179 852</b>	<b>164 948</b>	<b>165 306</b>	<b>131 870</b>	<b>663 479</b>	<b>2 631 276</b>	<b>2 872 925</b>	<b>3 161 258</b>
<b>Expenditure by Vote to be appropriated</b>																
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		1 111	1 185	1 309	1 459	2 775	1 157	1 352	1 132	1 362	1 087	1 079	2 194	17 203	18 018	19 029
Vote 2 - PLANNING AND DEVELOPMENT SERVICES		5 376	13 782	7 192	6 843	10 826	8 374	6 630	6 425	7 208	6 413	6 425	12 735	98 228	103 225	116 856
Vote 3 - INFRASTRUCTURE SERVICES		97 210	99 422	101 358	101 217	113 643	127 560	97 953	98 576	97 608	92 579	91 110	421 745	1 539 980	1 683 109	1 865 333
Vote 4 - COMMUNITY AND PROTECTION SERVICES		24 601	26 956	26 979	27 979	40 475	25 641	28 501	27 588	26 516	24 955	19 312	211 480	510 981	517 885	537 233
Vote 5 - CORPORATE SERVICES		10 352	12 845	19 460	15 436	15 353	11 772	13 442	16 312	10 262	10 218	10 209	70 958	216 618	226 265	236 773
Vote 6 - FINANCIAL SERVICES		13 778	8 238	9 137	9 517	14 786	11 150	8 941	8 545	8 305	7 973	7 972	18 710	127 053	130 736	137 609
<b>Total Expenditure by Vote</b>		<b>152 429</b>	<b>162 428</b>	<b>165 435</b>	<b>162 451</b>	<b>197 857</b>	<b>185 654</b>	<b>156 819</b>	<b>158 577</b>	<b>151 260</b>	<b>143 226</b>	<b>136 107</b>	<b>737 822</b>	<b>2 510 064</b>	<b>2 679 238</b>	<b>2 912 834</b>
<b>Surplus/(Deficit) before assoc.</b>		<b>152 512</b>	<b>12 440</b>	<b>36 867</b>	<b>(3 615)</b>	<b>(37 270)</b>	<b>(3 255)</b>	<b>(14 928)</b>	<b>21 275</b>	<b>13 688</b>	<b>22 080</b>	<b>(4 237)</b>	<b>(74 343)</b>	<b>121 212</b>	<b>193 687</b>	<b>248 424</b>
Surplus/(Deficit) after income tax		-	-	-	-	-	-	-	-	-	-	-	121 212	121 212	193 687	248 424
Surplus/(Deficit) attributable to municipality		-	-	-	-	-	-	-	-	-	-	-	121 212	121 212	193 687	248 424
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>152 512</b>	<b>12 440</b>	<b>36 867</b>	<b>(3 615)</b>	<b>(37 270)</b>	<b>(3 255)</b>	<b>(14 928)</b>	<b>21 275</b>	<b>13 688</b>	<b>22 080</b>	<b>(4 237)</b>	<b>(74 343)</b>	<b>121 212</b>	<b>193 687</b>	<b>248 424</b>

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

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>Revenue - Functional</b>																
<i>Governance and administration</i>		143 549	50 499	44 292	38 573	39 942	53 190	40 484	4 308	12 054	12 056	12 056	198 358	649 362	674 220	711 526
Executive and council		54	53	83	77	31	55	32	39	104	104	104	246	981	692	725
Finance and administration		143 496	50 446	44 209	38 497	39 911	53 136	40 451	4 270	11 951	11 952	11 952	198 111	648 380	673 527	710 801
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		2 037	4 309	25 306	12 548	3 441	1 484	990	61 725	16 159	16 516	15 920	59 995	220 431	248 111	263 415
Community and social services		137	2 038	138	1 191	430	490	(225)	5 408	1 114	1 089	1 089	4 975	17 872	18 150	18 968
Sport and recreation		-	-	7	-	3	1	-	2	40	4	4	195	257	269	281
Public safety		1 083	1 554	24 176	10 338	2 083	276	499	54 257	12 843	12 838	12 665	47 648	180 261	188 337	196 776
Housing		817	717	985	1 020	925	717	717	2 058	2 162	2 585	2 162	7 177	22 041	41 354	47 389
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		1 344	6 468	11 965	7 173	13 402	10 304	3 313	2 654	7 125	7 125	7 125	40 040	118 038	127 290	169 860
Planning and development		1 066	2 831	11 744	7 032	12 071	9 167	3 119	1 876	5 551	5 551	5 551	37 564	103 123	112 141	154 044
Road transport		259	3 613	197	136	1 318	1 133	190	767	1 563	1 563	1 563	1 119	13 421	13 586	14 180
Environmental protection		19	24	25	5	13	4	4	12	10	10	10	1 357	1 494	1 563	1 635
<i>Trading services</i>		158 010	113 592	120 738	100 541	103 802	117 421	97 103	111 164	129 610	129 610	96 769	365 086	1 643 446	1 823 304	2 016 457
Energy sources		95 066	80 850	90 605	69 675	72 262	78 763	61 025	66 571	91 482	91 482	59 015	268 523	1 125 318	1 275 163	1 436 356
Water management		11 403	14 296	13 049	14 335	14 038	18 825	19 625	27 218	17 272	17 272	17 272	30 621	215 225	225 564	236 430
Waste water management		18 372	10 594	9 525	9 123	9 904	12 190	8 921	9 830	10 810	10 810	10 643	38 798	159 519	171 841	185 157
Waste management		33 170	7 851	7 560	7 407	7 598	7 644	7 533	7 545	10 046	10 046	9 839	27 145	143 384	150 736	158 514
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>		<b>304 940</b>	<b>174 868</b>	<b>202 302</b>	<b>158 836</b>	<b>160 587</b>	<b>182 399</b>	<b>141 891</b>	<b>179 852</b>	<b>164 948</b>	<b>165 306</b>	<b>131 870</b>	<b>663 479</b>	<b>2 631 276</b>	<b>2 872 925</b>	<b>3 161 258</b>
<b>Expenditure - Functional</b>																
<i>Governance and administration</i>		25 016	22 039	29 542	26 043	32 314	23 855	23 403	25 735	19 485	19 055	19 038	88 191	353 715	367 549	385 614
Executive and council		2 354	2 299	2 406	2 791	2 953	2 750	2 686	2 381	2 294	2 297	2 289	5 692	33 191	34 627	36 494
Finance and administration		22 274	19 278	26 729	22 784	28 482	20 720	20 252	22 985	16 821	16 389	16 380	81 840	314 934	327 145	343 018
Internal audit		387	462	408	469	879	385	465	369	370	369	369	659	5 591	5 777	6 102
<i>Community and public safety</i>		24 451	26 548	27 763	28 772	41 089	26 142	29 291	28 133	27 032	25 792	20 105	213 850	518 969	536 170	563 678
Community and social services		3 565	5 199	3 991	4 304	5 809	4 112	4 038	3 941	4 940	3 957	3 674	8 161	55 692	56 001	58 708
Sport and recreation		4 854	5 010	5 026	5 691	8 083	4 917	5 201	5 456	4 939	4 877	4 774	16 304	75 133	79 247	83 596
Public safety		13 921	14 143	15 484	15 405	22 808	13 994	16 947	15 582	13 953	13 739	8 504	181 054	345 534	355 555	366 387
Housing		2 112	2 196	3 262	3 372	4 388	3 120	3 104	3 154	3 200	3 219	3 153	8 331	42 611	45 367	54 988
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		9 671	18 641	12 349	11 973	18 065	13 058	11 140	11 704	14 726	12 017	11 379	84 156	228 879	268 718	318 458
Planning and development		4 359	12 697	5 211	4 749	8 250	6 363	4 743	4 435	6 267	4 969	5 047	17 999	85 091	127 806	170 724
Road transport		4 311	4 599	5 920	5 905	7 621	5 338	5 342	5 971	7 036	5 927	5 234	61 493	124 696	120 857	126 643
Environmental protection		1 001	1 345	1 218	1 319	2 194	1 357	1 055	1 298	1 423	1 121	1 098	4 663	19 092	20 056	21 090

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<i>Trading services</i>		93 290	95 200	95 781	95 663	106 390	122 599	92 985	93 006	90 017	86 361	85 585	351 625	1 408 501	1 506 800	1 645 084
Energy sources		64 696	64 969	64 976	65 312	67 464	69 305	65 273	65 862	64 713	64 660	64 364	116 575	838 169	933 970	1 043 480
Water management		9 053	9 058	9 053	9 054	11 740	15 768	8 650	8 652	8 637	8 637	8 637	71 857	178 797	191 890	202 608
Waste water management		10 616	11 307	11 996	12 201	15 106	22 199	11 232	10 448	9 919	8 705	8 225	98 597	230 551	243 910	256 276
Waste management		8 924	9 865	9 755	9 096	12 080	15 327	7 830	8 044	6 747	4 359	4 359	64 596	160 984	137 031	142 720
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>		<b>152 429</b>	<b>162 428</b>	<b>165 435</b>	<b>162 451</b>	<b>197 857</b>	<b>185 654</b>	<b>156 819</b>	<b>158 577</b>	<b>151 260</b>	<b>143 226</b>	<b>136 107</b>	<b>737 822</b>	<b>2 510 064</b>	<b>2 679 238</b>	<b>2 912 834</b>
<b>Surplus/(Deficit) before assoc.</b>		<b>152 512</b>	<b>12 440</b>	<b>36 867</b>	<b>(3 615)</b>	<b>(37 270)</b>	<b>(3 255)</b>	<b>(14 928)</b>	<b>21 275</b>	<b>13 688</b>	<b>22 080</b>	<b>(4 237)</b>	<b>(74 343)</b>	<b>121 212</b>	<b>193 687</b>	<b>248 424</b>
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>152 512</b>	<b>12 440</b>	<b>36 867</b>	<b>(3 615)</b>	<b>(37 270)</b>	<b>(3 255)</b>	<b>(14 928)</b>	<b>21 275</b>	<b>13 688</b>	<b>22 080</b>	<b>(4 237)</b>	<b>(74 343)</b>	<b>121 212</b>	<b>193 687</b>	<b>248 424</b>

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

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	
<b>R thousand</b>																	
<b>Multi-year expenditure to be appropriated</b>	1																
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		-	-	-	26	11	1	1	-	-	-	-	1	40	40	50	
Vote 2 - PLANNING AND DEVELOPMENT SERVICES		100	250	1 358	1 025	1 695	1 220	1 295	2 135	2 096	2 598	1 983	2 540	18 294	37 170	43 715	
Vote 3 - INFRASTRUCTURE SERVICES		3 536	14 546	17 990	26 753	23 566	29 670	15 598	25 343	76 473	70 555	65 736	88 917	458 684	408 931	457 035	
Vote 4 - COMMUNITY AND PROTECTION SERVICES		-	-	5 733	6 690	7 500	7 400	705	5 200	4 958	3 648	2 608	8 706	53 148	61 271	7 750	
Vote 5 - CORPORATE SERVICES		-	-	40	30	760	20	-	4 003	11 303	11 193	11 703	17 370	56 420	50 970	12 550	
Vote 6 - FINANCIAL SERVICES		-	-	20	-	20	-	20	-	18	18	4	-	100	100	100	
<b>Capital multi-year expenditure sub-total</b>	2	<b>3 636</b>	<b>14 796</b>	<b>25 140</b>	<b>34 524</b>	<b>33 552</b>	<b>38 312</b>	<b>17 619</b>	<b>36 681</b>	<b>94 847</b>	<b>88 012</b>	<b>82 034</b>	<b>117 533</b>	<b>586 686</b>	<b>558 482</b>	<b>521 200</b>	
<b>Single-year expenditure to be appropriated</b>																	
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 2 - PLANNING AND DEVELOPMENT SERVICES		-	97	407	82	257	22	7	272	7	372	7	422	1 950	1 300	1 330	
Vote 3 - INFRASTRUCTURE SERVICES		-	-	35	45	200	309	150	250	2 810	460	210	330	4 800	4 200	7 400	
Vote 4 - COMMUNITY AND PROTECTION SERVICES		-	-	1 613	970	1 395	4 858	60	1 675	1 968	25	585	4 462	17 609	4 860	13 550	
Vote 5 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 6 - FINANCIAL SERVICES		50	-	40	-	40	-	40	113	149	150	151	568	1 300	1 300	1 300	
<b>Capital single-year expenditure sub-total</b>	2	<b>50</b>	<b>97</b>	<b>2 094</b>	<b>1 097</b>	<b>1 892</b>	<b>5 188</b>	<b>257</b>	<b>2 309</b>	<b>4 934</b>	<b>1 007</b>	<b>953</b>	<b>5 782</b>	<b>25 659</b>	<b>11 660</b>	<b>23 580</b>	
<b>Total Capital Expenditure</b>	2	<b>3 686</b>	<b>14 893</b>	<b>27 234</b>	<b>35 621</b>	<b>35 444</b>	<b>43 500</b>	<b>17 876</b>	<b>38 990</b>	<b>99 781</b>	<b>89 018</b>	<b>82 987</b>	<b>123 314</b>	<b>612 345</b>	<b>570 142</b>	<b>544 780</b>	

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

Description	Ref	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>Capital Expenditure - Functional</b>	1															
<i>Governance and administration</i>		58 733	58 683	58 783	58 739	59 514	58 704	58 744	62 798	70 153	70 043	70 541	(627 575)	57 860	52 410	14 000
Executive and council		-	-	-	26	11	1	1	-	-	-	-	1	40	40	50
Finance and administration		58 733	58 683	58 783	58 713	59 503	58 703	58 743	62 798	70 153	70 043	70 541	(627 576)	57 820	52 370	13 950
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		100	250	7 860	7 720	9 870	11 748	1 875	8 895	7 287	5 976	4 991	14 859	81 431	100 991	64 740
Community and social services		-	-	5 000	5 025	5 315	8 850	505	2 590	2 530	2 450	1 905	4 899	39 069	44 481	8 750
Sport and recreation		-	-	500	1 525	2 775	420	250	3 600	2 450	800	580	400	13 300	6 900	7 350
Public safety		-	-	783	325	20	1 438	10	500	396	(42)	708	6 806	10 943	12 500	5 000
Housing		100	250	1 578	845	1 760	1 040	1 110	2 205	1 911	2 768	1 798	2 755	18 119	37 110	43 640
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		1 461	4 608	7 561	9 903	10 513	12 228	6 620	10 650	19 030	11 213	4 900	5 467	104 153	105 185	76 221
Planning and development		211	2 108	2 398	2 473	2 703	1 413	2 035	345	335	345	335	350	15 050	9 785	9 915
Road transport		1 250	2 500	5 163	6 645	7 025	10 350	4 585	10 120	18 230	10 403	4 565	5 117	85 953	95 150	66 106
Environmental protection		-	-	-	785	785	465	-	185	465	465	-	-	3 150	250	200
<i>Trading services</i>		2 075	10 035	11 713	17 942	14 230	19 502	9 320	15 330	61 995	60 470	61 239	85 049	368 901	311 556	389 819
Energy sources		-	1 976	5 455	8 718	7 262	5 572	5 642	10 172	10 318	9 222	10 882	14 896	90 116	131 256	196 219
Water management		-	5 859	3 057	4 031	4 493	7 000	522	2 587	30 961	30 961	30 961	36 450	156 882	86 450	73 950
Waste water management		-	-	931	2 820	10	1 861	679	516	17 671	17 671	17 671	17 671	77 504	67 300	93 900
Waste management		2 075	2 200	2 270	2 373	2 465	5 070	2 477	2 054	3 045	2 615	1 725	16 031	44 400	26 550	25 750
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional</b>	2	62 369	73 576	85 917	94 304	94 127	102 183	76 559	97 673	158 464	147 701	141 670	(522 200)	612 345	570 142	544 780
<b>Funded by:</b>																
National Government		-	5 728	8 265	9 539	10 418	15 481	553	6 099	5 700	456	1 000	8 816	72 056	56 821	59 216
Provincial Government		275	1 975	3 068	2 995	3 495	2 175	2 607	1 992	1 898	2 412	1 725	2 451	27 067	40 656	46 656
District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other transfers and grants		1 200	2 200	3 052	3 600	4 067	3 306	2 660	3 439	5 212	4 112	3 662	1 919	38 428	33 500	12 200
Transfers recognised - capital		1 475	9 903	14 385	16 134	17 980	20 962	5 819	11 530	12 810	6 980	6 387	13 186	137 551	130 977	118 072
Public contributions & donations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing		1 825	4 057	5 770	11 243	6 764	6 603	6 178	8 936	32 836	32 752	31 500	51 535	200 000	200 000	200 000
Internally generated funds		59 069	59 616	65 762	66 927	69 382	74 617	64 561	77 208	112 819	107 969	103 784	(586 921)	274 795	239 165	226 708
<b>Total Capital Funding</b>		62 369	73 576	85 917	94 304	94 127	102 183	76 559	97 673	158 464	147 701	141 670	(522 200)	612 345	570 142	544 780

## WC024 Stellenbosch - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousand</b>															
<b>Cash Receipts By Source</b>															
Property rates	40 729	40 729	40 729	40 729	40 729	40 729	40 729	40 733	40 729	40 729	40 729	40 729	488 755	506 540	534 835
Service charges - electricity revenue	87 925	90 529	100 018	78 304	76 693	76 850	68 467	74 424	98 074	98 074	61 623	247 648	1 158 627	1 313 104	1 487 537
Service charges - water revenue	12 434	12 747	14 223	15 665	15 301	20 112	21 456	29 555	18 617	18 617	18 617	5 196	202 541	211 859	221 604
Service charges - sanitation revenue	11 322	11 324	11 322	11 322	11 322	11 318	11 320	11 320	11 322	11 322	11 322	11 359	135 898	146 757	158 485
Service charges - refuse revenue	18 474	8 106	8 536	8 342	8 421	8 545	8 573	8 521	11 486	11 486	11 257	25 022	136 768	143 057	149 635
Rental of facilities and equipment	1 044	1 354	1 080	1 047	1 002	979	1 033	1 228	1 310	1 258	1 258	7 763	20 357	21 293	22 271
Interest earned - external investments	3 686	3 686	3 686	3 686	3 686	3 686	3 686	3 686	3 686	3 686	3 686	3 686	44 232	44 674	45 121
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	3 407	3 417	3 401	3 408	3 498	3 408	3 402	3 411	3 402	3 400	3 400	3 427	40 982	42 814	44 728
Licences and permits	412	743	891	470	1 048	250	397	346	687	679	506	1 957	8 386	8 763	9 157
Agency services	269	302	341	196	427	38	-	-	293	293	293	1 343	3 794	3 965	4 144
Transfers and Subsidies - Operational	67 958	168	168	1 241	168	33 390	(159)	4 773	15 606	15 606	15 606	90 960	245 488	299 530	355 884
Other revenue	(657)	13 930	9 938	7 673	11 109	10 094	5 212	9 569	15 027	12 166	15 162	25 430	134 653	121 629	118 085
<b>Cash Receipts by Source</b>	<b>247 003</b>	<b>187 035</b>	<b>194 334</b>	<b>172 083</b>	<b>173 406</b>	<b>209 401</b>	<b>164 117</b>	<b>187 566</b>	<b>220 239</b>	<b>217 316</b>	<b>183 460</b>	<b>464 521</b>	<b>2 620 482</b>	<b>2 863 984</b>	<b>3 151 486</b>
<b>Other Cash Flows by Source</b>															
Transfers and subsidies - capital (monetary allocations)	744	2 444	12 462	6 869	15 061	8 799	2 739	2 032	5 870	6 293	5 870	29 938	99 123	97 477	105 872
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	16 667	16 667	16 667	16 667	16 667	16 667	16 667	16 667	16 667	16 667	16 667	16 667	200 000	200 000	200 000
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>	<b>264 414</b>	<b>206 146</b>	<b>223 463</b>	<b>195 619</b>	<b>205 134</b>	<b>234 867</b>	<b>183 523</b>	<b>206 264</b>	<b>242 776</b>	<b>240 276</b>	<b>205 997</b>	<b>511 126</b>	<b>2 919 605</b>	<b>3 161 461</b>	<b>3 457 358</b>
<b>Cash Payments by Type</b>															
Employee related costs	(53 553)	(53 553)	(53 553)	(53 553)	(53 553)	(53 553)	(53 553)	(53 553)	(53 553)	(53 553)	(53 553)	(53 553)	(642 634)	(656 930)	(697 724)
Remuneration of councillors	(1 952)	(1 952)	(1 952)	(1 952)	(1 952)	(1 952)	(1 952)	(1 952)	(1 952)	(1 952)	(1 952)	(1 952)	(23 422)	(24 828)	(26 317)
Finance charges	-	-	-	-	-	(27 681)	-	-	-	-	-	(27 681)	(55 361)	(58 361)	(62 361)
Bulk purchases - Electricity	(59 533)	(59 533)	(59 533)	(59 533)	(59 533)	(59 533)	(59 533)	(59 533)	(59 533)	(59 533)	(59 533)	(59 533)	(714 397)	(805 126)	(907 377)
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	(9 767)	(9 767)	(9 767)	(9 767)	(9 767)	(9 767)	(9 767)	(9 767)	(9 767)	(9 767)	(9 767)	(9 767)	(117 201)	(124 058)	(131 322)
Contracted services	(28 504)	(28 504)	(28 504)	(28 504)	(28 504)	(28 504)	(28 504)	(28 504)	(28 504)	(28 504)	(28 504)	(28 504)	(342 049)	(370 646)	(428 737)
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	(852)	(9 570)	(852)	(852)	(852)	(852)	(852)	(852)	(852)	(852)	(852)	(2 648)	(20 739)	(21 493)	(22 276)
Other expenditure	(14 786)	(14 851)	(15 457)	(16 180)	(17 092)	(17 697)	(15 437)	(15 008)	(14 953)	(14 953)	(14 953)	(15 460)	(186 827)	(192 607)	(197 780)
<b>Cash Payments by Type</b>	<b>(168 947)</b>	<b>(177 729)</b>	<b>(169 617)</b>	<b>(170 341)</b>	<b>(171 253)</b>	<b>(199 538)</b>	<b>(169 597)</b>	<b>(169 168)</b>	<b>(169 114)</b>	<b>(169 114)</b>	<b>(169 114)</b>	<b>(199 097)</b>	<b>(2 102 631)</b>	<b>(2 254 048)</b>	<b>(2 473 894)</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	-	-	-	-	-	-	-	-	-	-	-	(704 197)	(704 197)	(655 663)	(626 497)
Repayment of borrowing	(5 327)	(5 327)	(5 327)	(5 327)	(5 327)	(5 327)	(5 327)	(5 327)	(5 327)	(5 327)	(5 327)	(5 327)	(63 920)	(77 612)	(95 905)
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Payments by Type</b>	<b>(174 274)</b>	<b>(183 056)</b>	<b>(174 944)</b>	<b>(175 668)</b>	<b>(176 579)</b>	<b>(204 865)</b>	<b>(174 924)</b>	<b>(174 495)</b>	<b>(174 441)</b>	<b>(174 441)</b>	<b>(174 441)</b>	<b>(908 621)</b>	<b>(2 870 747)</b>	<b>(2 987 323)</b>	<b>(3 196 296)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>90 140</b>	<b>23 090</b>	<b>48 519</b>	<b>19 951</b>	<b>28 554</b>	<b>30 002</b>	<b>8 599</b>	<b>31 769</b>	<b>68 335</b>	<b>65 835</b>	<b>31 557</b>	<b>(397 495)</b>	<b>48 857</b>	<b>174 138</b>	<b>261 062</b>
Cash/cash equivalents at the month/year begin:	621 473	711 613	734 704	783 223	803 174	831 728	861 730	870 329	902 098	970 433	1 036 268	1 067 825	621 473	670 330	844 469
Cash/cash equivalents at the month/year end:	711 613	734 704	783 223	803 174	831 728	861 730	870 329	902 098	970 433	1 036 268	1 067 825	670 330	670 330	844 469	1 105 531

## WC024 Stellenbosch - NOT REQUIRED - municipality does not have entities

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R million</b>										
<b>Financial Performance</b>										
Property rates		-	-	-	-	-	-	-	-	-
Service charges		-	-	-	-	-	-	-	-	-
Investment revenue		-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational		-	-	-	-	-	-	-	-	-
Other own revenue		-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		-	-	-	-	-	-	-	-	-
Employee costs		-	-	-	-	-	-	-	-	-
Remuneration of Board Members		-	-	-	-	-	-	-	-	-
Depreciation and amortisation		-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-
Inventory consumed and bulk purchases		-	-	-	-	-	-	-	-	-
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Other expenditure		-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>		-	-	-	-	-	-	-	-	-
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>										
Transfers recognised - capital		-	-	-	-	-	-	-	-	-
Public contributions & donations		-	-	-	-	-	-	-	-	-
Borrowing		-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	-	-	-	-	-	-	-
<b>Total sources</b>		-	-	-	-	-	-	-	-	-
<b>Financial position</b>										
Total current assets		-	-	-	-	-	-	-	-	-
Total non current assets		-	-	-	-	-	-	-	-	-
Total current liabilities		-	-	-	-	-	-	-	-	-
Total non current liabilities		-	-	-	-	-	-	-	-	-
Community wealth/Equity		-	-	-	-	-	-	-	-	-
<b>Cash flows</b>										
Net cash from (used) operating		-	-	-	-	-	-	-	-	-
Net cash from (used) investing		-	-	-	-	-	-	-	-	-
Net cash from (used) financing		-	-	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the year end</b>		-	-	-	-	-	-	-	-	-

WC024 Stellenbosch - Supporting Table SA32 List of external mechanisms

External mechanism	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
Name of organisation		Number			R thousand
DBSA	Yrs	15	Financial of approved Capital Projects by means of and external loan.	30 June 2025	13 425
DBSA	Yrs	16	Financial of approved Capital Projects by means of and external loan.	30 June 2026	40 314
DBSA	Yrs	15	Financial of approved Capital Projects by means of and external loan.	30 June 2029	73 446
NEDBANK	Yrs	10	Financial of approved Capital Projects by means of and external loan.	29 June 2029	138 992
NEDBANK	Yrs	10	Financial of approved Capital Projects by means of and external loan.	30 June 2031	102 780
STANDARD BANK	Yrs	10	Financial of approved Capital Projects by means of and external loan.	30 June 2032	144 000
NEDBANK	Yrs	10	Financial of approved Capital Projects by means of and external loan.	30 June 2033	69 244



WC024 Stellenbosch - Supporting Table SA33 Contracts having future budgetary implications

Description	Ref	Preceding Years	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework			Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Forecast 2030/31	Forecast 2031/32	Forecast 2032/33	Forecast 2033/34	Total Contract Value
		Total	Original Budget	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
R thousand	1,3													
<b>Parent Municipality:</b>														
<b>Revenue Obligation By Contract</b>	2													
<i>Contract 1</i>														-
<i>Contract 2</i>														-
<b>Total Operating Revenue Implication</b>		-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Expenditure Obligation By Contract</b>	2													
<i>DBSA 61001059</i>		3 973	3 290	2 535	1 688	759								12 245
<i>DBSA 61000816</i>		1 415	1 093	734	331									3 572
<i>DBSA 61007281</i>		7 012	6 430	5 813	5 056	4 288	3 429	2 489	1 454	299				36 270
<i>NEDBANK 05/7831035613/000001</i>		8 912	11 985	10 706	9 171	7 588	5 819	3 885	1 730					59 795
<i>NEDBANK 05/7831035613/000002</i>		13 199	8 301	7 675	6 897	6 127	5 267	4 341	3 297	2 207	976			58 287
<i>STANDARD BANK 730035</i>			15 614	14 611	13 665	12 404	11 081	9 634	7 945	6 134	4 141	1 861		97 089
<b>Total Operating Expenditure Implication</b>		34 511	46 712	42 075	36 808	31 166	25 596	20 349	14 426	8 639	5 117	1 861	-	267 259
<b>Capital Expenditure Obligation By Contract</b>	2													
<i>Contract 1</i>														-
<i>Contract 2</i>														-
<i>Contract 3</i>														-
<b>Total Capital Expenditure Implication</b>		-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Parent Expenditure Implication</b>		34 511	46 712	42 075	36 808	31 166	25 596	20 349	14 426	8 639	5 117	1 861	-	267 259

Description	Ref	Preceding Years	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework			Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Forecast 2030/31	Forecast 2031/32	Forecast 2032/33	Forecast 2033/34	Total Contract Value
		Total	Original Budget	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
R thousand	1,3													
<b>Entities:</b>														
<b>Revenue Obligation By Contract</b>	2													
<i>Contract 1</i>														-
<i>Contract 2</i>														-
<i>Contract 3</i>														-
<i>Contract 4</i>														-
<b>Total Operating Revenue Implication</b>		-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Expenditure Obligation By Contract</b>	2													
<i>Contract 1</i>														-
<i>Contract 2</i>														-
<i>Contract 3</i>														-
<i>Contract 4</i>														-
<b>Total Operating Expenditure Implication</b>		-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Capital Expenditure Obligation By Contract</b>	2													
<i>Contract 1</i>														-
<i>Contract 2</i>														-
<i>Contract 3</i>														-
<i>Contract 4</i>														-
<b>Total Capital Expenditure Implication</b>		-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Entity Expenditure Implication</b>		-	-	-	-	-	-	-	-	-	-	-	-	-

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

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>	<b>1</b>									
<b>Infrastructure</b>		<b>120 939</b>	<b>106 769</b>	<b>169 825</b>	<b>277 352</b>	<b>266 931</b>	<b>266 931</b>	<b>211 903</b>	<b>206 253</b>	<b>266 611</b>
Roads Infrastructure		39 215	3 337	32 420	24 800	26 943	26 943	33 300	38 300	25 600
<i>Roads</i>		22 892	(13 033)	6 786	2 000	4 475	4 475	3 000	5 000	3 000
<i>Road Structures</i>		14 637	15 571	24 343	21 200	21 318	21 318	29 600	32 700	21 300
<i>Road Furniture</i>		1 686	800	1 291	1 600	1 150	1 150	700	600	1 300
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	291	2 500	6 600	6 600	4 000	2 600	-
<i>Drainage Collection</i>		-	-	-	-	-	-	-	-	-
<i>Storm water Conveyance</i>		-	-	291	2 000	6 300	6 300	3 500	2 100	-
<i>Attenuation</i>		-	-	-	500	300	300	500	500	-
Electrical Infrastructure		20 376	45 569	58 057	83 698	69 071	69 071	56 251	93 493	130 291
<i>Power Plants</i>		-	13 217	11 213	5 018	16 634	16 634	20 000	24 500	26 995
<i>HV Substations</i>		-	-	2 600	25 300	2 032	2 032	16 347	42 571	79 992
<i>HV Switching Station</i>		-	-	-	-	-	-	-	-	-
<i>HV Transmission Conductors</i>		-	-	-	-	-	-	-	400	-
<i>MV Substations</i>		754	471	5 886	23 108	23 108	23 108	226	-	-
<i>MV Switching Stations</i>		-	-	-	-	-	-	-	-	-
<i>MV Networks</i>		10 594	17 741	32 620	24 072	20 997	20 997	11 428	16 772	15 265
<i>LV Networks</i>		5 257	5 250	5 728	5 950	6 050	6 050	8 000	9 000	7 790
<i>Capital Spares</i>		3 771	8 890	10	250	250	250	250	250	250
Water Supply Infrastructure		22 905	25 258	71 100	101 354	76 030	76 030	74 752	42 160	83 220
<i>Dams and Weirs</i>		-	-	-	-	-	-	-	-	-
<i>Boreholes</i>		-	-	-	500	-	-	-	-	-
<i>Reservoirs</i>		4 634	13 631	65 279	80 500	54 966	54 966	48 613	6 500	41 000
<i>Pump Stations</i>		-	-	-	-	-	-	-	-	-
<i>Water Treatment Works</i>		-	-	-	2 000	-	-	500	500	500
<i>Bulk Mains</i>		13 185	10 736	4 720	11 771	16 764	16 764	11 739	6 160	12 720
<i>Distribution</i>		5 085	891	1 100	6 583	4 300	4 300	13 900	29 000	29 000
<i>Distribution Points</i>		-	-	-	-	-	-	-	-	-
<i>PRV Stations</i>		-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		28 848	27 193	495	2 500	-	-	-	-	-
<i>Pump Station</i>		-	-	-	-	-	-	-	-	-
<i>Reticulation</i>		2 347	15 455	-	1 500	-	-	-	-	-
<i>Waste Water Treatment Works</i>		62	-	-	-	-	-	-	-	-
<i>Outfall Sewers</i>		26 438	11 737	495	1 000	-	-	-	-	-
<i>Toilet Facilities</i>		-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		9 464	5 330	7 463	60 500	86 377	86 377	39 600	25 700	25 500
<i>Landfill Sites</i>		8 894	2 275	4 560	46 000	68 630	68 630	15 000	16 000	-
<i>Waste Transfer Stations</i>		295	932	441	2 500	6 213	6 213	2 500	3 500	4 000
<i>Waste Processing Facilities</i>		-	-	165	-	90	90	-	-	-
<i>Waste Drop-off Points</i>		-	427	133	1 500	1 337	1 337	5 300	5 200	4 500
<i>Waste Separation Facilities</i>		215	138	172	500	200	200	800	500	-
<i>Electricity Generation Facilities</i>		59	1 557	1 993	10 000	9 907	9 907	16 000	500	17 000
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
<i>Rail Lines</i>		-	-	-	-	-	-	-	-	-
<i>Rail Structures</i>		-	-	-	-	-	-	-	-	-
<i>Rail Furniture</i>		-	-	-	-	-	-	-	-	-
<i>Drainage Collection</i>		-	-	-	-	-	-	-	-	-
<i>Storm water Conveyance</i>		-	-	-	-	-	-	-	-	-
<i>Attenuation</i>		-	-	-	-	-	-	-	-	-
<i>MV Substations</i>		-	-	-	-	-	-	-	-	-
<i>LV Networks</i>		-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
<i>Sand Pumps</i>		-	-	-	-	-	-	-	-	-
<i>Piers</i>		-	-	-	-	-	-	-	-	-
<i>Revetments</i>		-	-	-	-	-	-	-	-	-
<i>Promenades</i>		-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		131	82	-	2 000	1 909	1 909	4 000	4 000	2 000

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<i>Data Centres</i>		-	-	-	-	-	-	-	-	-
<i>Core Layers</i>		-	-	-	-	-	-	-	-	-
<i>Distribution Layers</i>		-	-	-	2 000	1 909	1 909	4 000	4 000	2 000
<i>Capital Spares</i>		131	82	-	-	-	-	-	-	-
<b>Community Assets</b>		<b>7 781</b>	<b>(12 110)</b>	<b>4 646</b>	<b>1 300</b>	<b>1 300</b>	<b>1 300</b>	<b>1 700</b>	<b>2 000</b>	<b>-</b>
Community Facilities		5 419	2 706	4 400	1 000	1 000	1 000	1 500	-	-
<i>Halls</i>		253	-	-	-	-	-	-	-	-
<i>Centres</i>		-	-	-	-	-	-	-	-	-
<i>Crèches</i>		-	-	-	-	-	-	-	-	-
<i>Clinics/Care Centres</i>		-	-	-	-	-	-	-	-	-
<i>Fire/Ambulance Stations</i>		-	-	-	-	-	-	-	-	-
<i>Testing Stations</i>		-	-	-	-	-	-	-	-	-
<i>Museums</i>		-	-	-	-	-	-	-	-	-
<i>Galleries</i>		-	-	-	-	-	-	-	-	-
<i>Theatres</i>		727	53	-	-	-	-	-	-	-
<i>Libraries</i>		330	70	-	-	-	-	-	-	-
<i>Cemeteries/Crematoria</i>		-	-	-	-	-	-	-	-	-
<i>Police</i>		-	-	-	-	-	-	-	-	-
<i>Parks</i>		103	-	-	-	-	-	-	-	-
<i>Public Open Space</i>		2 001	1 173	-	-	-	-	-	-	-
<i>Nature Reserves</i>		-	-	-	-	-	-	-	-	-
<i>Public Ablution Facilities</i>		-	-	-	-	-	-	-	-	-
<i>Markets</i>		-	-	-	-	-	-	-	-	-
<i>Stalls</i>		2 005	1 411	4 400	1 000	1 000	1 000	1 500	-	-
<i>Abattoirs</i>		-	-	-	-	-	-	-	-	-
<i>Airports</i>		-	-	-	-	-	-	-	-	-
<i>Taxi Ranks/Bus Terminals</i>		-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		2 362	(14 816)	246	300	300	300	200	2 000	-
<i>Indoor Facilities</i>		-	-	-	-	-	-	-	-	-
<i>Outdoor Facilities</i>		2 362	(14 816)	246	300	300	300	200	2 000	-
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		<b>5 688</b>	<b>1 400</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenue Generating		3 681	1 400	-	-	-	-	-	-	-
<i>Improved Property</i>		3 681	1 400	-	-	-	-	-	-	-
<i>Unimproved Property</i>		-	-	-	-	-	-	-	-	-
Non-revenue Generating		2 006	-	-	-	-	-	-	-	-
<i>Improved Property</i>		2 006	-	-	-	-	-	-	-	-
<i>Unimproved Property</i>		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		<b>124 392</b>	<b>44 207</b>	<b>18 561</b>	<b>300</b>	<b>1 208</b>	<b>1 208</b>	<b>2 150</b>	<b>8 500</b>	<b>500</b>
Operational Buildings		75 577	30 808	18 561	300	238	238	2 150	8 500	500
<i>Municipal Offices</i>		-	-	18 561	-	88	88	1 000	500	500
<i>Pay/Enquiry Points</i>		-	-	-	-	-	-	-	-	-
<i>Building Plan Offices</i>		-	-	-	-	-	-	-	-	-
<i>Workshops</i>		-	-	-	-	-	-	-	-	-
<i>Yards</i>		-	-	-	-	-	-	-	-	-
<i>Stores</i>		-	-	-	-	-	-	-	-	-
<i>Laboratories</i>		-	-	-	-	-	-	-	-	-
<i>Training Centres</i>		75 577	30 808	-	-	-	-	-	-	-
<i>Manufacturing Plant</i>		-	-	-	-	-	-	-	-	-
<i>Depots</i>		-	-	-	300	150	150	1 150	8 000	-
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
Housing		48 815	13 399	-	-	970	970	-	-	-
<i>Staff Housing</i>		-	-	-	-	-	-	-	-	-
<i>Social Housing</i>		48 815	13 399	-	-	970	970	-	-	-
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousand</b>	<b>1</b>									
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-	-	-
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		354	1 930	5 814	5 770	7 975	7 975	4 270	5 270	3 500
Computer Equipment		354	1 930	5 814	5 770	7 975	7 975	4 270	5 270	3 500
<b>Furniture and Office Equipment</b>		3 128	3 149	1 397	770	2 938	2 938	1 710	1 825	1 365
Furniture and Office Equipment		3 128	3 149	1 397	770	2 938	2 938	1 710	1 825	1 365
<b>Machinery and Equipment</b>		11 883	10 929	8 627	13 165	7 811	7 811	22 930	14 613	7 686
Machinery and Equipment		11 883	10 929	8 627	13 165	7 811	7 811	22 930	14 613	7 686
<b>Transport Assets</b>		16 040	4 531	1 717	10 166	12 025	12 025	20 000	11 500	10 600
Transport Assets		16 040	4 531	1 717	10 166	12 025	12 025	20 000	11 500	10 600
<b>Land</b>		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<b>Living resources</b>		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on new assets</b>	<b>1</b>	<b>290 204</b>	<b>160 805</b>	<b>210 587</b>	<b>308 823</b>	<b>300 188</b>	<b>300 188</b>	<b>264 663</b>	<b>249 961</b>	<b>290 262</b>

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

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		29 798	38 687	21 783	29 534	55 058	55 058	40 420	54 460	78 562
Roads Infrastructure		25 841	28 892	7 973	4 500	27 178	27 178	8 000	11 800	8 000
Roads		22 739	28 892	7 973	4 500	27 178	27 178	8 000	11 800	8 000
Road Structures		3 102	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		2 819	194	10 612	17 034	17 067	17 067	20 670	30 660	56 562
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		2 819	194	142	2 434	2 434	2 434	2 546	5 604	6 694
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	728	6 600	6 101	6 101	3 960	4 356	4 792
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	9 743	8 000	8 533	8 533	14 164	20 700	45 077
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		1 138	7 132	2 605	4 000	695	695	6 000	6 000	8 000
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		1 138	7 132	2 605	4 000	695	695	6 000	6 000	8 000
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	2 468	593	4 000	10 117	10 117	5 750	6 000	6 000
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-
Outfall Sewers		-	2 468	593	4 000	10 117	10 117	5 750	6 000	6 000
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Landfill Sites		-	-	-	-	-	-	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousand</b>	<b>1</b>									
<i>Data Centres</i>		-	-	-	-	-	-	-	-	-
<i>Core Layers</i>		-	-	-	-	-	-	-	-	-
<i>Distribution Layers</i>		-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		<b>216</b>	<b>904</b>	<b>402</b>	<b>4 100</b>	<b>869</b>	<b>869</b>	<b>200</b>	<b>-</b>	<b>250</b>
Community Facilities		-	-	73	400	349	349	50	-	-
<i>Halls</i>		-	-	-	200	200	200	50	-	-
<i>Centres</i>		-	-	73	200	149	149	-	-	-
<i>Crèches</i>		-	-	-	-	-	-	-	-	-
<i>Clinics/Care Centres</i>		-	-	-	-	-	-	-	-	-
<i>Fire/Ambulance Stations</i>		-	-	-	-	-	-	-	-	-
<i>Testing Stations</i>		-	-	-	-	-	-	-	-	-
<i>Museums</i>		-	-	-	-	-	-	-	-	-
<i>Galleries</i>		-	-	-	-	-	-	-	-	-
<i>Theatres</i>		-	-	-	-	-	-	-	-	-
<i>Libraries</i>		-	-	-	-	-	-	-	-	-
<i>Cemeteries/Crematoria</i>		-	-	-	-	-	-	-	-	-
<i>Police</i>		-	-	-	-	-	-	-	-	-
<i>Parks</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>		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		216	904	329	3 700	520	520	150	-	250
<i>Indoor Facilities</i>		-	-	-	-	-	-	-	-	-
<i>Outdoor Facilities</i>		216	904	329	3 700	520	520	150	-	250
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
<i>Improved Property</i>		-	-	-	-	-	-	-	-	-
<i>Unimproved Property</i>		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<i>Improved Property</i>		-	-	-	-	-	-	-	-	-
<i>Unimproved Property</i>		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		<b>200</b>	<b>680</b>	<b>117</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Operational Buildings		200	680	117	-	-	-	-	-	-
<i>Municipal Offices</i>		200	680	117	-	-	-	-	-	-
<i>Pay/Enquiry Points</i>		-	-	-	-	-	-	-	-	-
<i>Building Plan Offices</i>		-	-	-	-	-	-	-	-	-
<i>Workshops</i>		-	-	-	-	-	-	-	-	-
<i>Yards</i>		-	-	-	-	-	-	-	-	-
<i>Stores</i>		-	-	-	-	-	-	-	-	-
<i>Laboratories</i>		-	-	-	-	-	-	-	-	-
<i>Training Centres</i>		-	-	-	-	-	-	-	-	-
<i>Manufacturing Plant</i>		-	-	-	-	-	-	-	-	-
<i>Depots</i>		-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
<i>Staff Housing</i>		-	-	-	-	-	-	-	-	-
<i>Social Housing</i>		-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousand</b>	<b>1</b>									
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-	-	-
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
<b>Furniture and Office Equipment</b>		-	638	-	-	-	-	-	-	-
Furniture and Office Equipment		-	638	-	-	-	-	-	-	-
<b>Machinery and Equipment</b>		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
<b>Transport Assets</b>		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
<b>Land</b>		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<b>Living resources</b>		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on renewal of existing assets</b>	<b>1</b>	<b>30 214</b>	<b>40 909</b>	<b>22 303</b>	<b>33 634</b>	<b>55 927</b>	<b>55 927</b>	<b>40 620</b>	<b>54 460</b>	<b>78 812</b>
<b>Renewal of Existing Assets as % of total capex</b>		<b>41.7%</b>	<b>12.0%</b>	<b>6.9%</b>	<b>6.7%</b>	<b>11.4%</b>	<b>11.4%</b>	<b>6.6%</b>	<b>9.6%</b>	<b>14.5%</b>
<b>Renewal of Existing Assets as % of deprecn"</b>		<b>14.4%</b>	<b>18.5%</b>	<b>9.6%</b>	<b>15.3%</b>	<b>23.3%</b>	<b>23.3%</b>	<b>16.3%</b>	<b>21.0%</b>	<b>29.2%</b>



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

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		40 688	43 096	58 698	70 910	93 911	93 911	85 677	90 010	94 734
Roads Infrastructure		11 835	18 132	20 485	21 913	20 447	20 447	25 042	25 859	26 725
Roads		11 801	18 125	18 737	20 271	18 247	18 247	20 068	20 767	21 508
Road Structures		-	-	-	-	-	-	3 000	3 000	3 000
Road Furniture		35	6	1 748	1 642	2 200	2 200	1 974	2 092	2 217
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		1 387	286	862	1 289	1 684	1 684	968	1 026	1 088
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		1 387	286	862	1 289	1 684	1 684	968	1 026	1 088
Electrical Infrastructure		(3 894)	65	10 633	15 056	11 277	11 277	12 624	13 145	13 693
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		80	67	10 633	15 056	11 277	11 277	12 624	13 145	13 693
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		(3 974)	(2)	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		6 124	2 192	10 858	13 750	16 342	16 342	15 171	15 925	16 721
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		781	1 095	6 789	9 192	10 611	10 611	10 339	10 804	11 293
Bulk Mains		5 343	1 097	4 069	4 558	5 731	5 731	4 831	5 121	5 429
Distribution		-	-	-	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		13 672	5 780	7 327	11 316	36 383	36 383	22 316	24 007	25 938
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		10 577	2 434	5 334	5 910	23 010	23 010	17 891	19 357	21 050
Outfall Sewers		3 094	3 346	1 992	5 406	13 373	13 373	4 425	4 650	4 888
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		1 997	11 125	6 163	4 533	5 166	5 166	6 800	7 128	7 474
Landfill Sites		25	-	-	-	-	-	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		1 972	11 125	6 163	4 533	5 166	5 166	6 800	7 128	7 474
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		9 567	5 515	2 371	3 053	2 612	2 612	2 756	2 920	3 094

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousand</b>	<b>1</b>									
<i>Data Centres</i>		-	-	-	-	-	-	-	-	-
<i>Core Layers</i>		9 537	5 428	2 360	2 652	2 512	2 512	2 652	2 811	2 980
<i>Distribution Layers</i>		-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>		30	87	11	401	100	100	105	109	114
<b>Community Assets</b>		<b>10 719</b>	<b>9 198</b>	<b>7 049</b>	<b>9 753</b>	<b>8 361</b>	<b>8 361</b>	<b>6 304</b>	<b>8 419</b>	<b>8 799</b>
Community Facilities		9 431	8 348	7 049	9 618	8 346	8 346	6 289	8 404	8 783
<i>Halls</i>		9	116	-	-	-	-	-	-	-
<i>Centres</i>		-	-	-	-	-	-	-	-	-
<i>Crèches</i>		-	-	-	-	-	-	-	-	-
<i>Clinics/Care Centres</i>		-	-	-	-	-	-	-	-	-
<i>Fire/Ambulance Stations</i>		-	-	-	-	-	-	-	-	-
<i>Testing Stations</i>		-	-	-	-	-	-	-	-	-
<i>Museums</i>		-	-	-	-	-	-	-	-	-
<i>Galleries</i>		-	-	-	-	-	-	-	-	-
<i>Theatres</i>		-	-	-	-	-	-	-	-	-
<i>Libraries</i>		0	150	-	9	3	3	3	3	3
<i>Cemeteries/Crematoria</i>		1 926	283	-	-	-	-	-	-	-
<i>Police</i>		-	-	-	-	-	-	-	-	-
<i>Parks</i>		1 728	1 636	267	1 204	283	283	270	275	281
<i>Public Open Space</i>		-	-	-	-	-	-	-	-	-
<i>Nature Reserves</i>		-	-	-	64	-	-	-	-	-
<i>Public Ablution Facilities</i>		5 768	6 163	6 782	8 341	8 060	8 060	6 016	8 125	8 499
<i>Markets</i>		-	-	-	-	-	-	-	-	-
<i>Stalls</i>		-	-	-	-	-	-	-	-	-
<i>Abattoirs</i>		-	-	-	-	-	-	-	-	-
<i>Airports</i>		-	-	-	-	-	-	-	-	-
<i>Taxi Ranks/Bus Terminals</i>		-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>		(1)	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		1 287	850	-	135	15	15	15	15	16
<i>Indoor Facilities</i>		-	-	-	-	-	-	-	-	-
<i>Outdoor Facilities</i>		1 287	850	-	135	15	15	15	15	16
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
<i>Improved Property</i>		-	-	-	-	-	-	-	-	-
<i>Unimproved Property</i>		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<i>Improved Property</i>		-	-	-	-	-	-	-	-	-
<i>Unimproved Property</i>		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		<b>9 348</b>	<b>3 655</b>	<b>7 229</b>	<b>16 420</b>	<b>10 530</b>	<b>10 530</b>	<b>14 518</b>	<b>16 308</b>	<b>24 735</b>
Operational Buildings		8 629	3 368	7 106	16 159	10 400	10 400	14 292	16 075	24 495
<i>Municipal Offices</i>		8 629	3 368	7 106	16 159	10 400	10 400	14 292	16 075	24 495
<i>Pay/Enquiry Points</i>		-	-	-	-	-	-	-	-	-
<i>Building Plan Offices</i>		-	-	-	-	-	-	-	-	-
<i>Workshops</i>		-	-	-	-	-	-	-	-	-
<i>Yards</i>		-	-	-	-	-	-	-	-	-
<i>Stores</i>		-	-	-	-	-	-	-	-	-
<i>Laboratories</i>		-	-	-	-	-	-	-	-	-
<i>Training Centres</i>		-	-	-	-	-	-	-	-	-
<i>Manufacturing Plant</i>		-	-	-	-	-	-	-	-	-
<i>Depots</i>		-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
Housing		719	287	123	261	130	130	226	232	240
<i>Staff Housing</i>		-	-	-	-	-	-	-	-	-
<i>Social Housing</i>		-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>		719	287	123	261	130	130	226	232	240

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousand</b>	<b>1</b>									
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-	-	-
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
<b>Furniture and Office Equipment</b>		2 671	2 035	2 806	3 876	2 169	2 169	2 473	2 627	2 783
Furniture and Office Equipment		2 671	2 035	2 806	3 876	2 169	2 169	2 473	2 627	2 783
<b>Machinery and Equipment</b>		-	-	743	563	563	563	834	885	938
Machinery and Equipment		-	-	743	563	563	563	834	885	938
<b>Transport Assets</b>		2 876	5 933	8 468	12 337	9 589	9 589	10 241	10 670	11 121
Transport Assets		2 876	5 933	8 468	12 337	9 589	9 589	10 241	10 670	11 121
<b>Land</b>		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<b>Living resources</b>		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
<b>Total Repairs and Maintenance Expenditure</b>	<b>1</b>	<b>66 302</b>	<b>63 917</b>	<b>84 992</b>	<b>113 859</b>	<b>125 123</b>	<b>125 123</b>	<b>120 048</b>	<b>128 918</b>	<b>143 108</b>
<b>R&amp;M as a % of PPE</b>		<b>1.2%</b>	<b>1.1%</b>	<b>1.5%</b>	<b>1.9%</b>	<b>2.1%</b>	<b>2.1%</b>	<b>1.9%</b>	<b>2.0%</b>	<b>2.1%</b>
<b>R&amp;M as % Operating Expenditure</b>		<b>3.6%</b>	<b>3.3%</b>	<b>4.3%</b>	<b>5.0%</b>	<b>5.3%</b>	<b>5.3%</b>	<b>9.6%</b>	<b>5.1%</b>	<b>5.3%</b>

WC024 Stellenbosch - Supporting Table SA34d Depreciation by asset class

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>Depreciation by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		162 644	168 673	186 049	163 317	176 640	176 640	183 705	191 054	198 696
<b>Roads Infrastructure</b>		48 506	46 737	48 157	42 344	52 786	52 786	54 897	57 093	59 377
Roads		40 995	36 452	36 737	32 320	41 366	41 366	43 021	44 742	46 532
Road Structures		4 524	4 570	7 680	4 904	7 680	7 680	7 987	8 306	8 639
Road Furniture		2 988	5 715	3 740	5 120	3 740	3 740	3 889	4 045	4 207
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		874	618	1 084	1 066	1 063	1 063	1 105	1 150	1 196
Drainage Collection		874	618	1 084	1 066	1 063	1 063	1 105	1 150	1 196
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		30 613	34 506	44 948	39 869	33 210	33 210	34 538	35 920	37 357
Power Plants		11 888	15 713	22 801	16 604	11 064	11 064	11 506	11 966	12 445
HV Substations		2 380	261	2 961	3 320	2 961	2 961	3 079	3 203	3 331
HV Switching Station		-	-	32	-	32	32	33	34	36
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	55	-	55	55	57	59	62
MV Switching Stations		6 561	6 773	7 599	7 290	7 599	7 599	7 903	8 219	8 547
MV Networks		-	-	322	-	322	322	335	348	362
LV Networks		9 279	11 238	10 105	12 095	10 105	10 105	10 509	10 930	11 367
Capital Spares		506	521	1 073	560	1 073	1 073	1 116	1 161	1 207
Water Supply Infrastructure		47 245	50 193	52 309	47 832	51 326	51 326	53 379	55 514	57 735
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		11 062	90	5 872	97	5 872	5 872	6 107	6 351	6 605
Reservoirs		3 543	4 770	4 482	4 905	4 482	4 482	4 661	4 847	5 041
Pump Stations		113	113	121	121	121	121	126	131	136
Water Treatment Works		1 026	12	4 316	-	4 316	4 316	4 489	4 668	4 855
Bulk Mains		3 786	3 153	5 927	3 393	5 927	5 927	6 164	6 411	6 667
Distribution		27 714	39 333	31 589	39 315	30 606	30 606	31 830	33 103	34 427
Distribution Points		-	-	2	-	2	2	2	3	3
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	2 723	-	-	-	-	-	-	-
Sanitation Infrastructure		28 621	33 576	36 927	29 834	35 332	35 332	36 746	38 216	39 744
Pump Station		779	803	899	864	899	899	935	972	1 011
Reticulation		22 597	21 965	25 132	23 629	23 538	23 538	24 479	25 458	26 477
Waste Water Treatment Works		2 704	2 574	4 424	2 657	4 424	4 424	4 601	4 785	4 977
Outfall Sewers		2 540	8 234	6 431	2 684	6 431	6 431	6 688	6 955	7 233
Toilet Facilities		-	-	41	-	41	41	43	45	47
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		6 327	2 658	2 128	1 928	2 347	2 347	2 441	2 539	2 641
Landfill Sites		(447)	-	324	-	324	324	337	350	364
Waste Transfer Stations		5 047	1 148	13	303	13	13	13	14	14
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		1 467	1 510	1 792	1 625	2 011	2 011	2 091	2 175	2 262
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		260	-	-	-	-	-	-	-	-
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		458	384	496	444	575	575	598	622	647

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousand</b>	<b>1</b>									
Data Centres		-	-	0	-	0	0	0	0	0
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		458	384	496	444	575	575	598	622	647
Capital Spares		-	-	-	-	-	-	-	-	-
Community Assets		3 683	4 382	4 821	4 235	4 859	4 859	5 053	5 255	5 465
<b>Community Facilities</b>		<b>2 883</b>	<b>2 177</b>	<b>3 669</b>	<b>1 934</b>	<b>3 707</b>	<b>3 707</b>	<b>3 855</b>	<b>4 009</b>	<b>4 169</b>
Halls		14	14	25	15	29	29	30	32	33
Centres		46	48	703	51	738	738	767	798	830
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		11	11	11	12	11	11	12	12	13
Fire/Ambulance Stations		80	83	164	89	164	164	171	178	185
Testing Stations		-	-	3	-	3	3	3	3	3
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		14	15	15	16	15	15	15	16	17
Libraries		79	114	373	122	373	373	387	403	419
Cemeteries/Crematoria		35	37	73	39	73	73	76	79	83
Police		-	-	-	-	-	-	-	-	-
Parks		-	-	26	-	26	26	27	28	29
Public Open Space		1 367	605	736	650	734	734	763	794	826
Nature Reserves		365	376	377	405	377	377	392	408	424
Public Ablution Facilities		720	735	789	529	789	789	821	854	888
Markets		152	141	375	5	375	375	390	405	421
Stalls		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		799	2 205	1 152	2 301	1 152	1 152	1 198	1 246	1 296
Indoor Facilities		0	1 394	3	1 429	3	3	3	3	3
Outdoor Facilities		799	811	1 149	873	1 149	1 149	1 195	1 243	1 292
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	0	-	0	0	0	0	0
<b>Monuments</b>		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	0	-	0	0	0	0	0
Works of Art		-	-	0	-	0	0	0	0	0
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
Investment properties		371	252	424	280	424	424	441	458	476
<b>Revenue Generating</b>		<b>371</b>	<b>252</b>	<b>424</b>	<b>280</b>	<b>424</b>	<b>424</b>	<b>441</b>	<b>458</b>	<b>476</b>
Improved Property		371	252	424	280	424	424	441	458	476
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Other assets		10 290	12 153	10 789	11 931	11 241	11 241	11 690	12 158	12 644
<b>Operational Buildings</b>		<b>6 177</b>	<b>8 468</b>	<b>6 894</b>	<b>8 762</b>	<b>7 347</b>	<b>7 347</b>	<b>7 640</b>	<b>7 946</b>	<b>8 264</b>
Municipal Offices		6 177	8 468	6 894	8 762	7 347	7 347	7 640	7 946	8 264
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		4 113	3 685	3 894	3 169	3 894	3 894	4 050	4 212	4 380
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		3 867	3 685	3 894	3 169	3 894	3 894	4 050	4 212	4 380
Capital Spares		245	-	-	-	-	-	-	-	-

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousand</b>	<b>1</b>									
<i>Biological or Cultivated Assets</i>		-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Intangible Assets		660	1 496	1 175	1 725	1 175	1 175	1 222	1 271	1 322
<b>Servitudes</b>		1 152	1 160	1 102	1 394	1 102	1 102	1 146	1 192	1 240
Licences and Rights		(492)	337	73	332	73	73	76	79	82
Water Rights		-	-	-	-	-	-	-	-	-
<i>Effluent Licenses</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Licenses</i>		-	-	-	-	-	-	-	-	-
<i>Computer Software and Applications</i>		(492)	337	73	332	73	73	76	79	82
<i>Load Settlement Software Applications</i>		-	-	-	-	-	-	-	-	-
<i>Unspecified</i>		-	-	-	-	-	-	-	-	-
Computer Equipment		9 375	3 905	7 413	7 678	9 760	9 760	10 151	10 557	10 979
<b>Computer Equipment</b>		9 375	3 905	7 413	7 678	9 760	9 760	10 151	10 557	10 979
Furniture and Office Equipment		3 296	1 791	5 332	4 221	6 313	6 313	6 566	6 828	7 102
<b>Furniture and Office Equipment</b>		3 296	1 791	5 332	4 221	6 313	6 313	6 566	6 828	7 102
Machinery and Equipment		8 636	19 273	8 280	15 768	13 281	13 281	13 812	14 365	14 939
<b>Machinery and Equipment</b>		8 636	19 273	8 280	15 768	13 281	13 281	13 812	14 365	14 939
Transport Assets		10 954	9 490	8 972	11 128	16 106	16 106	16 767	17 449	18 158
<b>Transport Assets</b>		10 954	9 490	8 972	11 128	16 106	16 106	16 767	17 449	18 158
Land		-	-	-	-	-	-	-	-	-
<b>Land</b>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Living resources		-	-	-	-	-	-	-	-	-
<b>Mature</b>		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
<i>Zoological plants and animals</i>		-	-	-	-	-	-	-	-	-
<i>Immature</i>		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
<i>Zoological plants and animals</i>		-	-	-	-	-	-	-	-	-
Total Depreciation	1	209 909	221 416	233 255	220 283	239 799	239 799	249 408	259 395	269 782

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

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>Capital expenditure on upgrading of existing assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		43 313	72 682	69 724	130 621	93 188	93 188	212 283	176 300	159 706
Roads Infrastructure		6 697	18 610	18 421	38 200	31 362	31 362	32 558	38 700	32 656
Roads		5 479	4 318	18 421	35 200	27 422	27 422	31 558	37 700	31 656
Road Structures		719	13 792	-	-	-	-	-	-	-
Road Furniture		500	500	-	3 000	3 940	3 940	1 000	1 000	1 000
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		1 307	14	-	100	600	600	50	200	300
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		1 307	14	-	100	600	600	50	200	300
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		16 624	19 304	5 483	11 381	13 326	13 326	8 953	6 250	6 250
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	1 405	6 631	4 299	4 299	2 360	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	9 350	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		15 244	9 680	4 078	4 500	8 823	8 823	6 343	6 000	6 000
LV Networks		1 381	-	-	250	204	204	250	250	250
Capital Spares		-	274	-	-	-	-	-	-	-
Water Supply Infrastructure		10 993	5 804	6 962	33 600	20 673	20 673	101 368	73 750	30 250
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	3 339	1 500	1 393	1 393	75 298	50 000	3 000
Pump Stations		-	-	-	1 500	-	-	1 500	1 500	-
Water Treatment Works		1 996	2 644	238	3 500	-	-	-	-	-
Bulk Mains		3 204	(1 937)	-	250	250	250	-	-	-
Distribution		3 096	2 673	3 385	26 850	19 031	19 031	24 570	22 250	27 250
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		2 697	2 424	-	-	-	-	-	-	-
Sanitation Infrastructure		6 780	27 278	38 721	39 840	19 751	19 751	62 354	54 900	87 500
Pump Station		-	-	-	500	600	600	1 500	1 500	1 500
Reticulation		-	-	-	300	300	300	300	400	400
Waste Water Treatment Works		5 621	22 547	34 494	37 040	15 351	15 351	40 500	52 500	85 000
Outfall Sewers		841	-	4 228	2 000	3 500	3 500	20 054	500	600
Toilet Facilities		318	4 731	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		772	769	-	1 500	1 530	1 530	4 500	-	-
Landfill Sites		772	769	-	-	-	-	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	1 000	500	500	2 500	-	-
Waste Separation Facilities		-	-	-	500	1 030	1 030	2 000	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		138	903	137	6 000	5 945	5 945	2 500	2 500	2 750

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<i>Data Centres</i>		138	903	-	2 000	4 645	4 645	1 000	1 000	2 000
<i>Core Layers</i>		-	-	-	-	-	-	-	-	-
<i>Distribution Layers</i>		-	-	137	4 000	1 300	1 300	1 500	1 500	750
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		<b>8 247</b>	<b>39 696</b>	<b>8 830</b>	<b>18 191</b>	<b>24 040</b>	<b>24 040</b>	<b>52 229</b>	<b>45 621</b>	<b>9 400</b>
Community Facilities		6 527	7 232	6 974	13 980	17 199	17 199	48 179	44 421	8 400
<i>Halls</i>		4 389	2 632	496	2 200	100	100	3 800	-	-
<i>Centres</i>		-	939	-	-	-	-	-	-	-
<i>Crèches</i>		-	-	-	1 000	-	-	6 329	-	6 000
<i>Clinics/Care Centres</i>		-	-	-	-	-	-	-	-	-
<i>Fire/Ambulance Stations</i>		1 417	2 219	-	-	-	-	-	-	-
<i>Testing Stations</i>		-	-	-	-	-	-	-	-	-
<i>Museums</i>		-	-	-	-	-	-	-	-	-
<i>Galleries</i>		-	-	-	-	-	-	-	-	-
<i>Theatres</i>		-	-	-	-	-	-	-	-	-
<i>Libraries</i>		-	350	201	3 080	4 639	4 639	4 350	-	-
<i>Cemeteries/Crematoria</i>		619	1 007	870	5 500	9 500	9 500	30 000	42 321	-
<i>Police</i>		-	-	-	-	-	-	-	-	-
<i>Parks</i>		-	-	1 175	900	2 076	2 076	2 700	1 000	1 200
<i>Public Open Space</i>		-	-	-	300	300	300	1 000	1 100	1 200
<i>Nature Reserves</i>		32	84	4 233	1 000	584	584	-	-	-
<i>Public Ablution Facilities</i>		70	-	-	-	-	-	-	-	-
<i>Markets</i>		-	-	-	-	-	-	-	-	-
<i>Stalls</i>		-	-	-	-	-	-	-	-	-
<i>Abattoirs</i>		-	-	-	-	-	-	-	-	-
<i>Airports</i>		-	-	-	-	-	-	-	-	-
<i>Taxi Ranks/Bus Terminals</i>		-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		1 720	32 464	1 856	4 211	6 841	6 841	4 050	1 200	1 000
<i>Indoor Facilities</i>		-	-	-	-	-	-	-	-	-
<i>Outdoor Facilities</i>		1 720	32 464	1 856	4 211	6 841	6 841	4 050	1 200	1 000
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>		<b>263</b>	<b>-</b>	<b>276</b>	<b>5 781</b>	<b>7 483</b>	<b>7 483</b>	<b>-</b>	<b>-</b>	<b>-</b>
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		263	-	276	5 781	7 483	7 483	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		<b>9 061</b>	<b>5 082</b>	<b>4 852</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenue Generating		3 276	-	-	-	-	-	-	-	-
<i>Improved Property</i>		3 276	-	-	-	-	-	-	-	-
<i>Unimproved Property</i>		-	-	-	-	-	-	-	-	-
Non-revenue Generating		5 785	5 082	4 852	-	-	-	-	-	-
<i>Improved Property</i>		5 785	5 082	4 852	-	-	-	-	-	-
<i>Unimproved Property</i>		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		<b>4 893</b>	<b>17 693</b>	<b>5 211</b>	<b>6 500</b>	<b>9 831</b>	<b>9 831</b>	<b>41 800</b>	<b>43 300</b>	<b>5 600</b>
Operational Buildings		3 018	17 693	5 211	5 500	9 481	9 481	38 150	40 300	2 600
<i>Municipal Offices</i>		2 073	9 210	4 691	3 500	9 481	9 481	12 500	5 000	2 600
<i>Pay/Enquiry Points</i>		-	-	-	-	-	-	-	-	-
<i>Building Plan Offices</i>		-	-	-	-	-	-	-	-	-
<i>Workshops</i>		-	-	-	-	-	-	-	-	-
<i>Yards</i>		-	-	-	-	-	-	650	-	-
<i>Stores</i>		-	-	-	2 000	-	-	25 000	35 000	-
<i>Laboratories</i>		-	-	-	-	-	-	-	-	-
<i>Training Centres</i>		-	-	-	-	-	-	-	-	-
<i>Manufacturing Plant</i>		-	-	-	-	-	-	-	-	-
<i>Depots</i>		945	8 483	521	-	-	-	-	300	-
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
Housing		1 874	-	-	1 000	350	350	3 650	3 000	3 000
<i>Staff Housing</i>		-	-	-	-	-	-	-	-	-
<i>Social Housing</i>		1 874	-	-	1 000	350	350	3 650	3 000	3 000
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-



Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousand</b>	<b>1</b>									
<b>Biological or Cultivated Assets</b>		-	-	207	250	350	350	250	-	-
Biological or Cultivated Assets		-	-	207	250	350	350	250	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-	-	-
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		6 577	3 210	-	1 000	720	720	500	500	1 000
Computer Equipment		6 577	3 210	-	1 000	720	720	500	500	1 000
<b>Furniture and Office Equipment</b>		169	93	-	-	-	-	-	-	-
Furniture and Office Equipment		169	93	-	-	-	-	-	-	-
<b>Machinery and Equipment</b>		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
<b>Transport Assets</b>		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
<b>Land</b>		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<b>Living resources</b>		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on upgrading of existing assets</b>	<b>1</b>	<b>72 523</b>	<b>138 456</b>	<b>89 100</b>	<b>162 343</b>	<b>135 611</b>	<b>135 611</b>	<b>307 062</b>	<b>265 721</b>	<b>175 706</b>
<i>Upgrading of Existing Assets as % of total capex</i>		<i>0.0%</i>	<i>40.7%</i>	<i>27.7%</i>	<i>32.2%</i>	<i>27.6%</i>	<i>27.6%</i>	<i>50.1%</i>	<i>46.6%</i>	<i>32.3%</i>
<i>Upgrading of Existing Assets as % of deprecn"</i>		<i>34.5%</i>	<i>62.5%</i>	<i>38.2%</i>	<i>73.7%</i>	<i>56.6%</i>	<i>56.6%</i>	<i>123.1%</i>	<i>102.4%</i>	<i>65.1%</i>

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

Vote Description	Ref	2024/25 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Present value
<b>R thousand</b>								
<b>Capital expenditure</b>	1							
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		40	40	50				
Vote 2 - PLANNING AND DEVELOPMENT SERVICES		20 244	38 470	45 045				
Vote 3 - INFRASTRUCTURE SERVICES		463 484	413 131	464 435				
Vote 4 - COMMUNITY AND PROTECTION SERVICES		70 757	66 131	21 300				
Vote 5 - CORPORATE SERVICES		56 420	50 970	12 550				
Vote 6 - FINANCIAL SERVICES		1 400	1 400	1 400				
<i>List entity summary if applicable</i>								
<b>Total Capital Expenditure</b>		<b>612 345</b>	<b>570 142</b>	<b>544 780</b>	-	-	-	-
<b>Future operational costs by vote</b>	2							
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		17 163	17 978	18 979				
Vote 2 - PLANNING AND DEVELOPMENT SERVICES		77 984	64 755	71 811				
Vote 3 - INFRASTRUCTURE SERVICES		1 076 496	1 269 978	1 400 898				
Vote 4 - COMMUNITY AND PROTECTION SERVICES		440 224	451 755	515 933				
Vote 5 - CORPORATE SERVICES		160 198	175 295	224 223				
Vote 6 - FINANCIAL SERVICES		125 653	129 336	136 209				
<i>List entity summary if applicable</i>								
<b>Total future operational costs</b>		<b>1 897 719</b>	<b>2 109 096</b>	<b>2 368 054</b>	-	-	-	-
<b>Future revenue by source</b>	3							
Exchange Revenue		75 856	1 167 017	1 322 068				
Service charges - Electricity		1 029 705	1 167 017	1 322 068				
Service charges - Water		182 522	190 924	199 712				
Service charges - Waste Water Management		122 772	132 593	143 201				
Service charges - Waste Management		115 082	120 375	125 913				
Agency services		3 794	3 965	4 144				
<i>List other revenues sources if applicable</i>								
<i>List entity summary if applicable</i>								
<b>Total future revenue</b>		<b>1 529 731</b>	<b>2 781 892</b>	<b>3 117 106</b>	-	-	-	-
<b>Net Financial Implications</b>		<b>980 333</b>	<b>(102 654)</b>	<b>(204 272)</b>	-	-	-	-

## WC024 Stellenbosch - Supporting Table SA36 Detailed capital budget

R thousand	Function	Project Description	Project Number	Own Strategic Objectives	2024/25 Medium Term Revenue & Expenditure Framework				
					Audited Outcome 2022/23	Current Year 2023/24 Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>Parent municipality:</b>									
<i>List all capital projects grouped by Function</i>									
	Municipal Manager	Furniture, Tools & Equipment: MM	PC_0001	Good Governance and Compliance			40	40	50
	Economic Development & Tourism	Establishment of the Kayamandi Informal Tr	PC_0286	Dignified Living			1 500	-	-
	Economic Development & Tourism	Furniture, Tools & Equipment: LED	PC_0285	Dignified Living			75	75	80
	Economic Development & Tourism	Installation of Agricultural Irrigation infrastru	PC_0349	Dignified Living			300	1 000	1 000
	Housing Development	Adam Tas Corridor Precinct 10	PC_0014	Dignified Living			-	16 000	16 000
	Housing Development	Erf 64, Kylemore	PC_0005	Dignified Living			1 946	-	-
	Housing Development	Erf 7001 Cloetesville (380) FLISP	PC_0003	Dignified Living			300	8 000	8 000
	Housing Development	Erven 81/2 and 82/9, Stellenbosch	PC_0008	Dignified Living			250	-	-
	Housing Development	Furniture, Tools & Equipment: Housing Dev	PC_0010	Good Governance and Compliance			80	150	150
	Housing Development	Housing projects	PC_0348	Dignified Living			300	310	320
	Housing Development	Housing Projects (Social housing planning)	PC_0002	Dignified Living			500	500	1 000
	Housing Development	ISSP Kayamandi	PC_0350	Dignified Living			2 000	2 000	1 000
	Housing Development	Kayamandi Town Centre	PC_0013	Dignified Living			2 000	3 000	4 000
	Housing Development	Klapmuts La Rochelle (100)	PC_0015	Dignified Living			2 000	3 000	3 000
	Housing Development	La Motte Old Forest Station (±430 services	PC_0016	Dignified Living			4 443	-	6 000
	IHS: Informal Settlements	Upgrading of Informal Settlements: General	PC_0360	Dignified Living			1 000	1 000	1 000
	IHS: Informal Settlements	Rehabilitation of Langrug Dam and Enginee	PC_0331	Dignified Living			500	1 000	1 000
	Housing Administration	Flats: Interior Upgrading - Kayamandi	PC_0195	Dignified Living			1 650	1 000	1 000
	Housing Administration	Furniture, Tools & Equipment: Housing Adm	PC_0301	Dignified Living			150	150	170
	Housing Administration	Upgrading of Flats: General	PC_0359	Dignified Living			1 000	1 000	1 000
	Town Development	Furniture, Tools and Equipment: Spatial Pla	PC_0297	Dignified Living			75	75	80
	Town Planning	Furniture, Tools & Equipment: Town Plannin	PC_0346	Dignified Living			75	85	95
	Building Control	Furniture, Tools & Equipment: Building Cont	PC_0343	Dignified Living			100	125	150
	Infrastructure Services	Furniture, Tools & Equipment: IS	PC_0025	Good Governance and Compliance			85	80	65
	Waste Management: Solid Waste Manag	Area Cleaning Depot: Franschhoek	PC_0028	Dignified Living			2 500	-	-
	Waste Management: Solid Waste Manag	Expansion of the landfill site (New cells)	PC_0026	Green and Sustainable Valley			15 000	16 000	-
	Waste Management: Solid Waste Manag	Furniture, Tools & Equipment: Solid Waste	PC_0029	Dignified Living			100	50	50
	Waste Management: Solid Waste Manag	Landfill Gas To Energy	PC_0031	Green and Sustainable Valley			16 000	500	17 000
	Waste Management: Solid Waste Manag	Major Drop-Offs: Construction - Franschhoek	PC_0032	Green and Sustainable Valley			3 000	2 000	-
	Waste Management: Solid Waste Manag	Major Drop-offs: Construction - Klapmuts	PC_0033	Green and Sustainable Valley			2 200	3 000	4 000
	Waste Management: Solid Waste Manag	Mini Waste drop-off facilities	PC_0351	Green and Sustainable Valley			100	200	500
	Waste Management: Solid Waste Manag	Plant and Vehicles: Solid Waste	PC_0038	Dignified Living			2 500	3 500	4 000
	Waste Management: Solid Waste Manag	Upgrade depot and sites	PC_0358	Dignified Living			-	300	-

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Waste Management: Solid Waste Manag	Upgrade Material Recovery Facility	PC_0303	Dignified Living			2 000	-	-
Waste Management: Solid Waste Manag	Waste containers	PC_0369	Green and Sustainable Valley			200	500	200
Waste Management: Solid Waste Manag	Waste Minimization Projects	PC_0041	Green and Sustainable Valley			800	500	-
Electrical Services	Ad-Hoc Provision of Streetlighting	PC_0044	Safe Valley			2 500	2 500	2 290
Electrical Services	Alternative Energy	PC_0287	Safe Valley			20 000	24 500	26 995
Electrical Services	Automatic Meter Reader	PC_0046	Green and Sustainable Valley			400	440	484
Electrical Services	Bien don 66/11kV substation new	PC_0047	Valley of Possibility			8 347	20 000	44 921
Electrical Services	Cable Network: Franschoek	PC_0304	Dignified Living			-	500	5 000
Electrical Services	Cable replacement 66kV	PC_0048	Valley of Possibility			-	400	-
Electrical Services	Cloetesville - Add the third transformer and	PC_0072	Dignified Living			1 050	450	-
Electrical Services	Demand Side Management Geyser Control	PC_0049	Green and Sustainable Valley			500	1 000	1 000
Electrical Services	Electricity Network: Pniel	PC_0050	Valley of Possibility			3 500	3 500	3 500
Electrical Services	Electrification INEP	PC_0051	Valley of Possibility			5 056	11 000	9 943
Electrical Services	Energy Balancing - Metering and Mini-Subs	PC_0052	Valley of Possibility			250	250	250
Electrical Services	Energy Efficiency and Demand Side Manag	PC_0053	Green and Sustainable Valley			5 000	5 000	5 000
Electrical Services	Furniture, Tools and Equipment: Electrical S	PC_0068	Good Governance and Compliance			100	333	367
Electrical Services	General System Improvements - Franscho	PC_0056	Valley of Possibility			3 500	3 500	3 500
Electrical Services	General Systems Improvements - Stellenbo	PC_0057	Valley of Possibility			5 500	5 900	6 340
Electrical Services	Infrastructure Improvement - Franschoek	PC_0058	Valley of Possibility			1 500	1 500	1 500
Electrical Services	Integrated National Electrification Program	PC_0288	Valley of Possibility			322	322	322
Electrical Services	Jan Marais Upgrade: Remove Existing Tx a	PC_0059	Valley of Possibility			2 360	-	-
Electrical Services	Kayamandi new substation 11kV switching s	PC_0060	Valley of Possibility			7 500	15 000	7 500
Electrical Services	Laterra Substation	PC_0061	Valley of Possibility			226	-	-
Electrical Services	Meter Panels	PC_0063	Green and Sustainable Valley			250	250	250
Electrical Services	Network Cable Replace 11 Kv	PC_0064	Valley of Possibility			3 000	3 300	3 630
Electrical Services	Replace Control Panels 66 kV & Circuit brea	PC_0065	Dignified Living			4 664	2 000	2 500
Electrical Services	Replace Ineffective Meters	PC_0066	Green and Sustainable Valley			250	303	333
Electrical Services	Stellenbosch Switchgear (11kV) SF6	PC_0069	Valley of Possibility			1 000	9 000	27 607
Electrical Services	Streetlights R304	PC_0305	Dignified Living			1 000	1 000	1 000
Electrical Services	Substation 66kV equipment	PC_0070	Good Governance and Compliance			2 296	5 301	6 361
Electrical Services	System Control Centre & Upgrade Telemetr	PC_0071	Dignified Living			3 960	4 356	4 792
Electrical Services	Uninterrupted Power Supply for buildings	PC_0326	Safe Valley			2 000	2 000	-
Electrical Services	Upgrade transformers at Main substation 7.	PC_0073	Dignified Living			500	7 571	27 571
Electrical Services	Vehicles: Electrical Services	PC_0075	Dignified Living			3 500	-	3 200
Project Management Unit (PMU)	Franschoek Mooiwater 236	PC_0327	Dignified Living			10 800	-	-
Project Management Unit (PMU)	Furniture, Tools & Equipment: PMU	PC_0306	Dignified Living			75	75	110
Project Management Unit (PMU)	Kayamandi: Zone O (±711 services)	PC_0076	Dignified Living			1 750	8 000	8 000
Project Management Unit (PMU)	Upgrading Ad hoc Housing Projects	PC_0339	Dignified Living			300	350	400

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Water and Wastewater Services: Water	Bulk Water Supply Pipe and Reservoir: Kay	PC_0340	Dignified Living			298	-	-
Water and Wastewater Services: Water	Bulk Water Supply Pipe and Reservoir: Stel	PC_0080	Valley of Possibility			75 000	50 000	3 000
Water and Wastewater Services: Water	Bulk Water Supply Pipe Line & Pumpstation	PC_0081	Valley of Possibility			10 000	4 000	-
Water and Wastewater Services: Water	Bulk Water Supply Pipe: Cloetesville/ Idas V	PC_0079	Valley of Possibility			1 000	7 000	14 000
Water and Wastewater Services: Water	Bulk Water Supply Pipe: Idas Valley/Papega	PC_0082	Valley of Possibility			2 000	-	-
Water and Wastewater Services: Water	Bulk Water Supply Pipeline & Reservoir - Ja	PC_0083	Valley of Possibility			13 717	-	-
Water and Wastewater Services: Water	Bulk Water Upgrades Franschoek	PC_0084	Valley of Possibility			-	-	1 000
Water and Wastewater Services: Water	Chlorination Installation: Upgrade	PC_0085	Valley of Possibility			500	500	500
Water and Wastewater Services: Water	Dwarsriver Bulk Supply Augmentation and N	PC_0086	Valley of Possibility			7 320	750	1 500
Water and Wastewater Services: Water	Furniture, Tools & Equipment: Water	PC_0087	Dignified Living			150	200	200
Water and Wastewater Services: Water	New Reservoir & Pipeline: Vlottenburg	PC_0089	Dignified Living			28 946	-	-
Water and Wastewater Services: Water	Reservoirs and Dam Safety	PC_0091	Dignified Living			950	500	1 000
Water and Wastewater Services: Water	Specialized Vehicles: Water	PC_0092	Good Governance and Compliance			-	5 500	-
Water and Wastewater Services: Water	Uniepark & Helshoogte Storage and Supply	PC_0332	Dignified Living			5 000	6 000	40 000
Water and Wastewater Services: Water	Update Water Masterplan	PC_0093	Dignified Living			500	500	750
Water and Wastewater Services: Water	Upgrade and Replace Water Meters	PC_0094	Dignified Living			1 000	1 000	2 000
Water and Wastewater Services: Water	Vehicles: Water	PC_0095	Good Governance and Compliance			1 000	1 000	-
Water and Wastewater Services: Water	Water Conservation & Demand Managemen	PC_0096	Good Governance and Compliance			2 000	2 000	2 000
Water and Wastewater Services: Water	Water Telemetry Upgrade	PC_0097	Good Governance and Compliance			1 500	1 500	-
Water and Wastewater Services: Water	Waterpipe Replacement	PC_0100	Dignified Living			6 000	6 000	8 000
Water and Wastewater Services: Sanitati	Compilation of Water Service Development	PC_0108	Good Governance and Compliance			300	400	400
Water and Wastewater Services: Sanitati	Dorp Street Bulk Sewer Upgrade	PC_0119	Dignified Living			500	-	-
Water and Wastewater Services: Sanitati	Extention Of WWTW: Stellenbosch	PC_0112	Dignified Living			4 000	15 000	15 000
Water and Wastewater Services: Sanitati	Furniture, Tools & Equipment: Sanitation	PC_0114	Dignified Living			400	400	400
Water and Wastewater Services: Sanitati	Pond rehabilitation and pond pumping syste	PC_0338	Dignified Living			1 500	1 500	-
Water and Wastewater Services: Sanitati	Refurbish Plant & Equipment - Raitby WW	PC_0113	Dignified Living			4 500	4 000	-
Water and Wastewater Services: Sanitati	Sewer Pumpstation & Telemetry Upgrade	PC_0104	Dignified Living			1 500	1 500	1 500
Water and Wastewater Services: Sanitati	Sewerpipe Replacement	PC_0105	Dignified Living			5 750	6 000	6 000
Water and Wastewater Services: Sanitati	Specialized Vehicles: Sanitation	PC_0106	Dignified Living			3 000	-	-
Water and Wastewater Services: Sanitati	Update Sewer Masterplan	PC_0107	Good Governance and Compliance			500	500	600
Water and Wastewater Services: Sanitati	Upgrade Laboratory Equipment	PC_0115	Dignified Living			500	-	-
Water and Wastewater Services: Sanitati	Upgrade of WWTW Wemmershoek	PC_0111	Dignified Living			30 000	30 000	20 000
Water and Wastewater Services: Sanitati	Upgrade of WWTW: Klappmuts	PC_0110	Dignified Living			5 000	6 000	50 000
Water and Wastewater Services: Sanitati	Vehicles: Sanitation	PC_0126	Good Governance and Compliance			1 000	2 000	-
Water and Wastewater Services: Sanitati	Vlottenburg Outfall Sewer: Construction of D	PC_0337	Dignified Living			19 054	-	-
Roads and Stormwater	Adam Tas Road Intersection Upgrades	PC_0308	Valley of Possibility			300	300	-
Roads and Stormwater	Adhoc Minor Upgrading of Roads (WC024)	PC_0309	Dignified Living			300	700	-
Roads and Stormwater	Adhoc Reconstruction Of Roads (WC024)	PC_0127	Valley of Possibility			5 000	5 000	5 000

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Roads and Stormwater	Bridge Assessment and Design	PC_0341	Dignified Living			2 000	1 000	-
Roads and Stormwater	Furniture, Tools & Equipment: Roads & Stormwater	PC_0130	Good Governance and Compliance			400	400	400
Roads and Stormwater	George Blake Urban Upgrade	PC_0347	Dignified Living			300	-	-
Roads and Stormwater	Gravel Roads Devon Valley - Safety Improvements	PC_0131	Dignified Living			500	800	-
Roads and Stormwater	Klapmuts Transport Network	PC_0132	Valley of Possibility			800	800	800
Roads and Stormwater	Lanquedoc Access road and Bridge	PC_0133	Good Governance and Compliance			23 000	15 000	-
Roads and Stormwater	Parking Area Upgrades - Franschoek	PC_0134	Valley of Possibility			500	-	-
Roads and Stormwater	Parking Area Upgrades - Stellenbosch	PC_0135	Valley of Possibility			500	2 000	-
Roads and Stormwater	Reseal Roads - Franschoek & Surrounding	PC_0139	Dignified Living			100	100	2 000
Roads and Stormwater	Reseal Roads - Klapmuts, Raithby & Surrounding	PC_0136	Dignified Living			1 000	100	-
Roads and Stormwater	Reseal Roads - Kylemore & Surrounding	PC_0137	Dignified Living			100	1 500	-
Roads and Stormwater	Reseal Roads - Stellenbosch & Surrounding	PC_0138	Dignified Living			2 900	3 000	4 000
Roads and Stormwater	River Rehabilitation Implementation	PC_0140	Dignified Living			2 000	2 100	-
Roads and Stormwater	Specialized Vehicles: Roads and Stormwater	PC_0333	Good Governance and Compliance			1 500	-	-
Roads and Stormwater	Update Stormwater Masterplan	PC_0146	Valley of Possibility			1 500	-	-
Roads and Stormwater	Upgrade Stormwater Retention Facilities	PC_0144	Dignified Living			500	500	-
Roads and Stormwater	Upgrade Stormwater System	PC_0291	Dignified Living			50	200	300
Roads and Stormwater	Vehicles Fleet: Roads and Stormwater	PC_0368	Good Governance and Compliance			200	-	-
Roads and Stormwater	Wilderbosch Extension to Trumali	PC_0147	Valley of Possibility			1 500	3 000	2 000
Roads and Stormwater	Wilderbosch Extension to Technopark	PC_0370	Valley of Possibility			-	1 000	-
Traffic Engineering	Adhoc Intersection Improvements	PC_0310	Safe Valley			-	1 000	-
Traffic Engineering	Bird Street Dualling - Adam Tas to Kayamans	PC_0148	Dignified Living			200	10 000	15 000
Traffic Engineering	Furniture, Tools & Equipment: Traffic Engineering	PC_0150	Dignified Living			150	150	150
Traffic Engineering	Jamestown Transport Network - School Streets	PC_0151	Dignified Living			5 000	5 000	2 000
Traffic Engineering	Main Road Intersection Improvements: Franschoek	PC_0152	Dignified Living			2 130	3 000	-
Traffic Engineering	Main road intersection improvements: Helshoog	PC_0154	Dignified Living			400	2 000	4 000
Traffic Engineering	Main Road Intersection Improvements: R44	PC_0155	Dignified Living			3 000	1 500	2 000
Traffic Engineering	Main Road Intersection Improvements: Strandfontein	PC_0156	Dignified Living			4 000	15 000	10 000
Traffic Engineering	Pedestrian Crossing Implementation	PC_0158	Safe Valley			100	100	300
Traffic Engineering	Raised Intersection Implementation	PC_0159	Safe Valley			600	500	500
Traffic Engineering	Road Safety Improvements	PC_0160	Safe Valley			500	-	-
Traffic Engineering	Road Upgrades at School Precincts	PC_0311	Dignified Living			200	200	-
Traffic Engineering	Specialized Equipment: Roadmarking Machinery	PC_0162	Good Governance and Compliance			1 000	-	-
Traffic Engineering	Traffic Calming Projects: Implementation	PC_0163	Safe Valley			500	500	-
Traffic Engineering	Traffic Management Improvement Programme	PC_0164	Safe Valley			1 000	1 000	1 000
Traffic Engineering	Traffic Signal Control: Installation and Upgrade	PC_0165	Safe Valley			500	500	1 700
Traffic Engineering	Traffic Signal Management System	PC_0166	Safe Valley			500	1 000	-
Traffic Engineering	Universal Access Implementation	PC_0167	Safe Valley			200	-	300

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Transport Planning	Adam Tas - Corridor Transport	PC_0169	Safe Valley			1 000	2 000	-
Transport Planning	Adam Tas - Technopark Link Road	PC_0168	Safe Valley			2 500	5 000	5 000
Transport Planning	Bicycle Lockup Facilities	PC_0170	Safe Valley			-	-	500
Transport Planning	Comprehensive Integrated Transport Plan	PC_0171	Good Governance and Compliance			628	1 000	2 656
Transport Planning	Cycle Plan - Design & Implementation	PC_0173	Safe Valley			500	1 000	500
Transport Planning	Freight Strategy for Stellenbosch & Fransch	PC_0175	Valley of Possibility			500	-	-
Transport Planning	Non-Motorised Transport Implementation	PC_0177	Safe Valley			2 000	3 000	3 000
Transport Planning	Non-Motorised Transport Plan	PC_0352	Valley of Possibility			1 000	-	-
Transport Planning	Park and Ride (Transport Interchange)	PC_0178	Safe Valley			700	700	-
Transport Planning	Pedestrian Streets in Stellenbosch	PC_0179	Safe Valley			1 000	-	500
Transport Planning	Provision of Bulk Parking Planning & Develo	PC_0313	Safe Valley			3 000	-	-
Transport Planning	Public Transport Facilities (Taxi Ranks) Adh	PC_0314	Safe Valley			1 000	-	1 000
Transport Planning	Public Transport Infrastructure ( Public Tran	PC_0180	Valley of Possibility			400	-	-
Transport Planning	Public Transport Planning - WC024	PC_0181	Valley of Possibility			1 000	1 000	1 000
Transport Planning	Re-design of Bergzicht Public Transport Fac	PC_0183	Valley of Possibility			1 000	500	-
Transport Planning	Stellenbosch - Bicycle network	PC_0184	Valley of Possibility			-	-	500
Transport Planning	Technopark Kerb and Channel Upgrade	PC_0187	Safe Valley			500	-	-
Community Development	Furniture, Tools & Equipment: Comm Devel	PC_0208	Good Governance and Compliance			60	50	50
Community Development	Social Relief Distress Vehicle	PC_0356	Good Governance and Compliance			350	500	-
Community Development	Upgrading and Maintenance: Early Childhod	PC_0193	Good Governance and Compliance			6 329	-	6 000
Community Services: Library Services	Furniture, Tools & Equipment: Pniel Library	PC_0210	Good Governance and Compliance			10	10	-
Community Services: Library Services	Library Books	PC_0211	Good Governance and Compliance			200	200	200
Community Services: Library Services	Upgrading: Cloetesville Library	PC_0212	Dignified Living			450	-	-
Community Services: Library Services	Furniture, Tools and Equipment: Idas Valley	PC_0316	Good Governance and Compliance			500	-	-
Community Services: Library Services	Furniture, Tools and Equipment: Kayamand	PC_0317	Good Governance and Compliance			20	500	-
Community Services: Library Services	Vehicle Fleet: Library Services	PC_0366	Good Governance and Compliance			400	400	-
Halls	Furniture, Tools & Equipment: Halls	PC_0214	Good Governance and Compliance			200	-	-
Halls	Upgrading of Halls	PC_0215	Dignified Living			50	-	-
Halls	Vehicle Fleet: Halls	PC_0365	Good Governance and Compliance			-	500	500
Sports Grounds and Picnic Sites	Clubhouse Devon Valley Sport Facility	PC_0334	Dignified Living			200	2 000	-
Sports Grounds and Picnic Sites	Fencing: Sport Grounds (WC024)	PC_0221	Safe Valley			1 750	-	-
Sports Grounds and Picnic Sites	Furniture, Tools & Equipment: Sports	PC_0222	Good Governance and Compliance			400	-	-
Sports Grounds and Picnic Sites	Installation of Cricket nets	PC_0218	Dignified Living			150	-	250
Sports Grounds and Picnic Sites	Recreational Equipment Sport	PC_0229	Valley of Possibility			200	-	-
Sports Grounds and Picnic Sites	Specialized Vehicles: Sports	PC_0236	Dignified Living			1 000	-	-
Sports Grounds and Picnic Sites	Upgrade of netball courts	PC_0234	Dignified Living			1 000	-	-
Sports Grounds and Picnic Sites	Upgrade of Sport Facilities	PC_0235	Dignified Living			1 000	1 000	1 000
Sports Grounds and Picnic Sites	Upgrading of Swimming Pool	PC_0318	Dignified Living			300	200	-

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Environmental Management: Implementa	Furniture, Tools & Equipment: Air and Noise	PC_0342	Good Governance and Compliance			-	100	-
Environmental Management: Implementa	Furniture, Tools & Equipment: Environmenta	PC_0240	Good Governance and Compliance			150	150	200
Environmental Management: Implementa	Jonkershoek Picnic Site: Upgrade of Faciliti	PC_0243	Valley of Possibility			700	-	-
Environmental Management: Implementa	Specialized Equipment: Workshop	PC_0247	Good Governance and Compliance			1 500	-	-
Environmental Management: Implementa	Vehicle Fleet: Workshop	PC_0250	Good Governance and Compliance			800	-	-
Environmental Management: Urban Fore	Design and implement electronic Urban For	PC_0238	Green and Sustainable Valley			250	-	-
Environmental Management: Urban Fore	Fencing :Urban Forestry	PC_0319	Good Governance and Compliance			1 000	-	-
Environmental Management: Urban Fore	Furniture, Tools & Equipment: Urban Forest	PC_0241	Good Governance and Compliance			1 500	-	-
Environmental Management: Urban Fore	Specialized equipment: Urban Forestry	PC_0246	Good Governance and Compliance			1 500	-	-
Environmental Management: Urban Fore	Urban Forestry: Purchasing of trailer	PC_0361	Good Governance and Compliance			-	-	1 000
Environmental Management: Urban Fore	Vehicle Fleet: Urban Forestry	PC_0367	Good Governance and Compliance			-	-	1 200
Cemeteries	Calcutta Memorial Park	PC_0252	Dignified Living			30 000	42 321	-
Cemeteries	Vehicle Fleet: Cemeteries	PC_0254	Good Governance and Compliance			500	-	1 000
Parks and Cemeteries	Beautification of Parks and Cemeteries	PC_0256	Green and Sustainable Valley			1 000	1 000	1 000
Parks and Cemeteries	Fencing :Parks and Gardens	PC_0257	Safe Valley			1 000	1 000	1 000
Parks and Cemeteries	Furniture, Tools & Equipment: Parks & Cem	PC_0258	Good Governance and Compliance			50	-	300
Parks and Cemeteries	Purchase of Specialised Vehicles	PC_0354	Good Governance and Compliance			-	-	1 200
Parks and Cemeteries	Stellenbosch Beautification	PC_0357	Good Governance and Compliance			-	100	-
Parks and Cemeteries	Upgrading of Parks	PC_0265	Green and Sustainable Valley			-	-	200
Parks and Cemeteries	Urban Greening: Beautification: Main Route	PC_0362	Good Governance and Compliance			-	-	200
Parks and Cemeteries	Vehicle Fleet: Parks & Cemeteries	PC_0266	Good Governance and Compliance			1 000	1 000	-
Disaster Management	Re-tarring drill yard: Stellenbosch	PC_0355	Safe Valley			-	-	1 000
Disaster Management	Vehicle Fleet: Disaster Management	PC_0363	Safe Valley			-	600	-
Fire and Rescue Services	Fire Station - Jamestown	PC_0283	Safe Valley			1 150	8 000	-
Fire and Rescue Services	Furniture, Tools & Equipment: Fire	PC_0268	Good Governance and Compliance			50	-	500
Fire and Rescue Services	Rescue equipment	PC_0320	Safe Valley			1 000	-	1 000
Fire and Rescue Services	Specialized Vehicles: Fire	PC_0269	Safe Valley			3 500	-	-
Fire and Rescue Services	Vehicle Fleet: Fire Services	PC_0364	Safe Valley			-	1 000	-
Law Enforcement and Security	Furniture, Tools & Equipment: Law Enforcer	PC_0270	Good Governance and Compliance			200	-	-
Law Enforcement and Security	Install and Upgrade CCTV/ LPR Cameras In	PC_0271	Safe Valley			1 343	1 000	1 000
Law Enforcement and Security	Install Computerized Access Security Syste	PC_0272	Safe Valley			1 000	1 000	1 000
Law Enforcement and Security	Law Enforcement Tools and Equipment	PC_0273	Safe Valley			300	-	-
Law Enforcement and Security	Neighborhood Watch Safety equipment	PC_0274	Safe Valley			250	-	-
Law Enforcement and Security	Security Upgrades	PC_0275	Safe Valley			650	-	-
Law Enforcement and Security	Vehicle Fleet: Law Enforcement	PC_0276	Good Governance and Compliance			1 500	1 500	1 500
Traffic Services	Furniture, Tools & Equipment: Traffic Serv	PC_0277	Good Governance and Compliance			45	-	-
Traffic Services	Specialized Equipment: Traffic	PC_0278	Good Governance and Compliance			1 500	-	-
Traffic Services	Specialized Vehicles: Traffic	PC_0280	Good Governance and Compliance			2 750	2 000	-



Function	Project Description	Project Number	Own Strategic Objectives	Audited Outcome 2022/23	Current Year 2023/24 Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Information and Communications Techno	Fibre Optic Implementation	PC_0322	Good Governance and Compliance			4 000	4 000	2 000
Information and Communications Techno	ICT Cable Reticulation and Management	PC_0323	Valley of Possibility			500	500	1 000
Information and Communications Techno	Purchase and Replacement of Computer/so	PC_0190	Good Governance and Compliance			1 270	1 270	1 500
Information and Communications Techno	Server Storage expansion and upgrades	PC_0325	Good Governance and Compliance			1 000	1 000	2 000
Information and Communications Techno	Upgrade and Expansion of IT Infrastructure	PC_0191	Good Governance and Compliance			1 000	2 000	2 000
Information and Communications Techno	Upgrading Communication Network	PC_0328	Safe Valley			1 500	1 500	750
Properties and Municipal Building Mainte	Airconditioners	PC_0192	Dignified Living			700	200	200
Properties and Municipal Building Mainte	Furniture, Tools & Equipment: Property Mar	PC_0196	Good Governance and Compliance			250	-	-
Properties and Municipal Building Mainte	Kayamandi: Upgrading of Makapula Hall	PC_0197	Dignified Living			3 000	-	-
Properties and Municipal Building Mainte	Structural Improvement: General	PC_0199	Valley of Possibility			11 000	4 000	1 500
Properties and Municipal Building Mainte	Structural Maintenance/Upgrade: Beltana	PC_0201	Valley of Possibility			25 000	35 000	-
Properties and Municipal Building Mainte	Structural Upgrade: Jamestown Economic H	PC_0202	Valley of Possibility			3 900	-	-
Properties and Municipal Building Mainte	Upgrade Millenium Hall Pniel	PC_0205	Dignified Living			800	-	-
Properties and Municipal Building Mainte	Upgrading Fencing	PC_0206	Safe Valley			1 500	1 000	1 100
Properties and Municipal Building Mainte	Upgrading of New Office Space: Ryneveld S	PC_0207	Valley of Possibility			1 000	500	500
Financial Management Services	Furniture, Tools & Equipment: FS	PC_0282	Good Governance and Compliance			100	100	100
Revenue and Expenditure	Furniture, Tools & Equipment: Rev n Exp	PC_0344	Good Governance and Compliance			150	150	150
Supply Chain Management	Furniture, Tools & Equipment: SCM	PC_0345	Good Governance and Compliance			150	150	150
Financial Management Services	Vehicle Fleet: FMS	PC_0330	Good Governance and Compliance			1 000	1 000	1 000
<b>Parent Capital expenditure</b>				-	-	<b>612 345</b>	<b>570 142</b>	<b>544 780</b>

Function	Project Description	Project Number	Own Strategic Objectives	Audited Outcome 2022/23	Current Year 2023/24 Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Entities: <i>List all capital projects grouped by Entity</i>								
Entity A Water project A								
Entity B Electricity project B								
Entity Capital expenditure				-	-	-	-	-
Total Capital expenditure				-	-	-	-	-

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

R thousand	Function	Project name	Project number	Own Strategic Objectives	Current Year 2023/24		2024/25 Medium Term Revenue & Expenditure Framework		
					Original Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Parent municipality:									
<i>List all capital projects grouped by Function</i>									
	Housing Development	Housing Projects (Social housing planning)	PC_0002	Dignified Living	750	120	500	500	1 000
	Housing Administration	Flats: Interior Upgrading - Kayamandi	PC_0195	Dignified Living	1 000	350	1 650	1 000	1 000
	Waste Management: Solid Waste Management	Area Cleaning Depot: Franschoek	PC_0028	Dignified Living	1 000	500	2 500	-	-
	Waste Management: Solid Waste Management	Expansion of the landfill site (New cells)	PC_0026	Green and Sustainable Valley	46 000	68 630	15 000	16 000	-
	Waste Management: Solid Waste Management	Landfill Gas To Energy	PC_0031	Green and Sustainable Valley	10 000	9 907	16 000	500	17 000
	Waste Management: Solid Waste Management	Waste Minimization Projects	PC_0041	Green and Sustainable Valley	500	200	800	500	-
	Electrical Services	Alternative Energy	PC_0287	Safe Valley	5 018	16 634	20 000	24 500	26 995
	Electrical Services	Bien don 66/11kV substation new	PC_0047	Valley of Possibility	25 000	1 732	8 347	20 000	44 921
	Electrical Services	Jan Marais Upgrade: Remove Existing Tx and replace with 20MVA	PC_0059	Valley of Possibility	6 631	4 299	2 360	-	-
	Water and Wastewater Services: Water	Bulk Water Supply Pipe and Reservoir: Kayamandi	PC_0340	Dignified Living	-	-	298	-	-
	Water and Wastewater Services: Water	Bulk Water Supply Pipe and Reservoir: Stellenbosch	PC_0080	Valley of Possibility	1 500	160	75 000	50 000	3 000
	Water and Wastewater Services: Water	Bulk Water Supply Pipe Line & Pumpstations: Franschoek	PC_0081	Valley of Possibility	1 000	-	10 000	4 000	-
	Water and Wastewater Services: Water	Bulk Water Supply Pipe: Idas Valley/Papegaaiberg and Network Upgrades	PC_0082	Valley of Possibility	1 000	-	2 000	-	-
	Water and Wastewater Services: Water	Bulk Water Supply Pipeline & Reservoir - Jamestown	PC_0083	Valley of Possibility	32 500	19 235	13 717	-	-
	Water and Wastewater Services: Water	Dwarsriver Bulk Supply Augmentation and Network Upgrades	PC_0086	Valley of Possibility	7 000	-	7 320	750	1 500
	Water and Wastewater Services: Water	New Reservoir & Pipeline: Vlottenburg	PC_0089	Dignified Living	46 000	34 641	28 946	-	-
	Water and Wastewater Services: Water	Reservoirs and Dam Safety	PC_0091	Dignified Living	2 000	558	950	500	1 000
	Water and Wastewater Services: Water	Waterpipe Replacement	PC_0100	Dignified Living	4 000	695	6 000	6 000	8 000
	Water and Wastewater Services: Sanitation	Refurbish Plant & Equipment - Raitby WWTW	PC_0113	Dignified Living	5 500	-	4 500	4 000	-
	Water and Wastewater Services: Sanitation	Sewerpipe Replacement	PC_0105	Dignified Living	4 000	10 117	5 750	6 000	6 000
	Water and Wastewater Services: Sanitation	Upgrade of WWTW: Klapmuts	PC_0110	Dignified Living	15 040	2 040	5 000	6 000	50 000
	Water and Wastewater Services: Sanitation	Upgrade of WWTW Wemmershoek	PC_0111	Dignified Living	19 500	8 033	30 000	30 000	20 000
	Roads and Stormwater	Bridge Assessment and Design	PC_0341	Dignified Living	-	8 470	2 000	1 000	-
	Roads and Stormwater	Lanquedoc Access road and Bridge	PC_0133	Good Governance and Compliance	5 000	1 225	23 000	15 000	-
	Roads and Stormwater	River Rehabilitation Implementation	PC_0140	Dignified Living	1 000	4 800	2 000	2 100	-
	Roads and Stormwater	Upgrade Stormwater Retention Facilities	PC_0144	Dignified Living	500	300	500	500	-
	Traffic Engineering	Bird Street Dualling - Adam Tas to Kayamandi	PC_0148	Dignified Living	500	-	200	10 000	15 000
	Traffic Engineering	Main road intersection improvements: Helshoogte rd/La Colline	PC_0154	Dignified Living	3 000	300	400	2 000	4 000
	Community Development	Upgrading and Maintenance: Early Childhood Development Centres	PC_0193	Good Governance and Compliance	1 000	1 000	6 329	-	6 000
	Environmental Management: Implementation	Jonkershoek Picnic Site: Upgrade of Facilities.	PC_0243	Valley of Possibility	700	-	700	-	-
	Fire and Rescue Services	Fire Station - Jamestown	PC_0283	Safe Valley	300	150	1 150	8 000	-
	Fire and Rescue Services	Specialized Vehicles: Fire	PC_0269	Safe Valley	2 500	-	3 500	-	-
	Law Enforcement and Security	Install and Upgrade CCTV/ LPR Cameras In WC024	PC_0271	Safe Valley	1 000	500	1 343	1 000	1 000
	Properties and Municipal Building Maintenance	Kayamandi: Upgrading of Makapula Hall	PC_0197	Dignified Living	2 000	-	3 000	-	-
	Properties and Municipal Building Maintenance	Structural Maintenance/Upgrade: Beltana	PC_0201	Valley of Possibility	2 000	-	25 000	35 000	-
	Properties and Municipal Building Maintenance	Structural Upgrade: Jamestown Economic Hub	PC_0202	Valley of Possibility	5 781	7 483	3 900	-	-

R thousand	Function	Project name	Project number	Own Strategic Objectives	Current Year 2023/24		2024/25 Medium Term Revenue & Expenditure Framework		
					Original Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Entities: <i>List all capital projects grouped by Entity</i>									
Entity Name Project name									

## WC024 Stellenbosch - Supporting Table SA38 Consolidated detailed operational projects

Municipal Vote/Operational project	Program/Project description	Project number	IDP Goal code 2	2024/25 Medium Term Revenue & Expenditure Framework		
				Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousand</b>						
<b>Parent municipality:</b> <i>List all operational projects grouped by Municipal Vote</i>						
Electricity	Bad Debt: Municipal Running Cost	PO_MUN2	Dignified Living	174	181	190
Finance	Bad Debt: Municipal Running Cost	PO_MUN2	Dignified Living	2 682	2 803	2 929
Housing	Bad Debt: Municipal Running Cost	PO_MUN2	Dignified Living	655	684	715
Police Forces, Traffic and Street Parking Control	Bad Debt: Municipal Running Cost	PO_MUN2	Dignified Living	110 874	115 864	121 077
Sewerage	Bad Debt: Municipal Running Cost	PO_MUN2	Dignified Living	879	918	960
Solid Waste Removal	Bad Debt: Municipal Running Cost	PO_MUN2	Dignified Living	1 017	1 063	1 110
Water Distribution	Bad Debt: Municipal Running Cost	PO_MUN2	Dignified Living	5 102	5 332	5 572
Electricity	Bulk purchases: Electricity	PO_0152	Dignified Living	654 350	737 452	831 109
Electricity	Bulk purchases: Electricity Drakenstein	PO_0173	Dignified Living	60 047	67 673	76 268
Solid Waste Removal	RnM C: Solid Waste Disposal : Waste Drop-off Points : Earthworks	PO_0004	Dignified Living	4 800	5 088	5 394
Information Technology	RnM C: Information and Communication Infrastructure: Capital Spares	PO_0008	Dignified Living	105	109	114
Electricity	RnM P: Electrical Infrastructure: HV Substations: MV Substation Equipment	PO_0012	Dignified Living	726	742	758
Electricity	RnM C: Electrical Infrastructure: HV Substations: MV Substation Equipment	PO_0013	Dignified Living	6 697	7 099	7 525
Electricity	RnM P: Information and Communication Infrastructure: Core Layers: Electrical Equipment	PO_0014	Dignified Living	1 984	2 103	2 229
Electricity	RnM C: Information and Communication Infrastructure: Core Layers: Electrical Equipment	PO_0015	Dignified Living	668	708	750
Roads	RnM P: Roads Infrastructure: Roads: Earthworks	PO_0016	Dignified Living	6 924	7 340	7 780
Roads	RnM P: Roads Infrastructure: Roads: Land	PO_0018	Dignified Living	7 124	7 266	7 411
Roads	RnM P: Roads Infrastructure: Roads: Pavements	PO_0020	Dignified Living	506	536	568
Sewerage	RnM P: Sanitation Infrastructure: Outfall Sewers: Civil Structures	PO_0022	Dignified Living	2 175	2 285	2 402
Waste Water Treatment	RnM P: Sanitation Infrastructure: Outfall Sewers: Civil Structures	PO_0022	Dignified Living	750	775	801
Sewerage	RnM P: Sanitation Infrastructure: Waste Water Treatment: Civil Structure	PO_0024	Dignified Living	500	510	520
Waste Water Treatment	RnM P: Sanitation Infrastructure: Waste Water Treatment: Civil Structure	PO_0024	Dignified Living	550	583	618
Storm Water Management	RnM P: Storm water Infrastructure: Attenuation: Drainage	PO_0026	Dignified Living	767	813	862
Water Distribution	RnM P: Water Supply Infrastructure: Bulk Mains: Pipe Work	PO_0030	Dignified Living	4 831	5 121	5 429
Water Treatment	RnM P: Water Supply Infrastructure: Water Treatment: Mechanical Equipment	PO_0032	Dignified Living	125	133	140
Water Treatment	RnM P: Water Supply Infrastructure: Water Treatment: Metal Work	PO_0034	Dignified Living	700	742	787
Roads	RnM P: Roads Infrastructure: Road Furniture: Road Furniture	PO_0036	Dignified Living	535	566	600
Sewerage	RnM P: Sanitation Infrastructure: Waste Water Treatment: Mechanical Equipment	PO_0038	Dignified Living	1 340	1 421	1 506
Waste Water Treatment	RnM P: Sanitation Infrastructure: Waste Water Treatment: Mechanical Equipment	PO_0038	Dignified Living	13 970	15 250	16 748
Water Storage	RnM P: Water Supply Infrastructure: Water Treatment: Civil Structure	PO_0042	Dignified Living	462	490	519
Water Treatment	RnM P: Water Supply Infrastructure: Water Treatment: Pipe Work	PO_0044	Dignified Living	235	249	264
Administrative and Corporate Support	RnM C: Furniture and Office Equipment	PO_0054	Food Governance and Compliance	4	4	4
Biodiversity and Landscape	RnM C: Furniture and Office Equipment	PO_0054	Food Governance and Compliance	73	77	82

Municipal Vote/Operational project	Program/Project description	Project number	IDP Goal code 2	2024/25 Medium Term Revenue & Expenditure Framework		
				Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand						
Cemeteries, Funeral Parlours and Crematoriums	RnM C: Furniture and Office Equipment	PO_0054	ood Governance and Complianc	5	5	6
Civil Defence	RnM C: Furniture and Office Equipment	PO_0054	ood Governance and Complianc	4	4	5
Community Halls and Facilities	RnM C: Furniture and Office Equipment	PO_0054	ood Governance and Complianc	50	55	60
Community Parks (including Nurseries)	RnM C: Furniture and Office Equipment	PO_0054	ood Governance and Complianc	11	11	12
Finance	RnM C: Furniture and Office Equipment	PO_0054	ood Governance and Complianc	32	33	34
Fire Fighting and Protection	RnM C: Furniture and Office Equipment	PO_0054	ood Governance and Complianc	174	184	195
Information Technology	RnM C: Furniture and Office Equipment	PO_0054	ood Governance and Complianc	139	145	152
Libraries and Archives	RnM C: Furniture and Office Equipment	PO_0054	ood Governance and Complianc	6	7	7
Marketing, Customer Relations, Publicity and Media	RnM C: Furniture and Office Equipment	PO_0054	ood Governance and Complianc	11	11	11
Mayor and Council	RnM C: Furniture and Office Equipment	PO_0054	ood Governance and Complianc	42	44	46
Property Services	RnM C: Furniture and Office Equipment	PO_0054	ood Governance and Complianc	10	10	11
Road and Traffic Regulation	RnM C: Furniture and Office Equipment	PO_0054	ood Governance and Complianc	15	16	17
Sports Grounds and Stadiums	RnM C: Furniture and Office Equipment	PO_0054	ood Governance and Complianc	21	21	22
Supply Chain Management	RnM C: Furniture and Office Equipment	PO_0054	ood Governance and Complianc	15	15	16
Water Treatment	RnM C: Furniture and Office Equipment	PO_0054	ood Governance and Complianc	71	75	80
Civil Defence	RnM P: Furniture and Office Equipment	PO_0055	ood Governance and Complianc	47	50	53
Biodiversity and Landscape	RnM C: Other Assets: Operational Buildings: Municipal Offices: Buildings	PO_0056	ood Governance and Complianc	100	102	104
Cemeteries, Funeral Parlours and Crematoriums	RnM C: Other Assets: Operational Buildings: Municipal Offices: Buildings	PO_0056	ood Governance and Complianc	150	153	156
Community Halls and Facilities	RnM C: Other Assets: Operational Buildings: Municipal Offices: Buildings	PO_0056	ood Governance and Complianc	157	164	171
Community Parks (including Nurseries)	RnM C: Other Assets: Operational Buildings: Municipal Offices: Buildings	PO_0056	ood Governance and Complianc	2 931	2 989	3 049
Corporate Wide Strategic Planning (IDPs, LEDs)	RnM C: Other Assets: Operational Buildings: Municipal Offices: Buildings	PO_0056	ood Governance and Complianc	100	102	104
Housing	RnM C: Other Assets: Operational Buildings: Municipal Offices: Buildings	PO_0056	ood Governance and Complianc	3 000	3 180	3 360
Informal Settlements	RnM C: Other Assets: Operational Buildings: Municipal Offices: Buildings	PO_0056	ood Governance and Complianc	1 752	3 017	10 906
Property Services	RnM C: Other Assets: Operational Buildings: Municipal Offices: Buildings	PO_0056	ood Governance and Complianc	5 216	5 451	5 696
Recreational Facilities	RnM C: Other Assets: Operational Buildings: Municipal Offices: Buildings	PO_0056	ood Governance and Complianc	84	87	91
Solid Waste Removal	RnM C: Other Assets: Operational Buildings: Municipal Offices: Buildings	PO_0056	ood Governance and Complianc	370	377	385
Sports Grounds and Stadiums	RnM C: Other Assets: Operational Buildings: Municipal Offices: Buildings	PO_0056	ood Governance and Complianc	418	437	456
Water Storage	RnM C: Other Assets: Operational Buildings: Municipal Offices: Buildings	PO_0056	ood Governance and Complianc	15	15	16
Community Parks (including Nurseries)	RnM C: Transport Assets	PO_0058	Safe Valley	2	2	2
Biodiversity and Landscape	RnM P: Transport Assets	PO_0059	Safe Valley	198	209	222
Cemeteries, Funeral Parlours and Crematoriums	RnM P: Transport Assets	PO_0059	Safe Valley	42	45	47
Civil Defence	RnM P: Transport Assets	PO_0059	Safe Valley	1 261	1 336	1 417
Community Halls and Facilities	RnM P: Transport Assets	PO_0059	Safe Valley	19	19	20
Community Parks (including Nurseries)	RnM P: Transport Assets	PO_0059	Safe Valley	895	947	1 003
Corporate Wide Strategic Planning (IDPs, LEDs)	RnM P: Transport Assets	PO_0059	Safe Valley	20	20	21
Disaster Management	RnM P: Transport Assets	PO_0059	Safe Valley	74	79	84

Municipal Vote/Operational project	Program/Project description	Project number	IDP Goal code 2	2024/25 Medium Term Revenue & Expenditure Framework		
				Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand						
Finance	RnM P: Transport Assets	PO_0059	Safe Valley	66	70	74
Fire Fighting and Protection	RnM P: Transport Assets	PO_0059	Safe Valley	1 751	1 856	1 967
Fleet Management	RnM P: Transport Assets	PO_0059	Safe Valley	60	61	62
Housing	RnM P: Transport Assets	PO_0059	Safe Valley	112	119	126
Informal Settlements	RnM P: Transport Assets	PO_0059	Safe Valley	10	10	10
Population Development	RnM P: Transport Assets	PO_0059	Safe Valley	40	42	44
Property Services	RnM P: Transport Assets	PO_0059	Safe Valley	25	26	26
Recreational Facilities	RnM P: Transport Assets	PO_0059	Safe Valley	5	5	6
Road and Traffic Regulation	RnM P: Transport Assets	PO_0059	Safe Valley	11	11	12
Roads	RnM P: Transport Assets	PO_0059	Safe Valley	538	570	604
Solid Waste Removal	RnM P: Transport Assets	PO_0059	Safe Valley	50	51	52
Sports Grounds and Stadiums	RnM P: Transport Assets	PO_0059	Safe Valley	226	239	254
Storm Water Management	RnM P: Transport Assets	PO_0059	Safe Valley	65	66	68
Town Planning, Building Regulations and Enforcemen	RnM P: Transport Assets	PO_0059	Safe Valley	25	26	26
Waste Water Treatment	RnM P: Transport Assets	PO_0059	Safe Valley	784	815	848
Water Distribution	RnM P: Transport Assets	PO_0059	Safe Valley	910	928	947
Water Storage	RnM P: Transport Assets	PO_0059	Safe Valley	29	31	33
Water Treatment	RnM P: Transport Assets	PO_0059	Safe Valley	25	26	27
Community Parks (including Nurseries)	RnM P: Community Assets: Community Facilities: Parks: External Facilities	PO_0060	Dignified Living	270	275	281
Sports Grounds and Stadiums	RnM P: Community Assets: Sport and Recreation Facilities: Outdoor Facilities: Civil Structu	PO_0062	Dignified Living	15	15	16
Electricity	RnM P: Furniture and Office Equipment	PO_0064	ood Governance and Complianc	0	0	0
Housing	RnM P: Furniture and Office Equipment	PO_0064	ood Governance and Complianc	160	170	180
Marketing, Customer Relations, Publicity and Media	RnM P: Furniture and Office Equipment	PO_0064	ood Governance and Complianc	8	8	9
Municipal Manager, Town Secretary and Chief Execut	RnM P: Furniture and Office Equipment	PO_0064	ood Governance and Complianc	5	6	6
Town Planning, Building Regulations and Enforcemen	RnM P: Other Assets: Housing: Capital Spares	PO_0066	Dignified Living	42	44	47
Public Toilets	RnM P: Community Assets: Community Facilities: Public Ablution Facilities: Service Conne	PO_0076	Dignified Living	5 591	7 681	8 034
Public Toilets	RnM C: Community Assets: Community Facilities: Public Ablution Facilities: Service Conne	PO_0077	Dignified Living	5	5	6
Road and Traffic Regulation	RnM P: Machinery and Equipment	PO_0080	ood Governance and Complianc	834	885	938
Corporate Wide Strategic Planning (IDPs, LEDs)	Capacity Building Unemployed	PO_0083	Valley of Possibility	11	11	11
Biodiversity and Landscape	City Cleanliness and Clean-up:Clean-up Actions	PO_0085	Valley of Possibility	958	977	996
Cemeteries, Funeral Parlours and Crematoriums	City Cleanliness and Clean-up:Clean-up Actions	PO_0085	Valley of Possibility	350	357	364
Community Halls and Facilities	City Cleanliness and Clean-up:Clean-up Actions	PO_0085	Valley of Possibility	20	25	30
Community Parks (including Nurseries)	City Cleanliness and Clean-up:Clean-up Actions	PO_0085	Valley of Possibility	1 910	1 948	1 987
Housing	City Cleanliness and Clean-up:Clean-up Actions	PO_0085	Valley of Possibility	201	201	207
Road and Traffic Regulation	City Cleanliness and Clean-up:Clean-up Actions	PO_0085	Valley of Possibility	16	17	17
Solid Waste Disposal (Landfill Sites)	City Cleanliness and Clean-up:Clean-up Actions	PO_0085	Valley of Possibility	48 475	31 300	32 273

Municipal Vote/Operational project	Program/Project description	Project number	IDP Goal code 2	2024/25 Medium Term Revenue & Expenditure Framework		
				Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand						
Street Cleaning	City Cleanliness and Clean-up:Clean-up Actions	PO_0085	Valley of Possibility	3 704	4 700	4 900
Waste Water Treatment	City Cleanliness and Clean-up:Clean-up Actions	PO_0085	Valley of Possibility	6 360	6 742	7 146
Water Treatment	City Cleanliness and Clean-up:Clean-up Actions	PO_0085	Valley of Possibility	53	56	60
Marketing, Customer Relations, Publicity and Media	IDP/ Budget/ SDF Public Participation Meetings	PO_0086	Valley of Possibility	1	1	1
Population Development	Community Development Initiatives	PO_0087	Valley of Possibility	1 632	-	-
Mayor and Council	Implementation of Ward Priorities	PO_0088	Valley of Possibility	750	750	750
Housing	Title Deed Restoration Programme	PO_0092	Dignified Living	236	241	246
Libraries and Archives	Community Development:Library Programmes	PO_0094	Valley of Possibility	15	16	17
Sewerage	Drinking Water Quality	PO_0097	Dignified Living	250	265	281
Waste Water Treatment	Drinking Water Quality	PO_0097	Dignified Living	1 120	1 184	1 252
Water Treatment	Drinking Water Quality	PO_0097	Dignified Living	1 500	1 590	1 685
Biodiversity and Landscape	Environmental: Catchment and Forestry	PO_0105	Green and Sustainable Valley	1 400	1 428	1 457
Community Parks (including Nurseries)	Environmental: Catchment and Forestry	PO_0105	Green and Sustainable Valley	1 800	1 836	1 873
Nature Conservation	Environmental: Catchment and Forestry	PO_0105	Green and Sustainable Valley	18	19	19
Biodiversity and Landscape	Rehabilitation and Beautification	PO_0107	Green and Sustainable Valley	27	27	28
Property Services	Rehabilitation and Beautification	PO_0107	Green and Sustainable Valley	50	51	52
Nature Conservation	Environmental:Environmental Health	PO_0108	Green and Sustainable Valley	69	70	71
Biodiversity and Landscape	Environmental:Nursery	PO_0109	Green and Sustainable Valley	701	715	730
Cemeteries, Funeral Parlours and Crematoriums	Environmental:Nursery	PO_0109	Green and Sustainable Valley	35	35	36
Community Parks (including Nurseries)	Environmental:Nursery	PO_0109	Green and Sustainable Valley	370	377	385
Finance	Budget and Treasury	PO_0111	Food Governance and Compliance	1 060	1 160	1 260
Administrative and Corporate Support	Staff recognition or achievement awards and functions	PO_0114	Valley of Possibility	227	231	236
Community Parks (including Nurseries)	Staff recognition or achievement awards and functions	PO_0114	Valley of Possibility	46	47	48
Corporate Wide Strategic Planning (IDPs, LEDs)	Staff recognition or achievement awards and functions	PO_0114	Valley of Possibility	18	18	18
Finance	Staff recognition or achievement awards and functions	PO_0114	Valley of Possibility	225	230	234
Mayor and Council	Staff recognition or achievement awards and functions	PO_0114	Valley of Possibility	226	227	229
Town Planning, Building Regulations and Enforcement	Staff recognition or achievement awards and functions	PO_0114	Valley of Possibility	95	101	106
Corporate Wide Strategic Planning (IDPs, LEDs)	Festival of Lights	PO_0115	Valley of Possibility	2 252	2 297	2 343
Human Resources	Human Resource Management	PO_0118	Food Governance and Compliance	492	508	524
Municipal Manager, Town Secretary and Chief Executive	Human Resource Management	PO_0118	Food Governance and Compliance	119	121	124
Human Resources	Work Integrated Learners/ Interns	PO_0119	Valley of Possibility	110	112	114
Corporate Wide Strategic Planning (IDPs, LEDs)	Integrated Public Transport Network	PO_0121	Valley of Possibility	80	82	83
Mayor and Council	Integrated Public Transport Network	PO_0121	Valley of Possibility	3	3	3
Road and Traffic Regulation	Integrated Public Transport Network	PO_0121	Valley of Possibility	10 937	11 156	11 379
Corporate Wide Strategic Planning (IDPs, LEDs)	Local Economic Development:Project Implementation	PO_0122	Valley of Possibility	309	163	166
Town Planning, Building Regulations and Enforcement	Local Economic Development:Project Implementation	PO_0122	Valley of Possibility	104	106	108



Municipal Vote/Operational project	Program/Project description	Project number	IDP Goal code 2	2024/25 Medium Term Revenue & Expenditure Framework		
				Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand						
Corporate Wide Strategic Planning (IDPs, LEDs)	Local Economic Development:Public Participation	PO_0123	Valley of Possibility	11	11	11
Civil Defence	Municipal Properties	PO_0124	Valley of Possibility	50 003	45 003	40 003
Community Halls and Facilities	Municipal Properties	PO_0124	Valley of Possibility	50	55	60
Finance	Municipal Properties	PO_0124	Valley of Possibility	1	1	1
Housing	Municipal Properties	PO_0124	Valley of Possibility	150	153	156
Libraries and Archives	Municipal Properties	PO_0124	Valley of Possibility	1	1	1
Population Development	Municipal Properties	PO_0124	Valley of Possibility	85	86	87
Property Services	Municipal Properties	PO_0124	Valley of Possibility	2 007	2 097	2 191
Electricity	Occupational Health and Safety	PO_0125	Valley of Possibility	5	5	5
Housing	Occupational Health and Safety	PO_0125	Valley of Possibility	15	15	16
Informal Settlements	Occupational Health and Safety	PO_0125	Valley of Possibility	6	6	6
Population Development	Occupational Health and Safety	PO_0125	Valley of Possibility	4	4	4
Property Services	Occupational Health and Safety	PO_0125	Valley of Possibility	105	109	114
Road and Traffic Regulation	Occupational Health and Safety	PO_0125	Valley of Possibility	28	29	29
Governance Function	Procurement Reforms and Fighting Corruption	PO_0128	Good Governance and Compliance	290	296	302
Civil Defence	Animal Care	PO_0131	Safe Valley	12	12	13
Corporate Wide Strategic Planning (IDPs, LEDs)	Research and Development	PO_0134	Good Governance and Compliance	1 152	1 176	1 199
Electricity	Research and Development	PO_0134	Good Governance and Compliance	17	17	18
Housing	Research and Development	PO_0134	Good Governance and Compliance	193	197	201
Informal Settlements	Research and Development	PO_0134	Good Governance and Compliance	72	76	80
Project Management Unit	Research and Development	PO_0134	Good Governance and Compliance	1 000	800	800
Property Services	Research and Development	PO_0134	Good Governance and Compliance	105	109	114
Town Planning, Building Regulations and Enforcement	Research and Development	PO_0134	Good Governance and Compliance	295	301	307
Electricity	Service Connections	PO_0135	Dignified Living	6 100	6 222	6 346
Biodiversity and Landscape	Administrative Strategy and Planning	PO_0138	Good Governance and Compliance	12	-	-
Finance	Administrative Strategy and Planning	PO_0138	Good Governance and Compliance	11 437	9 748	10 197
Housing	Administrative Strategy and Planning	PO_0138	Good Governance and Compliance	114	116	119
Legal Services	Administrative Strategy and Planning	PO_0138	Good Governance and Compliance	5 315	5 555	5 805
Property Services	Administrative Strategy and Planning	PO_0138	Good Governance and Compliance	52	55	57
Waste Water Treatment	Administrative Strategy and Planning	PO_0138	Good Governance and Compliance	13 150	13 939	14 775
Marketing, Customer Relations, Publicity and Media	Communication and Development	PO_0139	Good Governance and Compliance	153	156	159
Housing	Feasibility Studies	PO_0140	Good Governance and Compliance	16	17	17
Informal Settlements	Feasibility Studies	PO_0140	Good Governance and Compliance	139	146	153
Town Planning, Building Regulations and Enforcement	Feasibility Studies	PO_0140	Good Governance and Compliance	329	335	342
Corporate Wide Strategic Planning (IDPs, LEDs)	IDP Planning and Revision	PO_0141	Valley of Possibility	454	464	473
Corporate Wide Strategic Planning (IDPs, LEDs)	Risk Management	PO_0142	Good Governance and Compliance	200	204	208

Municipal Vote/Operational project	Program/Project description	Project number	IDP Goal code 2	2024/25 Medium Term Revenue & Expenditure Framework		
				Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand						
Governance Function	Risk Management	PO_0142	ood Governance and Compliance	539	427	435
Project Management Unit	Risk Management	PO_0142	ood Governance and Compliance	250	250	300
Town Planning, Building Regulations and Enforcement	Risk Management	PO_0142	ood Governance and Compliance	1 612	1 285	1 310
Project Management Unit	Strategic Planning:Best Practices	PO_0144	ood Governance and Compliance	260	265	279
Finance	Long Term Financial Plan	PO_0145	ood Governance and Compliance	800	300	300
Informal Settlements	Informal Settlements	PO_0146	Dignified Living	7 500	7 650	7 803
Corporate Wide Strategic Planning (IDPs, LEDs)	Public Participation Meeting	PO_0156	Valley of Possibility	200	204	208
Town Planning, Building Regulations and Enforcement	Municipal Planning Tribunal	PO_0157	Valley of Possibility	240	245	250
Population Development	Disability Projects	PO_0160	Valley of Possibility	250	-	-
Population Development	Homeless Projects	PO_0161	Valley of Possibility	-	120	125
Project Management Unit	Human Settlement Development Grant	PO_0166	Dignified Living	10 500	50 700	88 500
Solid Waste Disposal (Landfill Sites)	External Audit Waste Disposal Site	PO_0169	Dignified Living	150	153	156
Roads	RnM P: Maintenance and Construction of Transport Infrastructure	PO_0172	Dignified Living	345	350	366
Electricity	Meter and ACD Audits	PO_0174	ood Governance and Compliance	110	112	114
Population Development	Youth and Elderly Projects	PO_0180	Valley of Possibility	893	905	917
Population Development	Homeless and Disability Projects	PO_0181	Valley of Possibility	363	368	372
Population Development	Children and Gender	PO_0182	Valley of Possibility	574	600	627
Population Development	Youth Projects	PO_0183	Valley of Possibility	2 500	2 600	2 700
Population Development	Women Empowerment	PO_0185	Valley of Possibility	22	22	22
Storm Water Management	RnM C: Roads Infrastructure: Road Structures: Road Bridges	PO_0186	Dignified Living	3 000	3 000	3 000
Civil Defence	CSF: Protection Services	PO_0187	Safe Valley	25	26	26
Community Halls and Facilities	Municipal Running Cost	PO_MUN	ood Governance and Compliance	6	7	7
Property Services	Municipal Running Cost	PO_MUN	ood Governance and Compliance	213	223	233
Electricity	Bad Debt: Municipal Running Cost	PD-0032	Dignified Living	876	917	959
Finance	Bad Debt: Municipal Running Cost	PD-0032	Dignified Living	(2 685)	(2 808)	(2 937)
Housing	Bad Debt: Municipal Running Cost	PD-0032	Dignified Living	1 828	1 912	2 000
Police Forces, Traffic and Street Parking Control	Bad Debt: Municipal Running Cost	PD-0032	Dignified Living	42 642	44 715	46 888
Sewerage	Bad Debt: Municipal Running Cost	PD-0032	Dignified Living	6 059	6 338	6 629
Solid Waste Removal	Bad Debt: Municipal Running Cost	PD-0032	Dignified Living	9 276	9 703	10 149
Street Cleaning	Bad Debt: Municipal Running Cost	PD-0032	Dignified Living	5 473	5 725	5 989
Water Distribution	Bad Debt: Municipal Running Cost	PD-0032	Dignified Living	11 241	11 758	12 299
Civil Defence	Bad Debt: Municipal Running Cost	PD-0032	Dignified Living	1 816	1 900	1 987
Corporate Wide Strategic Planning (IDPs, LEDs)	Depreciation and asset impairment	PO_0154	ood Governance and Compliance	27	28	29
Electricity	Depreciation and asset impairment	PO_0154	ood Governance and Compliance	40 125	41 730	43 399
Governance Function	Depreciation and asset impairment	PO_0154	ood Governance and Compliance	2	2	2
Human Settlements	Depreciation and asset impairment	PO_0154	ood Governance and Compliance	43	45	46

Municipal Vote/Operational project	Program/Project description	Project number	IDP Goal code 2	2024/25 Medium Term Revenue & Expenditure Framework		
				Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand						
Marketing, Customer Relations, Publicity and Media	Depreciation and asset impairment	PO_0154	ood Governance and Complian	45	46	48
Municipal Manager, Town Secretary and Chief Execut	Depreciation and asset impairment	PO_0154	ood Governance and Complian	104	109	113
Project Management Unit	Depreciation and asset impairment	PO_0154	ood Governance and Complian	1 354	1 408	1 464
Public Toilets	Depreciation and asset impairment	PO_0154	ood Governance and Complian	1 569	1 632	1 697
Roads	Depreciation and asset impairment	PO_0154	ood Governance and Complian	53 966	56 124	58 369
Sewerage	Depreciation and asset impairment	PO_0154	ood Governance and Complian	53 580	55 723	57 952
Solid Waste Disposal (Landfill Sites)	Depreciation and asset impairment	PO_0154	ood Governance and Complian	100	104	109
Solid Waste Removal	Depreciation and asset impairment	PO_0154	ood Governance and Complian	5 154	5 361	5 575
Storm Water Management	Depreciation and asset impairment	PO_0154	ood Governance and Complian	8 501	8 841	9 195
Street Cleaning	Depreciation and asset impairment	PO_0154	ood Governance and Complian	425	442	460
Town Planning, Building Regulations and Enforcemen	Depreciation and asset impairment	PO_0154	ood Governance and Complian	7	7	7
Waste Water Treatment	Depreciation and asset impairment	PO_0154	ood Governance and Complian	2 608	2 712	2 820
Water Distribution	Depreciation and asset impairment	PO_0154	ood Governance and Complian	33 827	35 180	36 588
Water Storage	Depreciation and asset impairment	PO_0154	ood Governance and Complian	2 922	3 039	3 161
Water Treatment	Depreciation and asset impairment	PO_0154	ood Governance and Complian	304	316	329
Workshop	Depreciation and asset impairment	PO_0154	ood Governance and Complian	105	109	114
Corporate Wide Strategic Planning (IDPs, LEDs)	Heritage Inventory	PO_0164	Valley of Possibility	-	0	-
Administrative and Corporate Support	Municipal Running Cost	PO_MUN	ood Governance and Complian	1 750	1 820	1 893
Biodiversity and Landscape	Municipal Running Cost	PO_MUN	ood Governance and Complian	1 024	1 065	1 107
Cemeteries, Funeral Parlours and Crematoriums	Municipal Running Cost	PO_MUN	ood Governance and Complian	606	630	655
Civil Defence	Municipal Running Cost	PO_MUN	ood Governance and Complian	2 892	3 008	3 128
Community Halls and Facilities	Municipal Running Cost	PO_MUN	ood Governance and Complian	289	300	312
Community Parks (including Nurseries)	Municipal Running Cost	PO_MUN	ood Governance and Complian	5 999	6 239	6 489
Councillors	Municipal Running Cost	PO_MUN	ood Governance and Complian	255	265	275
Disaster Management	Municipal Running Cost	PO_MUN	ood Governance and Complian	218	226	235
Finance	Municipal Running Cost	PO_MUN	ood Governance and Complian	1	1	1
Fire Fighting and Protection	Municipal Running Cost	PO_MUN	ood Governance and Complian	2 496	2 596	2 699
Human Resources	Municipal Running Cost	PO_MUN	ood Governance and Complian	11	12	12
Information Technology	Municipal Running Cost	PO_MUN	ood Governance and Complian	8 080	8 403	8 739
Libraries and Archives	Municipal Running Cost	PO_MUN	ood Governance and Complian	741	771	801
Mayor and Council	Municipal Running Cost	PO_MUN	ood Governance and Complian	248	258	268
Nature Conservation	Municipal Running Cost	PO_MUN	ood Governance and Complian	487	507	527
Police Forces, Traffic and Street Parking Control	Municipal Running Cost	PO_MUN	ood Governance and Complian	794	826	859
Population Development	Municipal Running Cost	PO_MUN	ood Governance and Complian	659	686	713
Property Services	Municipal Running Cost	PO_MUN	ood Governance and Complian	9 236	9 606	9 990
Recreational Facilities	Municipal Running Cost	PO_MUN	ood Governance and Complian	31	32	33

Municipal Vote/Operational project	Program/Project description	Project number	IDP Goal code 2	2024/25 Medium Term Revenue & Expenditure Framework		
				Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand						
Road and Traffic Regulation	Municipal Running Cost	PO_MUN	ood Governance and Compliance	3 555	3 698	3 845
Sports Grounds and Stadiums	Municipal Running Cost	PO_MUN	ood Governance and Compliance	3 451	3 589	3 733
Water Treatment	Municipal Running Cost	PO_MUN	ood Governance and Compliance	1	1	1
Population Development	IG : COMMUNITY DEV OFFICE ASSISTANT	EPWP006	Dignified Living	43	-	-
Road and Traffic Regulation	PARKING PROJECT, SCHOLAR PATROL / EPWP ASSISTANTS & GARDNERS/ LABOUR	EPWP019	Dignified Living	8 908	-	-
Street Cleaning	AREA CLEANING WCO24	EPWP020	Dignified Living	12 079	-	-
Corporate Wide Strategic Planning (IDPs, LEDs)	IG : ECONOMIC DEVELOPMENT PLANNING	EPWP022	Dignified Living	997	-	-
Mayor and Council	IG : WARD OFFICE	EPWP033	Dignified Living	320	-	-
Roads	IG: ROADS AND STORMWATER	EPWP042	Dignified Living	421	-	-
Housing	IG : Artisan Assistants	EPWP043	Dignified Living	240	-	-
Housing	Title Deed Restoration Programme	PO_0092	Dignified Living	803	369	-
Finance	Intern Compensation	PO_0112	Valley of Possibility	540	540	540
Road and Traffic Regulation	Peace Officers	PO_0133	Safe Valley	2 582	2 743	2 913
Administrative and Corporate Support	Employee related Cost	PO_0149	Valley of Possibility	17 233	18 297	19 427
Biodiversity and Landscape	Employee related Cost	PO_0149	Valley of Possibility	9 976	10 595	11 252
Cemeteries, Funeral Parlours and Crematoriums	Employee related Cost	PO_0149	Valley of Possibility	4 431	4 705	4 997
Civil Defence	Employee related Cost	PO_0149	Valley of Possibility	39 315	41 752	44 341
Community Halls and Facilities	Employee related Cost	PO_0149	Valley of Possibility	4 696	4 987	5 297
Community Parks (including Nurseries)	Employee related Cost	PO_0149	Valley of Possibility	34 446	36 578	38 841
Corporate Wide Strategic Planning (IDPs, LEDs)	Employee related Cost	PO_0149	Valley of Possibility	5 394	5 728	6 084
Disaster Management	Employee related Cost	PO_0149	Valley of Possibility	2 471	2 624	2 787
Electricity	Employee related Cost	PO_0149	Valley of Possibility	38 958	41 370	43 930
Finance	Employee related Cost	PO_0149	Valley of Possibility	54 390	57 758	61 334
Fire Fighting and Protection	Employee related Cost	PO_0149	Valley of Possibility	36 023	38 256	40 628
Fleet Management	Employee related Cost	PO_0149	Valley of Possibility	895	950	1 009
Governance Function	Employee related Cost	PO_0149	Valley of Possibility	4 700	4 991	5 300
Housing	Employee related Cost	PO_0149	Valley of Possibility	15 088	16 023	17 017
Human Resources	Employee related Cost	PO_0149	Valley of Possibility	51 316	54 497	57 876
Informal Settlements	Employee related Cost	PO_0149	Valley of Possibility	6 247	6 634	7 045
Information Technology	Employee related Cost	PO_0149	Valley of Possibility	11 246	11 944	12 684
Legal Services	Employee related Cost	PO_0149	Valley of Possibility	2 028	2 154	2 288
Libraries and Archives	Employee related Cost	PO_0149	Valley of Possibility	11 809	11 865	12 406
Marketing, Customer Relations, Publicity and Media	Employee related Cost	PO_0149	Valley of Possibility	2 379	2 527	2 684
Municipal Manager, Town Secretary and Chief Executive	Employee related Cost	PO_0149	Valley of Possibility	3 851	4 085	4 333
Nature Conservation	Employee related Cost	PO_0149	Valley of Possibility	1 056	1 121	1 191
Police Forces, Traffic and Street Parking Control	Employee related Cost	PO_0149	Valley of Possibility	22 086	23 456	24 910

Municipal Vote/Operational project	Program/Project description	Project number	IDP Goal code 2	2024/25 Medium Term Revenue & Expenditure Framework		
				Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand						
Population Development	Employee related Cost	PO_0149	Valley of Possibility	6 052	6 428	6 826
Project Management Unit	Employee related Cost	PO_0149	Valley of Possibility	7 637	8 111	8 613
Property Services	Employee related Cost	PO_0149	Valley of Possibility	11 064	11 750	12 479
Public Toilets	Employee related Cost	PO_0149	Valley of Possibility	2 380	2 527	2 684
Recreational Facilities	Employee related Cost	PO_0149	Valley of Possibility	2 262	2 403	2 552
Road and Traffic Regulation	Employee related Cost	PO_0149	Valley of Possibility	6 565	6 972	7 404
Roads	Employee related Cost	PO_0149	Valley of Possibility	31 500	33 452	35 527
Sewerage	Employee related Cost	PO_0149	Valley of Possibility	17 129	18 191	19 319
Solid Waste Removal	Employee related Cost	PO_0149	Valley of Possibility	18 460	19 605	20 820
Sports Grounds and Stadiums	Employee related Cost	PO_0149	Valley of Possibility	12 067	12 815	13 610
Storm Water Management	Employee related Cost	PO_0149	Valley of Possibility	9 653	10 251	10 887
Street Cleaning	Employee related Cost	PO_0149	Valley of Possibility	608	646	686
Supply Chain Management	Employee related Cost	PO_0149	Valley of Possibility	13 068	13 878	14 738
Town Planning, Building Regulations and Enforcemen	Employee related Cost	PO_0149	Valley of Possibility	35 952	39 002	42 290
Waste Water Treatment	Employee related Cost	PO_0149	Valley of Possibility	31 777	33 748	35 840
Water Distribution	Employee related Cost	PO_0149	Valley of Possibility	27 490	29 194	31 004
Water Storage	Employee related Cost	PO_0149	Valley of Possibility	3 828	4 066	4 318
Water Treatment	Employee related Cost	PO_0149	Valley of Possibility	9 236	9 808	10 417
Project Management Unit	Integrated Urban Development Grant	PO_0167	Dignified Living	2 495	2 148	2 330
Housing	Municipal Accreditation and Capacity Building Grant	PO_0168	Dignified Living	249	249	260
Libraries and Archives	Municipal Running Cost	PO_MUN	Food Governance and Compliance	15	15	16
Electricity	Finance Charges	PO_0155	Food Governance and Compliance	6 903	7 903	9 403
Human Resources	Finance Charges	PO_0155	Food Governance and Compliance	1 701	1 735	1 770
Sewerage	Finance Charges	PO_0155	Food Governance and Compliance	22 252	22 752	23 252
Solid Waste Disposal (Landfill Sites)	Finance Charges	PO_0155	Food Governance and Compliance	24 497	25 248	26 003
Water Distribution	Finance Charges	PO_0155	Food Governance and Compliance	14 235	15 235	16 735
Solid Waste Removal	RnM C: Solid Waste Disposal : Waste Drop-off Points : Earthworks	PO_0004	Dignified Living	2 000	2 040	2 081
Electricity	RnM P: Electrical Infrastructure: HV Substations: MV Substation Equipment	PO_0012	Dignified Living	5 200	5 304	5 410
Roads	RnM P: Roads Infrastructure: Roads: Pavements	PO_0020	Dignified Living	54	58	61
Street Cleaning	RnM P: Roads Infrastructure: Roads: Pavements	PO_0020	Dignified Living	2 000	2 040	2 081
Roads	RnM C: Roads Infrastructure: Roads: Pavements	PO_0021	Dignified Living	3 115	3 178	3 241
Waste Water Treatment	RnM P: Sanitation Infrastructure: Outfall Sewers: Civil Structures	PO_0022	Dignified Living	1 500	1 590	1 685
Waste Water Treatment	RnM P: Sanitation Infrastructure: Waste Water Treatment: Civil Structure	PO_0024	Dignified Living	428	453	480
Waste Water Treatment	RnM C: Sanitation Infrastructure: Waste Water Treatment: Civil Structure	PO_0025	Dignified Living	13	13	14
Storm Water Management	RnM P: Storm water Infrastructure: Attenuation: Drainage	PO_0026	Dignified Living	201	213	226
Water Distribution	RnM P: Water Supply Infrastructure: Water Treatment: Metal Work	PO_0034	Dignified Living	2 120	2 247	2 382

Municipal Vote/Operational project	Program/Project description	Project number	IDP Goal code 2	2024/25 Medium Term Revenue & Expenditure Framework		
				Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand						
Water Treatment	RnM P: Water Supply Infrastructure: Water Treatment: Metal Work	PO_0034	Dignified Living	3 941	4 022	4 104
Roads	RnM P: Roads Infrastructure: Road Furniture: Road Furniture	PO_0036	Dignified Living	1 383	1 466	1 554
Roads	RnM C: Roads Infrastructure: Road Furniture: Road Furniture	PO_0037	Dignified Living	56	60	63
Sewerage	RnM P: Sanitation Infrastructure: Waste Water Treatment: Mechanical Equipment	PO_0038	Dignified Living	341	361	383
Waste Water Treatment	RnM P: Sanitation Infrastructure: Waste Water Treatment: Mechanical Equipment	PO_0038	Dignified Living	750	765	780
Water Storage	RnM P: Water Supply Infrastructure: Water Treatment: Civil Structure	PO_0042	Dignified Living	1 696	1 798	1 905
Water Treatment	RnM P: Water Supply Infrastructure: Water Treatment: Pipe Work	PO_0044	Dignified Living	1 060	1 124	1 191
Biodiversity and Landscape	RnM C: Furniture and Office Equipment	PO_0054	Food Governance and Compliance	25	26	26
Sports Grounds and Stadiums	RnM C: Furniture and Office Equipment	PO_0054	Food Governance and Compliance	1 500	1 600	1 700
Water Treatment	RnM C: Furniture and Office Equipment	PO_0054	Food Governance and Compliance	43	46	48
Waste Water Treatment	RnM C: Transport Assets	PO_0058	Safe Valley	3 000	3 060	3 121
Electricity	RnM P: Furniture and Office Equipment	PO_0064	Food Governance and Compliance	2	2	2
Housing	RnM P: Other Assets: Housing: Capital Spares	PO_0066	Dignified Living	14	15	16
Housing	RnM C: Other Assets: Housing: Capital Spares	PO_0067	Dignified Living	170	173	177
Libraries and Archives	RnM P: Community Assets: Community Facilities: Libraries: Buildings	PO_0074	Dignified Living	3	3	3
Public Toilets	RnM C: Community Assets: Community Facilities: Public Ablution Facilities: Service Connections	PO_0077	Dignified Living	420	439	459
Population Development	Community Development Initiatives	PO_0087	Valley of Possibility	2	2	2
Mayor and Council	Implementation of Ward Priorities	PO_0088	Valley of Possibility	10	10	10
Water Distribution	Department of Water Affairs	PO_0098	Dignified Living	16 935	17 951	19 028
Water Distribution	COCT Water	PO_0100	Dignified Living	25 118	26 626	28 223
Disaster Management	Disaster Relief	PO_0104	Safe Valley	122	132	143
Administrative and Corporate Support	Trade Union	PO_0117	Valley of Possibility	1	1	1
Population Development	Youth and Elderly Projects	PO_0180	Valley of Possibility	21	21	21
Population Development	Homeless and Disability Projects	PO_0181	Valley of Possibility	86	88	90
Population Development	Children and Gender	PO_0182	Valley of Possibility	85	86	88
Administrative and Corporate Support	Municipal Running Cost	PO_MUN	Food Governance and Compliance	230	239	247
Biodiversity and Landscape	Municipal Running Cost	PO_MUN	Food Governance and Compliance	1 272	1 371	1 479
Cemeteries, Funeral Parlours and Crematoriums	Municipal Running Cost	PO_MUN	Food Governance and Compliance	426	453	481
Civil Defence	Municipal Running Cost	PO_MUN	Food Governance and Compliance	2 790	3 023	3 277
Community Halls and Facilities	Municipal Running Cost	PO_MUN	Food Governance and Compliance	735	834	935
Community Parks (including Nurseries)	Municipal Running Cost	PO_MUN	Food Governance and Compliance	2 804	3 004	3 219
Corporate Wide Strategic Planning (IDPs, LEDs)	Municipal Running Cost	PO_MUN	Food Governance and Compliance	157	166	176
Electricity	Municipal Running Cost	PO_MUN	Food Governance and Compliance	3 353	3 643	3 959
Finance	Municipal Running Cost	PO_MUN	Food Governance and Compliance	727	769	814
Fire Fighting and Protection	Municipal Running Cost	PO_MUN	Food Governance and Compliance	2 034	2 200	2 379
Fleet Management	Municipal Running Cost	PO_MUN	Food Governance and Compliance	30	33	36

Municipal Vote/Operational project	Program/Project description	Project number	IDP Goal code 2	2024/25 Medium Term Revenue & Expenditure Framework		
				Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand						
Housing	Municipal Running Cost	PO_MUN	ood Governance and Complianc	1 186	1 246	1 310
Human Resources	Municipal Running Cost	PO_MUN	ood Governance and Complianc	123	126	130
Informal Settlements	Municipal Running Cost	PO_MUN	ood Governance and Complianc	179	191	204
Information Technology	Municipal Running Cost	PO_MUN	ood Governance and Complianc	35	37	39
Libraries and Archives	Municipal Running Cost	PO_MUN	ood Governance and Complianc	223	239	256
Marketing, Customer Relations, Publicity and Media	Municipal Running Cost	PO_MUN	ood Governance and Complianc	34	37	40
Mayor and Council	Municipal Running Cost	PO_MUN	ood Governance and Complianc	279	289	298
Municipal Manager, Town Secretary and Chief Execut	Municipal Running Cost	PO_MUN	ood Governance and Complianc	36	37	40
Nature Conservation	Municipal Running Cost	PO_MUN	ood Governance and Complianc	8	8	9
Police Forces, Traffic and Street Parking Control	Municipal Running Cost	PO_MUN	ood Governance and Complianc	29	29	30
Population Development	Municipal Running Cost	PO_MUN	ood Governance and Complianc	165	173	183
Project Management Unit	Municipal Running Cost	PO_MUN	ood Governance and Complianc	55	56	58
Property Services	Municipal Running Cost	PO_MUN	ood Governance and Complianc	509	537	568
Recreational Facilities	Municipal Running Cost	PO_MUN	ood Governance and Complianc	90	92	93
Road and Traffic Regulation	Municipal Running Cost	PO_MUN	ood Governance and Complianc	2 348	2 530	2 728
Roads	Municipal Running Cost	PO_MUN	ood Governance and Complianc	2 004	2 151	2 310
Sewerage	Municipal Running Cost	PO_MUN	ood Governance and Complianc	1 843	2 008	2 187
Solid Waste Removal	Municipal Running Cost	PO_MUN	ood Governance and Complianc	6 511	7 092	7 726
Sports Grounds and Stadiums	Municipal Running Cost	PO_MUN	ood Governance and Complianc	1 210	1 281	1 358
Storm Water Management	Municipal Running Cost	PO_MUN	ood Governance and Complianc	8	8	8
Street Cleaning	Municipal Running Cost	PO_MUN	ood Governance and Complianc	86	88	89
Supply Chain Management	Municipal Running Cost	PO_MUN	ood Governance and Complianc	119	122	125
Town Planning, Building Regulations and Enforcemen	Municipal Running Cost	PO_MUN	ood Governance and Complianc	319	336	355
Waste Water Treatment	Municipal Running Cost	PO_MUN	ood Governance and Complianc	4 790	5 211	5 671
Water Distribution	Municipal Running Cost	PO_MUN	ood Governance and Complianc	1 645	1 786	1 940
Water Storage	Municipal Running Cost	PO_MUN	ood Governance and Complianc	11	12	13
Water Treatment	Municipal Running Cost	PO_MUN	ood Governance and Complianc	823	882	947
Corporate Wide Strategic Planning (IDPs, LEDs)	Budget Road Show Public Participation	PO_0082	Valley of Possibility	359	366	373
Civil Defence	Workshops, Seminars and Subject Matter Training	PO_0084	Valley of Possibility	60	61	62
Community Parks (including Nurseries)	Workshops, Seminars and Subject Matter Training	PO_0084	Valley of Possibility	13	13	14
Corporate Wide Strategic Planning (IDPs, LEDs)	Workshops, Seminars and Subject Matter Training	PO_0084	Valley of Possibility	53	54	55
Electricity	Workshops, Seminars and Subject Matter Training	PO_0084	Valley of Possibility	40	41	42
Finance	Workshops, Seminars and Subject Matter Training	PO_0084	Valley of Possibility	60	61	62
Human Resources	Workshops, Seminars and Subject Matter Training	PO_0084	Valley of Possibility	3 624	3 696	3 770
Information Technology	Workshops, Seminars and Subject Matter Training	PO_0084	Valley of Possibility	5	5	5
Libraries and Archives	Workshops, Seminars and Subject Matter Training	PO_0084	Valley of Possibility	31	32	32

Municipal Vote/Operational project	Program/Project description	Project number	IDP Goal code 2	2024/25 Medium Term Revenue & Expenditure Framework		
				Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand						
Mayor and Council	Workshops, Seminars and Subject Matter Training	PO_0084	Valley of Possibility	35	36	37
Municipal Manager, Town Secretary and Chief Execut	Workshops, Seminars and Subject Matter Training	PO_0084	Valley of Possibility	54	57	61
Nature Conservation	Workshops, Seminars and Subject Matter Training	PO_0084	Valley of Possibility	63	64	66
Project Management Unit	Workshops, Seminars and Subject Matter Training	PO_0084	Valley of Possibility	40	41	42
Town Planning, Building Regulations and Enforcemen	Workshops, Seminars and Subject Matter Training	PO_0084	Valley of Possibility	144	147	150
Community Parks (including Nurseries)	City Cleanliness and Clean-up:Clean-up Actions	PO_0085	Valley of Possibility	150	153	156
Mayor and Council	Implementation of Ward Priorities	PO_0088	Valley of Possibility	2 000	2 000	2 000
Population Development	Workshop/Catering	PO_0090	Valley of Possibility	14	14	14
Biodiversity and Landscape	COVID 19 Expenditure	PO_0103	Safe Valley	110	112	114
Disaster Management	Disaster Relief	PO_0104	Safe Valley	15	15	15
Administrative and Corporate Support	Staff recognition or achievement awards and functions	PO_0114	Valley of Possibility	10	10	10
Community Parks (including Nurseries)	Staff recognition or achievement awards and functions	PO_0114	Valley of Possibility	18	19	19
Electricity	Staff recognition or achievement awards and functions	PO_0114	Valley of Possibility	52	53	54
Finance	Staff recognition or achievement awards and functions	PO_0114	Valley of Possibility	14	15	15
Municipal Manager, Town Secretary and Chief Execut	Staff recognition or achievement awards and functions	PO_0114	Valley of Possibility	2	2	2
Town Planning, Building Regulations and Enforcemen	Staff recognition or achievement awards and functions	PO_0114	Valley of Possibility	10	11	11
Administrative and Corporate Support	Retirement Achievements and Awards	PO_0116	Food Governance and Complianc	3	3	3
Community Parks (including Nurseries)	Retirement Achievements and Awards	PO_0116	Food Governance and Complianc	15	15	16
Electricity	Retirement Achievements and Awards	PO_0116	Food Governance and Complianc	15	15	16
Finance	Retirement Achievements and Awards	PO_0116	Food Governance and Complianc	3	3	3
Municipal Manager, Town Secretary and Chief Execut	Retirement Achievements and Awards	PO_0116	Food Governance and Complianc	3	3	3
Town Planning, Building Regulations and Enforcemen	Retirement Achievements and Awards	PO_0116	Food Governance and Complianc	6	6	6
Human Resources	Work Integrated Learners/ Interns	PO_0119	Valley of Possibility	362	370	377
Civil Defence	Reservist Law Enforcement Officers	PO_0130	Safe Valley	10	10	10
Community Parks (including Nurseries)	Specialised Project	PO_0132	Safe Valley	1	1	1
Mayor and Council	Ward Committees	PO_0147	Valley of Possibility	595	607	619
Information Technology	Website Development and Maintenance	PO_0148	Food Governance and Complianc	481	490	500
Human Resources	Operational Cost: Skills development levy	PO_0151	Valley of Possibility	4 800	4 896	4 994
Finance	User Group	PO_0158	Food Governance and Complianc	1	1	1
Population Development	Youth and Elderly Projects	PO_0180	Valley of Possibility	31	32	33
Population Development	Children and Gender	PO_0182	Valley of Possibility	5	6	6
Administrative and Corporate Support	Municipal Running Cost	PO_MUN	Food Governance and Complianc	947	1 009	1 076
Biodiversity and Landscape	Municipal Running Cost	PO_MUN	Food Governance and Complianc	1 146	1 178	1 212
Cemeteries, Funeral Parlours and Crematoriums	Municipal Running Cost	PO_MUN	Food Governance and Complianc	220	225	230
Civil Defence	Municipal Running Cost	PO_MUN	Food Governance and Complianc	4 376	4 476	4 578
Community Halls and Facilities	Municipal Running Cost	PO_MUN	Food Governance and Complianc	281	288	295



Municipal Vote/Operational project	Program/Project description	Project number	IDP Goal code 2	2024/25 Medium Term Revenue & Expenditure Framework		
				Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand						
Community Parks (including Nurseries)	Municipal Running Cost	PO_MUN	ood Governance and Complianc	1 236	1 285	1 337
Corporate Wide Strategic Planning (IDPs, LEDs)	Municipal Running Cost	PO_MUN	ood Governance and Complianc	1 938	1 977	2 017
Disaster Management	Municipal Running Cost	PO_MUN	ood Governance and Complianc	1	1	1
Electricity	Municipal Running Cost	PO_MUN	ood Governance and Complianc	11 758	10 668	10 985
Finance	Municipal Running Cost	PO_MUN	ood Governance and Complianc	41 688	43 133	44 863
Fire Fighting and Protection	Municipal Running Cost	PO_MUN	ood Governance and Complianc	1 347	1 374	1 402
Fleet Management	Municipal Running Cost	PO_MUN	ood Governance and Complianc	1 648	1 682	1 716
Governance Function	Municipal Running Cost	PO_MUN	ood Governance and Complianc	60	61	62
Housing	Municipal Running Cost	PO_MUN	ood Governance and Complianc	375	571	585
Human Resources	Municipal Running Cost	PO_MUN	ood Governance and Complianc	10 745	10 977	11 216
Informal Settlements	Municipal Running Cost	PO_MUN	ood Governance and Complianc	90	91	93
Information Technology	Municipal Running Cost	PO_MUN	ood Governance and Complianc	30 269	30 875	31 492
Libraries and Archives	Municipal Running Cost	PO_MUN	ood Governance and Complianc	676	739	809
Marketing, Customer Relations, Publicity and Media	Municipal Running Cost	PO_MUN	ood Governance and Complianc	538	549	575
Mayor and Council	Municipal Running Cost	PO_MUN	ood Governance and Complianc	757	811	870
Municipal Manager, Town Secretary and Chief Execut	Municipal Running Cost	PO_MUN	ood Governance and Complianc	313	329	350
Police Forces, Traffic and Street Parking Control	Municipal Running Cost	PO_MUN	ood Governance and Complianc	72	79	87
Population Development	Municipal Running Cost	PO_MUN	ood Governance and Complianc	301	321	343
Project Management Unit	Municipal Running Cost	PO_MUN	ood Governance and Complianc	160	163	166
Property Services	Municipal Running Cost	PO_MUN	ood Governance and Complianc	7 592	7 747	7 905
Public Toilets	Municipal Running Cost	PO_MUN	ood Governance and Complianc	100	102	104
Recreational Facilities	Municipal Running Cost	PO_MUN	ood Governance and Complianc	57	58	59
Road and Traffic Regulation	Municipal Running Cost	PO_MUN	ood Governance and Complianc	761	793	828
Roads	Municipal Running Cost	PO_MUN	ood Governance and Complianc	612	624	637
Sewerage	Municipal Running Cost	PO_MUN	ood Governance and Complianc	3 253	3 344	3 439
Solid Waste Disposal (Landfill Sites)	Municipal Running Cost	PO_MUN	ood Governance and Complianc	5 791	5 850	5 910
Solid Waste Removal	Municipal Running Cost	PO_MUN	ood Governance and Complianc	6 512	6 847	7 202
Sports Grounds and Stadiums	Municipal Running Cost	PO_MUN	ood Governance and Complianc	1 148	1 214	1 281
Storm Water Management	Municipal Running Cost	PO_MUN	ood Governance and Complianc	192	195	199
Street Cleaning	Municipal Running Cost	PO_MUN	ood Governance and Complianc	2 100	2 142	2 185
Supply Chain Management	Municipal Running Cost	PO_MUN	ood Governance and Complianc	175	178	182
Town Planning, Building Regulations and Enforcemen	Municipal Running Cost	PO_MUN	ood Governance and Complianc	1 252	1 342	1 440
Waste Water Treatment	Municipal Running Cost	PO_MUN	ood Governance and Complianc	6 949	7 178	7 417
Water Distribution	Municipal Running Cost	PO_MUN	ood Governance and Complianc	6 752	10 424	10 752
Water Storage	Municipal Running Cost	PO_MUN	ood Governance and Complianc	704	740	778
Water Treatment	Municipal Running Cost	PO_MUN	ood Governance and Complianc	1 687	1 781	1 880

Municipal Vote/Operational project	Program/Project description	Project number	IDP Goal code 2	2024/25 Medium Term Revenue & Expenditure Framework		
				Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand						
Mayor and Council	Remuneration of councillors	PO_0150	Valley of Possibility	23 422	24 828	26 317
Population Development	Grant-in-Aid	PO_0089	Valley of Possibility	7 000	7 140	7 283
Disaster Management	Disaster Relief	PO_0104	Safe Valley	4 706	4 918	5 139
Population Development	Homeless Projects	PO_0161	Valley of Possibility	200	205	208
Corporate Wide Strategic Planning (IDPs, LEDs)	Funding of External Bodies Performing Municipal Functions	PO_0162	Valley of Possibility	7 177	7 500	7 838
Civil Defence	Municipal Running Cost	PO_MUN	Food Governance and Compliance	1 655	1 730	1 808
<b>Parent operational expenditure</b>				<b>2 510 064</b>	<b>2 679 238</b>	<b>2 912 834</b>
<b>Entities:</b> <i>List all operational projects grouped by Entity</i>						
<b>Entity A</b> Water project A						
<b>Entity B</b> Electricity project B						
<b>Entity Operational expenditure</b>				-	-	-
<b>Total Operational expenditure</b>				-	-	-

**Q: QUALITY CERTIFICATE**

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

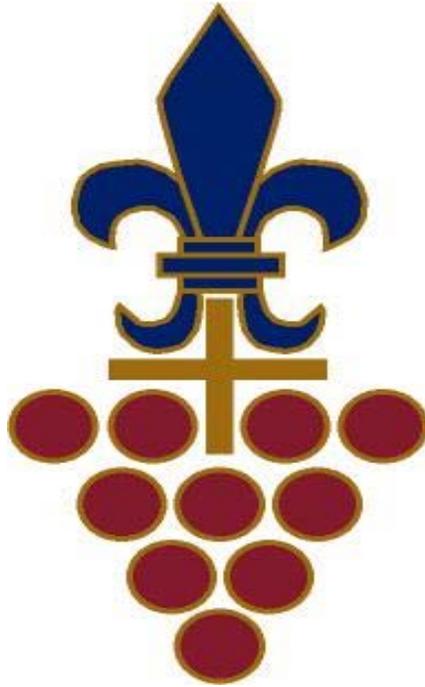
Name: Geraldine Mettler

Municipal Manager of Stellenbosch Municipality

Signature \_\_\_\_\_

Date \_\_\_\_\_

# **STELLENBOSCH MUNICIPALITY**



## **MONTHLY HOUSEHOLD AND BUSINESS ACCOUNTS SCENARIOS**

**2024/2025**

**MONTHLY HOUSEHOLD AND BUSINESS ACCOUNTS SCENARIOS BY MEANS OF RANDOM SAMPLE**

SMALL HOUSEHOLD (NON- INDIGENT)		600202000	Erf 36	Monthly Account	Exc Vat	
					2023/2024	2024/2025
Stand - sq.m	416			Property Rates	-	-
Buildings - sq.m	57			Electricity - Units	454.84	512.59
				Electricity - Basic	-	-
Elec. - Kwh/pm	237			Water	108.48	115.20
Electricity-Basic	Dom 2** Pre-paid			Water Basic	82.95	88.09
Water - Kl./pm (Normal)	12			Sewerage	195.48	211.12
Water-Basic	Domestic			Refuse Removal	270.41	289.07
Valuation	216 000					
<b>Free Water</b>	0			<b>A/c Excluding VAT</b>	<b>1 112.16</b>	<b>1 216.07</b>
<b>Free Elec.</b>	0			<b>% Increase</b>		<b>9.34%</b>
				<b>Effect on Municipal account</b>		<b>103.91</b>

SMALL HOUSEHOLD (NON- INDIGENT)		600202000	Erf 36	Monthly Account	2023/2024		2024/2025	
					Stand - sq.m	416		
Buildings - sq.m	57			Electricity - Units	453.02	510.55		
				Electricity - Basic	264.37	297.94		
Elec. - Kwh/pm	237			Water	219.00	232.56		
Electricity-Basic	Dom 4** Credit meter			Water Basic	82.95	88.09		
Water - Kl./pm (Normal)	18			Sewerage	195.48	211.12		
Water-Basic	Domestic			Refuse Removal	270.41	289.07		
Valuation	216 000							
<b>Free Water</b>	0			<b>A/c Excluding VAT</b>	<b>1 485.23</b>	<b>1 629.33</b>		
<b>Free Elec.</b>	0			<b>% Increase</b>		<b>9.70%</b>		
				<b>Effect on Municipal account</b>		<b>144.10</b>		

**MEDIUM HOUSEHOLD**

	10964150
Stand - sq.m	626
Buildings - sq.m	189
Elec. - Kwh/pm	598
Electricity-Basic	Dom 2 PP - No Basic Fee
Water - Kl./pm (Normal)	25
Water-Basic	Domestic
Valuation	1 105 000
<b>Free Water</b>	0
<b>Free Elec.</b>	0

**Erf 7018 Monthly Account**

Property Rates	
Electricity - Units	
Water	
Water Basic	
Sewerage	
Refuse Removal	
<b>A/c Excluding VAT</b>	
<b>% Increase</b>	
<b>Effect on Municipal account</b>	

Exc Vat	
2023/2024	2024/2025
361.17	384.18
1 425.61	1 606.63
419.59	445.58
82.95	88.09
244.44	264.00
270.41	289.07
<b>2 804.17</b>	<b>3 077.55</b>
	<b>9.75%</b>
	<b>273.38</b>

**LARGE HOUSEHOLD**

	70270004
Stand - sq.m	1255
Buildings - sq.m	293
Elec. - Kwh/pm	791
Electricity-Basic	Dom 4**Credit meter
Water - Kl./pm (Normal)	70
Water-Basic	Domestic
Valuation	7 990 000
<b>Free Water</b>	0
<b>Free Elec.</b>	0

**Erf 1480 Monthly Account**

Property Rates	
Electricity - Basic	
Electricity - Units	
Electricity Demand Levy	
Water	
Water Basic	
Sewerage	
Refuse Removal	
<b>A/c Excluding VAT</b>	
<b>% Increase</b>	
<b>Effect on Municipal account</b>	

Exc Vat	
2023/2024	2024/2025
3 368.77	3 583.43
264.37	297.94
2 063.83	2 325.94
-	-
3 284.29	3 487.88
82.95	88.09
348.26	376.13
270.41	289.07
<b>9 682.88</b>	<b>10 448.48</b>
	<b>7.91%</b>
	<b>765.60</b>

**LARGE HOUSEHOLD**

	150540005
Stand - sq.m	520
Buildings - sq.m	186
Elec. - Kwh/pm	791
Electricity-Basic	Dom 4**Credit meter
Water - Kl./pm (Normal)	70
Water-Basic	Domestic
Valuation	4 750 000
<b>Free Water</b>	0
<b>Free Elec.</b>	0

**Erf 2401 Monthly Account**

Property Rates	
Electricity - Basic	
Electricity - Units	
Electricity Demand Levy	
Water	
Water Basic	
Sewerage	
Refuse Removal	
<b>A/c Excluding VAT</b>	
<b>% Increase</b>	
<b>Effect on Municipal account</b>	

Exc Vat	
2023/2024	2024/2025
1 900.88	2 022.00
264.37	297.94
2 063.83	2 325.94
-	-
3 284.29	3 487.88
82.95	88.09
220.21	237.83
270.41	289.07
<b>8 086.94</b>	<b>8 748.75</b>
	<b>8.18%</b>
	<b>661.81</b>

**SMALL BUSINESS**

	441930003
Stand - sq.m	500
Buildings - sq.m	411
Elec. - Kwh/pm	783
Electricity-Basic	Regular PP Com 3
Water - Kl./pm (Normal)	9
Water-Basic	Other
Valuation	2 605 000
<b>Free Water</b>	0
<b>Free Elec.</b>	0

**Erf 8721 Monthly Account**

Property Rates	
Electricity - Basic	
Electricity - Units	
Electricity Demand Levy	
Water	
Water Basic	
Sewerage (ADD17 x3)	
Refuse Removal	
<b>A/c Excluding VAT</b>	
<b>% Increase</b>	
<b>Effect on Municipal account</b>	

Exc Vat	
2023/2024	2024/2025
2 310.42	2 458.25
453.66	511.28
2 524.71	2 845.34
-	-
235.89	250.56
95.02	100.91
884.15	954.88
959.46	1 025.66
<b>7 463.31</b>	<b>8 146.89</b>
	<b>9.16%</b>
	<b>683.58</b>

**INDUSTRIAL**

IND 2	341000004/107
Stand - sq.m	252740
Buildings - sq.m	76 054
Elec. - Kwh/pm	664319
Electricity-Basic	IND 2 /2581/2581
Water - Kl./pm (Normal)	12453
Water-Basic	Other
Valuation	224 654 000
<b>Free Water</b>	0
<b>Free Elec.</b>	0

A2 = 14241  
 A17 = 89  
 A20 = 6

**Erf 6284 Monthly Account**

Property Rates	199 249.38	211 998.49
Electricity - Basic	5 253.96	5 921.21
Electricity - Units	968 510.67	1 091 542.55
Electricity Demand Levy	1 133 859.11	1 277 904.72
Water	326 393.13	346 691.52
Water Basic	95.02	100.91
Sewerage (A2+A17+A20)	45 302.00	48 926.97
Refuse Removal (5)	4 797.30	5 128.30

**A/c Excluding VAT**

**% Increase**  
**Effect on Municipal account**

Exc Vat	
2023/2024	2024/2025
2 683 460.57	2 988 214.67
	11.36%
	304 754.10

**Time of Use (Medium Voltage)**

341000004/107	Erf 6284
Stand - sq.m	252740
Buildings - sq.m	76 054
Peak	187842
Standard	502191
Off-Peak	438833
Demand	3001
Access	3500
Electricity-Basic	
Water - Kl./pm (Normal)	12453
Water-Basic	Other
Valuation	224 654 000
<b>Free Water</b>	0
<b>Free Elec.</b>	0

A2 = 14241  
 A17 = 89  
 A20 = 6

**Erf 6284 Monthly Account**

Property Rates	199 249.38	211 998.49
Electricity Units	427 716.23	482 040.14
Electricity Units	747 963.28	842 977.81
Electricity Units	489 913.16	552 095.80
Electricity Demand Max	218 952.96	246 772.23
Electricity Demand Access	242 830.00	273 665.00
Electricity - Basic	10 023.02	11 295.94
Water	326 393.13	346 691.52
Water Basic	95.02	100.91
Sewerage (A2+A17+A20)	45 302.00	48 926.97
Refuse Removal (5)	4 797.30	5 128.30

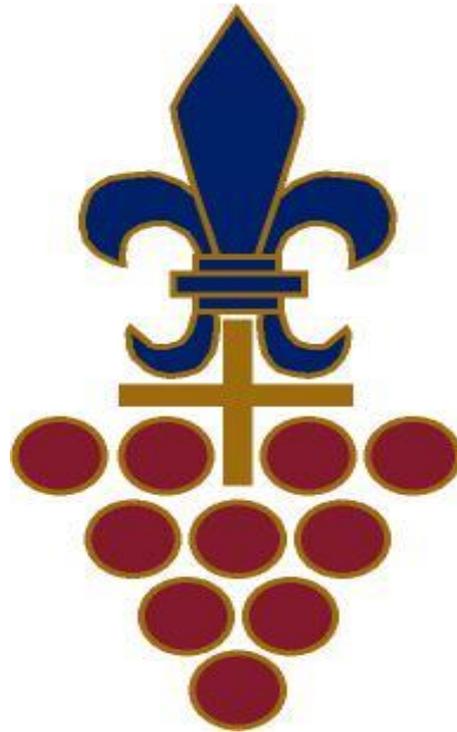
**A/c Excluding VAT**

**% Increase**  
**Effect on Municipal account**

Exc Vat	
2023/2024	2024/2025
2 713 235.48	3 021 693.11
	11.37%
	308 457.63



**STELLENBOSCH MUNICIPALITY**



**TARIFFS**

**2024/2025**

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**DISCLAIMER**

While every attempt has been made to ensure the information contained in Stellenbosch Municipalities Tariff Book is accurate, Stellenbosch Municipality does not accept any claims arising out of inaccuracies caused by human error or electronic fault or in any other form whatsoever. Should a tariff be excluded the prior year approved tariff will be used.

# STELLENBOSCH MUNICIPALITY

## PROPERTY TAX RATES

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

### PROPERTY RATES:

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

Category of Property	Tariff
Residential	R 0.005392
Industrial	R 0.011864
Business and Commercial	R 0.011324
Agricultural	R 0.001348
Mining	R 0.012402
Public Service Purposes	R 0.011324
Public Service Infrastructure	R 0.001348
Public Benefit Organisation	R 0.001348
Heritage	R 0.004315
Vacant Residential	R 0.010785
Vacant Other (not Residential nor Agricultural)	R 0.021570
Multiple Use Purpose (Each Component is categorised and rated as per above)	Multi Tariff

### SPECIAL RATING AREAS (SRA):

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

Special Rating Area	Tariff (Excl VAT)	Tariff (Incl VAT)
Jonkershoek	R 0.0009757	R 0.001122
Technopark	R 0.0017148	R 0.001972
Jonkershoek Extension - Only after approval of SRA	R 0.0009757	R 0.001122

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

### RELIEF MEASURES:

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

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

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

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

#### 2. Municipal Valuation Threshold

On qualifying residential properties, up to a maximum valuation of R 250 000, which amount includes the R15 000 as per Section 17(1)(h) of the MPRA and the R 235 000 Reduction granted as per paragraph 8.2.1(ii) of the approved Rates Policy.

#### 3. Stellenbosch Special Rebates

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

# STELLENBOSCH MUNICIPALITY

## ELECTRICITY TARIFFS

Approved 2023/2024

Application 2024/2025

### 1. Domestic

**Domestic: Life Line PP - 0 to 60amp single phase only (For qualifying indigent customers and receiving the first 100 units free per month) (DOM1)**

Fixed Charge per month	R	-	R	-
Domestic PP Lifeline DOM1 (c/kWh) (<= 50 kWh)	R	156.28	R	176.13
Domestic PP Lifeline DOM1 (c/kWh) (51 – 300 kWh)	R	195.57	R	220.40
Domestic PP Lifeline DOM1 (c/kWh) (300 – 600 kWh)	R	291.48	R	328.50
Domestic PP Lifeline DOM1 (c/kWh) (> 600 kWh)	R	335.32	R	377.91
Domestic PP Lifeline DOM1 BSST (Free Basic Units)		100 units		100 units

**Domestic: Regular PP meters- (0 to 60amp single and three phase AND Less than 600kWh per month average consumption during the previous financial year and for generation for own use) (DOM2)**

Fixed Charge per month	R	-	R	-
Energy Rate (c/kWh) (<= 50kWh)	R	156.55	R	176.43
Energy Rate (c/kWh) (51 - 300kWh)	R	201.37	R	226.94
Energy Rate (c/kWh) (301 - 600kWh)	R	283.19	R	319.15
Energy Rate (c/kWh) (> 600kWh)	R	333.01	R	375.30

**Domestic: Regular PP meters- (0 to 60 Amp single and three phase using more than 600 kWh per month average consumption during the previous financial year and for generation for own use) (DOM3)**

Fixed Charge per month	R	214.32	R	241.54
Energy Rate (c/kWh) (<= 50kWh)	R	156.28	R	176.13
Energy Rate (c/kWh) (51 - 300kWh)	R	200.47	R	225.93
Energy Rate (c/kWh) (301 - 600kWh)	R	282.81	R	318.73
Energy Rate (c/kWh) (> 600kWh)	R	333.03	R	375.32

**Domestic: Regular (Using Credit Meters 60 Ampere single and three phase maximum and for generation for own use) (DOM4)**

Fixed Charge per month	R	264.37	R	297.94
Energy Rate (c/kWh) (<= 50kWh)	R	156.28	R	176.13
Energy Rate (c/kWh) (51 - 300kWh)	R	200.47	R	225.93
Energy Rate (c/kWh) (301 - 600kWh)	R	282.81	R	318.73
Energy Rate (c/kWh) (> 600kWh)	R	333.03	R	375.32

**Domestic: Renewable Energy ( DOM5 ) Generation for own use and export**

Reading cost R/pm	R	119.65	R	134.84
Basic Charge	R	264.37	R	297.94
<b>Import</b>				
Energy Rate (c/kWh) (<= 50kWh)	R	156.28	R	176.13
Energy Rate (c/kWh) (51 - 300kWh)	R	200.47	R	225.93
Energy Rate (c/kWh) (301 - 600kWh)	R	282.81	R	318.73
Energy Rate (c/kWh) (> 600kWh)	R	333.03	R	375.32
Reactive Energy Rate (c/kVArh)	R	-	R	-
<b>Export</b>				
<b>Low Season</b>				
Peak c/kWh	R	162.18	R	182.77
Standard c/kWh	R	111.60	R	125.78
Off Peak c/kWh	R	70.81	R	79.80
<b>High Season</b>				
Peak c/kWh	R	497.19	R	560.33
Standard c/kWh	R	150.63	R	169.76
Off Peak c/kWh	R	81.80	R	92.19

### 2. Commercial

**Commercial: Life Line (<20Ampere maximum, Single & three phase Pre Paid Only for micro entrepreneurial businesses) (COM1)**

Fixed Charge per month		-	R	-
Energy Rate (c/kWh)	R	338.44	R	381.42

## ELECTRICITY TARIFFS

ELECTRICITY TARIFFS			
		Approved 2023/2024	Application 2024/2025
<b>Commercial: Low (40Ampere maximum, Pre Paid single &amp; three phase only and for generation for own use ) (COM2)</b>			
Fixed Charge per month	R	264.93	R 298.57
Energy Rate (c/kWh)	R	271.76	R 306.27
<b>Commercial: Regular PP only (80Ampere, single and three phase and for generation for own use) (COM3)</b>			
Fixed Charge per month	R	453.66	R 511.28
Energy Rate (c/kWh)	R	322.44	R 363.39
<b>Commercial: Credit meters (80Ampere, single and three phase and for generation for own use) (COM4)</b>			
Fixed Charge per month	R	490.16	R 552.42
Energy Rate (c/kWh)	R	299.28	R 337.29
<b>Commercial: Renewable Energy ( COM 5) Generation for own use and export</b>			
Reading cost R/pm	R	119.65	R 134.84
Basic Charge	R	490.16	R 552.42
<b>Import</b>			
Energy Rate (c/kWh)	R	299.28	R 337.29
Reactive Energy Rate (c/kVArh)	R	-	R -
<b>Export</b>			
<b>Low Season</b>			
Peak c/kWh	R	162.18	R 182.77
Standard c/kWh	R	111.60	R 125.78
Off Peak c/kWh	R	70.81	R 79.80
<b>High Season</b>			
Peak c/kWh	R	497.19	R 560.33
Standard c/kWh	R	150.63	R 169.76
Off Peak c/kWh	R	81.80	R 92.19
<b>3. Agricultural</b>			
<b>Agricultural: Regular (Prepaid and Credit meters maximum 80Amp 3 phase and for generation for own use) (AGR1)</b>			
Fixed Charge per month	R	537.55	R 605.81
Energy Rate (c/kWh)	R	327.14	R 368.68
<b>AGRICULTURAL: Renewable Energy (AGRI 1.1 ) Generation for own use and export</b>			
<b>Tariff similar as AGRI 1</b>			
Reading cost R/pm	R	119.65	R 134.84
Fixed Charge per month R/pm	R	537.55	R 605.81
<b>Import</b>			
Energy Rate (c/kWh)	R	327.14	R 368.68
Reactive Energy Rate (c/kVArh)	R	-	R -
<b>Export</b>			
<b>Low Season</b>			
Peak c/kWh	R	162.18	R 182.77
Standard c/kWh	R	111.60	R 125.78
Off Peak c/kWh	R	70.81	R 79.80
<b>High Season</b>			
Peak c/kWh	R	497.19	R 560.33
Standard c/kWh	R	150.63	R 169.76
Off Peak c/kWh	R	81.80	R 92.19
<b>4. Industrial</b>			
<b>Large Power: Low Voltage &gt; 80 Amp and for generation for own use (IND1)</b>			
Fixed Charge per month	R	2 770.99	R 3 122.91
Energy Rate (c/kWh)	R	147.78	R 166.54
Notified Maximum Demand Charge (R/kVA)	R	67.62	R 76.21
Maximum Demand Charge (R/kVA)	R	375.54	R 423.24

## ELECTRICITY TARIFFS

	Approved 2023/2024		Application 2024/2025	
<b>Large Power (IND 1.1): Low Voltage&gt;80 Amp: Renewable Energy- Generation for own use and export</b>				
Fixed Charge per month	R	2 770.99	R	3 122.91
Reading cost R/pm	R	119.65	R	134.84
<b>Import</b>				
Energy Rate (c/kWh)	R	147.78	R	166.54
Notified Maximum Demand Charge (R/kVA)	R	67.62	R	76.21
Maximum Demand Charge (R/kVA)	R	375.54	R	423.24
Reactive Energy Rate (c/kVArh)	R	-	R	-
<b>Export</b>				
<b>Low Season</b>				
Peak c/kWh	R	162.18	R	182.77
Standard c/kWh	R	111.60	R	125.78
Off Peak c/kWh	R	70.81	R	79.80
<b>High Season</b>				
Peak c/kWh	R	497.19	R	560.33
Standard c/kWh	R	150.63	R	169.76
Off Peak c/kWh	R	81.80	R	92.19
<b>Industrial: Medium Voltage and for generation for own use (IND2)</b>				
Fixed Charge per month	R	5 253.96	R	5 921.21
Energy Rate (c/kWh)	R	145.79	R	164.31
Notified Maximum Demand Charge (R/kVA)	R	66.55	R	75.01
Maximum Demand Charge (R/kVA)	R	372.76	R	420.11
<b>Industrial Medium Voltage (IND 2.1): Renewable Energy - Generation for own use and export</b>				
<b>Tariff similar as IND2</b>				
Fixed Charge per month	R	5 253.96	R	5 921.21
Reading cost R/pm	R	119.65	R	134.84
<b>Import</b>				
Energy Rate (c/kWh)	R	145.79	R	164.31
Notified Maximum Demand Charge (R/kVA)	R	66.55	R	75.01
Maximum Demand Charge (R/kVA)	R	372.76	R	420.11
Reactive Energy Rate (c/kVArh)	R	-	R	-
<b>Export</b>				
<b>Low Season</b>				
Peak c/kWh	R	162.18	R	182.77
Standard c/kWh	R	111.60	R	125.78
Off Peak c/kWh	R	70.81	R	79.80
<b>High Season</b>				
Peak c/kWh	R	497.19	R	560.33
Standard c/kWh	R	150.63	R	169.76
Off Peak c/kWh	R	81.80	R	92.19
<p><b>PLEASE NOTE, FOR ALL TARIFFS WHERE THERE IS A MAXIMUM DEMAND CHARGE AS PART OF THE TARIFF:</b> In the event that the access demand or Notified Maximum Demand is exceeded more than once in a municipal financial year, the following additional charges will apply</p> <ol style="list-style-type: none"> <li>1. A 10% of the total Access Demand Charge/Notified Maximum Demand will be added to your municipal account on the 2nd occasion.</li> <li>2. A 20% of the total Access Demand Charge/ Notified Maximum Demand will be added to your municipal account on the 3rd occasion.</li> <li>3. A 30% of the total Access Demand Charge/ Notified Maximum Demand will be added to your municipal account on the 4th occasion.</li> <li>4. On the 5<sup>th</sup> occasion the municipality reserves the rights to disconnect your electricity supply and only when the electricity supply has been upgraded and bulk levy contribution paid will the supply be restored.</li> </ol> <p>* Occasion refers to the number of times/events the Access Demand/ Notified Maximum Demand has been exceeded</p>				
<b>5. Municipal</b>				
<b>Municipal: Street and Traffic lights (MUN1)</b>				
Fixed Charge per month	R	-	R	-
Energy Rate (c/kWh)	R	337.52	R	380.38
<b>Municipal: Low Voltage &lt;80 Amp (MUN2)</b>				
Fixed Charge per month	R	-	R	-
Energy Rate (c/kWh)	R	306.80	R	345.77

<b>ELECTRICITY TARIFFS</b>			
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<b>Municipal: Low Voltage &gt;80 Amp (MUN3)</b>			
Fixed Charge per month	R	-	R -
Energy Rate (c/kWh)	R	140.63	R 158.49
Maximum Demand Charge (R/kVA)	R	416.29	R 469.16
<b>6. Non Profit Organisations</b>			
<b>Non Profit Organisations : Single Phase 20 Amp Prepaid (NPO1)</b>			
Fixed Charge per month	R	-	R -
Energy Rate (c/kWh)	R	338.44	R 381.42
<b>Non Profit Organisations : Low Voltage Max 60 Amp Prepaid SARS Approved (NPO2)</b>			
Fixed Charge per month	R	-	R -
Energy Rate (c/kWh)	R	324.69	R 365.93
<b>7. Sport</b>			
<b>Sport: Low All Consumers (&lt;80A) and Prepaid (SPO1)</b>			
Fixed Charge per month	R	-	R -
Energy Rate (c/kWh)	R	287.66	R 324.19
<b>Sport: High Consumers (&gt;80A) Maximum Demand (SPO2)</b>			
Fixed Charge per month	R	-	R -
Energy Rate (c/kWh)	R	131.64	R 148.36
Notified Maximum Demand Charge (R/kVA)	R	-	R -
Maximum Demand Charge (R/kVA)	R	414.90	R 467.60
<b>8. Time-of-Use</b>			
<b>Time of Use (Low Voltage&gt;80Amp and for generation for own use) TOU1</b>			
Fixed Charge per month	R	5 295.15	R 5 967.63
<b>SUMMER:</b> Maximum Demand Charge (R/kVA)	R	71.79	R 80.91
Access Charge (R/kVA)	R	71.79	R 80.91
Peak Energy (c/kWh)	R	234.85	R 264.67
Standard Energy (c/kWh)	R	154.75	R 174.40
Off-peak Energy (c/kWh)	R	116.06	R 130.80
Reactive Energy (c/kVArh)	R	-	R -
<b>WINTER:</b> Maximum Demand Charge (R/kVA)	R	71.79	R 80.91
Access Charge (R/kVA)	R	71.79	R 80.91
Peak Energy (c/kWh)	R	736.44	R 829.97
Standard Energy (c/kWh)	R	221.03	R 249.10
Off-peak Energy (c/kWh)	R	129.86	R 146.35
Reactive Energy (c/kVArh)	R	30.71	R 34.61
<b>Time of Use Low Voltage (TOU 1.1): Renewable Energy - Generation for own use and export</b>			
Reading Cost R/pm	R	119.65	R 134.84
Fixed Charge per month	R	5 295.15	R 5 967.63
<b>Import</b>			
<b>SUMMER:</b> Maximum Demand Charge (R/kVA)	R	71.79	R 80.91
Access Demand Charge (R/kVA)	R	71.79	R 80.91
Peak Energy (c/kWh)	R	234.85	R 264.67
Standard Energy (c/kWh)	R	154.75	R 174.40
Off-peak Energy (c/kWh)	R	116.06	R 130.80
Reactive Energy (c/kVArh)	R	-	R -
<b>WINTER:</b> Maximum Demand Charge (R/kVA)	R	71.79	R 80.91
Access Demand Charge (R/kVA)	R	71.79	R 80.91
Peak Energy (c/kWh)	R	736.44	R 829.97
Standard Energy (c/kWh)	R	221.03	R 249.10
Off-peak Energy (c/kWh)	R	129.86	R 146.35
Reactive Energy (c/kVArh)	R	32.97	R 37.16
<b>Export</b>			
<b>Low Season</b>			
Peak c/kWh	R	162.18	R 182.77
Standard c/kWh	R	111.60	R 125.78

## ELECTRICITY TARIFFS

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Off Peak c/kWh	R	70.81	R	79.80
<b>High Season</b>				
Peak c/kWh	R	497.19	R	560.33
Standard c/kWh	R	150.63	R	169.76
Off Peak c/kWh	R	81.80	R	92.19
<b>Time of Use (Medium Voltage and for generation for own use) TOU2</b>				
Fixed Charge per month	R	10 023.02	R	11 295.94
<b>SUMMER:</b> Maximum Demand Charge (R/kVA)	R	72.96	R	82.23
Access Demand Charge (R/kVA)	R	69.38	R	78.19
Peak Energy (c/kWh)	R	227.70	R	256.62
Standard Energy (c/kWh)	R	148.94	R	167.86
Off-peak Energy (c/kWh)	R	111.64	R	125.81
Reactive Energy (c/kVArh)	R	-	R	-
<b>WINTER:</b> Maximum Demand Charge (R/kVA)	R	72.96	R	82.23
Access Demand Charge (R/kVA)	R	69.38	R	78.19
Peak Energy (c/kWh)	R	752.19	R	847.71
Standard Energy (c/kWh)	R	213.67	R	240.81
Off-peak Energy (c/kWh)	R	125.60	R	141.55
Reactive Energy (c/kVArh)	R	32.97	R	37.16
<b>Time of Use Medium Voltage (TOU 2.1): Renewable Energy - Generation for own use and export</b>				
Fixed Charge per month	R	10 023.02	R	11 295.94
Reading Cost R/pm	R	119.65	R	134.84
<b>Import</b>				
<b>SUMMER:</b> Maximum Demand Charge (R/kVA)	R	72.96	R	82.23
Access Charge (R/kVA)	R	69.38	R	78.19
Peak Energy (c/kWh)	R	227.70	R	256.62
Standard Energy (c/kWh)	R	148.94	R	167.86
Off-peak Energy (c/kWh)	R	111.64	R	125.81
Reactive Energy (c/kVArh)	R	-	R	-
<b>WINTER:</b> Maximum Demand Charge (R/kVA)	R	72.96	R	82.23
Access Demand Charge (R/kVA)	R	69.38	R	78.19
Peak Energy (c/kWh)	R	752.19	R	847.71
Standard Energy (c/kWh)	R	213.67	R	240.81
Off-peak Energy (c/kWh)	R	125.60	R	141.55
Reactive Energy (c/kVArh)	R	30.71	R	34.60
<b>Export</b>				
<b>Low Season</b>				
Peak c/kWh	R	162.18	R	182.77
Standard c/kWh	R	111.60	R	125.78
Off Peak c/kWh	R	70.81	R	79.80
<b>High Season</b>				
Peak c/kWh	R	497.19	R	560.33
Standard c/kWh	R	150.63	R	169.76
Off Peak c/kWh	R	81.80	R	92.19
<b>PLEASE NOTE, FOR ALL TARIFFS WHERE THERE IS A MAXIMUM DEMAND CHARGE AS PART OF THE TARIFF:</b> In the event that the access demand or Notified Maximum Demand is exceeded more than once in a municipal financial year, the following additional charges will apply				
1. A 10% of the total Access Demand Charge/Notified Maximum Demand will be added to your municipal account on the 2nd occasion.				
2. A 20% of the total Access Demand Charge/ Notified Maximum Demand will be added to your municipal account on the 3rd occasion.				
3. A 30% of the total Access Demand Charge/ Notified Maximum Demand will be added to your municipal account on the 4th occasion.				
4. On the 5 <sup>th</sup> occasion the municipality reserves the rights to disconnect your electricity supply and only when the electricity supply has been upgraded and bulk levy contribution paid will the supply be restored.				
* Occasion refers to the number of times/events the Access Demand/ Notified Maximum Demand has been exceeded				
<b>9. External Wheeling</b>				
Customer received power at low voltage (<400V) in c/kWh	R	32.23	R	36.32
Customer received power at medium voltage (>400V) in c/kWh	R	27.92	R	31.46
<b>10. Generation for Own Use</b>				



## ELECTRICITY TARIFFS

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Customers that want to connect an Own Generation for Own Use only system to the municipal electrical grid without being compensated for reverse power flow can remain on their current tariff and continue to use their current meter.

### 11. Generation for Own Use and Export

Customers that want to connect an Own Generation for Own Use and Export system to the municipal electrical grid and who want to be reimbursed will have to do the following:

- 1 The Municipality shall provide and install the requisite meters at the customer's cost.
- 2 The customer will stay on the existing purchase tariff.
- 3 For reimbursement the basic charge will be increased to include the automated meter reading cost.
- 4 The reimbursement will only be for the export energy.
- 5 Customer not allowed to generate more than his total consumption per financial year.

### 12. Availability Fees (Per Annum)

Availability	R	4 447.02	R	4 673.82
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### 13. Time of use periods

#### 1. Low Demand -Summer

##### September to May

##### Monday to Friday

00:00 - 06:00 Off Peak

06:00 - 07:00 Standard

07:00 - 10:00 Peak

10:00 - 18:00 Standard

18:00 - 20:00 Peak

20:00 - 22:00 Standard

22:00 - 24:00 Off Peak

##### Saturday

00:00 - 07:00 Off Peak

07:00 - 12:00 Standard

12:00 - 18:00 Off Peak

18:00 - 20:00 Standard

20:00 - 24:00 Off Peak

##### Sunday

00:00 - 24:00 Off Peak

#### 2. High Demand- Winter

##### June to August

##### Monday to Friday

00:00 - 06:00 Off Peak

06:00 - 09:00 Peak

09:00 - 17:00 Standard

17:00 - 19:00 Peak

19:00 - 22:00 Standard

22:00 - 24:00 Off Peak

##### Saturday

00:00 - 07:00 Off Peak

07:00 - 12:00 Standard

12:00 - 18:00 Off Peak

18:00 - 20:00 Standard

20:00 - 24:00 Off Peak

##### Sunday

00:00 - 24:00 Off Peak

**All tariffs exclusive of VAT**

STELLENBOSCH MUNICIPALITY																				
WATER TARIFFS																				
Monthly consumption	2023/2024										2024/2025									
	Normal consumption periods		10% Water restriction periods		20% Water restriction periods		30% Water restriction periods		40% Water restriction periods		Normal consumption periods		10% Water restriction periods		20% Water restriction periods		30% Water restriction periods		40% Water restriction periods	
	Amount Excl. VAT	UNIT	Amount Excl. VAT	UNIT	Amount Excl. VAT	UNIT	Amount Excl. VAT	UNIT	Amount Excl. VAT	UNIT	Amount Excl. VAT	UNIT	Amount Excl. VAT	UNIT	Amount Excl. VAT	UNIT	Amount Excl. VAT	UNIT	Amount Excl. VAT	UNIT
<b>DOMESTIC</b>																				
Includes single residential erven as well as single residential erven managed by body corporates.																				
0 kilolitres to 6 kilolitres	R 7.19	per kl.	R 7.19	per kl.	R 7.19	per kl.	R 7.19	per kl.	R 7.66	per kl.	R 7.64	per kl.	R 7.64	per kl.	R 7.64	per kl.	R 7.64	per kl.	R 8.14	per kl.
> 6 kilolitres to 12 kilolitres	R 10.89	per kl.	R 11.77	per kl.	R 11.95	per kl.	R 13.01	per kl.	R 14.08	per kl.	R 11.56	per kl.	R 12.50	per kl.	R 12.69	per kl.	R 13.82	per kl.	R 14.95	per kl.
> 12 kilolitres to 20 kilolitres	R 18.42	per kl.	R 22.21	per kl.	R 24.80	per kl.	R 30.11	per kl.	R 41.80	per kl.	R 19.56	per kl.	R 23.59	per kl.	R 26.34	per kl.	R 31.98	per kl.	R 44.40	per kl.
> 20 kilolitres to 25 kilolitres	R 32.75	per kl.	R 37.96	per kl.	R 41.04	per kl.	R 54.30	per kl.	R 75.84	per kl.	R 34.78	per kl.	R 40.32	per kl.	R 43.59	per kl.	R 57.67	per kl.	R 80.54	per kl.
> 25 kilolitres to 40 kilolitres	R 45.52	per kl.	R 50.56	per kl.	R 52.65	per kl.	R 76.24	per kl.	R 106.95	per kl.	R 48.34	per kl.	R 53.70	per kl.	R 55.91	per kl.	R 80.97	per kl.	R 113.58	per kl.
> 40 kilolitres to 70 kilolitres	R 72.73	per kl.	R 89.64	per kl.	R 101.82	per kl.	R 157.57	per kl.	R 242.43	per kl.	R 77.24	per kl.	R 95.19	per kl.	R 108.13	per kl.	R 167.34	per kl.	R 257.46	per kl.
70 kilolitres and above	R 113.83	per kl.	R 178.25	per kl.	R 235.26	per kl.	R 356.68	per kl.	R 478.11	per kl.	R 120.89	per kl.	R 189.30	per kl.	R 249.84	per kl.	R 378.80	per kl.	R 507.75	per kl.
<b>DOMESTIC CLUSTER</b>																				
Refers to a cluster (block of flats) served by a single water connections																				
0 kilolitres to 6 kilolitres	R 7.19	per kl.	R 6.77	per kl.	R 7.19	per kl.	R 7.19	per kl.	R 7.19	per kl.	R 7.64	per kl.	R 7.19	per kl.	R 7.64	per kl.	R 7.64	per kl.	R 7.64	per kl.
> 6 kilolitres to 12 kilolitres	R 10.89	per kl.	R 11.77	per kl.	R 11.95	per kl.	R 13.01	per kl.	R 14.08	per kl.	R 11.56	per kl.	R 12.50	per kl.	R 12.69	per kl.	R 13.82	per kl.	R 14.95	per kl.
> 12 kilolitres to 18 kilolitres	R 18.42	per kl.	R 22.21	per kl.	R 24.80	per kl.	R 30.11	per kl.	R 41.80	per kl.	R 19.56	per kl.	R 23.59	per kl.	R 26.34	per kl.	R 31.98	per kl.	R 44.40	per kl.
> 18 kilolitres to 25 kilolitres	R 32.75	per kl.	R 37.96	per kl.	R 41.04	per kl.	R 54.30	per kl.	R 75.84	per kl.	R 34.78	per kl.	R 40.32	per kl.	R 43.59	per kl.	R 57.67	per kl.	R 80.54	per kl.
Above 25 kilolitres	R 45.52	per kl.	R 50.56	per kl.	R 52.65	per kl.	R 76.24	per kl.	R 106.95	per kl.	R 48.34	per kl.	R 53.70	per kl.	R 55.91	per kl.	R 80.97	per kl.	R 113.58	per kl.
<b>BUSINESS, COMMERCIAL AND INDUSTRIAL (Include University)</b>																				
	R 26.21	per kl.	R 34.93	per kl.	R 41.94	per kl.	R 57.67	per kl.	R 73.40	per kl.	R 27.84	per kl.	R 37.09	per kl.	R 44.54	per kl.	R 61.25	per kl.	R 77.96	per kl.
<b>MUNICIPAL TARIFF FOR MUNICIPAL BUILDINGS AND ALL LEAKAGES</b>																				
0 kilolitres to 20 kilolitres	R 11.50	per kl.	R 13.63	per kl.	R 15.01	per kl.	R 18.52	per kl.	R 22.02	per kl.	R 12.22	per kl.	R 14.47	per kl.	R 15.94	per kl.	R 19.66	per kl.	R 23.39	per kl.
> 21 kilolitres to 50 kilolitres	R 12.08	per kl.	R 14.13	per kl.	R 15.39	per kl.	R 18.71	per kl.	R 22.02	per kl.	R 12.83	per kl.	R 15.01	per kl.	R 16.35	per kl.	R 19.87	per kl.	R 23.39	per kl.
Above 50 kilolitres	R 13.13	per kl.	R 15.04	per kl.	R 16.09	per kl.	R 19.06	per kl.	R 22.02	per kl.	R 13.95	per kl.	R 15.97	per kl.	R 17.09	per kl.	R 20.24	per kl.	R 23.39	per kl.
<b>MISCELLANEOUS AND ALL OTHER USERS (Schools, Sportbodies, Churches and Charity Organisations)</b>																				
	R 24.59	per kl.	R 25.87	per kl.	R 27.16	per kl.	R 29.73	per kl.	R 32.30	per kl.	R 26.11	per kl.	R 27.48	per kl.	R 28.84	per kl.	R 31.57	per kl.	R 34.30	per kl.
<b>BASIC CHARGE</b>																				
Domestic (per erven)	R 82.95		n/a		n/a		n/a		n/a		R 88.09		n/a		n/a		n/a		n/a	
Domestic cluster (per flat)	R 10.08		n/a		n/a		n/a		n/a		R 10.71		n/a		n/a		n/a		n/a	
All other (per erven)	R 95.02		n/a		n/a		n/a		n/a		R 100.91		n/a		n/a		n/a		n/a	
<b>MASO</b>																				
0 kilolitres to 24 kilolitres per household	R 1.63	per kl.	R 5.08	per kl.	R 8.43	per kl.	R 15.22	per kl.	R 22.02	per kl.	R 1.73	per kl.	R 5.39	per kl.	R 8.95	per kl.	R 16.17	per kl.	R 23.39	per kl.
25 kilolitres to 40 kilolitres per household	R 22.42	per kl.	R 29.20	per kl.	R 34.52	per kl.	R 46.62	per kl.	R 58.72	per kl.	R 23.81	per kl.	R 31.01	per kl.	R 36.66	per kl.	R 49.51	per kl.	R 62.36	per kl.
Above 40 kilolitres per household	R 24.36	per kl.	R 38.71	per kl.	R 51.47	per kl.	R 78.59	per kl.	R 105.70	per kl.	R 25.87	per kl.	R 41.11	per kl.	R 54.67	per kl.	R 83.46	per kl.	R 112.26	per kl.

Monthly consumption	2023/2024										2024/2025									
	Normal consumption periods		10% Water restriction periods		20% Water restriction periods		30% Water restriction periods		40% Water restriction periods		Normal consumption periods		10% Water restriction periods		20% Water restriction periods		30% Water restriction periods		40% Water restriction periods	
	Amount Excl. VAT	UNIT	Amount Excl. VAT	UNIT	Amount Excl. VAT	UNIT	Amount Excl. VAT	UNIT	Amount Excl. VAT	UNIT	Amount Excl. VAT	UNIT	Amount Excl. VAT	UNIT	Amount Excl. VAT	UNIT	Amount Excl. VAT	UNIT	Amount Excl. VAT	UNIT
<b>TREATED EFFLUENT WATER</b>																				
<b>Infrastructure provided by Council:</b>																				
Irrigation	R 0.13	per kl.	R -	n/a	R -	n/a	R -	n/a	R -	n/a	R 0.13	per kl.	R -	n/a	R -	n/a	R -	n/a	R -	n/a
Commercial / Industrial users / Domestic	R 5.36	per kl.	R -	n/a	R -	n/a	R -	n/a	R -	n/a	R 5.70	per kl.	R -	n/a	R -	n/a	R -	n/a	R -	n/a
Schools	R 6.03	per kl.	R -	n/a	R -	n/a	R -	n/a	R -	n/a	R 6.41	per kl.	R -	n/a	R -	n/a	R -	n/a	R -	n/a
Departmental	R 5.36	per kl.	R -	n/a	R -	n/a	R -	n/a	R -	n/a	R 5.70	per kl.	R -	n/a	R -	n/a	R -	n/a	R -	n/a
Golf Clubs	R 5.36	per kl.	R -	n/a	R -	n/a	R -	n/a	R -	n/a	R 5.70	per kl.	R -	n/a	R -	n/a	R -	n/a	R -	n/a
	R 5.36	per kl.	R -	n/a	R -	n/a	R -	n/a	R -	n/a	R 5.70	per kl.	R -	n/a	R -	n/a	R -	n/a	R -	n/a
<b>Infrastructure provided by User:</b>																				
Irrigation	R 0.06	per kl.	R -	n/a	R -	n/a	R -	n/a	R -	n/a	R 0.07	per kl.	R -	n/a	R -	n/a	R -	n/a	R -	n/a
Commercial / Industrial users / Domestic	R 1.47	per kl.	R -	n/a	R -	n/a	R -	n/a	R -	n/a	R 1.57	per kl.	R -	n/a	R -	n/a	R -	n/a	R -	n/a
Schools	R 2.01	per kl.	R -	n/a	R -	n/a	R -	n/a	R -	n/a	R 2.14	per kl.	R -	n/a	R -	n/a	R -	n/a	R -	n/a
Departmental	R 1.47	per kl.	R -	n/a	R -	n/a	R -	n/a	R -	n/a	R 1.57	per kl.	R -	n/a	R -	n/a	R -	n/a	R -	n/a
Golf Clubs	R 1.47	per kl.	R -	n/a	R -	n/a	R -	n/a	R -	n/a	R 1.57	per kl.	R -	n/a	R -	n/a	R -	n/a	R -	n/a
	R 1.47	per kl.	R -	n/a	R -	n/a	R -	n/a	R -	n/a	R 1.57	per kl.	R -	n/a	R -	n/a	R -	n/a	R -	n/a
<b>Current Agreements:</b>																				
Special Users	As per Agreement		As per agreement		As per agreement		As per agreement		As per agreement		As per Agreement		As per agreement		As per agreement		As per agreement		As per agreement	
<b>BULK USERS</b>																				
Water consumption for irrigation of sportsgrounds of schools, irrigation of Council property by sports clubs, as well as irrigation of parks and other grounds by Council's Departments. of Parks and Recreation:																				
To 2000 kilolitres	R 13.93	per kl	R 24.30	per kl	R 33.76	per kl	R 53.58	per kl	R 73.06	per kl	R 14.80	per kl	R 25.80	per kl	R 35.85	per kl	R 56.90	per kl	R 77.59	per kl
Above 2000 kilolitres	R 18.15	per kl	R 40.18	per kl	R 61.04	per kl	R 103.92	per kl	R 146.12	per kl	R 19.28	per kl	R 42.67	per kl	R 64.82	per kl	R 110.37	per kl	R 155.18	per kl
<b>WATER AVAILABILITY FEE</b>	R 1 788.75	per annum									R 1 899.66	per annum								

<b>STELLENBOSCH MUNICIPALITY</b>					
<b>WASTE MANAGEMENT TARIFFS</b>					
	<b>SERVICES RENDERED</b>	<b>UNIT</b>	<b>COMMENTS</b>	<b>Tariff 2023/2024 (VAT Excl.)</b>	<b>Tariff 2024/2025 (VAT Excl.)</b>
<b>Residential Waste Collection (Households, Flats, Hostels, Retirement homes, Churches, Schools, Welfare Organisations, etc.)</b>					
Definition: 1 refuse unit = 240ℓ = 3 standard refuse bags					
Indigent subsidy: A monthly subsidy (to be determined by Council) to be credited to a registered indigent consumer's account					
<b>Black bags (only were wheelie bins have not been introduced and/or stolen or lost)</b>					
	Single residential properties for indigent households.	per month	Account payable by property owner. Max 3 closed bags. No other extras. Service will cancel when 240ℓ bin is issued.	R 270.41	R 289.07
	Basic residential collection based on 3 standard refuse bags once per week - 1st refuse unit - One dwelling on erf	per month	Account payable by property owner. Max 3 closed bags. No other extras. Service will cancel when 240ℓ bin is issued.	R 270.41	R 289.07
	Basic residential collection based on 3 standard refuse bags per dwelling (1 refuse unit) for additional dwellings on same erf	per refuse unit per month	Account payable by property owner. Max 3 additional closed bags. No other extras. Per fixed arrangement - not variable. Service will cancel when 240ℓ bin is issued. At cluster housing, flats, etc. 1 refuse unit to be charged for every living unit (per month)	R 270.41	R 289.07
	Additional collection based on an additional 3 standard refuse bags once per week - 2nd refuse unit or more	per month	Account payable by property owner. Max 3 additional closed bags. No other extras. Per fixed arrangement - not variable. Service will cancel when 240ℓ bin is issued.	R 270.41	R 289.07
<b>Mobile bins (240ℓ Wheelie bin)</b>					
	<b>Black Bin (Black lid Black bin)</b>				
	Basic residential collection based on 1 X 240ℓ per week - 1 <sup>st</sup> bin - one dwelling per erf	per month	Account payable by property owner. No extras beside bin. At cluster housing, flats, etc. Units to be charged per quantity of bins used. Only WC024 bins will be collected	R 270.41	R 289.07
	Basic residential collection based on 1 X 240ℓ per week for additional dwellings on same erf	per refuse unit per month	Account payable by property owner. No extras beside bin. At cluster housing, flats, etc. Units to be charged per quantity of bins used. Only WC024 bins will be collected.	R 270.41	R 289.07
	Basic residential collection based on 1 X 240ℓ bin per week for additional dwellings	per refuse unit per month	Account payable by property owner. No extras beside bin. At cluster housing, flats, etc. Units to be charged per quantity of bins used. Only WC024 bins will be collected.	R 270.41	R 289.07
	<b>Blue Bin (Blue lid Black bin)</b>				
	Three times per week removal with a blue lid 240ℓ refuse bin (sectional title, residential zoned i.e. Hostels, Flats, Old age/retirement villages - NOT HOUSEHOLDS)	Per add 240ℓ bin per month	Account payable by property owner. No extras beside bin. (Sectional title, residential zoned i.e. Hostels, Flats, Old age/retirement villages).( Businesses to be charged per quantity of bins)	R 959.46	R 1 025.66
<b>Non Residential Waste Collections (Business and Commercial)</b>					
Definition: 1 refuse unit = 240ℓ = 3 standard refuse bags					
<b>Black bags (Only were Wheelie bins have not been introduced)</b>					
	Collection based on three (3) standard refuse bags once (x1) per week	per month	Account payable by business owner. Max 3 closed bags. No other extras. Black BAG Service will cancel when 240ℓ bin is issued.	R 319.82	R 341.88
	Collection based on 3 standard refuse bags 3 x per week - three refuse units per month	per month	Account payable by business owner. Max 3 closed bags. No other extras. Service will cancel when 240ℓ bin is issued.	R 959.46	R 1 025.66
	Additional collection based on additional refuse bags, once (x1) per week - measured in the number of additional refuse units ( (3) standard refuse bags) per week	per month	Account payable by business owner. No other extras. Per fixed arrangement - not variable. Service will cancel when 240ℓ bin is issued.	R 319.82	R 341.88
	Additional collection based on an additional refuse bags, 3 x per week - measured in the number of additional refuse units (3 standard refuse bags) per week	per month	Account payable by business owner. No other extras. Per fixed arrangement - not variable. Service will cancel when 240ℓ bin is issued.	R 959.46	R 1 025.66
<b>Mobile bins (240ℓ Wheelie bin)</b>					
	<b>Blue Bin (Blue lid Black bin)</b>				

	SERVICES RENDERED	UNIT	COMMENTS	Tariff 2023/2024 (VAT Excl.)	Tariff 2024/2025 (VAT Excl.)
	Collection based on 1 X 240ℓ once (x1) per week measured as one blue bin.	per month	Account payable by business owner. No other extras. Per fixed arrangement - not variable.	R 319.82	R 341.88
	Additional 240ℓ removal/s once per week - measured as the number of additional blue bins	per month	Account payable by business owner. No other extras. Per fixed arrangement - not variable.	R 319.82	R 341.88
	Collection based on 1 X 240ℓ three times per week measured as one blue bin.	per month	Account payable by business owner. No other extras. Per fixed arrangement - not variable.	R 959.46	R 1 025.66
	Additional 240ℓ removals three times per week - measured as the number of additional blue bins	per month	Account payable by business owner. No other extras. Per fixed arrangement - not variable.	R 959.46	R 1 025.66
<b>Mobile bins (240ℓ Wheelie bin)</b>					
<b>Red Bin (Red lid Black Bin)</b>					
	Collection based on 1 X 240ℓ five times per week measured as one red bin.	per month	Account payable by business owner. No other extras. Per fixed arrangement - not variable.	R 1 599.06	R 1 709.40
	Additional 240ℓ removals five times per week - measured as the number of additional blue bins	per month	Account payable by business owner. No other extras. Per fixed arrangement - not variable.	R 1 599.06	R 1 709.40
<b>Charges and Levies</b>					
	Solid Waste availability charge	per annum	Vacant erven and to all households, <b>farm dwellings</b> , businesses, flats, developments not making use of municipal collection services	R 1 696.43	R 1 813.49
<b>Collection of garden waste</b>					
	Collection of clean garden waste placed in green refuse bags.	per collection of a maximum of 6 refuse bags	Limited to household properties only	R 102.35	R 109.41
<b>Cleaning of private erven</b>					
	Hiring of plant, equipment and staff to clean private erf/ erven	per hour	Residents will be required to pay per hour for the clean-up operation of all general waste including green waste builder's rubble	R 1 412.64	R 1 510.11
	Disposal waste from cleaning operation	per ton	All waste will be transported and disposed of at a licenced waste disposal facility and will be charged per ton.	R 1 239.59	R 1 325.12

## STELLENBOSCH MUNICIPALITY

### SEWERAGE TARIFFS

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

Size of erf in m <sup>2</sup>		Sewerage levy (Per annum)	
		2023/24 (Excl VAT)	2024/25 (Excl VAT)
0	- 250	R 1 828.28	R 1 974.54
251	- 500	R 2 345.72	R 2 533.38
501	- 600	R 2 642.51	R 2 853.91
601	- 700	R 2 933.33	R 3 167.99
701	- 800	R 3 227.09	R 3 485.25
801	- 900	R 3 520.58	R 3 802.23
901	- 1 000	R 3 811.80	R 4 116.75
Above	- 1 000	R 3 811.80	R 4 116.75
for each additional 500m <sup>2</sup> or part thereof		R 367.36	R 396.75

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

#### B. ALL VACANT ERVEN : (Availability Tariff)

Size of erf in m <sup>2</sup>		Sewerage availability levy (Per annum)	
		2023/24 (Excl VAT)	2024/25 (Excl VAT)
To	- 1 000	R 2 286.42	R 2 469.33
Above	- 1 000	R 2 958.20	R 3 194.86

#### C. ALL OTHER DEVELOPED ERVEN : (Non-residential Tariff - Only applicable in absence of industrial effluent agreement.)

Size of erf in m <sup>2</sup>		Sewerage levy (Per annum)	
		2023/24 (Excl VAT)	2024/25 (Excl VAT)
0	- 500	R 2 389.82	R 2 581.01
501	- 1 000	R 2 764.79	R 2 985.97
1 001	- 1 500	R 3 091.98	R 3 339.34
1 501	- 2 000	R 3 792.25	R 4 095.63
2 001	- 3 000	R 4 917.89	R 5 311.32
3 001	- 4 000	R 5 900.85	R 6 372.92
4 001	- 5 000	R 6 604.39	R 7 132.74
5 001	- 7 500	R 8 081.17	R 8 727.66
7 501	- 10 000	R 9 415.09	R 10 168.30
10 001	- 15 000	R 11 589.32	R 12 516.47
15 001	- 20 000	R 13 346.61	R 14 414.34
Above	- 20 000	R 15 308.57	R 16 533.26

## SEWERAGE TARIFFS

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

## LEVIES BASED ON USAGE AND FLOOR AREAS OF BUILDINGS (Only applicable in absence of industrial effluent agreement.) (Per annum)

DESCRIPTION	AREA Intervals ( m <sup>2</sup> )	Code	SEWERAGE TARIFFS		UNIT	REMARKS
			2023/2024 Amount Excl VAT	2024/2025 Amount Excl VAT		
<b>a)</b> Offices, Consulting rooms, Power-station, Ambulance station, Fire-station	To - 2 500 2 501 - 5 000 Above 5 000	ADD02	R 19.11 R 18.93 R 18.76	R 20.64 R 20.45 R 20.26	per m <sup>2</sup> per m <sup>2</sup> per m <sup>2</sup>	
<b>b)</b> Halls for the purposes of letting, Cinemas, Theatres, Venues for Meetings	To - 2 500 2 501 - 5 000 5 001 - 10 000 Above 10 000	ADD03	R 19.11 R 18.93 R 18.76 R 18.59	R 20.64 R 20.45 R 20.26 R 20.07	per m <sup>2</sup> per m <sup>2</sup> per m <sup>2</sup> per m <sup>2</sup>	
<b>c)</b> Shops not included under (d)		ADD04	R 18.93	R 20.45	per m <sup>2</sup>	
<b>d)</b> Fish shops, Greengrocer shops, Butcheries		ADD06	R 48.09	R 51.94	per m <sup>2</sup>	Only applicable in absence of industrial effluent agreement.
<b>e)</b> Cafe's, Restaurants		ADD05	R 18.93	R 20.45	per m <sup>2</sup>	Only applicable in absence of industrial effluent agreement.
<b>f)</b> Educational & Research buildings,		ADD07	R 18.93	R 20.45	per m <sup>2</sup>	
<b>g)</b> Private hostels, Boarding homes, Hostels		ADD08	R 31.09	R 33.58	per m <sup>2</sup>	
<b>h)</b> Licenced hotels, Guest-houses		ADD10	R 23.98	R 25.90	per m <sup>2</sup>	
<b>i)</b> Hospitals, Prisons, Clinics, Old age and other homes, Hospices, Shelters		ADD09	R 31.09	R 33.58	per m <sup>2</sup>	
<b>j)</b> Religious institutions, Sports clubs, Youth organisations, Libraries, Museums, Halls not for letting, Physical fitness centres, Health centres, Messes, Under cover parking		ADD12 ADD11	R 853.80 R 469.03	R 922.11 R 506.55	per unit per unit	Per water closet or per urinal, or 0.5m of urinal wall or part thereof, whichever is the greatest.
<b>k)</b> Garages, Dry cleaners, Laundries, Workshops,		ADD18	R 1 373.01	R 1 482.85	per unit	Only applicable in absence of industrial effluent agreement.
<b>l)</b> Factories, Warehouses,		ADD17	R 2 740.00	R 2 959.20	per unit	Per water closet, or per urinal, or 0.5m of urinal wall or part thereof, whichever is the greatest. Only applicable in absence of industrial effluent agreement.
<b>m)</b> Dwelling units that are part of buildings described under (a) to (l)		ADD20	R 2 665.72	R 2 878.98	per unit	
<b>n)</b> Rooms used for dwelling purposes, forming part of buildings under (a) to (l)		ADD13	R 469.03	R 506.55	per m <sup>2</sup>	

<b>STELLENBOSCH MUNICIPALITY</b>				
<b>SUNDRY TARIFFS</b>				
<b>DIREKTORAAT: FINANSIËLE DIENSTE</b>				
<b>DIRECTORATE: FINANCIAL SERVICES</b>				
	<b>Tariff 2023/24 (Incl. VAT)</b>	<b>Excl. VAT 2024/25</b>	<b>2024/25 VAT 15%</b>	<b>Tariff 2024/25 (Incl. VAT)</b>
<b>GENERAL</b>				
Electronic Rates clearance fee(valuation certificate included) - New	R 230.00	R 200.00	R 30.00	R 230.00
Manual Rates clearance fee(valuation certificate included) - New	R 577.50	R 521.74	R 78.26	R 600.00
Not rated clearance (Sectional title units)	R 250.00	R 217.39	R 32.61	R 250.00
Administrasiekoste Onteerde betaling/Admin Fee for dishonored payment	R 230.00	R 208.70	R 31.30	R 240.00
Spesiale meterlesings per verbruikersrekening ( per geleentheid) / occasion	R 165.00	R 147.83	R 22.17	R 170.00
Afsluitingsfooi vir wanbetalings/ Disconnection fee for non-payments: Conventional meters	R 450.00	R 391.30	R 58.70	R 450.00
Afsluitingsfooi vir wanbetalings/ Disconnection fee for non-payments: Pre-paid meters	R 200.00	R 86.96	R 13.04	R 100.00
Afsluitingsfooi vir wanbetalings/ Disconnection fee for non-payments: Bulk meters	R 3 000.00	R 2 695.65	R 404.35	R 3 100.00
Ongeïdentifiseerde/foutiewe deposito's op bankstaat / Unidentified/incorrect deposits on bank statement	R 150.00	R 139.13	R 20.87	R 160.00
Rental - Housing - Indigent Consumers	R 105.00	R 95.65	N/A	R 110.00
Administrasiefooi vir Aanmanings, SMS'e en Kennisgewings/Administration Fees for Reminders, SMS's and Notices	R -	R 8.70	R 1.30	R 10.00
<b>VERSKAFFING VAN INLIGTING/PROVISION OF INFORMATION</b>				
Uitrek van waardasiesertifikaat / Issue of valuation certificate	R 120.00	R 108.70	R 16.30	R 125.00
Uittreksels uit rekeninge - per maandstaat	R 55.00	R 52.17	R 7.83	R 60.00
Extracts from accounts - per monthly statement				
Extracts from records : rate per hour or part thereof	R 170.00	R 156.52	R 23.48	R 180.00
Fotostate / Copies : per A4 - bladsy / page	R 3.00	R 2.61	R 0.39	R 3.00
Fotostate / Copies : per A3 - bladsy / page	R 15.00	R 13.04	R 1.96	R 15.00
Waardasie Inligting / Valuation Information - Sea-Info	R 12.00	R 10.43	R 1.57	R 12.00
<b>DEPOSITO'S VIR DIENSTE/DEPOSIT FOR SERVICES</b>				
Water/Water	R 850.00	R 850.00	N/A	R 850.00
Elektrisiteit (huishoudelik) / Electricity (domestic)	R 1 700.00	R 1 800.00	N/A	R 1 800.00
Elektrisiteit (ander): Grootmaat verbruikers bereken met minimum van/				
Electricity (other): Bulk users calculate with a minimum of	R 11 000.00	R 20 000.00	N/A	R 20 000.00
Indigent Household/Low cost Housing / Deernis Huishouding/Lae Koste Behuising	R 100.00	R 100.00	N/A	R 100.00
Electricity (other) excluding Bulkusers / Elektrisiteit (ander) uitgesluit Grootmaatverbruikers	R 6 000.00	R 6 350.00	N/A	R 6 350.00
Aanpassing van deposito's as gevolg van wanbetaling : Ingevolge Kredietbeheer Beleid				
Adjustment of deposits due to non-payment : In terms of Credit Control and Debt Collection Policy				
<b>TENDER DEPOSITO'S / TENDER DEPOSIT (COMPUTER PRINTS BLACK &amp; WHITE)</b>				
Fotostate / Copies : per A4 - bladsy / page	R 3.50	R 3.48	R 0.52	R 4.00
Fotostate / Copies : per A3 - bladsy / page	R 15.00	R 13.48	R 2.02	R 15.50
Fotostate / Copies : per A2 - bladsy / page	R 60.00	R 52.61	R 7.89	R 60.50
Fotostate / Copies : per A1 - bladsy / page	R 80.00	R 70.00	R 10.50	R 80.50
Fotostate / Copies : per A0 - bladsy / page	R 95.00	R 83.04	R 12.46	R 95.50

\*\* When on cut-off list ; a deposit may be increased by an amount up to three times or more of a monthly average consumption.



## STELLENBOSCH MUNICIPALITY

### SUNDRY TARIFFS

DIREKTORAAT: GEMEENSAPDIENSTE  
DIRECTORATE: COMMUNITY SERVICES

	Tariff 2023/24 (Incl. VAT)	Excl. VAT 2024/25	2024/25 VAT 15%	Tariff 2024/25 (Incl. VAT)
Director: Community and Protection Services has the delegation to authorise tariff discounts on any park or public open spaces for events, to the maximum of 30% off the firm tariff after receiving a recommendation from the Manager: Community Services.				
<b>TOEGANGSGELDE / ENTRANCE FEES:</b>				
<b>JONKERSHOEK PIEKNIEKTERREIN / PICNIC SITE</b>				
Persone / Persons	R 33.92	R 30.87	R 4.63	R 35.50
Voertuie / Vehicles	R 28.09	R 25.65	R 3.85	R 29.50
Kinders onder 5 jaar oud/ Children below 5 years of age	Free	Free	Free	Free
Kinders 6 tot 17 jaar oud / Children 6-17 years	R 24.91	R 22.61	R 3.39	R 26.00
Official year end function for Council employees (by prior arrangement only)	R -	R -	R -	R -
Pensioners (It is a person who, in the case of a male, is 65 years of age and older and, in the case of a female, is 60 years of age or older.)	R 24.91	R 22.61	R 3.39	R 26.00
<b>CLOETESVILLE SWEMBAD / SWIMMING POOL</b>				
Kinders onder die ouderdom van 5 jaar vergesel deur volwassenes. Children under the age of 5 years accompanied by adults.	<b>Gratis/ Free</b>	<b>Gratis/ free</b>	<b>Gratis/ free</b>	<b>Gratis/ free</b>
Kinders 6 tot 17 jaar / Children 6-17 years	R 6.89	R 6.09	R 0.91	R 7.00
Volwassenes / Adults	R 13.25	R 11.74	R 1.76	R 13.50
Pensioners (It is a person who, in the case of a male, is 65 years of age and older and, in the case of a female, is 60 years of age or older.)	R 9.01	R 8.26	R 1.24	R 9.50
<b>Group bookings must be pre-arranged at (021) 808 8295</b>				
30 - 40 persons	R 481.24	R 443.58	R 66.54	R 510.11
41 - 60 persons	R 640.24	R 590.13	R 88.52	R 678.65
61 - 80 persons	R 955.06	R 880.32	R 132.05	R 1 012.36
81 - maximum 100	R 1 280.48	R 1 180.27	R 177.04	R 1 357.31
<b>Group bookings only within official hours.</b>				
Braai facility coupon	R 51.94	R 47.88	R 7.18	R 55.06
<b>BEGRAAFPLAASDIENSTE / CEMETERY SERVICES: WC024</b>				
Waar 'n familie as behoeftige geregistreer is by die Munisipaliteit, kan die familie (slegs naaste familie) kwalifiseer vir 50% afslag, na goedkeuring van die relevante Direkteur, op die tarief vir 'n grafperseel. Die familie of delegasie moet skriftelik aansoek doen en rig aan die betrokke Direkteur. Hierdie vergunning is slegs van toepassing Maandae tot Saterdag- Vakansiedae uitgesluit. Plaaswerkers: brief ter bevestiging van plaaseenaar.				
When a family has been registered as an indigent beneficiary at the Municipality, the members of the family (not including extended members) qualifies for 50% discount, after approval by the relevant Director, on the tariff of a gravesite. The family or a delegate must apply in writing to the relevant Director. This concession is only applicable Mondays to Saturdays, excluding Public Holidays. Farm workers: must provide written confirmation from the farm owner.				
1. Grafperseel : kinders onder 12 jaar oud / Grave site children under the age of 12 years	R 871.11	R 802.94	R 120.44	R 923.38
2. Grafperseel : persone 12 jaar en ouer / Grave site persons 12 years and older	R 1 073.11	R 989.12	R 148.37	R 1 137.49
3. Teraardebestelling : kinders onder 12 / Burial : children under 12 years	R 454.49	R 418.92	R 62.84	R 481.76
4. Teraardebestelling : persone bo 12 jaar en ouer / Burial : Persons 12 years and older	R 934.23	R 861.12	R 129.17	R 990.29
5. No Digging - Re-Opening: No Digging Burial Tariff for graves where no digging is required by the Municipality	<b>NEW</b>	R 260.87	R 39.13	R 300.00
6. Ekstra grafwydte per 100mm of gedeelte daarvan: tot maks 2.4m (standaardwydte = 550mm onder 12 jaar / 700mm bo 12 jaar) Additional excavation of grave width per 100mm or part thereof: to a max. of 2.4m Standard width = 550mm onder 12 years / 700mm over 12 years	R 162.86	R 150.11	R 22.52	R 172.63
7. Opgrawings / Disinterments (Exhumation)	R 1 205.67	R 1 111.31	R 166.70	R 1 278.01
8. Begrawe van veraste oorblyfsels in bestaande grafte / Burial of ashes in existing grave	R 148.97	R 137.31	R 20.60	R 157.91
8.a Adding of ASH/Burial Inscriptions or Monumental Plaque on existing grave	<b>NEW</b>	R 86.96	R 13.04	R 100.00
9. Herbevestiging van grafpersele / Reconfirmation of grave site (Papagaaiberg)	R 241.13	R 222.26	R 33.34	R 255.60
10. Wysiging of oordrag van eienaarskap van grafperseel / Change in ownership of gravesite	R 78.27	R 72.15	R 10.82	R 82.97
11. Addisionele heffing vir dienste aangevra vir Sondae / Additional levy for services on Sundays:				
11 a. Groepe vrygestel deur Munisipale Verordening/Groups exempted by Municipal By-Law	R -	R -	R -	R -
11 b. Groepe nie vrygestel deur Munisipale Verordening / Groups not exempted by Municipal By-Law	R 5 390.78	R 4 968.89	R 745.33	R 5 714.22
12. Addisionele heffing vir dienste aangevra vir Saterdag / Additional levy for services on Saturdays: (weekly tariff to apply if no municipal services are rendered)	R 1 729.59	R 1 594.23	R 239.14	R 1 833.37
12. Nisse/ Niches (N/A)				
13. Nuwe Grafsteenpermit (Messelwerk) / New Permit for gravestone (Masonry)	R 315.62	R 290.92	R 43.64	R 334.56
15. Admin cost for record enquiries	R -	R 86.96	R 13.04	R 100.00
16. Cancellation Fee: Late cancellation penalty applicable if booking is cancelled at short notice. A minimum of 48 hours notice applies	<b>NEW</b>	R 434.78	R 65.22	R 500.00
17. Penalty: Time Delays: Applicable after 30 minute delay in arrival/or burial taking longer than allowed time frame	<b>NEW</b>	R 434.78	R 65.22	R 500.00

DIREKTORAAT: GEMEENSKAPSDIENSTE DIRECTORATE: COMMUNITY SERVICES				
	Tariff 2023/24 (Incl. VAT)	Excl. VAT 2024/25	2024/25 VAT 15%	Tariff 2024/25 (Incl. VAT)
<b>BEGRAAFPLAASDIENSTE / CEMETERY SERVICES: OUTSIDE WC024</b>				
<p>Tariewe vir persone wat buite die munisipale grense gewoon het met sterfte datum = 4 maal die tariewe hierbo, behalwe die verkoop van nisse, waarop 'n 50% belading geld. Indien sulke persone reeds 'n graf besit, geld hierdie belading steeds op die maak van grafte. / Tariffs for persons residing outside of the municipal area at the time of death = 4 times the tariffs above, with the exception of the sale of niches, to which a 50% surcharge applies. Should such a person already possess a grave site, the excess still applies to the digging of the grave and other related charges.</p> <p>Normale tariewe geld ten opsigte van begrafnisse op Sondae en Openbare Vakansiedae vir geloofsgroepe soos vervat in die Verordening/ Normal tariffs will apply for burials on Sundays and public holidays for certain religious groups as determined by the By-Law.</p>				
<b>TARIFFS FOR ANY PARK OR PUBLIC OPEN SPACE FOR EVENTS:</b>				
<p><i>Birthdays parties, creches &amp; school events, religious events, festivals, markets, cycling events</i> Event = one (1) day or if otherwise stated. All applications in writing. Lessees are not entitled to exclusive rights of the venue at a time</p>				
<b>TARIFFS FOR THE BRAAK</b>				
<p><b>Tariff for non-profitable organisations per day.</b> Tariff for religious events per day (maximum of 7 days) (Include set up and breakdown per day) Tariff for profitable organisations within WC024 per day Tariff for profitable organisations outside WC024 per day</p>				
R	957.31	R 882.39	R 132.36	R 1 014.75
R	903.37	R 832.68	R 124.90	R 957.58
R	4 471.93	R 4 121.95	R 618.29	R 4 740.24
R	9 568.58	R 8 819.73	R 1 322.96	R 10 142.69
<b>TARIFFS FOR ALL OTHER PUBLIC OPEN SPACES/ GARDENS/ NATURE RESERVES/ PLANTATIONS/ DEVELOPED PARKS</b>				
<p>Tariff for non-profitable organisations -religious events per day and maximum 7 days (Include set up and breakdown per day) (PARKS AND PUBLIC OPEN SPACES ONLY)</p>				
R	415.73	R 383.20	R 57.48	R 440.68
<p>Tariff for BIRTHDAY PARTIES and PICNIC INSIDE WC024 (PARKS AND PUBLIC OPEN SPACES ONLY) Tariff for BIRTHDAY PARTIES and PICNICS OUTSIDE WC024 (PARKS AND OPEN SPACES ONLY)</p>				
R	415.73	R 383.20	R 57.48	R 440.68
R	831.46	R 766.39	R 114.96	R 881.35
<p>Tariff for BIRTHDAY PARTIES and PICNICS INSIDE WC024 (JMNR ONLY) Tariff for BIRTHDAY PARTIES and PICNICS OUTSIDE WC024 (JMNR ONLY)</p>				
R	415.73	R 383.20	R 57.48	R 440.68
R	831.46	R 766.39	R 114.96	R 881.35
<p>Hire of Jumping castle per day NEW (JMNR ONLY)</p>				
R	318.00	R 293.11	R 43.97	R 337.08
<p>Tariff for PHOTOSHOOTS INSIDE WC024 (Excl. Wedding photos) Tariff for PHOTOSHOOTS OUTSIDE WC024 (Excl. Wedding photos)</p>				
R	1 067.42	R 983.88	R 147.58	R 1 131.47
R	2 134.84	R 1 967.77	R 295.16	R 2 262.93
<p>Tariff for profitable organisations INSIDE WC024 per day (Set up cost 50% of tariff and break-up cost 50% of tariff per day) NEW Tariff for profitable organisations OUTSIDE WC024 per day (Set up cost 50% of tariff and break-up cost 50% of tariff per day) NEW</p>				
R	4 471.93	R 4 121.95	R 618.29	R 4 740.24
R	9 556.22	R 8 808.34	R 1 321.25	R 10 129.59
<p>Tariff for non-profitable organisations INSIDE WC024 per day max 50 (Set up cost 50% of tariff and break-up cost 50% of tariff per day) NEW Tariff for non-profitable organisations INSIDE WC024 per day max 100 (Set up cost 50% of tariff and break-up cost 50% of tariff per day) NEW Tariff for non-profitable organisations INSIDE WC024 per day max 200 (Set up cost 50% of tariff and break-up cost 50% of tariff per day) NEW</p>				
R	916.86	R 845.10	R 126.77	R 971.87
R	1 833.72	R 1 690.21	R 253.53	R 1 943.74
R	2 750.57	R 2 535.31	R 380.30	R 2 915.61
<p>Tariff for non-profitable organisations OUTSIDE WC024 per day max 50 (Set up cost 50% of tariff and break-up cost 50% of tariff per day) NEW Tariff for non-profitable organisations OUTSIDE WC024 per day max 100 (Set up cost 50% of tariff and break-up cost 50% of tariff per day) NEW Tariff for non-profitable organisations OUTSIDE WC024 per day max 200 (Set up cost 50% of tariff and break-up cost 50% of tariff per day) NEW</p>				
R	1 833.72	R 1 690.21	R 253.53	R 1 943.74
R	3 667.43	R 3 380.41	R 507.06	R 3 887.48
R	5 501.15	R 5 070.62	R 760.59	R 5 831.21
<p>WEDDING CEREMONY ONLY with a maximum of 100 pax INSIDE WC024 (JMNR) WEDDING CEREMONY ONLY with a maximum of 100 pax OUTSIDE WC024 (JMNR)</p>				
R	2 000.00	R 1 843.48	R 276.52	R 2 120.00
R	4 000.00	R 3 686.96	R 553.04	R 4 240.00
<p>WEDDING PHOTOS ONLY with a maximum of 100 pax INSIDE WC024 (JMNR) WEDDING PHOTOS ONLY with a maximum of 100 pax OUTSIDE WC024 (JMNR)</p>				
R	1 067.42	R 983.88	R 147.58	R 1 131.47
R	2 134.84	R 1 967.77	R 295.16	R 2 262.93
<p>Tariff for profitable organisations WITHIN WC024 per day (seminars, workshops, strategic sessions) PARADYSKLOOF CLUBHOUSE Tariff for profitable organisations OUTSIDE WC024 per day (seminars, workshops, strategic sessions) PARADYSKLOOF CLUBHOUSE</p>				
R	1 364.05	R 1 257.30	R 188.59	R 1 445.89
R	2 728.10	R 2 514.60	R 377.19	R 2 891.79
<p>Tariff for non profitable organisations WITHIN WC024 per day (seminars, workshops, strategic sessions) PARADYSKLOOF CLUBHOUSE Tariff for non profitable organisations OUTSIDE WC024 per day (seminars, workshops, strategic sessions) PARADYSKLOOF CLUBHOUSE</p>				
R	682.03	R 628.65	R 94.30	R 722.95
R	1 364.05	R 1 257.30	R 188.59	R 1 445.89
<p>WEDDINGS, YEAR END FUNCTIONS AND PARTIES with a maximum of 100 pax WITHIN WC024 per day (PARADYSKLOOF CLUBHOUSE) WEDDINGS, YEAR END FUNCTIONS AND PARTIES a maximum of 100 pax OUTSIDE WC024 per day (PARADYSKLOOF CLUBHOUSE)</p>				
R	5 501.15	R 5 070.62	R 760.59	R 5 831.21
R	11 002.29	R 10 141.24	R 1 521.19	R 11 662.43
<p>WEDDING PHOTOS ONLY with a maximum of 100 pax INSIDE WC024 (PARADYSKLOOF NATURE AREA) WEDDING PHOTOS ONLY with a maximum of 100 pax OUTSIDE WC024 (PARADYSKLOOF NATURE AREA)</p>				
R	1 067.42	R 983.88	R 147.58	R 1 131.47
R	2 134.84	R 1 967.77	R 295.16	R 2 262.93
<p>INITIATIONS in plantations (tariff as per Council decision) PER CALENDER MONTH To access routes in nature areas and plantations for any related activities Rastafarian Eco Centre Rental - per day (max 25 people) Eco Centre Rental - per day- (max 25 people) per hour R150.00</p>				
R	2 548.32	R 2 348.89	R 352.33	R 2 701.22
R	106.00	R 97.70	R 14.66	R 112.36
R	2 548.32	R 2 348.89	R 352.33	R 2 701.22
R	902.25	R 831.64	R 124.75	R 956.39
R	178.65	R 164.67	R 24.70	R 189.37
<b>STILL/ FILM SHOOTS</b>				
<p><b>Event= Per day. Includes all parks, public open spaces, sportsgrounds, nature reserves/ plantations and gardens.</b> Non-commercial shoots Commercial</p>				
R	1 064.05	R 980.78	R 147.12	R 1 127.89
R	9 564.08	R 8 815.59	R 1 322.34	R 10 137.93
<p><b>Other</b> Base camp parking only ( when using an area for parking of vehicles but no filming. Helipad Parking per day Access through Forestry or Conservation Areas for when filming at a nearby farms: plus permit fee (passing through our Nature Reserve)</p>				
R	4 044.96	R 3 728.40	R 559.26	R 4 287.66
R	4 044.96	R 3 728.40	R 559.26	R 4 287.66
R	1 213.49	R 1 118.52	R 167.78	R 1 286.30

DIREKTORAAT: GEMEENSAPDIENSTE DIRECTORATE: COMMUNITY SERVICES				
	Tariff 2023/24 (Incl. VAT)	Excl. VAT 2024/25	2024/25 VAT 15%	Tariff 2024/25 (Incl. VAT)
<b>FORESTRY PRODUCTS</b>				
<b>All wattles/ tonne (per bakkie load)</b>				
Eucalyptus Species/ tonne INSIDE WC024 (per bakkie load)	R 488.77	R 425.01	R 63.75	R 488.77
Eucalyptus Species/ tonne OUTSIDE WC024 (per bakkie load)	R 535.96	R 466.05	R 69.91	R 535.96
Fire Wood per tonne Self cut/ tonne INSIDE WC024 (per bakkie load)	R 402.25	R 349.78	R 52.47	R 402.25
Fire Wood per tonne Self cut/ tonne OUTSIDE WC024 (per bakkie load)	R 468.54	R 407.43	R 61.11	R 468.54
Latte for screens/ tonne self-cut INSIDE WC024 (per a bakkie load)	R 535.96	R 466.05	R 69.91	R 535.96
Latte for screens/ tonne self-cut OUTSIDE WC024 (per a bakkie load)	R 602.25	R 523.70	R 78.55	R 602.25
<b>Softwood Sawlogs</b>				
Poplars poles 80mm- 100mm diamtre at thin end/ tonne INSIDE WC024(per bakkie load)	R 334.83	R 291.16	R 43.67	R 334.83
Poplars poles 80mm- 100mm diamtre at thin end/ tonne OUTSIDE WC024(per bakkie load)	R 402.25	R 349.78	R 52.47	R 402.25
<b>INDUSTRIAL ROUNDWOOD</b>				
<b>includes all commercial wood in situ small volumes up to R200 000.00 (pine sawlogs.)</b>				
Class A= 13,5cm-17cm diametre at thin end/ m3 INSIDE WC024	R 442.70	R 408.05	R 61.21	R 469.26
Class A= 13,5cm-17cm diametre at thin end/ m3 OUTSIDE WC024	R 468.54	R 431.87	R 64.78	R 496.65
Class B= 19cm-25cm diametre at thin end/ m3 INSIDE WC024	R 602.25	R 555.12	R 83.27	R 638.38
Class B= 19cm-25cm diametre at thin end/ m3 OUTSIDE WC024	R 669.67	R 617.26	R 92.59	R 709.85
Class C= 27cm-33cm diametre at thin end/m3 INSIDE WC024	R 843.82	R 777.78	R 116.67	R 894.45
Class C= 27cm-33cm diametre at thin end/m3 OUTSIDE WC024	R 937.08	R 863.74	R 129.56	R 993.30
Class D= 35cm> diametre at thin end/m3 INSIDE WC024	R 910.12	R 838.89	R 125.83	R 964.72
Class D= 35cm> diametre at thin end/m3 OUTSIDE WC024	R 1 004.50	R 925.89	R 138.88	R 1 064.77

# STELLENBOSCH MUNICIPALITY

## SUNDRY TARIFFS

**DIREKTORAAT: GEMEENSKAPSDIENSTE**

**DIRECTORATE: COMMUNITY SERVICES**

	Tariff 2023/24 (Incl. VAT)	Excl. VAT 2023/24	2024/25 VAT 15%	Tariff 2024/25 (Incl. VAT)
<b>LIBRARY SERVICES</b>				
<b>Printing Services</b>				
Printing fee for a A4 black and white page	R 1.45	R 1.30	R 0.20	R 1.50
<b>Overdue library materials fine</b>				
Fines are charged per week or part thereof	R 1.11	R 1.04	R 0.16	R 1.20
<b>Faxes</b>				
Fee for receiving a fax - per page	R 2.78	R 2.61	R 0.39	R 3.00
<b>Scan and email</b>				
Scan and email per page	R 3.34	R 3.04	R 0.46	R 3.50
<b>LIBRARY HALL RENTALS</b>				
<b>CONDITIONS FOR USAGE OF A LIBRARY HALL</b>				
Not available for the following: weddings, birthdays, christening and parties.				
Library halls are available during library hours only.				
No equipment and catering supplies are available at the halls.				
The Director: Community and Protection Services may consider motivated applications for Non-Governmental Organisation discounts.				
<b>Plein Street, Idas Valley, Kayamandi, Groendal &amp; Cloeteville Library Halls</b>				
Rental charged - per session	R 563.18	R 519.10	R 77.87	R 596.97
Rental charged for a Non Profit Organisation - no charge may apply subject to proof of NPO/NPC registration and approval of Director.	R 182.85	R 168.54	R 25.28	R 193.82
Rental of kitchen facility per session	R 95.72	R 88.23	R 13.23	R 101.46
Printing A4 per page	R 1.59	R 1.48	R 0.22	R 1.70
1 X A4 black and white photocopy	R 0.72	R 0.61	R 0.09	R 0.70
1 X A3 black and white photocopy	R 1.20	R 1.13	R 0.17	R 1.30
1st and 2nd replacement of computerised membership card	R 19.32	R 17.39	R 2.61	R 20.00
3rd and thereafter, replacement of computerised membership card	R 38.60	R 34.78	R 5.22	R 40.00
Cost to replace a plastic sleeve	R 6.03	R 5.65	R 0.85	R 6.50
Replacement of a CD's and DVD case	R 7.24	R 6.52	R 0.98	R 7.50
Replacement cost of a damaged and lost library item				
Minor damages to any library item	R 13.28	R 12.17	R 1.83	R 14.00
Reservation of library material	R 4.83	R 4.35	R 0.65	R 5.00
Inter Library Loan reservation fee	R 4.83	R 4.35	R 0.65	R 5.00
Annual membership fee for users residing outside municipality boundaries	R 82.11	R 75.65	R 11.35	R 87.00
Visitors fees for users that will be residing in the municipal area for less than 3 months	R 126.78	R 116.52	R 17.48	R 134.00
Membership (Currently employed Municipal Employees Living Outside Stellenbosch)	<b>Free</b>	<b>Free</b>	<b>Free</b>	<b>Free</b>
Library Hall rental hours: 8.30am - 5.00pm				
Monday- Friday: 8.30 am - 5.00pm				
Saturday- 8.30am - 12.00am				
Closed on Sundays and Public Holidays				

STELLENBOSCH MUNICIPALITY											
SUNDRY TARIFFS											
DIREKTORAAT: GEMEENSKAPSDIENSTE DIRECTORATE: COMMUNITY SERVICES											
	Full Tariff 2023/2024			Full Tariff 2024/2025			Discounted Tariff 2024/25			Additional levy: consumers outside WC024	
	Deposit	Week	Weekend	Deposit	Week	Weekend	Deposit	Week	Weekend	Week	Weekend
<b>Town Halls</b>											
<b>Stellenbosch</b>				Foyer not available on its own							
Hall and Foyer	R 3 496.00	R 5 850.00	R 7 185.00	R 3 670.00	R 6 142.00	R 7 544.00	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application
Bar	R 763.00	R 583.00	R 780.00	R 801.00	R 612.00	R 819.00	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application
Kitchen (including all electrical appliance & gas appliances)	R 1 526.00	R 1 166.00	R 1 560.00	R 1 602.00	R 1 224.00	R 1 638.00	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application
<b>Franschhoek</b>				Foyer not available on its own							
Hall	R 3 669.00	R 3 909.00	R 5 018.00	R 3 852.00	R 4 104.00	R 5 268.00	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application
Kitchen (including all electrical appliances)	R 1 147.00	R 1 276.00	R 2 033.00	R 1 204.00	R 1 339.00	R 2 134.00	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application
<b>Community Hall, Kylemore</b>											
Hall	R 525.00	R 525.00	R 751.00	R 551.00	R 551.00	R 788.00	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application
<b>Eikestad Hall, Cloeteville</b>											
Hall	R 525.00	R 525.00	R 751.00	R 551.00	R 551.00	R 788.00	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application
<b>Admin Hall, Kayamandi</b>											
Hall (As per Council Decision)	R 147.00	R 147.00	R 147.00	R 154.00	R 154.00	R 154.00	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application
<b>Community Hall, Kayamandi</b>											
Hall (As per Council Decision)	R 147.00	R 147.00	R 147.00	R 154.00	R 154.00	R 154.00	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application
<b>Pniel Banquet Hall</b>											
Hall	R 525.00	R 525.00	R 751.00	R 551.00	R 551.00	R 788.00	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application
<b>Community Hall, La Motte</b>											
Hall	R 301.00	R 301.00	R 450.00	R 316.00	R 316.00	R 472.00	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application

DIREKTORAAT: GEMEENSAPSDIENSTE DIRECTORATE: COMMUNITY SERVICES											
	Full Tariff 2023/2024			Full Tariff 2024/2025			Discounted Tariff 2024/25			Additional levy: consumers outside WC024	
	Deposit	Week	Weekend	Deposit	Week	Weekend	Deposit	Week	Weekend	Week	Weekend
<b>Community Hall, Wemmershoek</b>											
Hall	R 301.00	R 301.00	R 450.00	<b>R 316.00</b>	<b>R 316.00</b>	<b>R 472.00</b>	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application
<b>Community Hall, Groendal</b>											
Hall	R 525.00	R 525.00	R 572.00	<b>R 551.00</b>	<b>R 551.00</b>	<b>R 600.00</b>	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application
<b>Klapmuts Multi-purpose centre</b>											
Hall	R 525.00	R 525.00	R 572.00	<b>R 551.00</b>	<b>R 551.00</b>	<b>R 600.00</b>	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application
Hall kitchen rental	R 147.00	R 147.00	R 147.00	<b>R 154.00</b>	<b>R 154.00</b>	<b>R 154.00</b>	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application
<b>Outside-braai-area-with-kitchen</b>	<b>R-253.00</b>	<b>R-253.00</b>	<b>R-253.00</b>				<del>Discount percentage to be determined by application</del>	<del>Discount percentage to be determined by application</del>	<del>Discount percentage to be determined by application</del>	<del>Discount percentage to be determined by application</del>	<del>Discount percentage to be determined by application</del>
Boardroom	R 253.00	R 253.00	R 253.00	<b>R 265.00</b>	<b>R 265.00</b>	<b>R 265.00</b>	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application
<b>Pniel Millennium Hall</b>											
Hall	R 525.00	R 525.00	R 751.00	<b>R 551.00</b>	<b>R 551.00</b>	<b>R 788.00</b>	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application
<b>Other facilities</b>											
Old Age Facility Kayamandi	Free of charge		Free of charge	<b>Free of charge</b>		<b>Free of charge</b>	Free of charge	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application
Banquet Hall, Cloetesville	R 189/per day		R 189/per day	<b>R 198.00</b>		<b>R 198.00</b>		Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application	Discount percentage to be determined by application

**The following groups have been identified for the discounted tariffs:**

- (i) Schools located within the WC024 for an official school function: discounted tariff of 30% on the rental of a hall for the function to a maximum of one (1) function per financial year. Deposit fees must be paid in full.
- (ii) Churches located within WC024 for an official church function: discounted tariff of 30% on the rental of a hall for the function to a maximum of one (1) function per financial year. Deposit fees must be paid in full. Proof of location/residence will be required.
- (iii) Churches using a hall on a regular basis:
  - a Sermons are limited to 2 (two) hours per Sunday to accommodate other denominations/religious groups at the venue.
  - b The two Town Halls (Stellenbosch and Franschoek), are excluded.
  - c The grant is subject to availability of the hall.
  - d A formal agreement will be entered into between the parties.
  - e A once-off deposit fee per financial year applies as per the approved tariffs. If forfeited due to damage, etc, this will have to be repaid before access for the next event/ service will be granted. In addition, a rental fee equivalent to the tariff for 1 day (weekday tariff) applies as a monthly fee. The fee specific to the specific hall will apply.
  - f Furniture will be free of charge, but must be arranged and put back after the sermon by the hirer.
  - g Due to the constraints on municipal overtime, no municipal officials will be available on weekdays or weekends to perform any supervisory functions or assistance.
- (iv) Non-Governmental Organisations: 30% discount on rental of a hall or facility excluding the relevant deposit fees (which must be paid in full). Furniture, kitchen and utensils are free of charge.
- (v) Government Departments in other spheres of Government: 30% discount on rental of a hall or facility excluding the relevant deposit fees (which must be paid in full). Furniture, kitchen and utensils are free of charge.
- (vi) The six recognised vulnerable groups namely Aged, Disabled, Children, Youth, Women and People living on the Streets: 30% discount on rental of a hall or facility excluding the relevant deposit fees (which must be paid in full). Furniture, kitchen and utensils are free of charge. This discount is not available to individuals but is focused on interest groups representing the vulnerable groups.
- (vii) Individual families registered as indigent at the Municipality will be entitled to a 30% discount on rental of a hall or facility excluding the relevant deposit fees (which must be paid in full): Furniture, kitchen and utensils are free of charge. This rebate is for a maximum of one (1) booking per financial year per indigent family and the two Town Halls (Stellenbosch and Franschoek) are excluded.
- (viii) Organisations promoting the Greater Stellenbosch: 30% discount on rental of a hall or facility excluding the relevant deposit fees (which must be paid in full). Furniture, kitchen and utensils are free of charge. The following are examples of rebates that will be approved:
  - Van Der Stel Festival
  - Wine Festival (Previously Food and Wine Festival)
  - Flower Show (Stellenbosch and Pniel)
  - Stellenbosch Festival
  - Bastille Festival
  - CANSA sub-organizations within the WC024.
- (ix) Free access to municipal halls for youth activities. Provided that prior arrangement is made with the relevant staff.
- (x) Free access to municipal halls for Community Police Forums and Neighbourhood Watches situated within WC024, limited to one meeting per month. Such requests should be electronically sent to the Law Enforcement- Community Safety Liaison Officer who will liaise with the Halls Bookings Office to verify availability. This rebate will only be considered for weekdays.

(xi) The rebates mentioned in paragraphs i), ii), iv), v), vi) and vii) will only be considered for weekdays. All applications must be in writing and submitted to the Director: Community and Protection Services.

(xii) The Director: Community and Protection Services may consider motivated applications for discount in line with the abovementioned and approve rebates.



<b>STELLENBOSCH MUNICIPALITY</b>									
<b>SUNDRY TARIFFS</b>									
<b>DIREKTORAAT: GEMEENSKAPSDIENSTE DIRECTORATE: COMMUNITY SERVICES</b>									
<b>Sports Fields</b>	<b>2023/24</b>			<b>Rental of Facilities 2024/25</b>			<b>Additional levy: Consumers outside WC024; Sports Unions and Private Companies.</b>		
	<b>Deposit</b>	<b>Week</b>	<b>Weekend</b>	<b>Deposit</b>	<b>Week</b>	<b>Weekend</b>	<b>Deposit</b>	<b>Week</b>	<b>Weekend</b>
Van der Stel	Tariffs and tariff structures to be established and determined with the executing of the newly adopted Hybrid Sport Facility Management Plan.			Tariffs and tariff structures to be established and determined with the executing of the newly adopted Hybrid Sport Facility Management Plan.			Tariffs and tariff structures to be established and determined with the executing of the newly adopted Hybrid Sport Facility Management Plan.		
Kylemore, Pniel, Idas Valley, Raithby, Klapmuts, Jamestown and Cloetesville	Tariffs and tariff structures to be established and determined with the executing of the newly adopted Hybrid Sport Facility Management Plan.			Tariffs and tariff structures to be established and determined with the executing of the newly adopted Hybrid Sport Facility Management Plan.			Tariffs and tariff structures to be established and determined with the executing of the newly adopted Hybrid Sport Facility Management Plan.		
Wemmershoek Groendal Kayamandi	Tariffs and tariff structures to be established and determined with the executing of the newly adopted Hybrid Sport Facility Management Plan.			Tariffs and tariff structures to be established and determined with the executing of the newly adopted Hybrid Sport Facility Management Plan.			Tariffs and tariff structures to be established and determined with the executing of the newly adopted Hybrid Sport Facility Management Plan.		
La Motte Jonkershoek Papplaas Lanquedoc	Tariffs and tariff structures to be established and determined with the executing of the newly adopted Hybrid Sport Facility Management Plan.			Tariffs and tariff structures to be established and determined with the executing of the newly adopted Hybrid Sport Facility Management Plan.			Tariffs and tariff structures to be established and determined with the executing of the newly adopted Hybrid Sport Facility Management Plan.		

## STELLENBOSCH MUNICIPALITY

### SUNDRY TARIFFS

#### DIREKTORAAT: GEMEENSKAPSDIENSTE DIRECTORATE: COMMUNITY SERVICES

VERKEERSDIENSTE/TRAFFIC SERVICES	Tariff 2023/24 (Incl. VAT)	Excl. VAT 2024/25	2024/25 VAT 15%	Tariff 2024/25 (Incl. VAT)
<b>Verkeersbystanddienste / Traffic Assistance at special occasions/events</b>				
Uitreiking van Permit / Issue of Permit	R 302.00	R 273.91	R 41.09	R 315.00
Uurtarief : Maandag - Saterdag / Hourly tariff : Monday - Saturday	R 440.00	R 391.30	R 58.70	R 450.00
Uurtarief: Sondae en openbare vakansiedae/Hourly tariff: Sunday and public holidays	R 710.00	R 630.43	R 94.57	R 725.00
<b>Spesiale verkeersbystanddienste by bragrafnisse/ Special Traffic Assistance at funeral procession</b>				
per funeral - per hour - per officer	R 437.00	R 382.61	R 57.39	R 440.00
<b>Verfilming of video- advertensies / Filming or video- commercials (public roads)</b>				
Uitreiking van Permit / Issue of Permit	R 300.00	R 273.91	R 41.09	R 315.00
Uitreiking van Permit / Issue of Permit - Stillshoot	R 1 890.00	R 1 708.70	R 256.30	R 1 965.00
Minimum: Residential / Industrial up to 3 hours	R 4 100.00	R 3 695.65	R 554.35	R 4 250.00
Maximum: Residential / industrial more than 3 hours	R 15 100.00	R 13 652.17	R 2 047.83	R 15 700.00
Minimum:Rural up to 3 hours	R 4 700.00	R 4 243.48	R 636.52	R 4 880.00
Maximum:Rural more than 3 hours	R 20 000.00	R 18 086.96	R 2 713.04	R 20 800.00
Minimum High Risk Areas (eg, Franschoek Pass + CBD areas) up to 3 hours	R 21 000.00	R 18 956.52	R 2 843.48	R 21 800.00
Maximum High Risk Areas (eg, Franschoek Pass + CBD areas) more than 3 hours	R 27 500.00	R 24 869.57	R 3 730.43	R 28 600.00
Die Direkteur: Gemeenskaps en Beskermingsdienste mag gemotiveerde aansoeke vir afslag tot 50% oorweeg vir die verfilming van video-advertensies (publieke paaie). The Director: Community and Protection Services may consider motivated applications for a discount up to 50% for filming or video-commercials (public roads).				
<b>Verwydering van verlate voertuie : Insleepgelde Removal of abandoned vehicles : Tow-in charges</b>				
Binne Stellenbosch / In Stellenbosch	R 2 400.00	R 2 173.91	R 326.09	R 2 500.00
Buite Stellenbosch / Outside Stellenbosch	R 2 750.00	R 2 478.26	R 371.74	R 2 850.00
Skutgeld per dag / Impoundment fee per day	R 200.00	R 182.61	R 27.39	R 210.00
Die Direkteur: Gemenskaps en Beskermingsdienste mag gemotiveerde aansoeke vir die afslag van 50% oorweeg vir skutkoste. The Director Community and Protection Services may consider motivated applications for a discount up to 50% for impoundment costs.				
<b>Wiel vasklem / Wheel clamping</b>				
Vrylatingsfooï / Release fee	R 280.00	R 252.17	R 37.83	R 290.00
<b>Algemeen / General</b>				
Voertuigongeluk inligting / Vehicle accident information (i.t.o. PN5867/10-5-2002)	R 165.00	R 143.48	R 21.52	R 165.00
Gestremde parkeer disket/ Disabled Parking Disc	R 90.00	R 78.26	R 11.74	R 90.00
<b>The Senior Manager in consultation with the Director Community &amp; Protection Services may agree not to charge tariffs and fees in cases where charges have been levied erroneously. Criteria for exemptions/concession: Parties must make written applications to the Director Community &amp; Protection Services, outlining the reasons why charges were levied incorrectly and why exemptions/concessions should be considered.</b>				

<b>STELLENBOSCH MUNICIPALITY</b>				
<b>SUNDRY TARIFFS</b>				
<b>DIREKTORAAT: GEMEENSKAPSDIENSTE</b>				
<b>DIRECTORATE: COMMUNITY SERVICES</b>				
<b>VERKEERSDIENSTE/TRAFFIC SERVICES</b>	<b>Tariff 2023/24 (Incl. VAT)</b>	<b>Excl. VAT 2024/25</b>	<b>2024/25 VAT 15%</b>	<b>Tariff 2024/25 (Incl. VAT)</b>
<b>Area Zone 1(CBD): Eikestad , Checkers, Pick and Pay / Stelmark</b>				
<b>Operating hours: 07:00 - 18:00 (Mon - Fri) and 07:00 - 14:00 (Sat); Sunday/Public Holiday - Free</b>				
0-30min	R -	R -	R -	
31- 59 min	R 8.00	R 6.96	R 1.04	R 8.00
1-2 hours	R 16.00	R 13.91	R 2.09	R 16.00
2-3 hours	R 20.00	R 17.39	R 2.61	R 20.00
3-4 hours	R 28.00	R 24.35	R 3.65	R 28.00
4-5 hours	R 36.00	R 31.30	R 4.70	R 36.00
5-6 hours	R 44.00	R 38.26	R 5.74	R 44.00
6-7 hours	R 52.00	R 45.22	R 6.78	R 52.00
7-8 hours	R 64.00	R 55.65	R 8.35	R 64.00
8-9 hours	R 68.00	R 59.13	R 8.87	R 68.00
9-12 hours	R 88.00	R 76.52	R 11.48	R 88.00
12-24 hours	R 120.00	R 104.35	R 15.65	R 120.00
Lost Ticket	R 120.00	R 104.35	R 15.65	R 120.00
<b>Parking Areas Zone 2: Borchers Road Parking area( New Parking)</b>				
<b>Operating hours: 07:00-18:00 (Mon - Fri) and 07:00 - 14:00 (Sat.) ; Sunday/Public Holiday - Free</b>				
0-30min	R -	R -	R -	
31- 59 min	R 4.00	R 3.48	R 0.52	R 4.00
1-2 hours	R 7.00	R 6.96	R 1.04	R 8.00
2-3 hours	R 10.00	R 8.70	R 1.30	R 10.00
3-4 hours	R 12.00	R 10.43	R 1.57	R 12.00
4-5 hours	R 15.00	R 13.04	R 1.96	R 15.00
5-6 hours	R 20.00	R 17.39	R 2.61	R 20.00
6-7 hours	R 22.00	R 19.13	R 2.87	R 22.00
7-8 hours	R 25.00	R 21.74	R 3.26	R 25.00
8-9 hours	R 30.00	R 26.09	R 3.91	R 30.00
9-12 hours	R 32.00	R 27.83	R 4.17	R 32.00
Lost Ticket	R 35.00	R 30.43	R 4.57	R 35.00
Maandelikse permit / Month permit	R 400.00	R 347.83	R 52.17	R 400.00
<b>Parking Areas Zone 3 : Stelkor</b>				
<b>Operating hours: 07:00-18:00 (Mon - Fri) and 07:00 - 14:00 (Sat.) ; Sunday/Public Holiday - Free</b>				
0-30min	R -	R -	R -	
31- 59 min	R 4.00	R 4.00	R -	R 4.00
1-2 hours	R 8.00	R 6.96	R 1.04	R 8.00
2-3 hours	R 10.00	R 8.70	R 1.30	R 10.00
3-4 hours	R 14.00	R 12.17	R 1.83	R 14.00
4-5 hours	R 18.00	R 15.65	R 2.35	R 18.00
5-6 hours	R 22.00	R 19.13	R 2.87	R 22.00
6-7 hours	R 26.00	R 22.61	R 3.39	R 26.00
7-8 hours	R 32.00	R 27.83	R 4.17	R 32.00
8-9 hours	R 34.00	R 29.57	R 4.43	R 34.00
9-12 hours	R 44.00	R 38.26	R 5.74	R 44.00
Lost Ticket	R 60.00	R 52.17	R 7.83	R 60.00
Maandelikse permit / Month permit	R 400.00	R 347.83	R 52.17	R 400.00

<b>DIREKTORAAT: GEMEENSAPSDIENSTE DIRECTORATE: COMMUNITY SERVICES</b>				
<b>VERKEERSDIENSTE/TRAFFIC SERVICES</b>	<b>Tariff 2023/24 (Incl. VAT)</b>	<b>Excl. VAT 2024/25</b>	<b>2024/25 VAT 15%</b>	<b>Tariff 2024/25 (Incl. VAT)</b>
<b>On Street Parking per hour ( Starting at the first half an hour at R4 and increase every half hour with R4 increments Operating hours: 07:00 - 18:00 (Mon.- Fri.) and 07:00 - 14:00 (Sat.) Sunday/Public Holidays - Free</b>				
Kerk Street/Church Street	R 8.00	R 6.96	R 1.04	R 8.00
Plein Street	R 8.00	R 6.96	R 1.04	R 8.00
Blom Street	R 8.00	R 6.96	R 1.04	R 8.00
Bird Street (Dorp/Dennesig)	R 8.00	R 6.96	R 1.04	R 8.00
Ryneveldt Street	R 8.00	R 6.96	R 1.04	R 8.00
Andringa Street (Dorp/Banhoek)	R 8.00	R 6.96	R 1.04	R 8.00
Alexander Dienspad/Service road	R 8.00	R 6.96	R 1.04	R 8.00
Alexander Street	R 8.00	R 6.96	R 1.04	R 8.00
Meul Street (Dorp/Plein)	R 8.00	R 6.96	R 1.04	R 8.00
Dorp Street	R 8.00	R 6.96	R 1.04	R 8.00
Crozier Street	R 8.00	R 6.96	R 1.04	R 8.00
Piet Retief street	R 8.00	R 6.96	R 1.04	R 8.00
Mark Street	R 8.00	R 6.96	R 1.04	R 8.00
Drostdy Street	R 8.00	R 6.96	R 1.04	R 8.00
Banghoek Road (Andringa/Bird) PNP entry	R 8.00	R 6.96	R 1.04	R 8.00
Victoria Street (Between Andringa & Ryneveldt)	R 8.00	R 6.96	R 1.04	R 8.00
Stelkor on-Street- entry to stelkor parking area	R 8.00	R 6.96	R 1.04	R 8.00
Du-toit Street & entry to Bergzicht parking area	R 8.00	R 6.96	R 1.04	R 8.00
Helderberg Street	R 8.00	R 6.96	R 1.04	R 8.00
<b>Bloemhof Parking Area Operating hours: 07:00 - 18:00 (Mon.- Fri.) and 07:00 - 14:00 (Sat.), After 18:00 (Mon- Fri)-Free, After 14:00 (Saturdays)-Free &amp; Sunday/Public Holidays - Free</b>	R 8.00	R 6.96	R 1.04	R 8.00
<b>Daaglikse permit ( Magtiging ) / Day permit ( Authorisation)</b>	R 45.00	R 39.13	R 5.87	R 45.00
Maandelikse permit / Month permit	R 530.00	R 460.87	R 69.13	R 530.00
Huur en reserveer van 'n parkeervak per dag / Hiring and reserving of a Parking Bay per day	R 230.00	R 200.00	R 30.00	R 230.00
Parking Disc – Medical Practitioners per year	<del>R 220.00</del>	<del>R 200.00</del>	<del>R 30.00</del>	<del>R 230.00</del>
Resident Parking Permit per year	<del>R 500.00</del>	<del>R 452.17</del>	<del>R 67.83</del>	<del>R 520.00</del>
Temporary Parking Permit per application	R 170.00	R 152.17	R 22.83	R 175.00
Work Zone Permit per application	R 230.00	R 208.70	R 31.30	R 240.00
Taxi rank permit (WCO24 area ) per jaar/year	R 400.00	R 365.22	R 54.78	R 420.00
<b>ON STREET PARKING FRANSCHHOEK</b>				
<b>On Street Parking per hour ( Starting at the first half an hour at R4 and increase every half hour with R4 increments Operating hours: 07:00 - 18:00 (Mon.- Fri.) and 07:00 - 14:00 (Sat.) Sunday/Public Holidays - Free</b>				
All on street parking bays within Franschhoek CBD	R 8.00	R 6.96	R 1.04	R 8.00

# STELLENBOSCH MUNICIPALITY

## SUNDRY TARIFFS

### DIREKTORAAT: GEMEENSKAPSDIENSTE DIRECTORATE: COMMUNITY SERVICES

BRANDWEER DIENSTE / FIRE SERVICES	Tariff 2023/24 (Incl. VAT)	Excl. VAT 2024/25	2024/25 VAT 15%	Tariff 2024/25 (Incl. VAT)
<b>Brandweerwaens / Fire Engine</b> Per uur of gedeelte daarvan / Per hour or part thereof	R 1 150.00	R 1 043.48	R 156.52	R 1 200.00
<b>Hidroliese Platform / Hydraulic Platforms</b> Per uur of gedeelte daarvan / Per hour or part thereof	R 2 800.00	R 2 565.22	R 384.78	R 2 950.00
<b>Reddingsvoertuig / Emergency Vehicle (excluding Accidents/Rescue)</b> Per uur of gedeelte daarvan / Per hour or part thereof	R 950.00	R 869.57	R 130.43	R 1 000.00
<b>Diensvoertuie / Service Vehicle</b> Per uur of gedeelte daarvan / Per hour or part thereof	R 700.00	R 634.78	R 95.22	R 730.00
<b>Draagbare Pompe &amp; Kragopwekker / Portable pumps &amp; Generators</b> Per uur of gedeelte daarvan / Per hour or part thereof	R 560.00	R 504.35	R 75.65	R 580.00
<b>Sleepwaens / Trailers</b> Per uur of gedeelte daarvan / Per hour or part thereof	R 800.00	R 721.74	R 108.26	R 830.00
<b>Bergingseile / Storage Covers</b> Per uur of gedeelte daarvan / Per hour or part thereof	R 310.00	R 278.26	R 41.74	R 320.00
<b>Bos , veld , rommel (Boseenhede) / Bush , field , rubble (Bush units)</b> Per uur of gedeelte daarvan / Per hour or part thereof	R 780.00	R 704.35	R 105.65	R 810.00
<b>Personeel / Personnel</b> Per uur of gedeelte daarvan / Per hour or part thereof	R 470.00	R 426.09	R 63.91	R 490.00
<b>Instandhouding en Brandslangherstel / Maintenance &amp; Fire-Hose Repair</b> Skrop , toets & droog / Scrub , test & dry	R 260.00	R 234.78	R 35.22	R 270.00
Herstel / Repair	R 130.00	R 117.39	R 17.61	R 135.00
Koppelingbinding : Brandslang / Linkage : Fire-Hose	R 130.00	R 117.39	R 17.61	R 135.00
Koppelingbinding : Suigslang / Linkage : Suction hose	R 250.00	R 226.09	R 33.91	R 260.00
Koppelingbinding : Hoë druk / Linkage : High Pressure	R 250.00	R 226.09	R 33.91	R 260.00
<b>Brandvoorkomingsinspeksies / Fire prevention inspection</b> Tenkinstallasies -Per tenk / Tank installation	R 520.00	R 478.26	R 71.74	R 550.00
VP Gas -Per installasie / Per installation	R 520.00	R 478.26	R 71.74	R 550.00
Sprinklaar ens : per jaar / Sprinkler ect per annum	R 520.00	R 478.26	R 71.74	R 550.00
Fire prevention inspections relating to events applications	R 570.00	R 521.74	R 78.26	R 600.00
<b>Patrolliedienste &amp; Ander / Patrol Services &amp; Other</b> Nie Operasionele dienste/ Non Operational Services				
Per Brandbetryder / Per Firefighter	R 470.00	R 426.09	R 63.91	R 490.00
Per Offisier / Per Officer	R 470.00	R 426.09	R 63.91	R 490.00
Kinder partytjies / Kiddies parties	R 1 880.00	R 1 695.65	R 254.35	R 1 950.00
Fire and life safety education programs (Educational visits to and from schools)				
<b>Planne of Ontwikkeling Konsultasiefooie (per uur ) /Plans or Development Consultation fee (per hour)</b>	R 625.00	R 565.22	R 84.78	R 650.00

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

<b>STELLENBOSCH MUNICIPALITY</b>				
<b>SUNDRY TARIFFS</b>				
<b>DIREKTORAAT: GEMEENSKAPSDIENSTE DIRECTORATE: COMMUNITY SERVICES</b>				
<b>LAW ENFORCEMENT/ WETSTOEPASSING</b>	<b>Tariff 2023/24 (Incl. VAT)</b>	<b>Excl. VAT 2024/25</b>	<b>2024/25 VAT 15%</b>	<b>Tariff 2024/25 (Incl. VAT)</b>
Skut van goedere gekonfiskeer / Impoundment of goods confiscated	R 1 100.00	R 995.65	R 149.35	R 1 145.00
<b><u>Provision of CCTV video footage information/ Voorsiening van CCTV video inligting</u></b>				
Aansoekfoo/ Application Fee	R 240.00	R 217.39	R 32.61	R 250.00
Beeldmateriaal opsporingsfoo / Video footage tracing fee	R 320.00	R 291.30	R 43.70	R 335.00
Voorsiening van bewysmateriaal (CCTV video) per CD/ Provision of evidentiary evidence (CCTV video footage) per CD	R 500.00	R 456.52	R 68.48	R 525.00
<b><u>Animal Impoundment costs:</u></b>				
<b>Impoundment of animals</b>				
Horses, cattle and pigs (per head)	R 310.00	R 282.61	R 42.39	R 325.00
Goats and Sheep (per head)	R 190.00	R 173.91	R 26.09	R 200.00
<b><u>Pound Fees (includes sustenance)</u></b>				
Horses, cattle and pigs (per head per day)	R 190.00	R 173.91	R 26.09	R 200.00
Goats and Sheep (per head per day)	R 190.00	R 173.91	R 26.09	R 200.00
<b><u>Fees for animals to be separately herded</u></b>				
For every stallion and bull (per head per day)	R 310.00	R 282.61	R 42.39	R 325.00
For every Sheep ram, goat ram or other separate animal (per head per day)	R 190.00	R 173.91	R 26.09	R 200.00
<b><u>Transport costs</u></b>				
All animals delivered to the pound per km per single trip (No sharing of costs for multiple owners)	R 30.00	R 26.96	R 4.04	R 31.00
Transport of animals to another municipality's pound per km per single trip (New)	R 45.00	R 40.87	R 6.13	R 47.00
<b>EVENTS</b>				
<b>Die Direkteur: Gemeenskaps en Beskermingsdienste mag gemotiveerde aansoeke vir afslag oorweeg vir verminderde tot kwytstelling vir gebeure aansoeke / The Director: Community and Protection Services may consider motivated applications for a discount or waiver for event applications</b>				
<b><u>Events Application Fee: Non-refundable</u></b>				
Youth Development	R 135.00	R 121.74	R 18.26	R 140.00
Schools and educational institutions	R 135.00	R 121.74	R 18.26	R 140.00
Welfare Organizations	R 135.00	R 121.74	R 18.26	R 140.00
Churches	R 135.00	R 121.74	R 18.26	R 140.00
Elderly	R 135.00	R 121.74	R 18.26	R 140.00
Inter-Governmental departments	R 135.00	R 121.74	R 18.26	R 140.00
<b><u>All other applications:</u></b>	R 1 100.00	R 1 000.00	R 150.00	R 1 150.00
<b><u>Spesiale wetstoepassings bystanddienste / Special Law Enforcement Assistance</u></b>				
Per event - per hour, per officer	R 440.00	R 391.30	R 58.70	R 450.00
The Senior Manager in consultation with the Director Community & Protection Services may agree not to charge tariffs and fees in cases where charges have been levied erroneously. Criteria for exemptions/concession: Parties must make written applications to the Director Community & Protection Services, outlining the reasons why charges were levied incorrectly and why exemptions/concessions should be considered.				

STELLENBOSCH MUNICIPALITY						
MISCELLANEOUS						
DIREKTORAAT: INFRASTRUKTUUR DIENSTE DIRECTORATE: INFRASTRUCTURE SERVICES						
MISCELLANEOUS	Unit	Tariff 2023/24 (Incl. VAT)	Excl. VAT 2024/25	2024/25 VAT 15%	Tariff 2024/25 (Incl. VAT)	VAT
<b>Special meter reading</b>						
Office hours (till 15:00)	per occasion	R 281.16	R 256.95	R 38.54	R 295.50	Included
After Hours (After15:00)	per occasion	R 429.34	R 392.38	R 58.86	R 451.23	Included
Sunday and Public Holidays	per occasion	R 871.32	R 796.31	R 119.45	R 915.76	Included
<b>Disconnection or Reconnection of Low Voltage supply:</b>						
Office hours (till 15:00)	per occasion	R 530.58	R 484.91	R 72.74	R 557.64	Included
After Hours (After15:00)	per occasion	R 778.41	R 711.40	R 106.71	R 818.11	Included
Sunday and Public Holidays	per occasion	R 1 557.32	R 1 423.26	R 213.49	R 1 636.75	Included
<b>1st Call to fault on consumer's installation :</b>						
Office hours (till 15:00)	per occasion	R 443.26	R 405.10	R 60.77	R 465.87	Included
After Hours (after 15:00)	per occasion	R 777.61	R 710.67	R 106.60	R 817.27	Included
Sunday's and Public Holidays	per occasion	R 899.19	R 821.78	R 123.27	R 945.05	Included
<b>2nd Call to fault on consumer's installation :</b>						
Office hours (till 15:00)	per visit	R 616.77	R 563.67	R 84.55	R 648.23	Included
After Hours (after 15:00)	per visit	R 825.74	R 754.65	R 113.20	R 867.85	Included
Sunday's and Public Holidays	per visit	R 1 247.47	R 1 140.08	R 171.01	R 1 311.09	Included
Service not ready for connection	per visit	R 830.79	R 759.27	R 113.89	R 873.17	Included
<b>Temporary supply at public venue:</b>						
Existing kiosk with single phase plug point (where available)	per day	R 829.53	R 758.12	R 113.72	R 871.84	Included
Existing kiosk with three phase plug point (where available)	per day	R 1 166.41	R 1 066.00	R 159.90	R 1 225.89	Included
Supply temporary kiosk with single/three phase plug points where supply in close vicinity (Plus day tariff)	per occasion	R 4 384.50	R 4 007.05	R 601.06	R 4 608.11	Included
<b>Temporary supply at public venue: (Non-profit organisations only)</b>						
Existing kiosk with single phase plug point (where available)	per day	R 188.71	R 172.46	R 25.87	R 198.33	Included
Existing kiosk with three phase plug point (where available)	per day	R 310.28	R 283.57	R 42.54	R 326.11	Included
Supply temporary kiosk with single/three phase plug points where supply in close vicinity (Plus day tariff)	per occasion	R 3 348.53	R 3 060.27	R 459.04	R 3 519.31	Included
<b>MV switching on Council's equipment :</b>						
Office hours	per occasion	R 3 731.00	R 3 409.81	R 511.47	R 3 921.28	Included
After Hours	per occasion	R 5 238.09	R 4 787.16	R 718.07	R 5 505.23	Included
Sundays & Public Holidays	per occasion	R 7 793.82	R 7 122.87	R 1 068.43	R 8 191.30	Included
Installation of banners	per banner	R 3 985.56	R 3 642.46	R 546.37	R 4 188.83	Included
<b>Load control equipment:</b>						
Shifting of existing load control equipment( office hours 8:00 till 15:00)	each	R 782.51	R 715.15	R 107.27	R 822.42	Included
Shifting of existing load control equipment (after hours (after 15:00) including weekends)	each	R 1 045.99	R 955.94	R 143.39	R 1 099.33	Included
<b>NEW SUPPLIES WHERE MUNICIPAL CABLE IS AT ERF BOUNDARY (INCLUDES ENERGY DISPENSER AND EXCLUDE CABLE JOINT ON PROPERTY BOUNDARY)</b>						
60 A single phase energy dispenser	each	R 3 309.33	R 3 024.44	R 453.67	R 3 478.10	Included
Three phase energy dispenser	each	R 5 529.84	R 5 053.79	R 758.07	R 5 811.86	Included
User interface Unit (wired)	each	R 598.03	R 546.54	R 81.98	R 628.52	Included
User interface Unit (wireless)	each	R 802.41	R 733.34	R 110.00	R 843.34	Included
Single Phase Connection Informal Settlement (Energy Dispenser + Ready Board + Cable - max distance 30meter)	each	R 5 473.07	R 5 001.91	R 750.29	R 5 752.19	Included
Reconnection of a service connection in Informal Settlement (new)						
60 A single phase service connection installed to Non-Serviced Property from overhead line to erf boundary with a 60 A single phase energy dispenser distribution board	each	R 8 017.83	R 7 327.60	R 1 099.14	R 8 426.74	Included
All other new installations or upgrades as per quotation supplied by the Electrical Engineering Services Directorate. Quotation deposit is to be paid as indicated below		<b>Quotation</b>	Quotation	Quotation	<b>Quotation</b>	
Quotation Deposit payable per quotation request - (1) The deposit will be deducted from the quoted amount on acceptance and payment of the quotation provided by Electricity Department.(2) If the quotation is not accepted the deposit amount paid will be forfeited		R 500.00	R 443.48	R 66.52	R 510.00	Included

DIREKTORAAT: INFRASTRUKTUUR DIENSTE DIRECTORATE: INFRASTRUCTURE SERVICES						
MISCELLANEOUS	Unit	Tariff 2023/24 (Incl. VAT)	Excl. VAT 2024/25	2024/25 VAT 15%	Tariff 2024/25 (Incl. VAT)	VAT
<b>INSTALLATION OF ENERGY DISPENSERS</b>						
Replacement of existing single phase credit meter with single phase energy dispenser	each	No Cost	No Cost	No Cost	<b>No Cost</b>	Included
Replacement of existing three phase credit meter with a three phase electricity dispenser	each	No Cost	No Cost	No Cost	<b>No Cost</b>	Included
Testing of single phase meter (on site verification)	each	R 915.96	R 837.11	R 125.57	<b>R 962.68</b>	Included
Testing of three phase meters (on site verification)	each	R 1 641.42	R 1 500.11	R 225.02	<b>R 1 725.13</b>	Included
Testing of three phase bulk meters (New Audit)	each	R 3 436.75	R 3 140.89	R 471.13	<b>R 3 612.03</b>	Included
Tariff investigation - based on existing consumption data	each	R 2 125.89	R 1 942.88	R 291.43	<b>R 2 234.31</b>	Included
Tariff or load profile investigation - requiring equipment and personnel/site visit's	each	R 4 116.79	R 3 762.38	R 564.36	<b>R 4 326.74</b>	Included
Quality of supply investigation - requiring equipment and personnel/site visit's	each	R 4 862.43	R 4 443.83	R 666.58	<b>R 5 110.41</b>	Included
Bulk metering (Ct's, Test Block, Fuses Complete and Modem) and site certification	each	R 15 849.08	R 14 484.68	R 2 172.70	<b>R 16 657.38</b>	Included
Single phase AMI meter (including GPRS Modem)	each	R 5 491.75	R 5 018.98	R 752.85	<b>R 5 771.83</b>	Included
Three phase AMI meter Max 120A (Including GPRS Modem)	each	R 8 359.67	R 7 640.01	R 1 146.00	<b>R 8 786.01</b>	Included
Smart Metering Single phase when available max 80A	each	R 4 861.36	R 4 442.86	R 666.43	<b>R 5 109.29</b>	Included
Smart Metering Three phase when available max 80A	each	R 6 552.58	R 5 988.49	R 898.27	<b>R 6 886.76</b>	Included
<b>DEVELOPMENT BULK LEVY CONTRIBUTIONS</b>						
<i>Please Note: Any additional costs to make the supply available to the users are for the developers account</i>						
<b>Developer Provides Minisub</b>						
Cluster housing, Semi-detached townhouses & flats	3 kVA	R 11 127.12	R 10 169.22	R 1 525.38	<b>R 11 694.60</b>	Included
Urban Residential, Freestanding homes or townhouses (LSM 7-10)	4 kVA	R 14 829.04	R 13 552.45	R 2 032.87	<b>R 15 585.32</b>	Included
Luxury Class Homes >250m <sup>2</sup> (Airconditioning, underfloor heating, more than one electrical hot water cylinder etc)max 60Amp Single Phase	6 kVA	R 22 244.27	R 20 329.33	R 3 049.40	<b>R 23 378.73</b>	Included
Non Residential	per kVA	R 3 095.61	R 2 829.12	R 424.37	<b>R 3 253.49</b>	Included
Residential > 60Amp Single Phase to max 60 Amp Three Phase	per kVA	R 3 095.61	R 2 829.12	R 424.37	<b>R 3 253.49</b>	Included
<b>Existing Municipal Minisub or Transformer</b>						
Cluster housing, Semi-detached townhouses & flats	3 kVA	R 14 264.00	R 13 036.06	R 1 955.41	<b>R 14 991.47</b>	Included
Urban Residential, Freestanding homes or townhouses (LSM 7-10)	4 kVA	R 19 030.53	R 17 392.25	R 2 608.84	<b>R 20 001.09</b>	Included
Luxury Class Homes >250m <sup>2</sup> (Airconditioning, underfloor heating, more than one electrical hot water cylinder etc)max 60Amp Single Phase	6 kVA	R 28 019.90	R 25 607.75	R 3 841.16	<b>R 29 448.91</b>	Included
Non Residential	per kVA	R 4 130.33	R 3 774.76	R 566.21	<b>R 4 340.97</b>	Included
Residential > 60Amp Single Phase to max 60 Amp Three Phase	per kVA	R 4 130.33	R 3 774.76	R 566.21	<b>R 4 340.97</b>	Included



Area: **Stellenbosch Town**

Land Group	Description	Unit	Water (kl/day)		Sewer (kl/day)		Stormwater (ha°C)		Solid Waste (t/week)		Roads & Transport (trips/day)		Community (persons)		Total
			Unit Cost		Unit Cost		Unit Cost		Unit Cost		Unit Cost		Unit Cost		
			All	R 32 936.00	All	R 36 249.80	All	R 217 731.61	All	R 102 800.01	Roads Factor	Roads Cost	Community Factor	Community Cost	
Residential	Single Residential >1000m2	du	1.200	R 39 523	0.700	R 25 375	0.048	R 10 451	0.040	R 4 112	4.000	R 25 372	4.000	R 16 217	R 121 051
	Single Residential >500m2	du	0.800	R 26 349	0.650	R 23 562	0.028	R 6 096	0.040	R 4 112	4.000	R 25 372	4.000	R 16 217	R 101 709
	Single Residential >250m2	du	0.700	R 23 055	0.600	R 21 750	0.023	R 5 008	0.040	R 4 112	4.000	R 25 372	4.000	R 16 217	R 95 514
	Single Residential <250m2	du	0.600	R 19 762	0.500	R 18 125	0.018	R 3 919	0.040	R 4 112	4.000	R 25 372	4.000	R 16 217	R 87 507
	Second Dwelling	du	0.450	R 14 821	0.400	R 14 500	0.018	R 3 919	0.040	R 4 112	2.500	R 15 858	4.000	R 16 217	R 69 427
	Less Formal Residential	du	0.450	R 14 821	0.400	R 14 500	0.018	R 3 919	0.040	R 4 112	0.750	R 4 757	4.000	R 16 217	R 58 327
	Group Residential	du	0.600	R 19 762	0.500	R 18 125	0.018	R 3 919	0.040	R 4 112	3.750	R 23 786	4.000	R 16 217	R 85 921
	Apartments	du	0.450	R 14 821	0.400	R 14 500	0.008	R 1 742	0.040	R 4 112	2.750	R 17 443	4.000	R 16 217	R 68 836
	Retirement Village	du	0.600	R 19 762	0.500	R 18 125	0.018	R 3 919	0.040	R 4 112	3.400	R 21 566	4.000	R 16 217	R 83 701
Old age home	du	0.450	R 14 821	0.400	R 14 500	0.008	R 1 742	0.040	R 4 112	2.500	R 15 858	4.000	R 16 217	R 67 250	
Accommodation	Student Accommodation/Commune/Hostels	rooms	0.180	R 5 928	0.150	R 5 437	0.004	R 871	0.015	R 1 542	1.250	R 7 929	1.000	R 4 054	R 25 762
	Guest House	rooms	0.220	R 7 246	0.180	R 6 525	0.004	R 871	0.015	R 1 542	3.000	R 19 029	1.000	R 4 054	R 39 267
	Converted Guest House	rooms	0.220	R 7 246	0.180	R 6 525	0.004	R 871	0.015	R 1 542	2.000	R 12 686	1.000	R 4 054	R 32 924
	Hotel, Residential	rooms	0.220	R 7 246	0.180	R 6 525	0.004	R 871	0.015	R 1 542	3.250	R 20 615	1.000	R 4 054	R 40 853
Commercial	General Business	100m2 GLA	0.400	R 13 174	0.350	R 12 687	0.015	R 3 266	0.020	R 2 056	5.000	R 35 239	1.000	R 1 801	R 68 224
	Office	100m2 GLA	0.400	R 13 174	0.350	R 12 687	0.015	R 3 266	0.020	R 2 056	8.500	R 59 906	1.000	R 1 801	R 92 892
	Retail/Shop	100m2 GLA	0.400	R 13 174	0.350	R 12 687	0.015	R 3 266	0.020	R 2 056	20.000	R 140 956	1.000	R 1 801	R 173 941
	Restaurant	100m2 GLA	0.800	R 26 349	0.700	R 25 375	0.015	R 3 266	0.020	R 2 056	20.000	R 140 956	1.000	R 1 801	R 199 803
	Outdoor Function / Picnic Area	persons	0.050	R 1 647	0.035	R 1 269	0.001	R 218	0.003	R 308	0.500	R 3 524	0.130	R 234	R 7 200
	Conference Facility/Place of assembly	100m2 GLA	0.400	R 13 174	0.350	R 12 687	0.015	R 3 266	0.020	R 2 056	9.000	R 63 430	1.000	R 1 801	R 96 415
	Hospital/Clinic/Medical Rooms	100m2 GLA	0.500	R 16 468	0.400	R 14 500	0.015	R 3 266	0.020	R 2 056	16.500	R 116 289	1.000	R 1 801	R 154 380
	University/College	student	0.100	R 3 294	0.050	R 1 812	0.001	R 218	0.005	R 514	2.000	R 14 096	0.000	R -	R 19 933
	School/Day Care	student	0.100	R 3 294	0.050	R 1 812	0.001	R 218	0.005	R 514	1.000	R 7 048	0.000	R -	R 12 886
Industrial	Industrial - light	100m2 GLA	0.400	R 13 174	0.350	R 12 687	0.015	R 3 266	0.020	R 2 056	6.000	R 54 973	1.000	R 1 801	R 87 958
	Industrial - heavy	100m2 GLA	0.400	R 13 174	0.350	R 12 687	0.015	R 3 266	0.020	R 2 056	1.250	R 11 453	1.000	R 1 801	R 44 438
	Warehousing/Light Manufacturing	100m2 GLA	0.400	R 13 174	0.350	R 12 687	0.015	R 3 266	0.020	R 2 056	3.000	R 27 486	1.000	R 1 801	R 60 472
	Storage Facilities	unit	0.035	R 1 153	0.030	R 1 087	0.002	R 435	0.002	R 206	0.160	R 1 466	0.100	R 180	R 4 527
Non-demand	Open Space/Natural Environment/Utility Site	ha	0.000	R -	R -	0.200	R 43 546	R -	R -	R -	R -	R -	R -	R -	R 43 546
	Roads and Parking	ha	0.000	R -	R -	0.700	R 152 412	R -	R -	R -	R -	R -	R -	R -	R 152 412
Other	To be calculated	n/a	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
	(Based on equivalent demands)	n/a	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -

**Approved Escalation Factors**

Year	% increase from previous year	Note
2022/2023	14.7415%	Applicable for DC project value escalation calculations only. DC unit costs as recalculated this year to be used for DC calculations.
2023/2024	11.6520%	
2024/2025	5.1000%	Estimated escalation for budget purposes



Area: Polkadraai

Land Group	Land Use		Water (kl/day)		Sewer (kl/day)		Stormwater (ha°C)		Solid Waste (t/week)		Roads & Transport (trips/day)		Community (persons)		Total	
			Unit Cost		Unit Cost		Unit Cost		Unit Cost		Unit Cost		Unit Cost			
			All	R 30 800,07	All	R 29 393,03	All	R 60 433,85	All	R 102 800,01	Residential	R 9 797	Residential	R 4 054,31		
											Accommodation	R 9 797	Accommodation	R 4 054,31		
												Commercial	R 10 885	Commercial	R 1 801,33	
												Industrial	R 14 151	Industrial	R 1 801,33	
			Water Factor	Water Cost	Sewer Factor	Sewer Cost	Stormwater Factor	Stormwater Cost	Solid Waste Factor	Solid Waste Cost	Roads Factor	Roads Cost	Community Factor	Community Cost		
Residential	Residential	Single Residential >1000m2	du	1,200	R 36 960	0,700	R 20 575	0,048	R 2 901	0,040	R 4 112	4,000	R 39 186	4,000	R 16 217	R 119 951
	Residential	Single Residential >500m2	du	0,800	R 24 640	0,650	R 19 105	0,028	R 1 692	0,040	R 4 112	4,000	R 39 186	4,000	R 16 217	R 104 953
	Residential	Single Residential >250m2	du	0,700	R 21 560	0,600	R 17 636	0,023	R 1 390	0,040	R 4 112	4,000	R 39 186	4,000	R 16 217	R 100 101
	Residential	Single Residential <250m2	du	0,600	R 18 480	0,500	R 14 697	0,018	R 1 088	0,040	R 4 112	4,000	R 39 186	4,000	R 16 217	R 93 780
	Residential	Second Dwelling	du	0,450	R 13 860	0,400	R 11 757	0,018	R 1 088	0,040	R 4 112	2,500	R 24 491	4,000	R 16 217	R 71 526
	Residential	Less Formal Residential	du	0,450	R 13 860	0,400	R 11 757	0,018	R 1 088	0,040	R 4 112	0,750	R 7 347	4,000	R 16 217	R 54 382
	Residential	Group Residential	du	0,600	R 18 480	0,500	R 14 697	0,018	R 1 088	0,040	R 4 112	3,750	R 36 737	4,000	R 16 217	R 91 331
	Residential	Apartments	du	0,450	R 13 860	0,400	R 11 757	0,008	R 483	0,040	R 4 112	2,750	R 26 940	4,000	R 16 217	R 73 370
	Residential	Retirement Village	du	0,600	R 18 480	0,500	R 14 697	0,018	R 1 088	0,040	R 4 112	3,400	R 33 308	4,000	R 16 217	R 87 902
	Residential	Old age home	du	0,450	R 13 860	0,400	R 11 757	0,008	R 483	0,040	R 4 112	2,500	R 24 491	4,000	R 16 217	R 70 921
Accommodation	Residential	Student Accommodation/Communes/Hostels	rooms	0,180	R 5 544	0,150	R 4 409	0,004	R 242	0,015	R 1 542	1,250	R 12 246	1,000	R 4 054	R 28 037
	Accommodation	Guest House	rooms	0,220	R 6 776	0,180	R 5 291	0,004	R 242	0,015	R 1 542	3,000	R 29 390	1,000	R 4 054	R 47 294
	Accommodation	Converted Guest House	rooms	0,220	R 6 776	0,180	R 5 291	0,004	R 242	0,015	R 1 542	2,000	R 19 593	1,000	R 4 054	R 37 498
	Accommodation	Hotel, Residential	rooms	0,220	R 6 776	0,180	R 5 291	0,004	R 242	0,015	R 1 542	3,250	R 31 839	1,000	R 4 054	R 49 744
Commercial	Commercial	General Business	100m2 GLA	0,400	R 12 320	0,350	R 10 288	0,015	R 907	0,020	R 2 056	5,000	R 54 425	1,000	R 1 801	R 81 797
	Commercial	Office	100m2 GLA	0,400	R 12 320	0,350	R 10 288	0,015	R 907	0,020	R 2 056	8,500	R 92 523	1,000	R 1 801	R 119 894
	Commercial	Retail/Shop	100m2 GLA	0,400	R 12 320	0,350	R 10 288	0,015	R 907	0,020	R 2 056	20,000	R 217 701	1,000	R 1 801	R 245 072
	Commercial	Restaurant	100m2 GLA	0,800	R 24 640	0,700	R 20 575	0,015	R 907	0,020	R 2 056	20,000	R 217 701	1,000	R 1 801	R 267 680
	Commercial	Outdoor Function / Picnic Area	persons	0,050	R 1 540	0,035	R 1 029	0,001	R 60	0,003	R 308	0,500	R 5 443	0,130	R 234	R 8 614
	Commercial	Conference Facility/Place of assembly	100m2 GLA	0,400	R 12 320	0,350	R 10 288	0,015	R 907	0,020	R 2 056	9,000	R 97 965	1,000	R 1 801	R 125 337
	Commercial	Hospital/Clinic/Medical Rooms	100m2 GLA	0,500	R 15 400	0,400	R 11 757	0,015	R 907	0,020	R 2 056	16,500	R 179 603	1,000	R 1 801	R 211 524
	Commercial	University/College	student	0,100	R 3 080	0,050	R 1 470	0,001	R 60	0,005	R 514	2,000	R 21 770	0,000	R -	R 26 894
	Commercial	School/Day Care	student	0,100	R 3 080	0,050	R 1 470	0,001	R 60	0,005	R 514	1,000	R 10 885	0,000	R -	R 16 009
Industrial	Industrial	Industrial - light	100m2 GLA	0,400	R 12 320	0,350	R 10 288	0,015	R 907	0,020	R 2 056	6,000	R 84 903	1,000	R 1 801	R 112 275
	Industrial	Industrial - heavy	100m2 GLA	0,400	R 12 320	0,350	R 10 288	0,015	R 907	0,020	R 2 056	1,250	R 17 688	1,000	R 1 801	R 45 060
	Industrial	Warehousing/Light Manufacturing	100m2 GLA	0,400	R 12 320	0,350	R 10 288	0,015	R 907	0,020	R 2 056	3,000	R 42 452	1,000	R 1 801	R 69 823
	Industrial	Storage Facilities	unit	0,035	R 1 078	0,030	R 882	0,002	R 121	0,002	R 206	0,160	R 2 264	0,100	R 180	R 4 730
Non-demand	Non-demand	Open Space/Natural Environment/Utility Site	ha	0,000	R -	-	R -	0,200	R 12 087	-	R -	-	R -	-	R -	R 12 087
	Non-demand	Roads and Parking	ha	0,000	R -	-	R -	0,700	R 42 304	-	R -	-	R -	-	R -	R 42 304
Other	Other	To be calculated	n/a	R -	-	R -	-	-	R -	-	R -	-	R -	-	R -	R -
	Other	(Based on equivalent demands)	n/a	R -	-	R -	-	-	R -	-	R -	-	R -	-	R -	R -

Approved Escalation Factors

Year	% increase from previous year	Note
2022/2023	14,7415%	Applicable for DC project value escalation calculations only. DC unit costs as recalculated this year to be used for DC calculations.
2023/2024	11,6520%	
2024/2025	5,1000%	Estimated escalation for budget purposes

Area: **Koelenhof**

Land Group	Land Use		Water (kl/day)		Sewer (kl/day)		Stormwater (ha°C)		Solid Waste (t/week)		Roads & Transport (trips/day)		Community (persons)		Total						
			Unit Cost		Unit Cost		Unit Cost		Unit Cost		Unit Cost		Unit Cost								
			All	R 25 889,29	All	R 26 920,27	All	R 122 574,67	All	R 102 800,01	Residential	R3 820	Residential	R 4 054,31		Accommodation	R3 820	Commercial	R4 244	Commercial	R 1 801,33
Description	Unit	Water Factor	Water Cost	Sewer Factor	Sewer Cost	Stormwater Factor	Stormwater Cost	Solid Waste Factor	Solid Waste Cost	Roads Factor	Roads Cost	Community Factor	Community Cost								
Residential	Residential	Single Residential >1000m2	du	1,200	R 31 067	0,700	R 18 844	0,048	R 5 884	0,040	R 4 112	4,000	R 15 280	4,000	R 16 217	R 91 404					
	Residential	Single Residential >500m2	du	0,800	R 20 711	0,650	R 17 498	0,028	R 3 432	0,040	R 4 112	4,000	R 15 280	4,000	R 16 217	R 77 251					
	Residential	Single Residential >250m2	du	0,700	R 18 123	0,600	R 16 152	0,023	R 2 819	0,040	R 4 112	4,000	R 15 280	4,000	R 16 217	R 72 703					
	Residential	Single Residential <250m2	du	0,600	R 15 534	0,500	R 13 460	0,018	R 2 206	0,040	R 4 112	4,000	R 15 280	4,000	R 16 217	R 66 809					
	Residential	Second Dwelling	du	0,450	R 11 650	0,400	R 10 768	0,018	R 2 206	0,040	R 4 112	2,500	R 9 550	4,000	R 16 217	R 54 504					
	Residential	Less Formal Residential	du	0,450	R 11 650	0,400	R 10 768	0,018	R 2 206	0,040	R 4 112	0,750	R 2 865	4,000	R 16 217	R 47 819					
	Residential	Group Residential	du	0,600	R 15 534	0,500	R 13 460	0,018	R 2 206	0,040	R 4 112	3,750	R 14 325	4,000	R 16 217	R 65 854					
	Residential	Apartments	du	0,450	R 11 650	0,400	R 10 768	0,008	R 981	0,040	R 4 112	2,750	R 10 505	4,000	R 16 217	R 54 233					
	Residential	Retirement Village	du	0,600	R 15 534	0,500	R 13 460	0,018	R 2 206	0,040	R 4 112	3,400	R 12 988	4,000	R 16 217	R 64 517					
	Residential	Old age home	du	0,450	R 11 650	0,400	R 10 768	0,008	R 981	0,040	R 4 112	2,500	R 9 550	4,000	R 16 217	R 53 278					
Accommodation	Residential	Student Accommodation/Communes/Hostels	rooms	0,180	R 4 660	0,150	R 4 038	0,004	R 490	0,015	R 1 542	1,250	R 4 775	1,000	R 4 054	R 19 560					
	Accommodation	Guest House	rooms	0,220	R 5 696	0,180	R 4 846	0,004	R 490	0,015	R 1 542	3,000	R 11 460	1,000	R 4 054	R 28 088					
	Accommodation	Converted Guest House	rooms	0,220	R 5 696	0,180	R 4 846	0,004	R 490	0,015	R 1 542	2,000	R 7 640	1,000	R 4 054	R 24 268					
	Accommodation	Hotel, Residential	rooms	0,220	R 5 696	0,180	R 4 846	0,004	R 490	0,015	R 1 542	3,250	R 12 415	1,000	R 4 054	R 29 043					
Commercial	Commercial	General Business	100m2 GLA	0,400	R 10 356	0,350	R 9 422	0,015	R 1 839	0,020	R 2 056	5,000	R 21 222	1,000	R 1 801	R 46 696					
	Commercial	Office	100m2 GLA	0,400	R 10 356	0,350	R 9 422	0,015	R 1 839	0,020	R 2 056	8,500	R 36 078	1,000	R 1 801	R 61 551					
	Commercial	Retail/Shop	100m2 GLA	0,400	R 10 356	0,350	R 9 422	0,015	R 1 839	0,020	R 2 056	20,000	R 84 888	1,000	R 1 801	R 110 362					
	Commercial	Restaurant	100m2 GLA	0,800	R 20 711	0,700	R 18 844	0,015	R 1 839	0,020	R 2 056	20,000	R 84 888	1,000	R 1 801	R 130 140					
	Commercial	Outdoor Function / Picnic Area	persons	0,050	R 1 294	0,035	R 942	0,001	R 123	0,003	R 308	0,500	R 2 122	0,130	R 234	R 5 024					
	Commercial	Conference Facility/Place of assembly	100m2 GLA	0,400	R 10 356	0,350	R 9 422	0,015	R 1 839	0,020	R 2 056	9,000	R 38 200	1,000	R 1 801	R 63 673					
	Commercial	Hospital/Clinic/Medical Rooms	100m2 GLA	0,500	R 12 945	0,400	R 10 768	0,015	R 1 839	0,020	R 2 056	16,500	R 70 033	1,000	R 1 801	R 99 442					
	Commercial	University/College	student	0,100	R 2 589	0,050	R 1 346	0,001	R 123	0,005	R 514	2,000	R 8 489	0,000	R -	R 13 060					
	Commercial	School/Day Care	student	0,100	R 2 589	0,050	R 1 346	0,001	R 123	0,005	R 514	1,000	R 4 244	0,000	R -	R 8 816					
Industrial	Industrial	Industrial - light	100m2 GLA	0,400	R 10 356	0,350	R 9 422	0,015	R 1 839	0,020	R 2 056	6,000	R 33 106	1,000	R 1 801	R 58 580					
	Industrial	Industrial - heavy	100m2 GLA	0,400	R 10 356	0,350	R 9 422	0,015	R 1 839	0,020	R 2 056	1,250	R 6 897	1,000	R 1 801	R 32 371					
	Industrial	Warehousing/Light Manufacturing	100m2 GLA	0,400	R 10 356	0,350	R 9 422	0,015	R 1 839	0,020	R 2 056	3,000	R 16 553	1,000	R 1 801	R 42 027					
	Industrial	Storage Facilities	unit	0,035	R 906	0,030	R 808	0,002	R 245	0,002	R 206	0,160	R 883	0,100	R 180	R 3 227					
Non-demand	Non-demand	Open Space/Natural Environment/Utility Site	ha	0,000	R -	R -	R -	0,200	R 24 515	R -	R -	R -	R -	R -	R -	R 24 515					
	Non-demand	Roads and Parking	ha	0,000	R -	R -	R -	0,700	R 85 802	R -	R -	R -	R -	R -	R -	R 85 802					
Other	Other	To be calculated	n/a	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -					
	Other	(Based on equivalent demands)	n/a	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -					

**Approved Escalation Factors**

Year	% increase from previous year	Note
2022/2023	14,7415%	Applicable for DC project value escalation calculations only. DC unit costs as recalculated this year to be used for DC calculations.
2023/2024	11,6520%	
2024/2025	5,1000%	Estimated escalation for budget purposes

Area: **Klapmuts**

Land Group	Land Use		Water (kl/day)		Sewer (kl/day)		Stormwater (ha°C)		Solid Waste (t/week)		Roads & Transport (trips/day)		Community (persons)		Total	
			Unit Cost		Unit Cost		Unit Cost		Unit Cost		Unit Cost		Unit Cost			
			All	R 10 276,47	All	R 33 470,70	All	R 73 105,43	All	R 102 800,01	Roads Factor	Roads Cost	Community Factor	Community Cost		
			Water Factor	Water Cost	Sewer Factor	Sewer Cost	Stormwater Factor	Stormwater Cost	Solid Waste Factor	Solid Waste Cost	Roads Factor	Roads Cost	Community Factor	Community Cost		
Residential	Residential	Single Residential >1000m2	du	1,200	R 12 332	0,700	R 23 429	0,048	R 3 509	0,040	R 4 112	4,000	R 24 975	4,000	R 16 217	R 84 575
	Residential	Single Residential >500m2	du	0,800	R 8 221	0,650	R 21 756	0,028	R 2 047	0,040	R 4 112	4,000	R 24 975	4,000	R 16 217	R 77 328
	Residential	Single Residential >250m2	du	0,700	R 7 194	0,600	R 20 082	0,023	R 1 681	0,040	R 4 112	4,000	R 24 975	4,000	R 16 217	R 74 262
	Residential	Single Residential <250m2	du	0,600	R 6 166	0,500	R 16 735	0,018	R 1 316	0,040	R 4 112	4,000	R 24 975	4,000	R 16 217	R 69 521
	Residential	Second Dwelling	du	0,450	R 4 624	0,400	R 13 388	0,018	R 1 316	0,040	R 4 112	2,500	R 15 609	4,000	R 16 217	R 55 267
	Residential	Less Formal Residential	du	0,450	R 4 624	0,400	R 13 388	0,018	R 1 316	0,040	R 4 112	0,750	R 4 683	4,000	R 16 217	R 44 341
	Residential	Group Residential	du	0,600	R 6 166	0,500	R 16 735	0,018	R 1 316	0,040	R 4 112	3,750	R 23 414	4,000	R 16 217	R 67 960
	Residential	Apartments	du	0,450	R 4 624	0,400	R 13 388	0,008	R 585	0,040	R 4 112	2,750	R 17 170	4,000	R 16 217	R 56 097
	Residential	Retirement Village	du	0,600	R 6 166	0,500	R 16 735	0,018	R 1 316	0,040	R 4 112	3,400	R 21 229	4,000	R 16 217	R 65 775
	Residential	Old age home	du	0,450	R 4 624	0,400	R 13 388	0,008	R 585	0,040	R 4 112	2,500	R 15 609	4,000	R 16 217	R 54 536
Accommodation	Residential	Student Accommodation/Communes/Hostels	rooms	0,180	R 1 850	0,150	R 5 021	0,004	R 292	0,015	R 1 542	1,250	R 7 805	1,000	R 4 054	R 20 564
	Accommodation	Guest House	rooms	0,220	R 2 261	0,180	R 6 025	0,004	R 292	0,015	R 1 542	3,000	R 18 731	1,000	R 4 054	R 32 906
	Accommodation	Converted Guest House	rooms	0,220	R 2 261	0,180	R 6 025	0,004	R 292	0,015	R 1 542	2,000	R 12 488	1,000	R 4 054	R 26 662
	Accommodation	Hotel, Residential	rooms	0,220	R 2 261	0,180	R 6 025	0,004	R 292	0,015	R 1 542	3,250	R 20 292	1,000	R 4 054	R 34 467
Commercial	Commercial	General Business	100m2 GLA	0,400	R 4 111	0,350	R 11 715	0,015	R 1 097	0,020	R 2 056	5,000	R 34 688	1,000	R 1 801	R 55 467
	Commercial	Office	100m2 GLA	0,400	R 4 111	0,350	R 11 715	0,015	R 1 097	0,020	R 2 056	8,500	R 58 969	1,000	R 1 801	R 79 748
	Commercial	Retail/Shop	100m2 GLA	0,400	R 4 111	0,350	R 11 715	0,015	R 1 097	0,020	R 2 056	20,000	R 138 750	1,000	R 1 801	R 159 529
	Commercial	Restaurant	100m2 GLA	0,800	R 8 221	0,700	R 23 429	0,015	R 1 097	0,020	R 2 056	20,000	R 138 750	1,000	R 1 801	R 175 355
	Commercial	Outdoor Function / Picnic Area	persons	0,050	R 514	0,035	R 1 171	0,001	R 73	0,003	R 308	0,500	R 3 469	0,130	R 234	R 5 770
	Commercial	Conference Facility/Place of assembly	100m2 GLA	0,400	R 4 111	0,350	R 11 715	0,015	R 1 097	0,020	R 2 056	9,000	R 62 438	1,000	R 1 801	R 83 217
	Commercial	Hospital/Clinic/Medical Rooms	100m2 GLA	0,500	R 5 138	0,400	R 13 388	0,015	R 1 097	0,020	R 2 056	16,500	R 114 469	1,000	R 1 801	R 137 949
	Commercial	University/College	student	0,100	R 1 028	0,050	R 1 674	0,001	R 73	0,005	R 514	2,000	R 13 875	0,000	R -	R 17 163
	Commercial	School/Day Care	student	0,100	R 1 028	0,050	R 1 674	0,001	R 73	0,005	R 514	1,000	R 6 938	0,000	R -	R 10 226
Industrial	Industrial	Industrial - light	100m2 GLA	0,400	R 4 111	0,350	R 11 715	0,015	R 1 097	0,020	R 2 056	6,000	R 54 113	1,000	R 1 801	R 74 892
	Industrial	Industrial - heavy	100m2 GLA	0,400	R 4 111	0,350	R 11 715	0,015	R 1 097	0,020	R 2 056	1,250	R 11 273	1,000	R 1 801	R 32 053
	Industrial	Warehousing/Light Manufacturing	100m2 GLA	0,400	R 4 111	0,350	R 11 715	0,015	R 1 097	0,020	R 2 056	3,000	R 27 056	1,000	R 1 801	R 47 836
	Industrial	Storage Facilities	unit	0,035	R 360	0,030	R 1 004	0,002	R 146	0,002	R 206	0,160	R 1 443	0,100	R 180	R 3 339
Non-demand	Non-demand	Open Space/Natural Environment/Utility Site	ha	0,000	R -	-	R -	0,200	R 14 621	-	R -	-	R -	-	R -	R 14 621
	Non-demand	Roads and Parking	ha	0,000	R -	-	R -	0,700	R 51 174	-	R -	-	R -	-	R -	R 51 174
Other	Other	To be calculated	n/a	-	R -	-	R -	-	R -	-	R -	-	R -	-	R -	R -
	Other	(Based on equivalent demands)	n/a	-	R -	-	R -	-	R -	-	R -	-	R -	-	R -	R -

**Approved Escalation Factors**

Year	% increase from previous year	Note
2022/2023	14,7415%	Applicable for DC project value escalation calculations only. DC unit costs as recalculated this year to be used for DC calculations.
2023/2024	11,6520%	
2024/2025	5,1000%	Estimated escalation for budget purposes

Area: **Franschhoek**

Land Group	Land Use		Water (kl/day)		Sewer (kl/day)		Stormwater (ha°C)		Solid Waste (t/week)		Roads & Transport (trips/day)		Community (persons)		Total		
			Unit Cost		Unit Cost		Unit Cost		Unit Cost		Unit Cost		Unit Cost				
			All	R 31 199,70	All	R 38 218,05	All	R 158 834,23	All	R 102 800,01	Residential	R 8 151	Residential	R 4 054,31		Accommodation	R 4 054,31
											Commercial	R 9 057	Commercial	R 1 801,33		Commercial	R 1 801,33
												Industrial	R 11 774	Industrial	R 1 801,33		
			Water Factor	Water Cost	Sewer Factor	Sewer Cost	Stormwater Factor	Stormwater Cost	Solid Waste Factor	Solid Waste Cost	Roads Factor	Roads Cost	Community Factor	Community Cost			
Residential	Residential	Single Residential >1000m2	du	1,200	R 37 440	0,700	R 26 753	0,048	R 7 624	0,040	R 4 112	4,000	R 32 604	4,000	R 16 217	R 124 750	
	Residential	Single Residential >500m2	du	0,800	R 24 960	0,650	R 24 842	0,028	R 4 447	0,040	R 4 112	4,000	R 32 604	4,000	R 16 217	R 107 183	
	Residential	Single Residential >250m2	du	0,700	R 21 840	0,600	R 22 931	0,023	R 3 653	0,040	R 4 112	4,000	R 32 604	4,000	R 16 217	R 101 357	
	Residential	Single Residential <250m2	du	0,600	R 18 720	0,500	R 19 109	0,018	R 2 859	0,040	R 4 112	4,000	R 32 604	4,000	R 16 217	R 93 622	
	Residential	Second Dwelling	du	0,450	R 14 040	0,400	R 15 287	0,018	R 2 859	0,040	R 4 112	2,500	R 20 378	4,000	R 16 217	R 72 893	
	Residential	Less Formal Residential	du	0,450	R 14 040	0,400	R 15 287	0,018	R 2 859	0,040	R 4 112	0,750	R 6 113	4,000	R 16 217	R 58 629	
	Residential	Group Residential	du	0,600	R 18 720	0,500	R 19 109	0,018	R 2 859	0,040	R 4 112	3,750	R 30 567	4,000	R 16 217	R 91 584	
	Residential	Apartments	du	0,450	R 14 040	0,400	R 15 287	0,008	R 1 271	0,040	R 4 112	2,750	R 22 416	4,000	R 16 217	R 73 343	
	Residential	Retirement Village	du	0,600	R 18 720	0,500	R 19 109	0,018	R 2 859	0,040	R 4 112	3,400	R 27 714	4,000	R 16 217	R 88 731	
	Residential	Old age home	du	0,450	R 14 040	0,400	R 15 287	0,008	R 1 271	0,040	R 4 112	2,500	R 20 378	4,000	R 16 217	R 71 305	
Accommodation	Residential	Student Accommodation/Communes/Hostels	rooms	0,180	R 5 616	0,150	R 5 733	0,004	R 635	0,015	R 1 542	1,250	R 10 189	1,000	R 4 054	R 27 769	
	Accommodation	Guest House	rooms	0,220	R 6 864	0,180	R 6 879	0,004	R 635	0,015	R 1 542	3,000	R 24 453	1,000	R 4 054	R 44 428	
	Accommodation	Converted Guest House	rooms	0,220	R 6 864	0,180	R 6 879	0,004	R 635	0,015	R 1 542	2,000	R 16 302	1,000	R 4 054	R 36 277	
	Accommodation	Hotel, Residential	rooms	0,220	R 6 864	0,180	R 6 879	0,004	R 635	0,015	R 1 542	3,250	R 26 491	1,000	R 4 054	R 46 466	
Commercial	Commercial	General Business	100m2 GLA	0,400	R 12 480	0,350	R 13 376	0,015	R 2 383	0,020	R 2 056	5,000	R 45 284	1,000	R 1 801	R 77 380	
	Commercial	Office	100m2 GLA	0,400	R 12 480	0,350	R 13 376	0,015	R 2 383	0,020	R 2 056	8,500	R 76 983	1,000	R 1 801	R 109 079	
	Commercial	Retail/Shop	100m2 GLA	0,400	R 12 480	0,350	R 13 376	0,015	R 2 383	0,020	R 2 056	20,000	R 181 136	1,000	R 1 801	R 213 232	
	Commercial	Restaurant	100m2 GLA	0,800	R 24 960	0,700	R 26 753	0,015	R 2 383	0,020	R 2 056	20,000	R 181 136	1,000	R 1 801	R 239 088	
	Commercial	Outdoor Function / Picnic Area	persons	0,050	R 1 560	0,035	R 1 338	0,001	R 159	0,003	R 308	0,500	R 4 528	0,130	R 234	R 8 127	
	Commercial	Conference Facility/Place of assembly	100m2 GLA	0,400	R 12 480	0,350	R 13 376	0,015	R 2 383	0,020	R 2 056	9,000	R 81 511	1,000	R 1 801	R 113 607	
	Commercial	Hospital/Clinic/Medical Rooms	100m2 GLA	0,500	R 15 600	0,400	R 15 287	0,015	R 2 383	0,020	R 2 056	16,500	R 149 437	1,000	R 1 801	R 186 564	
	Commercial	University/College	student	0,100	R 3 120	0,050	R 1 911	0,001	R 159	0,005	R 514	2,000	R 18 114	0,000	R -	R 23 817	
	Commercial	School/Day Care	student	0,100	R 3 120	0,050	R 1 911	0,001	R 159	0,005	R 514	1,000	R 9 057	0,000	R -	R 14 760	
	Industrial	Industrial	Industrial - light	100m2 GLA	0,400	R 12 480	0,350	R 13 376	0,015	R 2 383	0,020	R 2 056	6,000	R 70 643	1,000	R 1 801	R 102 739
Industrial		Industrial - heavy	100m2 GLA	0,400	R 12 480	0,350	R 13 376	0,015	R 2 383	0,020	R 2 056	1,250	R 14 717	1,000	R 1 801	R 46 813	
Industrial		Warehousing/Light Manufacturing	100m2 GLA	0,400	R 12 480	0,350	R 13 376	0,015	R 2 383	0,020	R 2 056	3,000	R 35 321	1,000	R 1 801	R 67 417	
Industrial		Storage Facilities	unit	0,035	R 1 092	0,030	R 1 147	0,002	R 318	0,002	R 206	0,160	R 1 884	0,100	R 180	R 4 826	
Non-demand	Non-demand	Open Space/Natural Environment/Utility Site	ha	0,000	R -	-	R -	0,200	R 31 767	-	R -	-	R -	-	R -	R 31 767	
	Non-demand	Roads and Parking	ha	0,000	R -	-	R -	0,700	R 111 184	-	R -	-	R -	-	R -	R 111 184	
Other	Other	To be calculated	n/a	-	-	-	R -	-	R -	-	R -	-	R -	-	R -	R -	
	Other	(Based on equivalent demands)	n/a	-	-	-	R -	-	R -	-	R -	-	R -	-	R -	R -	

**Approved Escalation Factors**

Year	% increase from previous year	Note
2022/2023	14,7415%	Applicable for DC project value escalation calculations only. DC unit costs as recalculated this year to be used for DC calculations.
2023/2024	11,6520%	
2024/2025	5,1000%	Estimated escalation for budget purposes

Area: **Dwarsrivier**

Land Group	Land Use		Water (kl/day)		Sewer (kl/day)		Stormwater (ha°C)		Solid Waste (t/week)		Roads & Transport (trips/day)		Community (persons)		Total	
			Unit Cost		Unit Cost		Unit Cost		Unit Cost		Unit Cost		Unit Cost			
			All	R 35 797,42	All	R 26 461,44	All	R 101 829,76	All	R 102 800,01	Residential	R 7 636	Residential	R 4 054,31		
											Accommodation	R 7 636	Accommodation	R 4 054,31		
										Commercial	R 8 484	Commercial	R 1 801,33			
										Industrial	R 11 029	Industrial	R 1 801,33			
	Description	Unit	Water Factor	Water Cost	Sewer Factor	Sewer Cost	Stormwater Factor	Stormwater Cost	Solid Waste Factor	Solid Waste Cost	Roads Factor	Roads Cost	Community Factor	Community Cost		
Residential	Residential	Single Residential >1000m2	du	1,200	R 42 957	0,700	R 18 523	0,048	R 4 888	0,040	R 4 112	4,000	R 30 543	4,000	R 16 217	R 117 240
	Residential	Single Residential >500m2	du	0,800	R 28 638	0,650	R 17 200	0,028	R 2 851	0,040	R 4 112	4,000	R 30 543	4,000	R 16 217	R 99 561
	Residential	Single Residential >250m2	du	0,700	R 25 058	0,600	R 15 877	0,023	R 2 342	0,040	R 4 112	4,000	R 30 543	4,000	R 16 217	R 94 149
	Residential	Single Residential <250m2	du	0,600	R 21 478	0,500	R 13 231	0,018	R 1 833	0,040	R 4 112	4,000	R 30 543	4,000	R 16 217	R 87 414
	Residential	Second Dwelling	du	0,450	R 16 109	0,400	R 10 585	0,018	R 1 833	0,040	R 4 112	2,500	R 19 089	4,000	R 16 217	R 67 945
	Residential	Less Formal Residential	du	0,450	R 16 109	0,400	R 10 585	0,018	R 1 833	0,040	R 4 112	0,750	R 5 727	4,000	R 16 217	R 54 582
	Residential	Group Residential	du	0,600	R 21 478	0,500	R 13 231	0,018	R 1 833	0,040	R 4 112	3,750	R 28 634	4,000	R 16 217	R 85 505
	Residential	Apartments	du	0,450	R 16 109	0,400	R 10 585	0,008	R 815	0,040	R 4 112	2,750	R 20 998	4,000	R 16 217	R 68 836
	Residential	Retirement Village	du	0,600	R 21 478	0,500	R 13 231	0,018	R 1 833	0,040	R 4 112	3,400	R 25 961	4,000	R 16 217	R 82 833
	Residential	Old age home	du	0,450	R 16 109	0,400	R 10 585	0,008	R 815	0,040	R 4 112	2,500	R 19 089	4,000	R 16 217	R 66 927
Accommodation	Residential	Student Accommodation/Communes/Hostels	rooms	0,180	R 6 444	0,150	R 3 969	0,004	R 407	0,015	R 1 542	1,250	R 9 545	1,000	R 4 054	R 25 961
	Accommodation	Guest House	rooms	0,220	R 7 875	0,180	R 4 763	0,004	R 407	0,015	R 1 542	3,000	R 22 907	1,000	R 4 054	R 41 549
	Accommodation	Converted Guest House	rooms	0,220	R 7 875	0,180	R 4 763	0,004	R 407	0,015	R 1 542	2,000	R 15 271	1,000	R 4 054	R 33 914
	Accommodation	Hotel, Residential	rooms	0,220	R 7 875	0,180	R 4 763	0,004	R 407	0,015	R 1 542	3,250	R 24 816	1,000	R 4 054	R 43 458
Commercial	Commercial	General Business	100m2 GLA	0,400	R 14 319	0,350	R 9 262	0,015	R 1 527	0,020	R 2 056	5,000	R 42 421	1,000	R 1 801	R 71 386
	Commercial	Office	100m2 GLA	0,400	R 14 319	0,350	R 9 262	0,015	R 1 527	0,020	R 2 056	8,500	R 72 115	1,000	R 1 801	R 101 080
	Commercial	Retail/Shop	100m2 GLA	0,400	R 14 319	0,350	R 9 262	0,015	R 1 527	0,020	R 2 056	20,000	R 169 683	1,000	R 1 801	R 198 648
	Commercial	Restaurant	100m2 GLA	0,800	R 28 638	0,700	R 18 523	0,015	R 1 527	0,020	R 2 056	20,000	R 169 683	1,000	R 1 801	R 222 228
	Commercial	Outdoor Function / Picnic Area	persons	0,050	R 1 790	0,035	R 926	0,001	R 102	0,003	R 308	0,500	R 4 242	0,130	R 234	R 7 602
	Commercial	Conference Facility/Place of assembly	100m2 GLA	0,400	R 14 319	0,350	R 9 262	0,015	R 1 527	0,020	R 2 056	9,000	R 76 357	1,000	R 1 801	R 105 322
	Commercial	Hospital/Clinic/Medical Rooms	100m2 GLA	0,500	R 17 899	0,400	R 10 585	0,015	R 1 527	0,020	R 2 056	16,500	R 139 988	1,000	R 1 801	R 173 856
	Commercial	University/College	student	0,100	R 3 580	0,050	R 1 323	0,001	R 102	0,005	R 514	2,000	R 16 968	0,000	R -	R 22 487
	Commercial	School/Day Care	student	0,100	R 3 580	0,050	R 1 323	0,001	R 102	0,005	R 514	1,000	R 8 484	0,000	R -	R 14 003
Industrial	Industrial	Industrial - light	100m2 GLA	0,400	R 14 319	0,350	R 9 262	0,015	R 1 527	0,020	R 2 056	6,000	R 66 176	1,000	R 1 801	R 95 141
	Industrial	Industrial - heavy	100m2 GLA	0,400	R 14 319	0,350	R 9 262	0,015	R 1 527	0,020	R 2 056	1,250	R 13 787	1,000	R 1 801	R 42 752
	Industrial	Warehousing/Light Manufacturing	100m2 GLA	0,400	R 14 319	0,350	R 9 262	0,015	R 1 527	0,020	R 2 056	3,000	R 33 088	1,000	R 1 801	R 62 053
	Industrial	Storage Facilities	unit	0,035	R 1 253	0,030	R 794	0,002	R 204	0,002	R 206	0,160	R 1 765	0,100	R 180	R 4 401
Non-demand	Non-demand	Open Space/Natural Environment/Utility Site	ha	0,000	R -	-	R -	0,200	R 20 366	-	R -	-	R -	-	R -	R 20 366
	Non-demand	Roads and Parking	ha	0,000	R -	-	R -	0,700	R 71 281	-	R -	-	R -	-	R -	R 71 281
Other	Other	To be calculated	n/a	-	R -	-	R -	-	R -	-	R -	-	R -	-	R -	R -
	Other	(Based on equivalent demands)	n/a	-	R -	-	R -	-	R -	-	R -	-	R -	-	R -	R -

**Approved Escalation Factors**

Year	% increase from previous year	Note
2022/2023	14,7415%	Applicable for DC project value escalation calculations only. DC unit costs as recalculated this year to be used for DC calculations.
2023/2024	11,6520%	
2024/2025	5,1000%	Estimated escalation for budget purposes

<b>STELLENBOSCH MUNICIPALITY</b>					
<b>SUNDRY TARIFFS</b>					
<b>DIREKTORAAT: INFRASTRUKTUUR DIENSTE</b>					
<b>DIRECTORATE: INFRASTRUCTURE SERVICES</b>					
<b>Water Services</b>	<b>Tarief/ Tariff 2023/24 (Incl. VAT)</b>	<b>Tarief/ Tariff Excl. VAT 2023/24</b>	<b>Tarief/ Tariff Excl. VAT 2024/25</b>	<b>2024/25 BTW / VAT 15%</b>	<b>Tarief/ Tariff 2024/25 (Incl. VAT)</b>
<b>DIVERSE DIENSTE / SUNDRY SERVICES</b>					
<b>Water connections complete</b>					
Contractor provided leading					
22 mm Water connections (coupling and meter only)	R 5 698.57	R 4 955.28	R 5 262.50	R 789.38	<b>R 6 051.88</b>
<b>Complete connection :</b>					
15mm complete (stopcock + watermeter + box)	R 8 201.12	R 7 131.41	R 7 573.56	R 1 136.03	<b>R 8 709.59</b>
20mm complete (stopcock + watermeter + box)	R 8 540.10	R 7 426.17	R 7 886.60	R 1 182.99	<b>R 9 069.59</b>
25mm complete (stopcock + watermeter + box)	R 12 339.79	R 10 730.25	R 11 395.53	R 1 709.33	<b>R 13 104.85</b>
40mm complete (stopcock + watermeter + box)	R 22 762.97	R 19 793.88	R 21 021.10	R 3 153.17	<b>R 24 174.27</b>
<b>Complete connection : Including road crossing</b>					
15mm complete (stopcock + watermeter + box)	R 30 718.85	R 26 712.04	R 28 368.19	R 4 255.23	<b>R 32 623.42</b>
20mm complete (stopcock + watermeter + box)	R 31 086.54	R 27 031.77	R 28 707.74	R 4 306.16	<b>R 33 013.90</b>
25mm complete (stopcock + watermeter + box)	R 34 479.31	R 29 982.01	R 31 840.90	R 4 776.13	<b>R 36 617.03</b>
40mm complete (stopcock + watermeter + box)	R 43 850.64	R 38 130.99	R 40 495.11	R 6 074.27	<b>R 46 569.38</b>
Inspection fee on all connections done by Private Contractors (excluding water deposit)	R 2 888.55	R 2 511.78	R 2 667.51	R 400.13	<b>R 3 067.64</b>
<b>Water Management Device</b>					
22 mm Water connection (stopcock + watermeter + box)	R 7 121.37	R 6 192.49	R 6 576.43	R 986.46	<b>R 7 562.89</b>
<b>Water miscellaneous tarrifs</b>					
Moving of watermeter sizes up to 25mm diam. Max distance 2m.	R 2 374.70	R 2 064.95	R 2 192.98	R 328.95	<b>R 2 521.93</b>
Moving of watermeter size 40mm diam. Max distance 2m.	R 5 966.13	R 5 187.94	R 5 509.59	R 826.44	<b>R 6 336.03</b>
(Does not include reinstatement of paved areas - reinstatement of paved areas actual cost)					
<b>Test of all water meters (on request of consumer only)</b>					
*In respect of water meter size 15, 20 and 25 mm	R 1 501.63	R 1 305.76	R 1 386.72	R 208.01	<b>R 1 594.73</b>
*In respect of water meter size 40 and 50 mm	R 2 130.00	R 1 852.17	R 1 967.00	R 295.05	<b>R 2 262.06</b>
*In respect of water meter size 80 mm	R 3 711.04	R 3 226.99	R 3 427.06	R 514.06	<b>R 3 941.12</b>
*In respect of water meter size 100 mm	R 4 247.40	R 3 693.39	R 3 922.38	R 588.36	<b>R 4 510.74</b>
*In respect of water meter size 150 mm	R 5 039.75	R 4 382.39	R 4 654.10	R 698.11	<b>R 5 352.21</b>
<b>Hydrants Standpipes</b>					
15mm-50mm hydrants standpipes rental/month or part of month	R 1 485.33	R 1 291.59	R 1 371.67	R 205.75	<b>R 1 577.42</b>
Refundable deposit per hydrant standpipe	R 14 000.00	R 13 416.82	R 12 928.70	R 1 939.30	<b>R 14 868.00</b>
<b>Reconnection after disconnection due to non-payment:</b>					
Normal hours	R 593.55	R 516.13	R 548.13	R 82.22	<b>R 630.35</b>
After hours	R 911.02	R 792.19	R 841.31	R 126.20	<b>R 967.51</b>
<b>Replacement of damaged water meters:</b>					
up to 20 mm.	R 5 543.43	R 4 820.37	R 5 119.23	R 767.89	<b>R 5 887.12</b>
> 20 mm.					
Call out for repairs to water meter due to tampering (excluding materials)	R 1 222.54	R 1 063.08	R 1 128.99	R 169.35	<b>R 1 298.34</b>
Deliberate call out for private (internal - owners' plumbing ) water related faults (call out fee only)	R 1 222.54	R 1 063.08	R 1 128.99	R 169.35	<b>R 1 298.34</b>
<b>Sewer Connections( Installed by Developer as development requirement)</b>					
Applicant connects to existing connection.					
100mm connection by Developer (first connection)	R 2 236.66	R 1 944.92	R 2 065.51	R 309.83	<b>R 2 375.33</b>
150mm connection by Developer (first connection)	R 2 681.44	R 2 331.68	R 2 476.25	R 371.44	<b>R 2 847.69</b>
<b>All new sewer connections (due to subdivision/developments)</b>					
<b>Clearing of block sewer:</b>					
<i>Owner responsible to clear private blockage by making use of private contractor</i>					
<i>Blockage teams only responsible for clearing municipal main sewer blockages</i>					
Private blockages only to be cleared if health hazard occurs and clear instruction is given by Management for owners' account					
Normal hours	R 945.42	R 822.11	R 873.08	R 130.96	<b>R 1 004.04</b>
After hours	R 1 310.98	R 1 139.98	R 1 210.66	R 181.60	<b>R 1 392.26</b>
Deliberate call out to private blockage (call out fee only)	R 1 222.54	R 1 063.08	R 1 128.99	R 169.35	<b>R 1 298.34</b>



<b>STELLENBOSCH MUNICIPALITY</b>				
<b>SUNDRY TARIFFS</b>				
<b>DIREKTORAAT: INFRASTRUKTUUR DIENSTE</b>				
<b>DIRECTORATE: INFRASTRUCTURE SERVICES</b>				
SERVICES RENDERED	UNIT	COMMENTS	Tarief/ Tariff Excl. VAT 2023/24	Tarief/ Tariff Excl. VAT 2024/25
<b>Waste Management Services</b>			<b>R VAT excl</b>	
<b>Stellenbosch Landfill Site (Devon Valley Site) and Klapmuts Waste Transfer Station waste only - NO Medical or Hazardous Waste)</b>			<b>(General)</b>	
<b>Residents and private companies working within WC024</b>				
Disposal of clean garden waste (ONLY grass cuttings, leaves etc.) *If it contains any other waste then it will be deemed contaminated garden waste and classified as general waste	Per metric ton or part thereof	<b>Vehicles with a carrying capacity up to 1,5 tons.</b> Must show the latest account that reflects WC024 residency or proof of where in WC024 work is being done. Limited to 3 loads per day.	Free	FREE
Disposal of clean garden waste (ONLY grass cuttings, leaves etc.) *If it contains any other waste then it will be deemed contaminated garden waste and classified as general waste	Per metric ton or part thereof	<b>Vehicle with a carrying capacity exceeding 1,5 tons.</b> Must show proof of where in WC024 work is being done.	R 25.22	R 26.96
Disposal of clean builders' rubble (No plastic, iron, wood, etc.) *If it contains any other waste then it will be deemed contaminated builder's rubble and classified as general waste	Per metric ton or part thereof	<b>Vehicles with a carrying capacity up to 1,5 tons.</b> No material other than clean builder's rubble may form part of the load (eg. plastic, iron, wood). Limited to 3 loads per day.	Free	FREE
Disposal of clean builders' rubble (No plastic, iron, wood, etc.) *If it contains any other waste then it will be deemed contaminated builder's rubble and classified as general waste	Per metric ton or part thereof	<b>Vehicle with a carry capacity exceeding 1,5 tons.</b> No material other than clean builder's rubble may form part of the load (eg. plastic, iron, wood).	R 25.22	R 26.96
Disposal of general waste based on actual mass * contaminated garden waste or contaminated builder's rubble will be classified as general waste	Per metric ton or part thereof	Only waste from within WC024 allowed. Proof of origin of waste to be declared by user at disposal facility (written proof if requested)	R 717.40	R 766.90
Disposal of general waste based on actual mass * contaminated garden waste or contaminated builder's rubble will be classified as general waste	Per 500 kg or part thereof	Only waste from within WC024 allowed. Proof of origin of waste to be declared by user at disposal facility (written proof if requested)	R 358.70	R 383.45
Disposal of general waste based on actual mass * contaminated garden waste or contaminated builder's rubble will be classified as general waste	Per 250 kg or part thereof	Only waste from within WC024 allowed. Proof of origin of waste to be declared by user at disposal facility (written proof if requested)	R 179.35	R 191.73
Disposal of soil	Per metric ton or part thereof	<b>Vehicle with a carrying capacity up to 1.5 tons.</b> Only soil from within WC024 allowed. Proof of origin of waste to be declared by user at disposal facility (written proof if requested)	Free	FREE
Disposal of soil	Per metric ton or part thereof	<b>Vehicle with a carrying capacity exceeding 1.5 tons.</b> Only soil from within WC024 allowed. Proof of origin of waste to be declared by user at disposal facility (written proof if requested)	R 25.22	R 26.96
Disposal Household Hazardous Waste	Car, trailer, LDV	<b>Vehicle with a carrying capacity up to 1.5 tons.</b> These are limited to items generated on residential properties. Proof of the latest account that reflects payment for refuse removal needs to be shown.	Free	FREE
<b>Interdepartmental Municipal Charges</b>				
<b>at Stellenbosch Landfill Site and Klapmuts Waste Transfer Station.</b>				
Disposal of general waste based on actual mass * contaminated garden waste or contaminated builder's rubble will be classified as general waste	Per metric ton or part thereof	All Departments within Stellenbosch Municipality must pay for the disposal of refuse.	R 717.40	R 766.90
Disposal of general waste based on actual mass * contaminated garden waste or contaminated builder's rubble will be classified as general waste	Per 500 kg or part thereof	All Departments within Stellenbosch Municipality must pay for the disposal of refuse.	R 344.61	R 368.39

DIREKTORAAT: INFRASTRUKTUUR DIENSTE DIRECTORATE: INFRASTRUCTURE SERVICES				
SERVICES RENDERED	UNIT	COMMENTS	Tarief/ Tariff Excl. VAT 2023/24	Tarief/ Tariff Excl. VAT 2024/25
Disposal of general waste based on actual mass * contaminated garden waste or contaminated builder's rubble will be classified as general waste	Per 250 kg or part thereof	All Departments within Stellenbosch Municipality must pay for the disposal of refuse.	R 172.30	R 184.19
Disposal of clean garden waste (ONLY grass cuttings, leaves etc.) *If it contains any other waste then it will be deemed contaminated garden waste and classified as general waste	Per metric ton or part thereof	<b>Vehicle with a carrying capacity up to 1.5 tons.</b> Must show the latest account that reflects WC024 residency or proof of where in WC024 work is being done. Limited to 3 loads per day.	Free	FREE
Disposal of clean garden waste (ONLY grass cuttings, leaves etc.) *If it contains any other waste then it will be deemed contaminated garden waste and classified as general waste	Per metric ton or part thereof	<b>Vehicle with a carrying capacity exceeding 1.5 tons.</b> Must show proof of where in WC024 work is being done	R 25.22	R 26.96
Disposal of clean builders' rubble (No plastic, iron, wood, etc.) *If it contains any other waste then it will be deemed contaminated builder's rubble and classified as general waste	Per metric ton or part thereof	<b>Vehicle with a carrying capacity up to 1.5 tons.</b> No material other than clean builder's rubble may form part of the load (eg. plastic, iron, wood). Limited to 3 loads per day.	Free	FREE
Disposal of clean builders' rubble (No plastic, iron, wood, etc.) *If it contains any other waste then it will be deemed contaminated builder's rubble and classified as general waste	Per metric ton or part thereof	<b>Vehicle with a carrying capacity exceeding 1.5 tons.</b> No material other than clean builder's rubble may form part of the load (eg. plastic, iron, wood).	R 25.22	R 26.96
<b>Klapmuts Transfer Station</b>				
Disposal of general waste	Per metric ton or part thereof	Only waste from within WC024 allowed. Proof of origin of waste to be declared by user at disposal facility (written proof if requested)	R 717.40	R 766.90
Disposal of general waste	Per 500 kg or part thereof	Only waste from within WC024 allowed. Proof of origin of waste to be declared by user at disposal facility (written proof if requested)	R 344.61	R 368.39
Disposal of general waste	Per 250 kg or part thereof	Only waste from within WC024 allowed. Proof of origin of waste to be declared by user at disposal facility (written proof if requested)	R 172.30	R 184.19
Disposal of clean garden waste (ONLY grass cuttings, leaves etc.) *If it contains any other waste then it will be deemed contaminated garden waste and classified as general waste	Per metric ton or part thereof	<b>Vehicle with a carry capacity up to 1.5 tons.</b> Must show the latest account that reflects WC024 residency or proof of where in WC024 work is being done. Limited to 3 loads per day.	Free	FREE
Disposal of clean builders' rubble (No plastic, iron, wood, etc.) *If it contains any other waste then it will be deemed contaminated builder's rubble and classified as general waste	Per metric ton or part thereof	<b>Vehicle with a carrying capacity up to 1.5 tons.</b> No material other than clean builder's rubble may form part of the load (eg. plastic, iron, wood). Limited to 3 loads per day.	Free	FREE
<b>Franschoek Drop-off</b>				
<b>Residential properties ONLY</b>				
Disposal of garage waste. * Garage waste is any household waste other than clean garden waste, clean builders' rubble, domestic waste or kitchen waste from residential properties.	Car, trailer, LDV	<b>Vehicles with a carrying capacity up to 1.5 tons.</b> These are limited to excess waste/ items that cannot fit into your household wheelie bin. Proof of the latest account that reflects payment for refuse removal needs to be shown. Limited to one load per month.	Free	FREE
Disposal of clean garden waste (ONLY grass cuttings, leaves etc.) *If it contains any other waste then it will be deemed contaminated garden waste and classified as general waste	Per metric ton or part thereof	<b>Vehicles with a carry capacity up to 1.5 tons.</b> Must show the latest account that reflects WC024 residency or proof of where in WC024 work is being done. Limited to 1 load per day, maximum 2 loads per week.	Free	FREE
Disposal of clean builders' rubble (No plastic, iron, wood, etc.) *If it contains any other waste then it will be deemed contaminated builder's rubble and classified as general waste	Per metric ton or part thereof	<b>Vehicles with a carry capacity up to 1.5 tons.</b> Must show the latest account that reflects WC024 residency or proof of where in WC024 work is being done. Limited to 1 load per day, maximum 2 loads per week.	Free	FREE
<b>ALL VEHICLES WITH A CARRYING CAPACITY OF 1.5 TONS OR MORE FOR BUILDER'S RUBBLE AND VEHICLES WITH A CARRYING CAPACITY OF 2 TONS OR MORE FOR GARDEN WASTE MUST BE DISPOSED OF AT THE STELLENBOSCH LANDFILL SITE</b>				

DIREKTORAAT: INFRASTRUKTUUR DIENSTE DIRECTORATE: INFRASTRUCTURE SERVICES				
SERVICES RENDERED	UNIT	COMMENTS	Tarief/ Tariff Excl. VAT 2023/24	Tarief/ Tariff Excl. VAT 2024/25
<b>Stellenbosch Waste Material Recovery facility</b>				
Disposal of garage waste.  * Garage waste is any household waste other than clean garden waste, clean builders' rubble, domestic waste or kitchen waste from residential properties.	Car, trailer, LDV	<b>Vehicles with a carrying capacity up to 1.5 tons .</b> These are limited to excess waste/ items that cannot fit into your household wheelie bin. Proof of the latest account that reflects payment for refuse removal needs to be shown.	Free	<b>FREE</b>
Clean recyclable waste material.	Per metric ton or part thereof	ONLY clear filled bags allowed.No filled black bags will be allowed on site.Must show the latest account that reflects WC024 residency or proof of where in WC024 work is being done.	Free	<b>FREE</b>
Disposal E-Waste	Car, trailer, LDV	<b>Vehicle with a carrying capacity up to 1.5 tons.</b> These are limited to items generated on residential properties. Proof of the latest account that reflects payment for refuse removal needs to be shown.	Free	<b>FREE</b>
<b>Replacement of bin or lid or wheel or axel</b>				
<b>For bin age up to 5 years</b>		For malicious damage where there is negligence on the part of the owner.		<b>COST +15%</b>
For the replacement of a complete bin	Replacement	Applicable to malicious damage Lost or stolen bin must be reported to the nearest Police Station and a case number be presented to Council before replacement commences. The replacement due to theft on refuse removal day will be excluded from this arrangement. Client still to obtain a case number from the SAPS and present it to Council before replacement will take effect. Maximum of twice per year.		<b>FREE</b>
<b>Hiring and servicing of 240ℓ bins</b>				
Hiring of 240ℓ wheelie bin	Per bin per day	For the hiring of 240ℓ bins to a third party within WC024 (includes delivery, collection and servicing of the bin). Subject to prior approval and availability.	R 71.87	<b>R 76.83</b>
Servicing of event bins	Per lift	A charge to empty a event bin.	R 62.44	<b>R 66.74</b>
Hiring of 240ℓ wheelie bins: Basic charge for collection and/or delivery on Saturday	Once-off per event	Compulsory fee to be paid when hiring municipal wheelie bins for events taking place over a weekend in WC024	R 3 572.42	<b>R 3 818.92</b>
Hiring of 240ℓ wheelie bins: Basic charge for collection and/or delivery on Sunday	Once-off per event	Compulsory fee to be paid when hiring municipal wheelie bins for events taking place over a weekend in WC024	R 4 709.11	<b>R 5 034.03</b>

## STELLENBOSCH MUNICIPALITY

### SUNDRY TARIFFS

#### DIREKTORAAT: INFRASTRUKTUUR DIENSTE DIRECTORATE: INFRASTRUCTURE SERVICES

	Tarief/ Tariff 2023/24 (Incl. VAT)	Tarief/ Tariff Excl. VAT 2024/25	2024/25 BTW / VAT 15%	Tarief/ Tariff 2024/25 (Incl. VAT)
*Industrial Effluent Treatment Basic Tariff (T): R/kl effluent discharge excluding penalties and contract arrangements.	R 17.09	R 15.90	R 2.39	R 18.29
*Industrial Effluent Conveyancy Basic Tariff (C): R/kl effluent discharge excluding penalties and contract arrangements.	R 7.77	R 7.23	R 1.08	R 8.31
Clearance of septic tanks: per 5 000 litre of part thereof	R 2 168.96	R 2 018.00	R 302.70	R 2 320.70
Waste Water disposal at designated facility per kl	R 136.70	R 127.20	R 19.08	R 146.28
Chemical toilet disposal at designated facility per toilet	R 133.60	R 124.30	R 18.65	R 142.95
* Special agreements when industry do pre-treatment	N/A	N/A	N/A	N/A

#### **FORMULA FOR THE CALCULATION OF EFFLUENT DISCHARGE CHARGES (Schedule C of Bylaws)**

**Discharge Cost = Basic Tariff + COD Surcharge + Substance Limit Surcharge**

**Discharge Cost = (Vw) (SVC) + (Vie) (T) ((COD - 1000)/1000) + (Vie) (T) (SF)**

SVC = Sewerage Volumetric Charge (T + C) in terms of above tariffs (Conveyancy and Treatment)

**Surcharge Factor (SF) = ((X - L) / L)**

X = Concentration in discharge of one or more of parameters listed in Schedule A of Bylaws

L = Limit of applicable parameter as listed in Schedule A of Bylaws

\* Special agreements to be approved by council

<b>STELLENBOSCH MUNICIPALITY</b>					
<b>SUNDRY TARIFFS</b>					
<b>DIREKTORAAT: INFRASTRUKTUUR DIENSTE</b>					
<b>DIRECTORATE: INFRASTRUCTURE SERVICES</b>					
<b>SCIENTIFIC SERVICES/WETENSKAPLIKE DIENSTE</b>	<b>Tariff 2023/24 (Incl. VAT)</b>	<b>Tarief/ Tariff Excl. VAT 2023/24</b>	<b>Excl. VAT 2023/24</b>	<b>2024/25 VAT 15%</b>	<b>Tariff 2023/24 (Incl. VAT)</b>
<b>PARAMETERS</b>					
<b>PHYSICAL ANALYSIS</b>					
Temperature	60.20	52.35	R 53.04	R 7.96	<b>R 61.00</b>
Ph @ 25°C	60.20	52.35	R 53.04	R 7.96	<b>R 61.00</b>
Electrical conductivity @ 25°Cms <sup>-1</sup>	60.20	52.35	R 53.04	R 7.96	<b>R 61.00</b>
Turbidity (NTU)	60.20	52.35	R 53.04	R 7.96	<b>R 61.00</b>
Total suspended solids (TSS) 105°C mg/1	154.79	134.60	R 139.13	R 20.87	<b>R 160.00</b>
Total dissolved solids (TDS-gravimetric) mg/1	154.79	134.60	R 139.13	R 20.87	<b>R 160.00</b>
Inorganic dissolved solids (VSS) @600°Cmg/1	240.79	209.38	R 221.91	R 33.29	<b>R 255.20</b>
Settle able solids@ 30min in ml	154.79	134.60	R 142.70	R 21.40	<b>R 164.10</b>
Volatile organic matter percentage (%)	240.79	209.38	R 221.74	R 33.26	<b>R 255.00</b>
<b>CHEMICAL ANALYSIS</b>					
NITRATE (NO <sup>-3</sup> ) mg/1	197.79	171.99	R 181.74	R 27.26	<b>R 209.00</b>
NITRITE (NO <sup>-2</sup> ) mg/1	197.79	171.99	R 182.17	R 27.33	<b>R 209.50</b>
ORTHO PHOSPHATE (PO <sup>-3</sup> ) mg/1	113.51	98.71	R 104.70	R 15.70	<b>R 120.40</b>
TOTAL PHOSPHATE (PO <sup>-3</sup> ) mg/1	447.18	388.85	R 412.17	R 61.83	<b>R 474.00</b>
AMMONIA as N (NH <sub>3</sub> ) mg/1	113.51	98.71	R 104.61	R 15.69	<b>R 120.30</b>
SULPHIDES (S) mg/1	292.39	254.25	R 269.57	R 40.43	<b>R 310.00</b>
SULPHATE (SO <sup>-2</sup> ) (total) mg/1	120.39	104.69	R 110.96	R 16.64	<b>R 127.60</b>
FREE & TOTAL residual chlorine (CL <sup>-2</sup> )	86.00	74.78	R 79.26	R 11.89	<b>R 91.15</b>
CHLORIDE as Cl mg/1	120.39	104.69	R 110.93	R 16.64	<b>R 127.57</b>
PHENOLIS (C <sub>6</sub> H <sub>5</sub> OH)	567.57	493.54	R 523.04	R 78.46	<b>R 601.50</b>
COD unfiltered mg/1	240.79	209.38	R 221.70	R 33.25	<b>R 254.95</b>
COD filtered mg/1	275.19	239.29	R 253.65	R 38.05	<b>R 291.70</b>
COD dilution (included in unfiltered) mg/1	240.79	209.38	R 221.91	R 33.29	<b>R 255.20</b>
PHENOLIS C <sub>6</sub> H <sub>5</sub> OH (total) mg/1	567.57	493.54	R 523.09	R 78.46	<b>R 601.55</b>
CHROMATE TEST (CHROMIUM cr <sub>6+</sub> ) as Cr mg/1	686.25	596.74	R 632.52	R 94.88	<b>R 727.40</b>
CYANIDE as CN	567.57	493.54	R 523.17	R 78.48	<b>R 601.65</b>
SULPHIDES (SO <sup>-2</sup> ) mg/1	567.57	493.54	R 523.09	R 78.46	<b>R 601.55</b>
<b>MICROBIOLOGICAL &amp; BACTERIOLOGICAL ANALYSIS</b>					
FAECAL COLIFORMS COUNT/100ml	423.10	367.91	R 390.00	R 58.50	<b>R 448.50</b>
E.COLI COUNT/100ml	423.10	367.91	R 390.00	R 58.50	<b>R 448.50</b>

## STELLENBOSCH MUNICIPALITY

### SUNDRY TARIFFS

#### DIREKTORAAT: INFRASTRUKTUUR DIENSTE DIRECTORATE: INFRASTRUCTURE SERVICES

	Tariff 2023/24 (Excl. VAT)	2023/24 VAT 15%	Tariff 2023/24 (Incl. VAT)		Tariff 2024/25 (Excl. VAT)	2024/25 VAT 15%	Tariff 2024/25 (Incl. VAT)
<b>ROADS TRANSPORT &amp; STORMWATER</b>							
Lowering of kerbs ( the tariff remains the same already adequately priced)	595.05	89.26	684.31	R	630.75	R 94.61	R 725.37
Inspection fee for the construction of facility signs	292.04	43.81	335.85	R	309.56	R 46.43	R 356.00
Construction of facility sign	1 038.38	155.76	1 194.14	R	1 100.68	R 165.10	R 1 265.79
Construction of vehicle access over stormwater / irrigation channels	Actual Cost/Werklike koste + 10%				Actual Cost/Werklike koste + 10%		
Temporary road closures undertaken by the Municipality (12 hours)	7 852.50	1 177.88	9 030.38	R	8 323.65	R 1 248.55	R 9 572.20
<b>Development Charge (DC) - Parking</b>							
Per parking bay	174 512.15	22 762.45	197 274.60	R	184 982.88	R 27 747.43	R 212 730.31

<b>STELLENBOSCH MUNICIPALITY</b>					
<b>WAYLEAVE TARIFFS</b>					
<b>DIREKTORAAT: INFRASTRUKTUUR DIENSTE</b>					
<b>DIRECTORATE: INFRASTRUCTURE SERVICES</b>					
<b>ASSET MANAGEMENT AND SYSTEMS SECTION</b> <b>WAYLEAVE ADMINISTRATION TARIFFS</b>	<b>Unit</b>	<b>Tariff 2023/24</b> <b>(Incl. VAT)</b>	<b>Tariff 2024/25</b> <b>(Excl. VAT)</b>	<b>2024/25</b> <b>VAT 15%</b>	<b>Tariff 2024/25</b> <b>(Incl. VAT)</b>
<b>1.1 Administration fee for a miscellaneous wayleave to use the road reserve for a period of one month or less other than to install an underground service</b>	per application	R 559.71	R 503.74	R 75.56	<b>R 579.30</b>
PLUS: Inspection Fee (once-off)	per application	R 1 119.43	R 1 007.49	R 151.12	<b>R 1 158.61</b>
For the temporary use of the road reserve for less than one month other than for the installation of an underground service, including for: the placement or storage of an item such as a chemical toilet, container, ladder, scaffolding, mobile crane or materials, pumping of concrete, excavation of trial holes. The fee is payable in advance. PLUS: The cost of all inspections during the course of the wayleave from services verification to the site rehabilitation after construction. The fee is payable in advance.					
<b>1.2 Administration fee for a wayleave or permit to use the road reserve to install an underground service (total construction duration is less than ten working days)</b>	per application	R 1 119.43	R 1 007.49	R 151.12	<b>R 1 158.61</b>
PLUS: Inspection Fee (once-off)	per application	R 2 238.86	R 2 014.97	R 302.25	<b>R 2 317.22</b>
For the use of the road reserve to install a pipe, tunnel, cable or duct for water, electricity, communication, or any other service – where the total construction duration is less than ten working days. The fee is payable in advance. PLUS: The cost of all inspections during the course of the wayleave from services verification to the site rehabilitation after construction. The fee is payable in advance.					
<b>1.3 Administration fee for a wayleave or permit to use the road reserve to install an underground service</b>	per application	R 3 358.29	R 3 022.46	R 453.37	<b>R 3 475.83</b>
PLUS: Inspection Fee (per month, based on the total construction duration)	per month of construction, per application	R 2 238.86	R 2 014.97	R 302.25	<b>R 2 317.22</b>
For the use of the road reserve to install a pipe, tunnel, cable or duct for water, electricity, communication, or any other service. The fee is payable in advance. PLUS: The cost of all inspections during the course of the wayleave from services verification to the site rehabilitation after construction. The fee is payable in advance.					
<b>1.4 Tariff for authorised trenching across a municipal roadway (per metre of trenching)</b>	Per m measured from 0.5m behind the kerb or road edge	R 5 597.15	R 5 037.44	R 755.62	<b>R 5 793.05</b>
For using an open trench to cross a roadway to install a pipe, cable or duct for water, electricity, communication or any other service. This tariff applies if the municipality grants written authorisation for a roadway trench before digging of the trench commences. The applicant may not begin roadway trenching before paying the roadway open trench fee and the Municipality issues written authorisation. The fee is payable when the written authorisation is issued. The roadway open trench fee is for the increased maintenance and reconstruction costs and inherent degradation of the roadway caused by roadway trenching. It applies even if the trench is reinstated in compliance with the Municipality's requirements and standards.					
<b>1.5 Tariff for unauthorised use of the road reserve for a period of more than one month other than to install an underground service (100% of admin &amp; inspection fee under tariff 1.1)</b>	per month	R 1 679.15	R 1 511.23	R 226.68	<b>R 1 737.92</b>
For the use of the road reserve beyond the one month allowed by the miscellaneous wayleave application. This is for holders of an approved miscellaneous wayleave that has expired and has not been renewed.					
<b>1.6 Tariff for unauthorised commencement of use of the road reserve</b>	per month	R 5 597.15	R 5 037.44	R 755.62	<b>R 5 793.05</b>
For the commencement of use of the road reserve (i.e. encroachment) without an approved wayleave or before Stellenbosch Municipality issues a wayleave.					

DIREKTORAAT: INFRASTRUKTUUR DIENSTE DIRECTORATE: INFRASTRUCTURE SERVICES					
ASSET MANAGEMENT AND SYSTEMS SECTION WAYLEAVE ADMINISTRATION TARIFFS	Unit	Tariff 2023/24 (Incl. VAT)	Tariff 2024/25 (Excl. VAT)	2024/25 VAT 15%	Tariff 2024/25 (Incl. VAT)
<b>1.7 Tariff for unauthorised use of the road reserve to install an underground service</b> Where construction period was 10 working days or less (200% of admin & inspection fee under tariff 1.2) Where construction period was more than 10 working days (200% of admin & inspection fee under tariff 1.3) For the commencement of an installation of an underground service without an approved wayleave or before Stellenbosch Municipality issues a wayleave. Includes a 100% surcharge which applies regardless of whether Stellenbosch Municipality issues a wayleave.	per application	R 6 716.58	R 6 044.92	R 906.74	R 6 951.66
	per application	R 11 194.30	R 10 074.87	R 1 511.23	R 11 586.10
<b>1.8 Tariff for unauthorised trenching across a municipal roadway (per metre of trenching) (200% of tariff 1.6)</b>  For commencement of a roadway trench without written authorisation or before the Municipality issues written authorisation for the roadway trench. Includes a 100% surcharge. The surcharge applies regardless of whether the Municipality issues a written authorisation, and regardless of whether the roadway trench is necessary.	Per m measured from 0.5m behind the kerb or road edge	R 11 194.30	R 10 074.87	R 1 511.23	R 11 586.10
<b>1.9 Tariff for unauthorised after-hours use of the road reserve for the installation of an underground service</b> For the commencement of use of the road reserve to install an underground service outside of business hours. Work performed under an approved wayleave can only be performed in regular working hours (Mondays – Thursdays 08:00-17:00 and Fridays 08:00-15h00). Working after hours, on public holidays or the weekend is not permitted.	per occasion	R 5 597.15	R 5 037.44	R 755.62	R 5 793.05
<b>1.10 Tariff for excavations being left open for longer than ten working days</b> On completion of the Work, all trenches and excavations in the public road reserves must be backfilled and reinstated as soon as possible in accordance with the technical specifications. Failure to do so represents an unacceptable safety hazard.	per occasion	R 5 597.15	R 5 037.44	R 755.62	R 5 793.05
<b>1.11 Tariff for unauthorised site abandonment for a period exceeding 14 days</b> The wayleave holder may not leave the site for more than fourteen days without permanently reinstating the site.	per occasion	R 5 597.15	R 5 037.44	R 755.62	R 5 793.05
<b>1.12 Tariff for not cleaning or reinstating the road reserve within 14 days of completion</b> The construction site's cleaning up, and the reinstatement to its previous condition is considered part of the Work. It must be completed within 14 days after the construction work has been completed.	per occasion	R 5 597.15	R -	R -	R -
<b>WAYLEAVE ADMINISTRATION REFUNDABLE DEPOSITS</b>					
<b>2.1 Services Deposit</b> A services deposit is required where there is a risk of damage to municipal services. It is determined by the service co-ordinator and is based on the replacement value of the services in close proximity to the Works e.g. Cost of cable repairs: LV – R 40 000, MV – R 240,000, HV – R 1,250,000, 66 KV R – R 2,500,000, etc. This deposit is paid into the recoverable cost account of Stellenbosch Municipality. After completion, damages will be assessed, the site will be inspected, and all additional costs will be communicated to the applicant. Stellenbosch Municipality will refund the balance of the deposit once all works are complete, and upon final inspection where the Municipality's engineers are satisfied that the reinstatement meets the Municipality's standard and requirements.	per application				
<b>2.2 Bank Guarantee / Appropriate Business Insurance</b> Another acceptable form of partial deposit is a bank guarantee as surety in favour of Stellenbosch Municipality or appropriate business insurance. NB: The first R25,000 of the Services Deposit must be paid into the recoverable cost account of Stellenbosch Municipality. A Bank Guarantee or appropriate business insurance can cover the balance of the required Services Deposit.	per application				
<b>WAYLEAVE ADMINISTRATION TARIFF NOTES</b>					
3.1 Unless the context indicates otherwise, 'road reserve' includes a roadway, sidewalk footway and verge. 3.2 Suppose Stellenbosch Municipality incurs any costs resulting from Work in or use of the road reserve including remedying substandard or non-compliant reinstatement repairing damage, 3rd party claims, or cleaning of the site. In that case, the actual costs will be offset against the deposit (plus 10% administration fee, including VAT). The Municipality will refund the balance if any. 3.3 All internal Departments or State Funded Projects (National or Provincial), where Stellenbosch Municipality will take over the infrastructure, will be exempted from paying the Administrative Fee, Refundable Deposits Non-Refundable Payments and/or Penalties. 3.4 No micro trenching is allowed in the WC024.					



## STELLENBOSCH MUNICIPALITY

## SUNDRY TARIFFS

DIREKTORAAT: BEPLANNING EN ONTWIKKELING DIENSTE  
DIRECTORATE: PLANNING AND DEVELOPMENT SERVICES

SERVICES	TYPE	COMMENTS	INTERVAL	R/M2	TOTAL PER MONTH	TOTAL PER DAY	TOTAL PER WEEK	TOTAL PER YEAR	DEPOSIT REQUIRED
			m2						
<b>Rentals : Kayamandi Economic Corridor</b>									
Formal Kiosks		30% discount for Non-Profitable Organisations. In the case of meritorious cases, the Accounting Officer may grant discounts larger than 30%	10	R 40.00	R 400.00	R -	R -	R 4 800.00	Full amount
			12	R 40.00	R 460.00	R -	R -	R 5 520.00	Full amount
			12.5	R 40.00	R 500.00	R -	R -	R 6 000.00	Full amount
			13	R 40.00	R 520.00	R -	R -	R 6 240.00	Full amount
			13.5	R 40.00	R 540.00	R -	R -	R 6 480.00	Full amount
			14	R 40.00	R 560.00	R -	R -	R 6 720.00	Full amount
			14.5	R 40.00	R 580.00	R -	R -	R 6 960.00	Full amount
			15	R 40.00	R 600.00	R -	R -	R 7 200.00	Full amount
			15.5	R 40.00	R 620.00	R -	R -	R 7 440.00	Full amount
Internet Café			16	R 40.00	R 640.00	R -	R -	R 7 680.00	Full amount
Restaurant			17.3	R 42.00	R 726.00	R -	R -	R 8 719.00	Full amount
			22	R 42.00	R 924.00	R -	R -	R 11 088.00	Full amount
ATM's		As per negotiated agreement							
Informal Kiosks			10	R 20.00	R 200.00	R 40.00	R -	R 1 800.00	R -
Conference facility		30% discount for Non-Profitable organisations. In the case of meritorious cases, the Accounting Officer may grant discounts larger than 30%	per day	R -	R -	R 5 000.00	R -	R -	R -
Amphi Theatre		30% discount for Non-Profitable organisations. In the case of meritorious cases, the Accounting Officer may grant discounts larger than 30%	per day	R -	R -	R 1 000.00	R -	R -	R -
<b>Rentals: Local Economic Development Hubs</b>									
Erf 2235 Mooiwater Homestead		Businee Support Incubator/centre	235	R 47.00	R 11 045.00	R -	R -	R 132 540.00	Full amount
Erven 2751& 6314 Old Agricultural Hall		Incubator and affordable rentals for Arts,crafts and tourism activities	400	R 47.00	R 18 800.00	R -	R -	R 225 600.00	Full amount
Erven 230, Franschhoek Triangle Site		Affordable space rentals for shops and tourism activities	210	R 47.00	R 9 870.00	R -	R -	R 118 440.00	Full amount
Old Clinic building Stellenbosch		Business Development, , incubator and rental space (arts, crafts, shops, offices, tourism activities	293	R 47.00	R 13 771.00	R -	R -	R 165 252.00	Full amount
<b>Rentals:Informal Trading sites</b>									
<b>Stellenbosch Town</b>									
	Open Kiosks		per kiosk		R 216.00	R 30.00	R 72.00	R 1 500.00	R -
<b>Idas Valley</b>									
	Open Kiosks		per kiosk		R 90.00	R 15.00	R 36.00	R 750.00	R -
<b>Cloetesville</b>									
	Open Kiosks		per kiosk		R 90.00	R 15.00	R 36.00	R 750.00	R -
<b>Kayamandi</b>									
	Open Kiosks		per kiosk		R 90.00	R 15.00	R 36.00	R 750.00	R -
<b>Kayamandi Bridge</b>									
	Closed Kiosks		per kiosk	R 20.00	R 268.00			R 1 800.00	R -
<b>Klapmuts</b>									
	Open Kiosks		per kiosk		R 90.00	R 15.00	R 36.00	R 750.00	R -
	Closed Kiosks		per kiosk	R 20.00	R 200.00			R 1 400.00	R -
<b>Franschhoek Town</b>									
	Open Kiosks		per kiosk		R 216.00	R 30.00	R 72.00	R 1 500.00	R -
<b>Groendal &amp; Langrug</b>									
	Open Kiosks		per kiosk		R 90.00	R 15.00	R 36.00	R 750.00	R -
	Closed Kiosks		per kiosk	R 20.00	R 200.00			R 1 400.00	
<b>Foodtrucks</b>									
	Mobile		per mobile		R 850.00	R 90.00	R 210.00	R 1 800.00	R -
<b>Use of Infomal Trading Site for Events / Conference Facility</b>									
	Conference / Events Facility	30% discount for Non-Profitable organisations. In the case of meritorious cases, the Accounting Officer may grant discounts larger than 30%				R 3 500.00			

# STELLENBOSCH MUNICIPALITY

## SUNDRY TARIFFS

**DIREKTORAAT: BEPLANNING EN ONTWIKKELING DIENSTE**  
**DIRECTORATE: PLANNING AND DEVELOPMENT SERVICES**

To be read in conjunction with the Tariff Rules.

SERVICES RENDERED	UNIT	REMARKS	Tariff 2023/24 (Incl. VAT)	Excl. VAT 2024/25	2024/25 VAT 15%	Tariff 2024/25 (Incl. VAT)
<b>LAND USE MANAGEMENT FEES</b>						
<b>REZONING &amp; DETERMINATION OF A ZONING</b>						
Rezoning, inclusive of a determination of a zoning	Per application per property		R 10 300.00	R 9 391.30	R 1 408.70	R 10 800.00
<b>PERMANENT DEPARTURE</b>						
Departure applications including but not limited to building lines, coverage, height, bulk, parking.	Per application per property	Per Property. All indigent residents who are registered as such with the Municipality and with proof submitted together with application, as well as subsidised housing schemes property owners will be exempted from applicable fees.	R 2 600.00	R 2 347.83	R 352.17	R 2 700.00
<b>TEMPORARY DEPARTURE &amp; PERMISSION IN TERMS OF THE ZONING SCHEME (ADDITIONAL USES &amp; TECHNICAL APPROVALS) &amp; PERMISSION IN TERMS OF CONDITION OF TITLE DEED &amp; OCCASIONAL USE OF LAND &amp; CONSENT USE IN TERMS OF THE ZONING SCHEME</b>						
Submitted in urban and rural areas	Per application per property		R 2 600.00	R 2 347.83	R 352.17	R 2 700.00
House shops, Early Childhood Development Centres (ECD's), Home Day Care or Day Care Centres & Occasional Use of Land	Per application per property (per use)		R 210.00	R 191.30	R 28.70	R 220.00
<b>SUBDIVISION &amp; CONSOLIDATION &amp; AMENDMENT OR CANCELLATION OF SUBDIVISION PLAN (GENERAL PLAN/DIAGRAM)</b>						
Subdivision, Consolidation, Amendment or Cancellation of an approved subdivision plan (or part thereof), including a general plan or diagram	Per application		R 5 200.00	R 4 739.13	R 710.87	R 5 450.00
<b>EXEMPTION CERTIFICATES (SUBDIVISION / CONSOLIDATION) ADMINISTRATIVE FEE</b>						
	Per request		R 1 050.00	R 956.52	R 143.48	R 1 100.00
<b>REMOVAL, RELAXATION, SUSPENSION OR AMENDMENT OF RESTRICTIVE TITLE DEED CONDITIONS</b>						
Removal, relaxation, suspension or amendment	Per application per property		R 2 600.00	R 2 347.83	R 352.17	R 2 700.00
<b>AMENDMENT, DELETION OR IMPOSITION OF CONDITIONS IN RESPECT OF AN EXISTING APPROVAL</b>						
Amendment of conditions of approval (by the deletion, imposition or amendment of conditions)	Per application	Per application	R 5 200.00	R 4 739.13	R 710.87	R 5 450.00
<b>EXTENSION OF VALIDITY OF APPROVAL</b>						
Extension of validity period of an approval	Per application	Per application	50% of current application fee inclusive of VAT	50% of current application fee inclusive of VAT	50% of current application fee inclusive of VAT	50% of current application fee inclusive of VAT

To be read in conjunction with the Tariff Rules.

SERVICES RENDERED	UNIT	REMARKS	Tariff 2023/24 (Incl. VAT)	Excl. VAT 2024/25	2024/25 VAT 15%	Tariff 2024/25 (Incl. VAT)
<b>PERMISSION IN TERMS OF CONDITION OF APPROVAL / ADMINISTRATIVE PERMISSIONS OR APPROVALS</b>						
All permissions required in terms of a condition of approval or administrative permission or approval inclusive of but not limited to: Site Development Plans; HOA Constitutions; Architectural / Design / Aesthetic Manuals or Guidelines, Landscaping Plans & Phasing Plans.	Per application	Per application. All permissions or approvals that is required and originates from a condition of an approval attached to a land use application granted by the municipality, will be exempted from this tariff. Any subsequent applications for the amendment to such permissions / approvals on the initiative of the applicant will not be exempted.	R 2 600.00	R 2 347.83	R 352.17	R 2 700.00
<b>CLOSURE OF PUBLIC PLACE OR ROAD OR PART THEREOF</b>						
Closure of Public Place / Roads or Part thereof	Per application	Per application	R 5 200.00	R 4 739.13	R 710.87	R 5 450.00
<b>DISESTABLISHMENT OF HOME OWNERS ASSOCIATION</b>						
Disestablishment of HOA	Per application	Per application	R 2 600.00	R 2 347.83	R 352.17	R 2 700.00
<b>RECTIFY A FAILURE OF A HOME OWNERS ASSOCIATION TO MEET ITS OBLIGATIONS</b>						
Rectification	Per application	Per application	R 2 600.00	R 2 347.83	R 352.17	R 2 700.00
<b>PERMISSION FOR RECONSTRUCTION OF EXISTING BUILDING CONSTITUTING A NON-CONFORMING USE</b>						
Permission for reconstruction of existing building constituting a non-conforming use	Per application	A permission required for the reconstruction of an existing building that constitutes a non-conforming use that is destroyed or damaged to the extent that it is necessary to demolish a substantial part of the building	R 5 200.00	R 4 739.13	R 710.87	R 5 450.00
<b>NAMING AND NUMBERING OF STREETS AND PUBLIC PLACES / BUILDINGS</b>						
Naming and numbering of streets, Places and Buildings	Per application	Per application	R 2 600.00	R 2 347.83	R 352.17	R 2 700.00
Renaming of Streets, Places and Buildings	Per application	Per application	R 5 200.00	R 4 739.13	R 710.87	R 5 450.00
<b>ADVERTISING FEES</b>						
Advertisements in the press ( <b>All advertisements</b> )	Basic per placement	This is a basic advertising fee. Should the actual costs be more, the applicant is liable for such extra costs upon receipt of a quote.	Per Quotation	Per Quotation	Per Quotation	<b>Per Quotation</b>
Serving of notices	For every 10 letters or part thereof		R 850.00	R 782.61	R 117.39	R 900.00
<b>OTHER</b>						
Deviation from Council Policies & By-laws	Per application per property	Per application per property	R 5 200.00	R 4 739.13	R 710.87	R 5 450.00
<b>Adam Tas Corridor Development Proposals</b>	Per Application per property	Per development proposals only, and exclude any deviation from LSDF, Removal of any Restrictive Conditions, Establishment of HOA.	R 0.00	R 10 769.50	R 1 900.50	R 12 670.00

To be read in conjunction with the Tariff Rules.

SERVICES RENDERED	UNIT	REMARKS	Tariff 2023/24 (Incl. VAT)	Excl. VAT 2024/25	2024/25 VAT 15%	Tariff 2024/25 (Incl. VAT)
Appeals submitted by Applicant	Administration cost per appeal		R 2 600.00	R 2 347.83	R 352.17	R 2 700.00
Appeals submitted by parties other than the applicant		Refundable if Appeal results in successful review of the decision on the grounds of the Appeal submitted.	R 1 100.00	R 1 000.00	R 150.00	R 1 150.00
Intervener Status for all applicants	Per application		R 5 200.00	R 4 739.13	R 710.87	R 5 450.00
Transfer Clearance	Per transferable erf	Inclusive of POA and CRT	R 550.00	R 504.35	R 75.65	R 580.00
Zoning Certificate	Per erf	Provincial and national government will be exempted from application fees for state owned land.	R 550.00	R 504.35	R 75.65	R 580.00
Business Licence	Per application		R 500.00	R 456.52	R 68.48	R 525.00
<b>CONTRAVENTION PENALTY</b>						
Contravention penalty is applied in accordance with a Council Policy, By-law and/or any such enabling planning legislation and associated provisions	Per application (refer to tariff rules 5.1- 5.4.12)	<p><i>Formula for Contravention Penalty:</i>  <del>((actual area/m<sup>2</sup> multiply by penalty rate A) + (indirect area /m<sup>2</sup> multiply by penalty rate B)) x (valuation/m<sup>2</sup>) = R/m<sup>2</sup></del>                      The area of the construction activity (actual area per square meter x penalty rate A) and/or land area (indirect area per square meter x penalty rate B) that is unlawfully utilised in terms of the relevant zoning of the property) multiplied by (the municipal value per square meter (m<sup>2</sup>) of the land and/or building as stipulated in the current valuation roll of the municipality as on the date that is indicated on the contravention notice)</p>	<del>((actual area/m<sup>2</sup> multiply by penalty rate A) + (indirect area /m<sup>2</sup> multiply by penalty rate B)) x (valuation/m<sup>2</sup>) = R/m<sup>2</sup></del> Penalty Rate A = 10% Penalty Rate B = 5%			
Contravention penalty related to any dwelling unit where no unauthorised material structural changes or additions have been undertaken or unauthorised new structures have been developed to facilitate the unauthorised land use activity.	Per application and per Dwelling Unit or separate structures where applicable		R 0.00	R 8 695.65	R 1 304.35	R 10 000.00
Contravention penalty related to any dwelling unit where unauthorised material structural changes or additions have been undertaken or unauthorised new structures have been developed to facilitate the unauthorised land use activity.	Per application and per Dwelling Unit or separate structures where applicable		R 0.00	R 21 739.13	R 3 260.87	R 25 000.00
Contravention penalty related to any land use type other than a dwelling unit where no unauthorised material structural changes or additions have been undertaken or unauthorised new structures have been developed to facilitate the unauthorised land use activity.	Per application and per separate structure where applicable		R 0.00	R 86 956.52	R 13 043.48	R 100 000.00

**DIREKTORAAT: BEPLANNING EN ONTWIKKELING DIENSTE**  
**DIRECTORATE: PLANNING AND DEVELOPMENT SERVICES**

To be read in conjunction with the Tariff Rules.

SERVICES RENDERED	UNIT	REMARKS	Tariff 2023/24 (Incl. VAT)	Excl. VAT 2024/25	2024/25 VAT 15%	Tariff 2024/25 (Incl. VAT)
<b>Contravention penalty related to any land use type other than a dwelling unit where there were unauthorised material structural changes or additions or where new unauthorised structures have been developed to facilitate the unauthorised land use activity.</b>	Per application and per separate structure where applicable		R 0.00	R 217 391.30	R 32 608.70	R 250 000.00
<b>PRINTING FEES : PHOTOCOPIES / COMPUTER PRINTS - Mono (back and white)</b>						
A4	per copy		R 5.00	R 4.35	R 0.65	R 5.00
A3	per copy		R 13.00	R 11.30	R 1.70	R 13.00
A2	per copy		R 60.00	R 52.17	R 7.83	R 60.00
A1	per copy		R 80.00	R 69.57	R 10.43	R 80.00
A0	per copy		R 95.00	R 82.61	R 12.39	R 95.00
<b>PRINTING FEES : PHOTOCOPIES / COMPUTER PRINTS - Colour line prints</b>						
A4	per copy		R 8.00	R 6.96	R 1.04	R 8.00
A3	per copy		R 14.00	R 12.17	R 1.83	R 14.00
A2	per copy		R 80.00	R 69.57	R 10.43	R 80.00
A1	per copy		R 100.00	R 86.96	R 13.04	R 100.00
A0	per copy		R 180.00	R 156.52	R 23.48	R 180.00
<b>PRINTING FEES : PHOTOCOPIES / COMPUTER PRINTS - Full colour prints (photo)</b>						
A4	per copy		R 9.00	R 7.83	R 1.17	R 9.00
A3	per copy		R 16.00	R 13.91	R 2.09	R 16.00
A2	per copy		R 180.00	R 156.52	R 23.48	R 180.00
A1	per copy		R 230.00	R 200.00	R 30.00	R 230.00
A0	per copy		R 400.00	R 347.83	R 52.17	R 400.00
<b>Electronic information</b>	per document	Electronic Information must be calculated based on the time to compile the information, therefore it may be similar to the fee for compilation of a zoning certificate.	R 500.00	R 434.78	R 65.22	R 500.00
<b>HERITAGE RESOURCE MANAGEMENT FEES</b>						
<b>ADVISORY COMMITTEE SCRUTINY FEE</b>						
	Minor alterations to existing buildings and/or demolitions < 500m <sup>2</sup>	Building plans for buildings older than 60 years or situated in the historical core Per Application	R 1 060.00	R 1 043.48	R 156.52	R 1 200.00
	Major alterations to existing buildings and or demolitions >500m <sup>2</sup> and new developments	Building plans for buildings older than 60 years or situated in the historical core Per Application	R 1 590.00	R 1 478.26	R 221.74	R 1 700.00
<b>SPATIAL PLANNING FEES</b>						
<b>COMPLEXITY FEES</b>						
All Impact Assessments		Per study / assessment	R 4 300.00	R 3 930.43	R 589.57	R 4 520.00

**DIREKTORAAT: BEPLANNING EN ONTWIKKELING DIENSTE**  
**DIRECTORATE: PLANNING AND DEVELOPMENT SERVICES**

To be read in conjunction with the Tariff Rules.

SERVICES RENDERED	UNIT	REMARKS	Tariff 2023/24 (Incl. VAT)	Excl. VAT 2024/25	2024/25 VAT 15%	Tariff 2024/25 (Incl. VAT)
<b>APPLICATION FOR SIGNAGE (ALL ADVERTISING SIGNS ARE SUBJECT TO ADVERTISING AND SIGNAGE BY-LAW AS WELL AS FORMAL BUILDING PLAN APPROVAL)</b>						
Signs < 1m <sup>2</sup> (minimum fee)	per sign		R 455.00	R 417.39	R 62.61	R 480.00
Signs > 1m <sup>2</sup> minimum fee plus additional fee/additional m <sup>2</sup>	minimum fee plus an additional fee per additional m <sup>2</sup>		R 1 166.00	R 1 065.22	R 159.78	R 1 225.00
Flag (<5 flags) (minimum fee)	Up to 5 Flags	All Advertising signs are subject to Outdoor Advertising Policy	R 1 166.00	R 1 065.22	R 159.78	R 1 225.00
Flag (>5 Flags)	More than 5 Flags	Minimum flag fee (R1 100.00) plus an additional fee per flag	R 159.00	R 146.09	R 21.91	R 168.00
<b>BUILDING DEVELOPMENT FEES</b>						
<b>ALL BUILDING PLAN FEES</b>	<ul style="list-style-type: none"> <li>■ Plan valid for 12 months</li> <li>■ Where covered areas such as carports, patios, entertainment areas etc. are enclosed to create additional floor area the fees are charged as for new floor area.</li> <li>■ All exemptions on applicable building plan fees as per Building Development Management Traiff Rules</li> </ul>					
<b>ALTERNATIVE BUILDING PLAN FEE APPLICABLE TO ALL CATEGORIES OF STANDARD BUILDING PLAN FEES</b>						
Applied to all building plan applications where building works has commenced without prior building plan approval or written provisional authorisations to commence with building works prior to building plan approval.	Per Building Plan Application	Per Building Plan Application: This tariff will be exempted if the current registered owner can demonstrate with documentary proof that he / she acquired the property with the illegal building works and was consequently not personally responsible for such illegal building works.	4x the applicable standard building plan fee for application	4x the applicable standard building plan fee for application	4x the applicable standard building plan fee for application	4x the applicable standard building plan fee for application
<b>MINOR BUILDING WORKS (NATIONAL BUILDING REGULATIONS)</b>						
Minor building works - Residential		Exemptions as per relevant Tariff Rules	R 600.00	R 547.83	R 82.17	R 630.00
Minor building works - Other than residential		Exemptions as per relevant Tariff Rules	R 780.00	R 713.04	R 106.96	R 820.00
<b>CATEGORIES</b>						
<b>SINGLE RESIDENTIAL BUILDINGS</b>						
		Includes Double Dwellings, Second Dwellings and Outbuildings and Additions thereto.				
0 - 25m <sup>2</sup>	Minimum fee		R 600.00	R 547.83	R 82.17	R 630.00
>25m <sup>2</sup>	R/m <sup>2</sup>	Calculate the total m <sup>2</sup> with the appropriate tariff	R 35.00	R 32.17	R 4.83	R 37.00
<b>OTHER RESIDENTIAL</b>						
		Block of flats, Townhouses, Group housing, Single Title				
0 - 25m <sup>2</sup>	Minimum fee		R 780.00	R 713.04	R 106.96	R 820.00
>25m <sup>2</sup>	R/m <sup>2</sup>	Calculate the total m <sup>2</sup> with the appropriate tariff	R 42.00	R 38.26	R 5.74	R 44.00
<b>NON RESIDENTIAL</b>						
<b>NON RESIDENTIAL: COMMERCIAL</b>						
		Includes shops, offices, service stations, hotels				
0 - 25m <sup>2</sup>	Minimum fee		R 780.00	R 713.04	R 106.96	R 820.00

To be read in conjunction with the Tariff Rules.

SERVICES RENDERED	UNIT	REMARKS	Tariff 2023/24 (Incl. VAT)	Excl. VAT 2024/25	2024/25 VAT 15%	Tariff 2024/25 (Incl. VAT)
>25m <sup>2</sup>	R/m <sup>2</sup>	Calculate the total m <sup>2</sup> with the appropriate tariff	R 45.00	R 40.87	R 6.13	R 47.00
<b>NON RESIDENTIAL: OTHER</b>						
Schools, Churches, Place of Education (i.e. Daycares, technikons etc.)						
0 - 25m <sup>2</sup>	Minimum fee		R 780.00	R 713.04	R 106.96	R 820.00
>25m <sup>2</sup>	R/m <sup>2</sup>	Calculate the total m <sup>2</sup> with the appropriate tariff	R 35.00	R 32.17	R 4.83	R 37.00
<b>NON RESIDENTIAL: INDUSTRIAL</b>						
Includes Factories, Warehouses, Offices in Industrial Areas						
0 - 25m <sup>2</sup>	Minimum fee		R 780.00	R 713.04	R 106.96	R 820.00
>25m <sup>2</sup>	R/m <sup>2</sup>	Calculate the total m <sup>2</sup> with the appropriate tariff	R 35.00	R 32.17	R 4.83	R 37.00
<b>NON RESIDENTIAL: RURAL BUILDINGS</b>						
Limited to bona-fide agriculture structures. All residential or other uses to be rated at the applicable tariff category.						
0 - 75m <sup>2</sup>	Minimum fee		R 780.00	R 713.04	R 106.96	R 820.00
> 75m <sup>2</sup>	R/m <sup>2</sup>	Calculate the total m <sup>2</sup> with the appropriate tariff	R 17.50	R 16.09	R 2.41	R 18.50
<b>INTERNAL ALTERATIONS -- ALL CATEGORIES</b>						
		To be calculated as estimated value of alteration (Qs/Architect Estimate) X 0.008	Estimated value x 0.008	Estimated value x 0.008	Estimated value x 0.008	Estimated value x 0.008
<b>SKETCH PLAN FEE</b>						
Single Residential	Per application	Fee not deductible from final plan fee.	R 780.00	R ————	R ————	R 0.00
All other categories	Per application	Fee not deductible from final plan fee.	R 780.00	R ————	R ————	R 0.00
<b>INSTALLATIONS</b>						
<b>MAJOR HAZARD INSTALLATIONS</b>						
	Per application	As prescribed by Building Development	R 780.00	R 713.04	R 106.96	R 820.00
<b>LPG INSTALLATIONS (ALL INSTALLATIONS)</b>						
	Per application	As prescribed by Building Development	R 780.00	R 713.04	R 106.96	R 820.00
<b>MASTS</b>						
Greenfield	Per application		R 1 080.00	R 986.96	R 148.04	R 1 135.00
Roof Top	Per application		R 1 080.00	R 986.96	R 148.04	R 1 135.00
Sports fields	Per application		R 1 080.00	R 986.96	R 148.04	R 1 135.00
<b>OTHER</b>						
<b>PROVISIONAL AUTHORISATION</b>						
	Per application	Application for provisional authorisation to commence work before approval has been granted in terms of Section 7(1) of the Act. Applications to be in writing. Conditions apply. Not Refundable	R 865.00	R 1 739.13	R 260.87	R 2 000.00
<b>EXTENSION OF VALIDITY</b>						
	Per application	Any application for extension of validity must be submitted prior to the lapsing date of current approved building plan which original approval is valid for 12 months.	R 780.00	R 1 739.13	R 260.87	R 2 000.00

To be read in conjunction with the Tariff Rules.

SERVICES RENDERED	UNIT	REMARKS	Tariff 2023/24 (Incl. VAT)	Excl. VAT 2024/25	2024/25 VAT 15%	Tariff 2024/25 (Incl. VAT)
<b>REQUEST : OCCUPANCY CERTIFICATE AFTER OCCUPANCY OF COMPLETED BUILDING</b>		Where an application is received for the issuing of an occupancy certificate for an existing building where such certificate was not issued on completion of building work and prior to occupancy. No tariff for occupancy certificate prior to occupancy of the completed building.	R 1 620.00	R 1 739.13	R 260.87	R 2 000.00
<b>SECTIONAL TITLE PRIOR TO 1964 SCRUTINY FEE</b>	Per unit	For the consideration of plans for existing structures pre 1964 for Sectional Title purposes	R 780.00	R ————	R ————	R 0.00
<b>SPECIAL EVENTS: TEMPORARY GRANDSTAND, EXHIBITIONS AND TENTS</b>	Per application	One application per event. Maximum period of validity: 7 days.	R 780.00	R 713.04	R 106.96	R 820.00
<b>DEMOLITIONS (ALL APPLICATIONS)</b>	Per application		R 780.00	R 713.04	R 106.96	R 820.00



# STELLENBOSCH MUNICIPALITY

## TARIFF RULES BUILDING DEVELOPMENT MANAGEMENT

DIREKTORAAT: BEPLANNING EN ONTWIKKELING DIENSTE  
DIRECTORATE: PLANNING AND DEVELOPMENT SERVICES

### 1 EFFECTIVE DATE

- 1.1 Fees are effective from 1 July 2024.  
1.2 These tariffs replace all previous tariffs charged by the Building Development Management branch of Council.

### 2 METHOD OF PAYMENT

- 2.1 Fees can be paid in cash or electronically.

### 3 TIME OF PAYMENT

- 3.1 Fees are due when an invoice for the proposed application is presented for payment.  
3.2 The Building Plan Application **is deemed to be submitted after proof of payment** and no processing of applications will commence until receipt of payment of the fee/s is verified by finance.

### 4 PROOF OF PAYMENT

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

### 5 REFUNDS

- 5.1 All fees payable is set fees and are not deposits.  
5.2 Approvals are valid for 12 months from date of Final Decision in terms of Section 7(5) of the NBR Act and building plan fees on lapsed plans are not refundable.  
5.3 Building Plan Fees will only be waived or refunded in circumstances considered extraordinary by the Director: Planning & Economic Development, before commencement of evaluation process.

### 6 SUBJECT TO CHANGE

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

**7 EXEMPTIONS**

7.1 The following applications are exempt from the payment of scrutiny fees:

- Applications from Central or Provincial Government for work funded by the Government and for use by Government Departments. Building plan applications must however still be submitted and approved prior to commencement of any building works.
- Building Plans for all buildings and structures erected for and by the Local Authority. Building plan applications must however still be submitted and approved prior to commencement of any building works.
- All applications required to address / give effect to successful resettlement claims in terms of the Restitution of Land Rights Act, as well as in cases where land has been allocated to a successful claimant, such claimant is allowed to submit only one application (building plan), for residential development only, which application(s) will be exempted from building plan fees as per normal fees.
- Applications from Orphanages and Homes for the Aged registered under the **National Welfare Act 79 of 1965 (As amended), as well as any welfare institutions in the discretion of the Director**. Building plan applications must however still be submitted and approved prior to commencement of any building works.
- The Director: Planning & Economic Development may grant or refuse applications for the exemption of some or all the applicable Building Development application fees of a particular application which are necessitated due to changes to developments made at the request of the Spatial Development Planning department of the Stellenbosch Municipality in the interests of environmental or heritage conservation.
- In cases where a successful land claimant submits a building plan for a purely non-residential development (which does not include any residential development) on land so obtained, such non-residential application is subject to all the fees applicable to any other similar application which was not obtained by way of the Restitution of Land Rights Act.
- If a successful land claimant submits a building plan for a mixed-use development (which includes non-residential development) on land so obtained, such non-residential building plan gets charged the normal fees as specific for such application as if the non-residential part of the application is a separate application from the residential part of the development.

**8 OTHER FEES**

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

8.2 Printing fees:

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

**9 APPLICATION OF THE TARIFFS**

- 9.1 Minor Building Work: As defined in the Building Regulations:  
Each item charged for separately even if part of a full plan submission.
- Aviary
  - Solid fuel store not exceeding 10m<sup>2</sup> in area and 2 m in height
  - Tool shed not exceeding 10m<sup>2</sup> in area
  - Child's playhouse not exceeding 5m<sup>2</sup> in area
  - Cycle shed not exceeding 5m<sup>2</sup> in area
  - Greenhouse not exceeding 15m<sup>2</sup> in area
  - Open sided car, caravan or boat shelter or a carport where such shelter or carport does not exceed 40m<sup>2</sup> in area
  - Any pergola
  - Private swimming pool
  - Change room, not exceeding 10m<sup>2</sup> in area, at a private swimming pool
  - Lapa's and gazebos (with any type of roof covering) under 40m<sup>2</sup> in area
  - Any free-standing wall
  - Reconstruction of fire and natural disaster damaged buildings at applicable rate as per single/other/non-residential categories
  - Any other structure, not being a Minor Building Work as per definition, are charge per meter square of the applicable category
- 9.2 Applications for Alterations and Additions: Plans will be assessed as follows:
- Additions: assessed on the area (square metres) per category
  - Alterations: assessed on the QS/Architect estimated value and calculated at 0.008% of the value
- 9.3 Applications for Provisional Authorisation to Commence with the erection of a Building:  
Applications for provisional authorisation to proceed with the erection of a building prior to final building plan approval will be considered on condition that:
- The application has been formally submitted (the full scrutiny fees paid) and the plans have been circulated to the applicable service branches.
  - The application for provisional authority is in writing and is fully motivated.
  - The prescribed provisional authorisation fee is paid. This fee is not refundable.
  - The application is for specific items of work clearly defined on the working drawings accompanying the building plan submission.
  - Full Planning (Zoning) approval has been obtained or is otherwise in compliance with all applicable zoning provisions.
  - The property must be not encumbered by private restrictive title deed conditions.
  - Provisional authorisation may be subject to applicable conditions and may include to limit the extent to which the subject building works may be implemented under such provisional authorisation prior to final approval of the building plan application.
  - Any work done prior to the approval the building plans is entirely at the applicant's risk and should the plans require amendments or should the application be refused for any reason the work already completed will have to altered or removed as the case may be at the applicant's expense.

- 9.4 Minimum Fee for Social Responsibility – to the discretion of Director: Planning & Economic Development as specified.  
An approved minimum application fee for private Subsidised Housing Projects will be considered on condition that:
- Subsidised Proof in accordance with the Housing Code to be presented and submitted with building plan applications
  - The minimum application fee is applicable to each application and is not a bulk application fee
  - Pre-submission notification to be submitted, indicating the number of erven, with erf numbers approved for subsidised housing

- 9.5 An application for the extension of validity of a building plan approval must be submitted prior to the lapsing date of the subject approval and the decision on the extension of validity may be made on a date after the subject approval has lapsed. An application for the extension of the validity of a building plan approval after the lapsing date will be invalid. During the period when a decision on the extension of the validity of a building plan approval is pending after the building plan approval has already lapsed, the subject building plan approval may not be acted on until such time as the decision on the extension of the validity has been taken. An application for the extension of validity may only be made once, and if approved, will only be valid as an extension of the original approval period for a further period of twelve(12) months, irrespective of date of approval of such extension of validity.

**These tariff rules must be read in conjunction with the “BUILDING DEVELOPMENT MANAGEMENT TARIFF STRUCTURE FOR 2024/2025.”**

# STELLENBOSCH MUNICIPALITY

## TARIFF RULES

### LAND USE MANAGEMENT & SPATIAL PLANNING, HERITAGE AND ENVIRONMENT

#### DIREKTORAAT: BEPLANNING EN ONTWIKKELING DIENSTE DIRECTORATE: PLANNING AND DEVELOPMENT SERVICES

## 1 GENERAL

### Period applicable

- 1.1 Fees effective from 1 July 2024.  
1.2 The fees replace all previous fees charged by Council.

### Method of payment

- 1.3 Fees can be paid in cash or electronically.

### Time of payment

- 1.4 Applicants must pay the fee/s when an invoice for the submitted application/s is/are presented for payment, except in the case of Impact statements and assessments, which become payable when the need for such an Impact statement / assessment becomes known to Council. The applicant must then be notified in writing of further payments and processing of the application may then only commence once payment is made which must be clearly stipulated in the notification.  
1.5 An application will only be deemed valid and the processing thereof will only commence once receipt of payment for the application is verified by Finance.  
1.6 All application fees are payable in the case of multiple applications.

### Proof of payment

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

### Refunds

- 1.8 All fees payable are set fees and not deposits.  
1.9 In the case of the withdrawal of applications, refunds will be paid as follows:  
a) Before advertising or circulation takes place – the full advertising component/fee and 50% of the total of all the other application fees is refunded.  
b) After advertising has taken place – no refund.  
1.10 If an exemption or reduction of fees is granted in terms of the provisions of subsection 9, refunds will be given as per the decision.

### Subject to change

- 1.11 All fees and tariff rules are subject to change.  
1.12 The specific fee applicable at the time when the application is accepted by Council, is payable.

## LAND USE MANAGEMENT

## 2 APPLICATION FEES

**Description**

- 2.1 Application fees are the minimum fee payable for submitted applications.
- 2.2 All fees are payable per item applied for (each consent, departure, rezoning, etc, charged separately) per property in line with the Stellenbosch Land Use Planning By-law , where applicable. Unless application is simultaneously made for the consolidation or subdivision of more than one property, which is directly adjacent, cadastrally bounded to each other, owned by the same property owner and submitted as one application for consideration. Only one application fee will be applicable for all erven included in the application.

**Rezoning & Determination of a zoning**

- 2.3 Rezoning fee is payable per application.
- 2.3.1 Determination of a zoning is payable per application.

**Permanent Departure fee**

- 2.4 The departure fee must be charged per application per property (i.e. if a building departs from the street and lateral building lines, coverage as well as from height, then the applicable fee must be charged as a single fee per property). In the case of registered indigent owners, as well as subsidised housing schemes, no departure fee at all would be payable.

**Temporary Departure, Permission in terms of the Zoning Scheme (Additional Uses / Technical Approvals), Permission in terms of condition in the Title Deed, Occasional Use of Land, Consent Use in terms of the Zoning Scheme**

- 2.5 Temporary departure, Permissions, Occasional use of land, Consent uses and Technical approvals, etc. are charged separately per application per property in addition to any departures (regulations) applied for.
- 2.5.1 A separate fee is applicable in respect of applications for temporary departure, consent use or special development in order to establish a house shop and/or early childhood development centres (ECD's) / home day care centres or day care centre and all Occasional use of Land applications.

**Subdivision & Consolidation & Amendment or Cancellation of subdivision plan (inclusive of general plan/diagram)**

- 2.6 Application fee is payable per application submitted.

**Exemption Certificates (subdivision / consolidation)**

- 2.7 This fee is payable for subdivisions/consolidations which are exempted in terms of the applicable legislation. This fee is payable per application submitted.

**Removal, Relaxation, Suspension and Amendment of Restrictive Title Deed conditions**

- 2.8 This fee is payable per application per property submitted.

**Amendment, Deletion or Imposition of conditions in respect of an existing approval**

- 2.9 This fee is payable per application submitted.

**Extension of validity period of approval**

- 2.10 Fees should be paid as depicted on the tariff schedule. For all applications for extension the fee will be 50% of the current application fee, for the financial year in which the application for extension is submitted, inclusive of VAT.

**Permission in terms of condition of approval or Administrative permission or approval inclusive of but not limited to: Site Development Plans; HOA Constitutions; Architectural / Design / Aesthetic Manuals or Guidelines, Landscaping Plans & Phasing Plans**

- 2.11 This fee is payable per application submitted. All permissions or approvals that is required and originates from a condition of an approval attached to a land use application granted by the municipality, will be exempted from this tariff. Any subsequent applications for the amendment to such permissions/ approvals on the initiative of the applicant will not be exempted.

**Closure of Public Place / Roads or part thereof**

- 2.12 This fee is payable per application submitted.

**Disestablishment of Home-Owners Association**

- 2.13 This fee is payable per application.

**Rectify failure of a Home-Owners Association to meet its obligations**

- 2.14 This fee is payable per application.

**Permission for reconstruction of existing building constituting a non-conforming use**

- 2.15 Permission required for the reconstruction of an existing building that constitutes a non-conforming use that is destroyed or damaged to the extent that it is necessary to demolish a substantial part of the building. This fee is payable per application.

**Naming and numbering of Streets, Places and Buildings**

- 2.16 This fee is payable per application submitted.

**Renaming of Streets, Places and Buildings**

- 2.17 This fee is payable per application submitted.

**3 ADVERTISING FEES**

**Advertising framework**

- 3.1 Advertising: is required in terms of the relevant land use legislation.
- 3.2 Advertising will be done in accordance with the land use legislation and fees will be charged accordingly.
- 3.3 Advertising in the press and advertising which consists of the serving of notices to interested and affected parties are charged independently (with different fees being applicable). No 'serving of notice' fee is applicable when notifying the applicant of the outcome of an application or notifying any objectors of the right of appeal.

**Advertising in the press**

- 3.4 The fee for advertising in the press is applicable whenever press advertising is required in a newspaper and/or Provincial Gazette. This fee is only payable when Council undertakes the advertising.
- 3.5 Advertising in the press is a basic advertising fee. Should the actual costs be more, the applicant is liable for such extra costs upon receipt of a quote.
- 3.6 Composite applications for the same property when advertised collectively in the press carry a single advertising fee.

**Serving of notices**

- 3.7 The fee for serving of notices is payable when Council conducts the serving of notices. This fee is not applicable when the applicant conducts the advertising.
- 3.8 The fee applicable for every 10 notices or part thereof to be served by Council is depicted in the schedule.
- 3.9 The 'serving of notices' fee is also applicable when notices are delivered by Council to interested and affected parties.

#### **4 OTHER**

##### **Deviation from Council Policies and By-laws**

- 4.1 Deviation from Council Policies and By-laws are charged per application per property.

##### **Appeal**

- 4.2 Appeal fees are charged and are payable per appeal submitted in respect of any decision taken by Council.

##### **Intervener Status**

- 4.3 This fee is payable per application submitted.

##### **Transfer clearance**

- 4.4 Transfer clearance fees are payable per erf for which application is made for clearance in terms of the applicable land use legislation and includes a Power of Attorney (POA) and a Certificate of Registered Title (CRT).

##### **Zoning Certificate**

- 4.5 This fee is payable when a formal zoning certificate is issued. Payment of this fee is required in respect of each erf for which a zoning certificate is requested.

##### **Business Licence**

- 4.6 This fee is payable in respect of each application received for the issuing of a business licence.

#### **5 CONTRAVENTION PENALTY**

- 5.1 Contravention penalty is applied in accordance with a Council Policy, By-law and/or any such enabling planning legislation and associated provisions.

5.2 A contravention penalty as stipulated in the Stellenbosch Municipal Land Use Planning By-Law, is payable within 30 days after approval of the utilisation of the land and/or construction activity and the land use rights will not have vested until such time as payment has been made.

5.3 The Contravention penalty is payable within 30 days from date of approval of the land use application that was submitted to rectify the unauthorised land use activity and the land use rights will not have vested until such time as payment has been made. .

5.4 If the property is to be transferred, the Municipality will only issue a certificate in terms of the Stellenbosch Municipal Land Use Planning By-Law, upon proof of payment of the contravention penalty.

5.5 No occupancy certificate for the building construction will be issued unless proof of the payment of the contravention penalty is submitted by the applicant.



- 5.6 Formula for Contravention Penalty: ~~((actual area/m<sup>2</sup> multiply by penalty rate A) + (indirect area /m<sup>2</sup> multiply by penalty rate B)) x (valuation/m<sup>2</sup>) = R/m<sup>2</sup>~~  
 The area of the construction activity (actual area per square meter x penalty rate A) and/or land area (indirect area per square meter x penalty rate B) that is unlawfully utilised in terms of the relevant zoning of the property) multiplied by (the municipal value per square meter (m<sup>2</sup>) of the land and/or building as stipulated in the current valuation roll of the municipality as on the date that is indicated on the contravention notice)
- 5.7 **Definitions:-**
- 5.7.1 ~~“Area” refers to the utilisation of the land and/or work on the land and/or construction activity on the land and/or any building on the land and/or structure on the land that is being utilised in a manner other than permitted in the zoning scheme without the prior approval of the municipality.-~~
- 5.7.2 ~~“Valuation” refers to the municipal valuation of any land and/or building as indicated in the current Municipal Valuation Roll.-~~
- 5.7.3 ~~“Date” refers to the date as indicated on the contravention notice.-~~
- 5.7.4 ~~“Property value” refers to the Value of property as reflected in the most recent municipal valuation roll.-~~
- 5.7.5 ~~“Valuation year” refers to the year of the last municipal valuation.-~~
- 5.7.6 ~~“Annual adjustment” refers to the Value adjustment (if any) on house price index or any other approved by the municipality.-~~
- 5.7.7 ~~“Size of property” refers to the area in square meters of the property as indicated on the title deed.-~~
- 5.7.8 ~~“Direct area of contravention” refers to the area in which the contravention occurs, e.g. rooms, floor area, coverage, and contravention measured in square meters.-~~
- 5.7.9 ~~“Indirect area of contravention” refers to the area complementary to the contravention, e.g. area used for parking, storage, outdoor activities or purposes.-~~
- 5.7.10 ~~“Penalty Rate A” refers to the rate at which penalty amount will be calculated on area of contravention as approved annually by Council.-~~
- 5.7.11 ~~“Penalty Rate B” refers to the rate at which penalty amount will be calculated on indirect area of contravention as approved annually by Council.-~~
- 5.7.12 ~~“Amount payable” refers to the total amount payable as a contravention penalty in terms of the relevant bylaw.-~~

## 6 PRINTING FEES

- 6.1 Printing fees are charged per page according to size and colour. The three types of copies/prints are mono (black & white), Colour line prints and Full Colour prints (photo). Copies will only be made in the sizes that are available at a particular office.
- 6.2 The fee charged for electronic information does not include the CD, which must be supplied by the applicant.
- 6.3 If information is specifically requested in terms of the Promotion of Access to Information Act, 2000, the relevant fees as prescribed in terms of that Act applies.

## SPATIAL PLANNING, HERITAGE AND ENVIRONMENT

### 7 PLANNING ADVISORY COMMITTEE SCRUTINY FEE

- 7.1 Planning Advisory Committee Scrutiny fees (Aesthetics Committee) are charged when a matter needs to be submitted to the Planning Advisory Committee (Heritage/Aesthetics Committee) for scrutiny, when buildings are older than 60 years or situated in the historical core. The fees are payable per application and are categorized as follows:
- 7.1.1 Minor alterations to existing buildings <500m<sup>2</sup>;
- 7.1.2 Major alterations to existing buildings >500m<sup>2</sup> and new developments.

**8 COMPLEXITY FEES (ADDITIONAL FEES FOR HIGH IMPACT APPLICATIONS) AND AMENDMENT OF URBAN EDGES.**

**Description**

- 8.1 Additional fees are charged on top of the basic application fees when a Heritage Impact Assessment (HIA), Environmental Impact Assessment (EIA) and Traffic Impact Statement / Assessment (TIA/S) are required, since such applications are more complex and involve more work. The complexity fees are charged to cover additional expenses due to the processing of complex applications, resulting from the fact that such applications normally are more complicated to process and due to the fact that it requires input from specialised staff which would not normally be involved in the assessment of applications which doesn't require an impact statement/assessment. The EIA and HIA fees are charged up front like all other fees if the application requires assessment in terms of the NEMA and/or NHRA. If an EIA and/or HIA fee has been paid when the SPLUMA/LUPA/By-law application was submitted and it turns out in the end that it did not lead to a full EIA / HIA, the EIA/HIA fee is not refundable. Complexity fees are charged per assessment/study.

**9 APPLICATION FOR SIGNAGE**

- 9.1 Application fees for signage (including flags) are paid in respect of each sign applied for. A minimum fee for signs smaller than 1m<sup>2</sup> is in place, but when signs are larger than 1m<sup>2</sup>, the minimum fee plus the enhancement fee will be payable for every additional m<sup>2</sup>.

**10 EXEMPTIONS**

- 10.1 All indigent residents which are registered as such with the Municipality and with proof submitted together with all applications for all permanent Departures will be exempted from the application fees applicable to permanent Departures.
- 10.2 All applications submitted by or on behalf of Council are exempt from all the application, advertising and other fees in the attached table. This exemption only applies to applications made by Council or where Council is the developer. All other government institutions must pay the normal fees.
- 10.3 All applications for a zoning certificate from provincial or national government or government bodies are exempted from the application fees applicable to zoning certificates for state owned land or any other private owned land in which the the subject government or government body may have a justifiable interest.
- 10.4 Applications for the establishment of state, provincial and/or council subsidised housing schemes are exempt from all the application and other fees in the attached table. Advertising fees are payable in this regard. Application fees are, however, applicable in subsidised housing areas after the establishment of the areas has been completed; subject to the conditions in the establishment of any of the less formal townships.
- 10.5 All applications required to address / give effect to successful resettlement claims in terms of the Restitution of Land Rights Act, as well as in cases where land has been allocated to a successful claimant, such claimant is allowed to submit only one application, for residential development only (but including subdivision, removal of restrictions, etc, related to such residential development), which application(s) are exempt from all the application and other fees in the attached table. Advertising fees are payable in this regard. If a successful land claimant submits a mixed-use development application (which includes non-residential development) on land so obtained, such non-residential development gets charged the normal fees as specified for such application, including advertising and service of notice fees, as if the non-residential part of the application is a separate application from the residential part of the development. In cases where a successful land claimant submits a purely non-residential development application (which does not include any residential development) on land so obtained, such non-residential development application is subject to all the fees applicable to any other similar application which wasn't obtained by way of the Restitution of Land Rights Act/Rural Act 9.
- 10.6 The Director: Planning & Economic Development may grant or refuse applications for the exemption of some or all the applicable fees of particular applications which are necessitated due to changes to the developments made at the request of the Environmental Management Services in the interest of environmental or heritage conservation.

- 10.7 The Director: Planning & Economic Development may reduce or exempt a contravention penalty based on submissions that was made during objections to a compliance notice submitted to the Development Management Department as provided for in the Stellenbosch Municipal Land Use Planning By-Law.

**These tariff rules must be read in conjunction with the “LAND USE MANAGEMENT & SPATIAL PLANNING, HERITAGE AND ENVIRONMENT TARIFF STRUCTURE FOR 2024/2025”.**

## STELLENBOSCH MUNICIPALITY

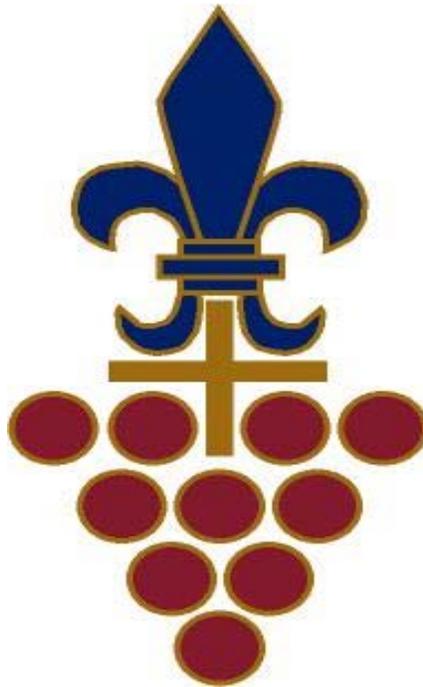
### TARIFF RULES PROPERTY MANAGEMENT

#### DIREKTORAAT: KORPORATIEWE DIENSTE DIRECTORATE: CORPORATE SERVICES

	DESCRIPTION	APPLICATION FEE	RENTAL/TARIFF	UNIT
<b>1</b>	<b>Lease Agreements</b>			
1.1	For commercial purposes, other than outdoor dining and parking purposes	R 2 650.00	To be determined by an independent valuer: on an ad hoc basis	
1.2	For commercial parking purposes	R 1 272.00		
(a)	Stellenbosch CBD, Franschoek CBD and Technopark		R346.00	parking bay / month
(b)	Other Areas		R234.00	parking bay / month
1.3	For residential parking purposes* *Up to 3 parking bays.	R 636.00	R183.00	parking bay / month
1.4	Tertiary Institutions, schools and pre-schools	R 1 272.00	R111.00	parking bay / month
1.5	For outdoor dining purposes	R 1 272.00		
(a)	Stellenbosch CBD and Franschoek CBD		R159.00	m <sup>2</sup> / month
(b)	Other areas		R159.00	m <sup>2</sup> / month
1.6	Projections and projecting structures	R 2 650.00		
(a)	Onto street reserves / side walks		<b>Once of payment of:</b>	
	Up to 50 m <sup>2</sup>		R501.00	per m <sup>2</sup>
	51 m <sup>2</sup> to 100 m <sup>2</sup>		R445.00	per m <sup>2</sup>
	More than 100 m <sup>2</sup>		R390.00	per m <sup>2</sup>
(b)	Onto other council – owned property, where such projection has an impact on development value of council – owned property	R 3 180.00	To be determined by an independent valuer (should the estimated value be more than R100 000.00, then the weighted average of 2 independent valuations must be obtained)	
1.7	For temporary use of Council-owned property for construction work			
(a)	Stellenbosch CBD and Franschoek CBD & Technopark	R 3 180.00		
	Up to 20 m <sup>2</sup>		R668.00	per month
	20 m <sup>2</sup> - 100 m <sup>2</sup>		R1 336.00	per month
	101 m <sup>2</sup> – 1000 m <sup>2</sup>		R6 678.00	per month
	More than 1000 m <sup>2</sup>		R13 356.00	per month
(b)	Other areas	R 530.00		
	Up to 20 m <sup>2</sup>		R334.00	per month
	20 m <sup>2</sup> - 100 m <sup>2</sup>		R724.00	per month
	101 m <sup>2</sup> – 1000 m <sup>2</sup>		R3 896.00	per month
	More than 1000 m <sup>2</sup>		R8 348.00	per month
	Deposit:		An amount to be determined by D:CS in relation to the potential risk to infrastructure / improvement with a minimum amount of R2 000.00	
	<b>*Please note:</b> Where a new owner of a property wants to apply for a change in name, 20% of application fees will be payable			
<b>2</b>	<b>Lease Agreements*</b>			
2.1	Temporary use of Council-owned property to a maximum of 30 days	R 636.00		
	Daily tariff:			
(a)	Up to 100m <sup>2</sup>		R250.00	per day
(b)	Between 100m <sup>2</sup> and 1000m <sup>2</sup>		R635.00	per day
(c)	More than 1000m <sup>2</sup>		R2 783.00	per day
	Deposit:		To be determined by D:CS, depending on the possible risk associated with the event.	
2.2	Telecommunication structure - Application / Power of Attorney	R 2 120.00	Market related rental to be determined.	
2.3	Temporary use of vacant Council-owned buildings*			
	*Not covered by approved tariff structure			
	To be considered by:			
	D:CS: To a maximum of 1 month			
	D:CS: To a maximum of 3 months			
	MM: To a maximum of 6 months			
	MM: To a maximum of 12 months			

<b>3</b>	<b>Servitudes*</b>			
3.1	In urban areas	R 2 650.00	Once-off payment of 80% of municipal valuation of land.	
3.2	In rural areas	R 2 650.00	Once-off payment of 60% of municipal valuation of land.	
	<b>* Please note:</b> Where estimated servitude value exceeds R100 000.00, the fair market value is to be determined by an independent valuer. Where estimated servitude value exceeds R1M, the fair market value is to be determined by two independent valuers (weighed average)			
<b>4</b>	<b>Posters</b>			
4.1	Political parties 85% of tariff refundable on removal of posters as per conditions.		R5 565.00	(deposit)
4.2	For Commercial purposes			
(a)	Up to 30 posters		R56.00	per poster
(b)	Between 30 and 60 posters		R67.00	per additional poster
(c)	Between 60 and 100 posters		R89.00	per additional poster
(d)	More than 100 posters		R111.00	per additional poster
4.3	Non-commercial purposes			
(a)	Up to 30 posters		R22.00	per poster
(b)	Between 30 and 60 posters		R34.00	per additional poster
(c)	Between 60 and 100 posters		R45.00	per additional poster
(d)	More than 100 posters		R56.00	per additional poster
4.4	Woodfees: Individual artists Per poster (to a maximum of 20 posters)		R61.00	
	<b>DESCRIPTION</b>			
4.5	Local Theaters			
(a)	Up to 500 posters for a season		R4 452.00	
(b)	Up to 1000 posters for a season		R8 904.00	
(c)	More than to 1000 posters for a season		R13 356.00	
4.6	Newspapers			
	<b>Local</b>			
(a)	Up to 1000 posters per annum:		R3 339.00	
(b)	Up to 2000 posters per annum:		R5 565.00	
(c)	More than 2000 posters per annum:		An additional amount of R8.00 per poster	
	<b>Other</b>			
(a)	Up to 1000 posters per annum:		R5 565.00	
(b)	Up to 2000 posters per annum:		R8 904.00	
(c)	More than 2000 posters per annum:		An additional amount of R8.00 per poster	
	<b>*Note:</b> The term posters include flags.			
	<b>Please note: -</b>			
(a)	Application fees listed in this tariff structure exclude professional fees such as legal fees, valuation fees, survey costs, publication of notices, etc. Where such costs are incurred, it is payable by the applicant, over and above the application fee as listed in this tariff structure.			
(b)	All fees include VAT			
	<b>Exemption</b> The Municipal Manager may at his or her sole discretion, and after taking into consideration the merits of a specific application, exempt an applicant from paying the tariffs as set out above, or at a reduced rate.			

**STELLENBOSCH MUNICIPALITY**



**SUMMARY OF CHANGES TO  
BUDGET AND RELATED POLICIES**

**2024/2025**



# STELLENBOSCH MUNICIPALITY

## SUMMARY OF POLICIES

Policy/ By-law	Summarized Nature of change
<b>Rates Policy</b>	<p><b><u>Rates Policy</u></b></p> <p>The list below demonstrates such changes and serves the purpose to highlight the changes.</p> <p><b>Minor Corrections and document layout improvements</b></p> <p>Various grammatical and language changes and layout improvements were applied to enhance the readability of the document. The details of such may be traced via the “Track Changes” that has been activated in said document.</p> <p><b>Substantial Changes</b></p> <ul style="list-style-type: none"> <li>• Paragraph 7.2 [<i>Multiple use Properties</i>] was modified to ensure consistency when using specific categories for the components of such multiple use properties and to dis-allow the application of vacant properties within the multiple use context.</li> <li>• Paragraph 12 [<i>Clearance Certificates</i>] was modified by the removal of the reference to Special Rating Areas and a sub-paragraph (v) was added to allow for written conditional undertakings by Transfer Attorneys:</li> </ul>
<b>Indigent Policy</b>	<p><b><u>Indigent Policy 2024/25</u></b></p> <p>The list below demonstrates such changes and serves the purpose to highlight the changes.</p> <p><b>Substantial Changes</b></p> <ul style="list-style-type: none"> <li>• Paragraph 9 (c) [Indigent Register] was modified by the addition of “Use may be made of accredited services providers for audits and/or external verification checks”.</li> <li>• A new paragraph 10 [Communication Procedures] was added to ensure alignment to the document assessment report.</li> </ul> <p>The renumbered paragraph 12 [Short Title and Effective date] was updated.</p>
<b>Credit Control Policy</b>	<p><b><u>Credit Control and Debt Collection Policy 2024/25</u></b></p> <p><b>Minor Corrections and document layout improvements</b></p> <p>Various grammatical and language changes and layout improvements were applied to enhance the readability of the document. The Table of Contents was updated to record the applied changes. The details of such may be traced via the “Track Changes” that has been activated in said document.</p>

Policy/ By-law	Summarized Nature of change
	<p><b>Substantial Changes</b></p> <ul style="list-style-type: none"> <li>• The term “owners/debtors/consumers” as used throughout the Policy in various forms was modified to “owners/debtors” (or its singular usage) ensuring consistency of application and to mitigate the confusion caused.</li> <li>• Paragraph 8.2 regarding the use of e-mail addresses was modified to include the partial sentence “<i>or any documents processed by the Municipality</i>”.</li> <li>• Paragraph 8.5.1 was modified to emphasise to the public that they may during office hours approach the account enquiries staff for direct/immediate assistance.</li> </ul> <p>Paragraph 15.1 was modified to mitigate the uncertainty caused by the exclusion clause which now refers to “rentals only” instead of the implied “all services” as previously stated.</p>
<p><b>Irrecoverable Debt Policy</b></p>	<p><b><u>Irrecoverable Debt Policy</u></b></p> <p>The list below demonstrates such changes and serves the purpose to highlight the changes.</p> <p><b>Minor Corrections and document layout improvements</b></p> <p>No grammatical and language changes or layout improvements were applied to the document. The details of other specific changes may be traced via the “Track Changes” that has been activated in said document.</p> <p><b>Substantial Changes</b></p> <ul style="list-style-type: none"> <li>• Paragraph 3.2 was modified for higher levels for writing-off debt.</li> </ul>
<p><b>Tariff Policy</b></p>	<p><b><u>Tariff Policy</u></b></p> <p>The list below demonstrates such changes and serves the purpose to highlight the changes.</p> <p><b>Minor Corrections and document layout improvements</b></p> <p>Various grammatical and language changes and layout improvements were applied to enhance the readability of the document. The Table of Contents was updated to record the applied changes. The details of such may be traced via the “Track Changes” that has been activated in said document.</p> <p><b>Substantial Changes</b></p> <ul style="list-style-type: none"> <li>• Paragraph 4 (a) [<i>Trading Services</i>] was modified to provide for the optional context for generating surplus.</li> <li>• Paragraph 4 (e) [<i>Sundry Services</i>] was modified to provide for the optional context that the specific service charges to be cost covered but should at least break-even.</li> <li>• Paragraph 5.1 [<i>Water Tariffs</i>] was modified by removing the reason that water tariffs must follow the trend of bulk water purchases.</li> <li>• Paragraph 5.2 (k) [<i>Electricity Tariffs – Time of Use energy rate</i>] was modified by removing the title of said time periods.</li> </ul>



Policy/ By-law	Summarized Nature of change
	<ul style="list-style-type: none"> <li>Paragraph 5.3 (a) [<i>Refuse (Solid Waste) Removal Tariffs – Residential properties</i>] was modified by qualifying the name of the refuse bags as “standard refuse” bags.</li> </ul>
<b>Special Rating Area Policy</b>	<p><b><u>Special Rating Area Policy</u></b></p> <p>The list below demonstrates such changes and serves the purpose to highlight the changes.</p> <p><b>Minor Corrections and document layout improvements</b></p> <p>Various grammatical and language changes and layout improvements were applied to enhance the readability of the document. The Table of Contents was updated to record the applied changes. The details of such may be traced via the “Track Changes” that has been activated in said document.</p> <p><b>Substantial Changes</b></p> <ul style="list-style-type: none"> <li>Paragraph 6.4 [regarding leased <i>municipal-owned properties</i>] was modified to state that the liability for additional special rates is only applicable if the occupant is liable for the payment of rates for said municipal property.</li> <li>Paragraph 10.1.9 was modified to make the differentiation between categories and optional criteria.</li> </ul>
<b>Travel &amp; Subsistency Policy</b>	<p><b><u>TRAVEL &amp; SUBSISTENCY POLICY 2024-25</u></b></p> <p>(Minor amendments the details of such may be traced via the “Track Changes” that has been activated in said document)</p> <p>(page 4 )</p> <p><b>3.1 Subsistence Allowance</b></p> <ul style="list-style-type: none"> <li>(i) The representative is obliged to spend at least one night away from his or her usual place of residence on business; <b>R522 per day, or</b></li> <li>(ii) The representative will be on official business for a period exceeding 12 consecutive hours per day, without having to spend a night away from his or her usual place of residence; <b>R161 per day.</b></li> </ul>
<b>Cash Management and Investment Policy</b>	<p><b>Cash Management and Investment Policy 2024/25</b></p> <p><b>Substantial Changes</b></p> <p>The details of such may be traced via the “Track Changes” that has been activated in said document.</p> <p>Substantial changes made to the cash management and investment policy are as follow:</p>

Policy/ By-law	Summarized Nature of change
	<p><b>3.2.2 Petty Cash Withdrawal</b> Petty Cash is replenished by completing a petty cash replenish form provided.</p> <p><b>3.2.3 Delegation/Rights</b></p> <p>The incumbents of the following posts are authorized to sign petty cash request forms and authorise electronic payments on behalf of Council:</p> <p><b>3.2.3.2 Electronic Funds Transfer (EFT) and Petty cash request</b></p> <p>A-Signatories: Chief Financial Officer SNR Manager: Financial Management Services SNR Manager: Revenue and Expenditure Manager: Expenditure Manager: Revenue SNR Manager: Supply Chain Management Manager: Budget and Costing Manager: Financial Statements, Compliance and Reporting Manager: Financial Asset Management</p> <p>B-Signatories: Chief Accountant: Consumer Accounts and Valuations Senior Accountant: Cash Management and Credit Control Senior Accountant: MFMA Reporting and Compliance Senior Accountant: Financial Statements and Reconciliations Chief Accountant: Asset Management Chief Accountant: SDBIP Monitoring and Budget Control x2 Senior Accountant: Creditors and Payroll</p> <p>Each electronic payment and petty cash request form needs to be authorized by at least two A-Signatories, or one A-Signatory and one B-Signatory.</p>

Policy/ By-law	Summarized Nature of change
	<p><b>4.5 Deposit Books</b></p> <p>Each satellite-office cashier has an enumerated deposit book, as each pay point has a number. The Senior Clerk: Cashier orders books from the bank when needed. Head Office cashiers use the cash-vault machines for all deposits.</p> <p><b>4.6 Other payment methods</b></p> <p><b>4.6.1 Direct Deposits and ACB</b></p> <p>Direct deposits can be made into Municipal bank account via the Internet or by deposit slip via their bank, using the applicable Municipal account number as reference. This information is extracted and uploaded on a daily basis from the bank and imported into the Financial System. All deposits with a correct and recognisable reference will be receipted on a daily basis into the Financial System, where it is not possible to identify the deposit(s) it will be transferred into the Unallocated/Default vote. The Senior Clerk: Electronic Payments will investigate and follow-up regularly on the deposits in the Unallocated/Default vote to receipt these deposits to the correct debtor account or U-key.</p> <p>A monthly reconciled Unallocated/Default register which is duly signed off by the Accountant and Senior Accountant Cash Management is kept on record for reporting and capturing into the Annual Financial Statements.</p> <p>All deposits with an incorrect or unrecognisable reference in the reconciled and duly signed off Unallocated/Default register will be submitted to the Senior Manager: Revenue and Expenditure to be duly authorised for recognition as Income in accordance with the Prescription Act 68 of 1969(Updated to 23 December 2020).</p> <p><b>4.6.2 3rd Party</b></p> <p>Payments can be made at any approved service provider paypoints. This information is extracted and uploaded on a daily basis from the service providers'and credited against the clients' accounts.</p>

Policy/ By-law	Summarized Nature of change
	<p><b>4.6.5. Rejected Debit Orders and/or Electronic Payments</b></p> <p>Should any debit orders and/or electronic payment be rejected by any bank, such receipts will be reversed, and the full balance will be immediately become due. Any debit orders captured by the Finance Department and rejected by any bank, will be cancelled after three rejections.</p> <p>4.6.5.1 A prescribed fee as approved by Council may be levied on all rejected electronic payments</p> <p><b>4.6.6 Private Money</b></p> <p>No Municipal employee is allowed to:</p> <ul style="list-style-type: none"> <li>- Use Council's cash funds at any stage to be replaced at a later stage.</li> <li>- Use his/her own money as cashier float.</li> <li>- Safeguard private money amongst Council's cash (e.g. Cashier drawers, petty cash boxes, safes. Cash vault machines (where installed) etc.)</li> </ul> <p><b>5.3 Diversification</b></p> <p>Council will only make investments, as prescribed by Section 6 of the Municipal Investment Regulations, with approved institutions as set out in par 5.2 above. Excluding investments made per Executive Mayoral Committee resolution not more than 50% of available funds will be placed with a single institution. The discretion of management should be used when investing funds into the institution quoting the highest rate versus diversification of investment portfolio. Should the difference between the investment quotes be minimal, a decision can be made to invest in the lower quote for the diversification of investment portfolios.</p> <p><b>5.5 Internal Controls Over Investments</b></p> <p><b>5.5.1 Delegations</b></p> <p>5.5.1.1 In terms of Section 60(2) of the Local Government: Municipal Systems Act, (Act 32 of 2000) (the MSA), the Council may only delegate to the Municipal Manager (MM) the power to make decisions on investments on behalf of the Municipality.</p> <p>5.5.1.2 In terms of section 79 of the Act, the Accounting Officer has delegated to the Chief Financial Officer (CFO), in writing, his/her duty under section 65(2) (h) to manage the Council's available</p>

Policy/ By-law	Summarized Nature of change												
	<p>working capital effectively and economically in terms of the prescribed cash management and investment framework.</p> <p><b>5.5.2 Obtaining quotations and concluding deals</b></p> <p>Request are emailed to all approved institutions the day before, or the morning thereof. A cut-off is requested to ensure timeous processing of authorisation and payment of the investment. Quotes are captured on the decision report rates are compared and chosen in terms of the policy. Writing mandates, signed by the CFO and MM, shall be issued to successful investees with whom the Council of Stellenbosch Municipality invests funds setting out the following:</p> <p><b>9. REPORTING</b></p> <p><b>9.1 Reports</b></p> <p>The following reports are produced:</p> <table border="1" data-bbox="451 1020 1292 1524"> <thead> <tr> <th>REPORT NAME</th> <th>FREQUENCY</th> <th>PREPARED BY</th> <th>RECIPIENT</th> </tr> </thead> <tbody> <tr> <td>Bank Balance report</td> <td>Daily</td> <td>Senior Clerk: Electronic Payments</td> <td>Chief Finance Officer</td> </tr> <tr> <td>Investments</td> <td>Monthly</td> <td>Senior Accountant: Financial Statements and Reconciliations</td> <td>Manager: Financial Statements and Reporting</td> </tr> </tbody> </table> <p><b>11. EFFECTIVE DATE</b></p> <p>The effective date of this Policy is 1 July 2023 and will be reviewed on an annual basis to ensure that it is in line with the Municipality's strategic objectives and with legislation.</p>	REPORT NAME	FREQUENCY	PREPARED BY	RECIPIENT	Bank Balance report	Daily	Senior Clerk: Electronic Payments	Chief Finance Officer	Investments	Monthly	Senior Accountant: Financial Statements and Reconciliations	Manager: Financial Statements and Reporting
REPORT NAME	FREQUENCY	PREPARED BY	RECIPIENT										
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Investments	Monthly	Senior Accountant: Financial Statements and Reconciliations	Manager: Financial Statements and Reporting										

Policy/ By-law	Summarized Nature of change
<b>Development Charges Policy</b>	<p data-bbox="370 289 1347 382">Substantial changes were made to the Development Charges Policy. The details of such may be traced via the “Track Changes” that has been activated in said document.</p> <p data-bbox="370 453 610 483"><b>Point 1 Definitions</b></p> <p data-bbox="370 520 1347 613">1.8 ‘development charge (DC)’ means a charge levied by the Municipality or a Municipal Planning Tribunal in terms of section 40(7)(b) of, and contemplated in section 49 of, the SPLUMA, which must-</p> <p data-bbox="370 659 1347 722">(a) contribute towards the cost of capital infrastructure assets required to meet increased demand for existing and planned external engineering services; or</p> <p data-bbox="370 760 1347 861">(b) with the approval of the Minister, contribute towards capital infrastructure assets required to meet increased demand for other municipal engineering services not prescribed in terms of the SPLUMA;</p> <p data-bbox="370 898 1347 999">1.16 ‘land development application’ means an application for approval of land development as contemplated in section 41 of the SPLUMA or a building plan application;</p> <p data-bbox="370 1104 630 1134"><b>Point 2 Introduction</b></p> <p data-bbox="370 1171 1347 1415">2.9 A Development Charge (‘DC’) is a once-off capital charge to recover the actual cost of external infrastructure required to accommodate the additional impact of a new development on engineering services. A DC calculation is triggered by a land use change / land development application that will, if approved, intensify the municipal infrastructure demand. The threshold is the level up to which a new land use is deemed to have the same infrastructure impact as the existing permissible use and is determined based on a technical assessment.</p> <p data-bbox="370 1453 828 1482"><b>Point 5 Key principles of the Policy</b></p> <p data-bbox="370 1520 1347 1583">5.1. Principles to be applied must be in accordance with the current legislation, and further expounded in this policy.</p> <p data-bbox="370 1621 1347 1894">5.2. Development Charges will be levied based on the increased demand that utilisation of intensified land use rights, which came into operation as a result of the Zoning Scheme or approval of new land development applications , are reasonably expected to have on existing and planned external engineering services capacity, irrespective of the geographical location of the development. For example, the traffic generated by a development located along a provincial road, will ultimately end up on the municipal road network that link to the provincial roads.</p>

Policy/ By-law	Summarized Nature of change
	<p>The same applies to the additional stormwater run-off that ends up in downstream municipal networks and river courses, increase in demand and the bulk supply of water, and sewer and solid waste disposal. Factors are allowed in the calculations to reflect actual usage and as far as possible based on usages based on industry norms and standards of infrastructure for these cases.</p> <p><b>Point 6 Obligation to Impose a Development Charges</b></p> <p>6.1. Development Charges Apply</p> <p>When the Municipal Planning Tribunal or Municipality (delegated authority) approves a land development application which will or may result in intensified land use with an increased demand for external municipal engineering services infrastructure, it may, by imposing a condition of approval, levy a development charge proportional to the calculated municipal public expenditure that has or may be incurred to satisfy the increased demand according to the normal need arising from such approval.</p> <p>6.2.5. Houses or rooms in houses converted to student rooms / communes - up to a total maximum of five bedrooms per erf will not trigger a Development Charges payment. Bedrooms beyond five will be charged per room under the "Student accommodation / Commune / Hostels" DC category.</p> <p>6.2.6. Houses or rooms in houses converted to guest houses - up to a total maximum of three bedrooms per erf will not trigger a Development Charges payment. Bedrooms beyond three will be charged per room under the "Guest House" DC category.</p> <p><b>Point 7 Calculating of Development Charges</b></p> <p>7.5. The basis upon which development charges will be determined i.t.o. electricity will be as per NRS 069: Code of practice for the recovery of capital costs for distribution network assets or in terms of any existing or future municipal policy relating to electricity DCs.</p> <p>7.8. No adjustment factor between 2021/22 and 2022/23 was approved by Council as the new the unit costs were recalculated from scratch. As an escalation factor is still required in some instances, for instance to escalate the value of work done in lieu of DCs over multiple financial years, this increase is hereby confirmed as 14.7415%.</p>

Policy/ By-law	Summarized Nature of change
	<p><b>Point 8 Adjustment for Actual Costs or Usage</b></p> <p>8.1.1. there are exceptional circumstances, as motivated by the developer and if accepted by the Council, justify such an increase or reduction. An exceptional circumstance will typically be in the event that it is discovered that a gross error has occurred in the determination of the development charges tariffs, or</p> <p>8.1.2. a particular land development significantly exceeds the size or impact thresholds set out in the applicable Development Charges tariff tables, or</p> <p>8.1.3. the usage of a particular land use varies significantly from the usage of the approved Development Charges tariff tables and of which the actual usage is motivated by a professional engineer and can be justified by means of recognised engineering guidelines and/or industry norms and standards or,</p> <p>8.1.4. where a development is situated outside the urban area, and it is not connected to or uses the bulk infrastructure allowed for in the Development Charge calculation, because it is providing its own bulk services (e.g. private borehole water supply and waste water package plant), then that portion of the Development Charge must be removed from the calculation, and the developer must pay for the installation of his own bulk infrastructure to the approval of the Engineer or,</p> <p>8.1.5. in the event of the Municipality discovering that an error has occurred in the determination of the development charges tariffs, or if there are justifiable reasons to review the tariffs, it may, by means of a council resolution, correct such error or review such tariffs.</p> <p>8.2. Where the Municipality adjusts the amount of the bulk services component of a development charge in terms of this section:</p> <p>8.2.1 the developer is responsible for the costs of performing the calculation of such adjustment, which must be carried out by a registered professional civil engineer appointed by the developer with appropriate experience and expertise having regard to the nature and extent of the proposed land use; and</p> <p>8.2.2. the actual cost must include, where applicable and without limitation, land costs, professional fees, materials, labour, the reasonable costs of construction and any tax liabilities: provided that all such costs would otherwise have been borne by the Municipality, in the provision and installation of the bulk services concerned</p> <p><b>Point 9 Installation of External Engineering Services Instead of the Payment of Development Services</b></p> <p>9.7 “Upon the “Developer” having complied with all the terms and conditions of an engineering services agreement the “Municipality” undertakes to value the total cost of “Municipal Services”, such valuation will be based on the payment certificates as certified by the professional Consulting Engineer.</p>



Policy/ By-law	Summarized Nature of change
	<p>The total value as per the final payment certificate of the project will be used to determine the total cost of “Municipal Services”. If the project has been completed in a previous financial year, the total completion value (as normally indicated on the final payment certificate) can be escalated to the year at which time DC payment is to be made. The escalation rate will be the same as the DC annual escalation as approved by council. The outstanding amount of development charges payable will be reduced by the value of such “Municipal Services”. The outstanding amount will be payable before a clearance certificate is issued by the Municipality, or before an occupation certificate is issued (where clearance certificate is not applicable) or by any stage as indicated by the Municipality in the approval conditions for that development.</p> <p><b>Point 12 Subsidies and Exemptions</b></p> <p>12.1. The Municipality may only subsidise a land development or category of land developments through reducing the development charge payable in respect thereof if it meets one or more of the following criteria:</p> <ul style="list-style-type: none"> <li>• The land development must be for purposes of serving the community, conservation, educational, institutional or public purposes as defined in Schedule 2 to the SPLUMA.</li> </ul> <p>12.2. Examples of land uses that qualify for automatic exemptions, are the following:</p> <ul style="list-style-type: none"> <li>• All government subsidised housing programmes will be automatically exempt from DCs. These projects are approved by council as per the Housing pipeline prior to implementation and such approval should include financial commitments regarding the provision of bulk services for these projects. Such projects would also typically qualify for government grants to fund the upgrade of bulk infrastructure. It is thus not necessary for development charges if the provision of bulk services is to be funded by alternative funding sources. If any bulk upgrades are identified to accommodate the new development during land use approval, then the onus will be on Council to allocate the required funds to the budget as part of the project implementation.</li> </ul> <p>12.3. Examples of land uses that may potentially qualify for subsidies, subject to council approval, are the following:</p> <ul style="list-style-type: none"> <li>• Public schools, hospitals, clinics and other public infrastructure projects developed and funded by government which provides a service to especially the poorer communities may qualify for a potential subsidy. These projects will have a social and economic benefit to the communities and the Municipality in its whole and in so doing will alleviate some institutional and financial pressure on the Municipality in terms of providing social infrastructure and social development programmes.</li> </ul>

Policy/ By-law	Summarized Nature of change
	<p>12.5. Applications and motivations for subsidies must be in writing and addressed to the Director: Infrastructure Services for evaluation, calculation of the applicable development charge as if it were payable, and submission of a recommendation to the Stellenbosch Municipal Council for consideration. Such submission must clearly indicate how the application meets the criteria of 12.1 and / or 12.3 above. Should the submission/motivation fail to prove that it meets these criteria, it will not be recommended to council for consideration.</p> <p>12.7. Before the Municipality grants an individual subsidy, it must:</p> <p>12.7.1. ensure that the revenue to be forgone as a result of any subsidy approved by the Municipal Council is reflected in the Municipality's budget (Finance);</p> <p>12.7.2. must provide for budgetary provision for the realisation of the revenue forgone to be made, from another realistically available source of revenue (Finance);</p> <p>12.7.3. ensure that the monetary value of the subsidy, together with the amount of any other payment or payments received by the Municipality towards the capital costs of external engineering services for an approved land development, is at least equal to the development charge calculated in accordance with paragraph 12.4.1.</p> <p><b>Point 13 Special Arrangements</b></p> <p>13.3. Development Charges In lieu of Parking bays: If the development is located in an area where in the opinion of the Municipality the lack of sufficient on-site parking is currently causing problems, payment of Development Charges in lieu of providing parking bays will not be permitted. Some or all of the following criteria, at the sole discretion of the Municipality, must be met before a Development Charges payment in lieu of parking will be favourably considered:</p> <ul style="list-style-type: none"> <li>• If located in the historical CDB core where buildings were historically approved with limited parking provision;</li> </ul> <p>13.8. Where a development's Development Charges are utilised to upgrade a specific service in order to create the required capacity, and the Development Charges for that specific service category is not sufficient to cover the cost of the upgrade, the Director: Infrastructure Services, at his discretion, will determine if Development Charges from the other service categories can be utilized to cover the cost. Factors to be taken into consideration include the status of bulk services in the development area, the practicality and timing to secure alternative sources of funding, etc. The Community Facilities Development Charges must be ring fenced and not</p>

Policy/ By-law	Summarized Nature of change
	<p>utilised on engineering infrastructure.</p> <p>13.9. Where a service other than a bulk service needs to be modified/relocated in order to accommodate a development, and such modification/relocation is the municipality's responsibility, but cannot be implemented by the municipality due to time and/or budget and/or operational constraints, such work may be offset from DCs. An example would be if a municipal service is located on private property, without a servitude, and such service needs to be relocated to allow building work.</p> <p>13.10. Where a change in land use leads to a lower impact than the original land use, and leads to a specific service being in a "credit" in terms of the DC for that service, such credit cannot be refunded, or be offset from the DCs of any of the other services. The reason for this is that the original impact has already been catered for in terms of bulk services, that expense does not fall away due to the lower impact of the changed land use. Furthermore, should the new land use in future change back to its original use, a DC will not be applicable, as it would be deemed that such DC had been paid when the original land use had been implemented.</p> <p>Example – a new 2 residential erf subdivision is approved – DCs are paid before subdivision clearance. Then afterwards, it is consolidated, no DC payable because impact on (say roads/trip generation is less for one erf than 2 erven.). Afterward, again subdivided into the original 2 erven – no DC is now payable because a DC was already paid when the 2 erven were originally subdivided.</p> <p>13.11. Outdoor Function / Picnic Areas: Where such an outdoor area is provided as an alternative seating space for the formal seating (GLA) in a restaurant/deli/tourist facility, in other words the outdoor area will not lead to additional guests, then DCs will not be applicable for the outdoor area. The total number of persons to be accommodated at any point in time at the establishment will then be limited to the capacity of the restaurant/deli/tourist facility, which must be stated in the application and in the application's motivation. If, however the seating of an outdoor area is additional to the formal seating (GLA) in a restaurant/deli/tourist facility, then DCs will be charged for that outdoor area as well.</p>
<p><b>Accounting Policy</b></p>	<p><b><u>Accounting Policy 2024/25</u></b></p> <p><b>Substantial Changes</b></p> <p><b>Substantial changes were made to the Accounting Policy.</b></p> <p>The details of such amendments may be traced via the "Track Changes" that has been activated in said document.</p>

Policy/ By-law	Summarized Nature of change		
<b>Financing of External Bodies Performing Municipal Functions Policy</b>	<p><b><u>Financing of External Bodies Performing Municipal Functions Policy 2024/25</u></b></p> <p><b>Substantial Change</b></p> <p>The details of such may be traced via the “Track Changes” that has been activated in said document.</p> <p><i>Substantial Changes made to the Financing of External Bodies Performing Municipal Functions Policy are as follow:</i></p> <p><b>Point 4. OBLIGATIONS OF THE ORGANISATION/BODY</b></p> <p>4.4 The beneficiary undertakes to provide the Municipality with the details of a separate bank account to deposit the funds directly into such bank account.</p> <p>4.5 The beneficiary must ensure that the funds earn interest until such funds are used for the purpose it was approved.</p> <p>4.6 Funds that are not used for intended purpose, must be refunded to the Municipality with all interest accrued.</p> <p>4.7 The beneficiary must submit to the Municipality quarterly progress reports.</p> <p><b>Point 5. RIGHTS OF THE MUNICIPALITY, CONTROL AND MONITORING</b></p> <p>5.5.6 Submit quarterly records of funds allocated and its actual expenditure to the Municipality.</p>		
<b>Ward Allocation Policy</b>	<p><b><u>Ward Allocation Policy 2024-25</u></b></p> <p>Minor amendments the details of such may be traced via the “Track Changes” that has been activated in said document.</p> <p><b><u>7. ROLE PLAYERS, ROLES AND RESPONSIBILITIES</u></b></p> <p><b><u>7.8. IDP Department</u></b></p> <table border="1" data-bbox="370 1507 1292 1852"> <tr> <td data-bbox="370 1507 651 1852">User department</td> <td data-bbox="656 1507 1292 1852">           Costing of projects.            Completion of procurement plans and inclusion of ward projects in implementation planning for the year.            Implementation of projects.            Procurement of services.            Arranging meetings with councillors to guide and explain process to follow.            Communication between procured service provider, Ward Administrator and Ward Councillor.            Signing off and submission of invoices.         </td> </tr> </table>	User department	Costing of projects. Completion of procurement plans and inclusion of ward projects in implementation planning for the year. Implementation of projects. Procurement of services. Arranging meetings with councillors to guide and explain process to follow. Communication between procured service provider, Ward Administrator and Ward Councillor. Signing off and submission of invoices.
User department	Costing of projects. Completion of procurement plans and inclusion of ward projects in implementation planning for the year. Implementation of projects. Procurement of services. Arranging meetings with councillors to guide and explain process to follow. Communication between procured service provider, Ward Administrator and Ward Councillor. Signing off and submission of invoices.		

Policy/ By-law	Summarized Nature of change		
	<table border="1" data-bbox="370 226 1295 346"> <tr> <td data-bbox="370 226 654 346"></td> <td data-bbox="662 226 1295 346">Monthly reporting on overall departmental expenditure for ward projects. This reporting must also be provided to the Manager: Councillor Support.</td> </tr> </table> <p data-bbox="370 352 1023 380"><i><b>New sentenced added at the end of the paragraph</b></i></p> <p data-bbox="370 415 1019 443"><b><u>8.CRITERIA FOR THE SELECTION OF PROJECTS</u></b></p> <p data-bbox="370 478 935 506"><i><b>New sentenced at the end of the paragraph</b></i></p> <p data-bbox="370 541 1369 716">(1) Projects may cross ward boundaries provided that the relevant ward councillors are in agreement on collaborative planning, funding and implementation of such projects. This agreement must be submitted formally in writing to the Manager: Councillor Support and approved at the ward committee meetings of the respective wards.</p> <p data-bbox="370 758 1201 785">8.15. In the case of projects undertaken on the <b>operating budget</b>:</p> <p data-bbox="459 793 1263 856">8.15.1 Adequate supervisory control shall be provided by the user directorate.</p> <p data-bbox="459 865 1321 892">8.15.2 Projects will be undertaken on council property, except in cases</p> <p data-bbox="548 940 1369 1039">8.15.2.2 A ward hosts a function or event at facilities that are not council owned - subject to adequate supervisory control provided by the relevant user directorate, or</p> <p data-bbox="548 1050 1369 1148">8.15.2.3 A ward funds or supports a local government function (for example, additional law enforcement officers) that is not necessarily performed on council property.</p> <p data-bbox="548 1159 1369 1291">8.15.2.4 All operational projects will comply with the requirements of National Treasury Circular 82 specifying requirements to be adhered to when providing catering as adopted by Stellenbosch council.</p> <p data-bbox="548 1302 1369 1400">8.15.2.5 Community events aimed at vulnerable groups must contain an educational component that speaks to the strategic intent as identified by the Speaker.</p> <p data-bbox="370 1449 1369 1623">8.16 To contribute to maximum impact through meaningful legacy projects within communities, projects must be limited to <b>two operational and two capital</b> projects per ward, depending on whether capital projects are allowed for the respective financial year. (Except for wards consisting of mostly rural areas where council does not own property.)</p> <p data-bbox="370 1665 1369 1906">8.17 Ward councillors and / or ward committees are not allowed to cancel projects when official purchase orders have been issued for service providers to procure items / provide services as per the ward allocation programme for the respective ward. Should the ward councillor / ward committee cancel the project on the day of the implementation, and the service provider is able to provide proof of expenditure, then the ward councillor will be liable for the recovery of the expenses.</p>		Monthly reporting on overall departmental expenditure for ward projects. This reporting must also be provided to the Manager: Councillor Support.
	Monthly reporting on overall departmental expenditure for ward projects. This reporting must also be provided to the Manager: Councillor Support.		

Policy/ By-law	Summarized Nature of change
	<p>The request to cancel the project must be communicated in writing to both the Manager: Councillor Support and the Manager of the respective department where the implementation of the project / event is based. Reasons for the cancellation must be provided.</p> <p><b>13. <u>DEVIATION FROM POLICY</u></b></p> <p>13.1. Deviation from the project selection criteria as listed in section <b>Error! Reference source not found.</b> above may be considered by the Municipal Manager on receipt of a written request from the Manager Councillor Support, supported by the User Directorate, detailing the motivation for such a deviation. The initial request for a deviation from the criteria listed must be received in writing from the ward councillor.</p>
Wayleave- Policy	<p><b><u>Wayleave Policy 2024/25</u></b></p> <p><b>Substantial Changes</b></p> <p>Major changes were made to the Wayleave- Policy. The details of such may be traced via the “Track Changes” that has been activated in said document.</p> <p><b><i>Point 1.1 Legal Context para 1 &amp; 2</i></b></p> <p>In terms of Section 151 of the Constitution of the Republic of South Africa, 108 of 1996, a municipality has the right to govern on its own initiative, the local government affairs of its community, subject to national and provincial legislation.</p> <p>Section 156 of the Constitution grants the municipalities the right to administer the local government matters listed in Schedule 5B, which include municipal roads. A municipality may make by-laws for the effective administration of municipal roads</p> <p><b><i>Point 1.2 Need for Co-ordination Changes has been made from paragraph 1&amp;4</i></b></p> <p>The collective value of infrastructure services contained within the public road reserve, the road itself and Municipal Lands amounts to a considerable value. This infrastructure needs to be maintained, periodically rehabilitated and replaced or upgraded from time to time. Such activities can result in considerable delays, inconvenience, danger and additional costs to the road users and Municipality if not well planned and coordinated. The potential damages that can be suffered by either party include:</p> <ul style="list-style-type: none"> <li>• Damage to roads and other services;</li> <li>• Damage to vehicles;</li> <li>• Inconvenience to road users;</li> <li>• Reduction of the useful life of the road, footway or other services; and</li> </ul>

Policy/ By-law	Summarized Nature of change
	<ul style="list-style-type: none"> <li>• Time and social costs caused by delays.</li> </ul> <p>It is imperative that permission is a prerequisite for all Work conducted in the public road reserves and in Municipal Lands for careful control and co-ordination of the Works to avoid disturbance to service delivery and public inconvenience. This responsibility resides with the Stellenbosch Municipality and its infrastructure services departments to continuously improve their capability to provide such service.</p> <p>As the custodian of all municipal road reserves, the Infrastructure Roads, Transportation and Stormwater Department to an initiative programme to establish the necessary co-ordination activities and policies regarding Work conducted in public road reserves. This wayleave policy document (this document) was the first deliverable of the programme. This initiative was later transferred to the Asset Management and Systems (Wayleaves) Unit. This document attempts to provide a basic framework for ensuring proper co-ordination and co-operation between the various departments as well as external parties who conduct Work in the public road reserves and Municipal Lands.</p> <p>The document was prepared with the aim to minimise and strive to eliminate any negative effect or disruptions to services installed in the public road reserves and on Municipal Lands as a consequence of uncoordinated and carefully controlled Works. This document covers the procedures to apply for, process and approve Wayleaves, procedures to follow for undertaking and completion of Work, as well as a reference to specifications according to which the Work must be done.</p> <p><b><i>Point 1.3 Establishing a Service Co-ordinator Paragraph 1</i></b></p> <ul style="list-style-type: none"> <li>• Coordinate and regulate all Work carried out within the public road reserves and Municipal Lands;</li> <li>• Minimise the disturbance and damage to existing Services;</li> <li>• Reduce and prevent illegal works carried out in the road reserves and Municipal Lands;</li> <li>• Assist in protection and safe guarding of the municipality infrastructure assets.</li> </ul> <p><b><i>Point 1.3 Paragraph 2</i></b></p> <p>In order to effectively implement and sustain such a function for a Service Co-ordinator and a Quality Control Engineer (collectively the Asset Management &amp; Systems (Wayleaves) Section) are being established within The Stellenbosch Municipality. The four essential tasks that must be accomplished in the process of establishing the Service Co-ordinator and the Quality Control Engineer are:</p> <ul style="list-style-type: none"> <li>• Establishing the necessary Council Policy in this regard (covered by this document);</li> </ul>

Policy/ By-law	Summarized Nature of change
	<ul style="list-style-type: none"> <li>• Establishing effective and simplistic procedures (covered by this document and detailed standard operating procedure);</li> <li>• Establishing effective Municipal Bylaws (in the process of formation);</li> <li>• Establishing an effective Organisational Structure (in the process of formation); and,</li> <li>• Proper record-keeping of each approval and work done on-site (active).</li> </ul> <p><b>Point 1.4 Document Structure from Second Paragraph</b> Section 1 – Introduction: This section aims to illustrate the need for coordination and responsibility of the wayleaves service coordination team. It further elaborates on the development approach adopted.</p> <p><b>Point 1.5 Supporting Documentation from the second paragraph</b></p> <ul style="list-style-type: none"> <li>• Wayleave application form,</li> <li>• The General Wayleave Conditions. These general conditions may be amended by the Service Co-ordinator depending on the nature of the Work to be carried out,</li> <li>• Wayleave Work Permit or Approval letter,</li> <li>• Services Verification Meeting Record</li> <li>• Public Liability Insurance Checklist,</li> <li>• Tariffs as approved per financial year,</li> <li>• Certificate of Works Completion</li> </ul> <p><b>Point 2. Definitions Minor Changes made from paragraph 2 until 4 &amp; 12 &amp; 14 and 16&amp;19</b></p> <p><b>Authorised Agent</b>" means an agent who is authorised by the Service Co-ordinator to perform specified Services;</p> <p><b>Backfilling</b>" refers to the replacement of the structural layers in the trench or excavation and may include the base, sub-base, selected subgrade and subgrade, but excludes the surfacing which is covered under 'Reinstatement';</p> <p><b>"Certificate of Works Completion"</b> means the document issued by the Professional Engineer appointed by the Wayleave Holder as proof that Work in the public road reserves has been completed complies with the requirements and conditions of this document and that of the approved wayleave and issued to the Wayleave Holder;</p> <p><b>"Code"</b> means the Policy (this document) for Work in the Public Road Reserve (PRR) and other Municipal Lands as approved by the Council and as agreed to by the Pa Lane Rentals" mean the rentals that are paid to the Service Co-ordinator by a Service Agent, excluding a Municipal Department, whose Work in the Public Road Reserve (PRR) results in time delay costs (TDC) being incurred by the users of the Public Road Reserve (PRR);</p>



Policy/ By-law	Summarized Nature of change
	<p><b>"Professional Engineer"</b> means a person registered as a Professional Engineer/ Technologist in terms of the Engineering Professions Act, 2000, appointed and funded by the Wayleave Holder to ensure compliance with the requirements and Conditions of the Code and the Approved Wayleave. Appointment of such a person is required to control the Works wherever any excavation and overhead installations are involved.</p> <p><b>"Reinstatement"</b> refers to replacement of the final layer in the case of roads, footways and verges and this may be the bituminous surfacing, paving blocks, concrete, grass, etc, as originally discover on the site or may be instructed in the Wayleave Approval.</p> <p><b>Routine Maintenance Work</b> is defined as all types of Work involved in maintaining the services in the public road reserves and other Municipal Lands that does not require excavation, traffic control or reinstatement activities;</p> <p><b><i>Point 2. Definitions New Paragraphs 8 &amp;10 and 11&amp;13 and 15 &amp;24</i></b></p> <p><b>"Emergency Work"</b> is defined as any Work that is required to prevent or end a dangerous situation, to prevent or end an unplanned interruption in the supply of a Service, or to avoid any substantial losses. It is important to note that a lack of proper planning of Work to be carried out will not justify Emergency Work and such activities will be reasonably stopped by the Service Co-ordinator;</p> <p><b>"External"</b> refer to anything not belonging to the Council as applicable in the context.</p> <p><b>"Illegal"</b> refer to Works conducted without an approved Wayleave or without a valid authorisation from the Council.</p> <p><b>"Internal"</b> refer to anything belonging to the Council as applicable in the context.</p> <p><b><i>"Non-compliance"</i></b> refers to any violation of the approved wayleave conditions and requirements as applicable.</p> <p><b><i>"Municipal Land"</i></b> any land that is owned or is under control of the Stellenbosch Municipality;</p> <p><b><i>Point 2. Definitions para 21 to 25 and 27 to 31 and 33</i></b></p> <p><b>Service</b> means any structure or system installed by a Service Agent on or in the Public Road Reserve (PRR) and in a Municipal Land to provide service to the public or individuals;</p> <p><b>"Service Agent"</b> means any Municipal Department, Public or Private Agent or utility that has, intends to install a Service in the Public Road Reserve (PRR) on in a Municipal Land;</p>

Policy/ By-law	Summarized Nature of change
	<p><b>"Service Co-ordinator"</b> means the person or official or institutional body established by the respective department(s) with the sole responsibility to carry out the administrative functions of receiving and processing wayleaves applications, obtaining comments from the various internal Agents, and (following the decision by the Strategic Management Committee) conveying this decision in writing to the Applicant, namely to approve with conditions, or reject with reasons, any wayleave application, and to provide record-keeping of each application and installation;</p> <p><b>"Service-Sharing Installation"</b> means utilisation (by one or more Service Agents) of the same existing or new ducting or pipelines installation or structure as support or protection of a service without to avoid and/ or the need for additional excavations or installation of a protection or supporting structure;</p> <p><b>"Wayleave"</b> means the formal approval to carry out Work following certain conditions and requirements concerning planned and any existing services within the Public Road Reserve or Municipal Land. The wayleave approval must not be misconstrued as permission to build or install a structures or service or to plant or to connect a service.</p> <p>The onus is on the wayleave applicant or wayleave holder to ensure that he/ she attains all Council required permissions and approval prior to commencing with his/ her Works</p> <p><b>"Wayleave Applicant"</b> means the individual or institution or organisation who has applied for a wayleave and has not received an approval;</p> <p><b>"Wayleave Holder"</b> means the individual , institution or organisation who is in possession of an approved wayleave issued by the Service Co-ordinator;</p> <p><b>"Wayleave Work Approval Document"</b> means the signed document/s issued by the Service Co-ordinator, detailing the Work which has been approved and the period during which the Work shall be carried out, and includes approved drawings/plans as applicable and, requirements Conditions of approval;</p> <p><b>"Work(s)"</b> refers to any underground or overhead installation activities (irrespective of the size), including the activities provided for in Section 1 of this Code, carried out within the Public Road Reserve and Municipal Land.</p> <p><b>Point 3. Policy Overview</b>  <i>Minor Changes has been made from point 3.1.1.1 until 3.1.3</i></p> <p><i>Substantial changes as follow from 3.1.4.1</i></p> <p>3.1.4 The approval of a Wayleave means that:</p> <p style="padding-left: 40px;">3.1.4.1 The Wayleave Holder has permission to:</p> <p style="padding-left: 80px;">3.1.4.1.1 Conduct excavations in the Public Road Reserve</p>

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	<p>3.1.4.1.2 With attainment of relevant approvals and permissions from other departments as relevant and applicable; Place a new service, upgrade or maintain an existing underground or overhead service within the Public Road Reserve or Municipal Land, under specific requirements and conditions as stipulated in the wayleave;</p> <p>3.1.4.1.3 Obtain approval from the relevant department(s) to conduct vehicular and pedestrian control in the Public Road Reserve and in Municipal Land as applicable; and,</p> <p>3.1.4.1.4 Conduct excavation Reinstatement Works on the road, walkways, road reserve and other areas as applicable.</p> <p>3.1.4.2 The Council intends to protect and safeguard all of its infrastructure assets/ services and other services belonging to external service providers, install within the road reserves and Municipal Lands. However, the Council does not take responsibility and cannot be held liable for any disturbance and/ or damages to the other services belonging to external/ other service providers.</p> <p>3.1.4.3 For any External Services installed within the road reserve and in Municipal Land, any cost associated with temporary works, removal, relocating or upgrading these Service due to Council's or External projects such as developments, upgrades, rehabilitations, etc, those costs remains with the installed Service owner.</p> <p>3.1.4.4 All associated costs for temporary works, removal, relocating or upgrading of a Service owned by the Council must be included in the project cost.</p> <p><b>Point 3.2 Planning Work Time Schedules</b>  <i>Minor changes has been to paragraph 3.2.1.1 &amp; 3.2.1.2 &amp; 3.2.1.5</i></p> <p><b>Point 3.3 Basic Wayleave Procedures</b></p> <p>3.3.1 The basic procedure that is required for Work in the public road reserves and in Municipal Land is as follows:</p> <p>3.3.1.1 Permission to work in the public road reserves and/ or in Municipal Land must be obtained from the Service Co-ordinator through a formal Wayleave application in the form of a letter describing the Work to be done with details and design drawings/plans.</p> <p>3.3.1.2 The Wayleave Applicant must first obtain Service plans, indicating the positions of existing Services from the Service Agents / Owners identified by the Service Co-Ordinator, where available. The Service plans must indicate the positions and type of Services in the area where Work will be undertaken. It</p>

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	<p>may be necessary for the Applicant to carry out certain preliminary Work in order to determine precise positions and dimensions of any existing services which are not clear from the Service Plans which have been consulted.</p> <p>3.3.1.3 The Service Co-ordinator shall arrange a Services Verification Meeting on behalf of the Wayleave Applicant to meet up with the necessary Service Owner or Agents. This will help facilitate the process mentioned in 3.3.1.2. The Service Co-ordinator shall only arrange a Services Verification Meeting once the Wayleave Applicant is in good standing in terms of any compliance with the Stellenbosch Municipality.</p> <p>3.3.1.4 In the Services Verification Meeting, the Wayleave Applicant and the Service Co-ordinator shall ensure that the control section on the Services Verification Report form is signed by each Service Agent, indicating that in principle whether there are no objections to the issuing of the Wayleave to the applicant, where there is an objection then detailed reasons and motivations for such objection must be given. This approval will be subject to technical compliance with the standards of the Service Agents involved as well as compliance with the standards of Stellenbosch Municipality and the Work planned by the Council within the area under consideration.</p> <p>3.3.1.5 Once the Services Verification Report section has been completed by all the Service Agents, the application must be made for the issuing of a Wayleave Work Permit in accordance with the procedure set out in this document. No Work in the public road reserves may commence before a Wayleave has been approved and issued to the applicant.</p> <p>3.3.1.6 The Service Co-ordinator, in consultation with the Quality Control Engineer, will review the Wayleave application and prepare a report on the application, with recommendations.</p> <p>3.3.1.7 The Service Co-ordinator shall submit the report to the Manager: Asset Management and Systems detailing the application, the various Service Agents consulted, their comments received, confirmation of payment of the processing fees and the relevant, and confirmation of the appointment by the Applicant of a Professional Engineer or Technologist if any excavation is involved in the proposed Works, and after consultation with the Quality Control Engineer, the proposed decision, with conditions to be imposed upon approval, or the for refusal.</p> <p>3.3.1.8 Once approved, the decision to approve with conditions, or to refuse with reasons, shall be forwarded by the Service Co-ordinator to the Applicant. In the case of approval, the documents forwarded to the Applicant will indicate approval of the application and the conditions under which the approval is given, the signed approved plans, signed Site Services Verification Record from and the signed Wayleave Work Permit. The applicant will be required to acknowledge receipt and understanding of the approved wayleave with</p>

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	<p>stated requirements and condition, by signing and returning the signed copy of the approved wayleave</p> <p>3.3.1.10 The Work must be carried out according to this Policy and relevant support documents where applicable.</p> <p>3.3.1.11 The Wayleave Work Permit and the Service plans of the Service Agents must be kept on-site while the Work is in progress.</p> <p>3.3.1.12 Additional copies of the Wayleave Work Permit and approval documents may be obtained from the Service Co-ordinator if the Wayleave is applicable to more than one Work area or Work team.</p> <p>3.3.1.13 Work will be stopped if the approved Wayleave Work Permit and relevant supporting documents are not available during inspections on-site or if any of the Wayleave Conditions are not being adhered to. Work will be stopped until the required documents are available on-site.</p> <p>3.3.1.14 Failure to comply with the approved Wayleave Conditions may negatively impact future wayleave applications of the same applicant. This may include penalising and withholding wayleave approval of the applicant until the non-compliance has been rectified.</p> <p>3.3.1.15 On completion of the Work, all trenches and excavations in the public road reserves must be Backfilled and Reinstated according to the specifications of the Quality Control Engineer, referred to by this document or as specified in the approved wayleave conditions.</p> <p>3.3.1.16 On completion of the Work and permanent Reinstatement, a Certificate of Completion signed by the Wayleave Holder's Professional Engineer must be sent to the Service Co-ordinator by the Wayleave Holder.</p> <p>3.3.1.17 The Quality Control Engineer must review the Completion Certificate as well as carry out an inspection of the site after receiving the Completion Certificate and sign the certificate confirming that all conditions have been met.</p> <p>3.3.1.18 The applicable guarantee period will be stated in the letter of approval/ conditions (usually 12 months).</p> <p>3.3.1.19 Work performed under an approved Wayleave can only be performed in normal working hours (Mondays – Thursdays 08:00-17:00 and Fridays 08:00-15h00). Working after hours, on public holidays or on the weekend is not permitted without authorisation from the Service Co-ordinator and other involved departments, except for cases of Emergency Work. Any unauthorised work performed outside of business hours will attract a penalty as per the approved Municipal Tariffs. This penalty will apply and must be settled before</p>

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	<p>any new applications will be accepted from the Applicant who violated this requirement.</p> <p>3.3.1.20 Where work in the road reserve has been performed without an approved wayleave, the penalty as per the approved Municipal Tariffs will apply. This penalty will apply and must be settled before any new applications may be accepted from the Applicant who is guilty of this violation.</p> <p>3.3.2.2 This Code applies to all individuals and organisations who conducts Work in the public road reserves and on the municipal land,, this includes Internal Departments, External organisations, Service Agents and contractors.</p> <p><b>Point 3.4 Work in Public Roads Reserve</b></p> <p>3.4.3 The types of Work for which prior wayleave approval from Service Co-ordinators can be waived are Works deemed to be Emergency Work and must be undertaken according to the procedures set out in Section 3.17. However, the Applicant who will carry out the Works is required to contact, inform and attain approval (verbal/ written) from the Councils' Service Agents from the operations department as listed in Service Verification Record form. The Applicant is required to complete this form and attain all the required signatures prior or after he/ she is granted approval by the Internal Services Agent and return the completed form to the Service Co-ordinator to finalise the wayleave application.</p> <p>3.4.4 The types of Work that do not include any construction or installation Work are deemed Routine.</p> <p>3.4.5 Maintenance Work must be executed according to the procedures set out in section 3.3 in this document</p> <p><b>Point 3.5 Wayleave</b></p> <p>3.5.1 Work in the public road reserves and in Municipal Lands are controlled by a Wayleave. A Wayleave is simply permission to work at a specified time in a specified area in the public road reserves in accordance with the approved wayleave conditions and requirements. The wayleave must not be misconstrued as permission to build or install a structures or services or to plant or to connect a service. The onus is on the wayleave applicant or wayleave holder to ensure that he/ she attains all Council required permissions and approvals prior to commencement with his/ her Works applied for in the wayleave.</p> <p>3.5.2 A Wayleave Application may be submitted for a small or large project that covers Work in any part of the Municipal Area, provided that the position and expected start/end dates of all Work in the public road reserves or Municipal Land are adequately described under the description of the Work to be done.</p>

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	<p>3.5.3 General conditions are stated on the Wayleave approval and may include, but are not restricted to, the following:</p> <p>3.5.3.1 Description of Work to be done;</p> <p>3.5.3.2 Timeframe within which the Work must be done and validity period of the approved wayleave;</p> <p>3.5.3.3 Location of Work to be done. (Provision can be made for big projects with multiple locations. The scope of big projects must be limited to manageable portions from the Wayleave perspective. The Service Co-ordinator/ Quality Control Engineer will be able to direct project managers in this regard;</p> <p>3.5.5.1 A traffic control plan showing how vehicular and pedestrian traffic will be accommodated during the execution of the Works in the public road reserves, where applicable.</p> <p>3.5.5.2 Digital copies of the design drawing/plans showing details of the proposed Work.</p> <p>3.5.5.3 Subject to 3.5.7 below, proof of payment of the required processing and inspection fee(s).</p> <p>3.5.5.4 Proof of appointment of Professional Engineer or Technologist appointed to monitor the construction and Reinstatement and to provide a Completion Certificate once completed.</p> <p>3.5.5.5 Proof of valid, appropriate and sufficient public liability insurance and indemnity insurance.</p> <p>3.5.6.5 The location of all other Services in the public road reserves in relation to the proposed services to be installed. Services are located by obtaining information from the Service Agents within the Council and by doing cross-cuts where required. The use of cross cuts, as explained in paragraph 3.14, is strongly recommended.</p> <p>3.5.7 When the Wayleave Applicant is an Internal Council Department, then the Wayleave Applicant or Wayleave Holder is responsible and shall provide a written assurance that they will be responsible for obtaining the deposit or proof of sureties (see 3.5.5.3) and the appointment, either internally or externally, of a suitably qualified engineer to supervise the project (see 3.5.5.4) that are required to protect the Council's interests.</p> <p>3.5.8 The application for a wayleave must be submitted timeously to ensure that the wayleave can be issued before the work is programmed to start. work being carried out in the public road reserve or on municipal land without a wayleave must</p>

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	<p>be reported to the service co-ordinator and will be stopped by the council official on site. A copy of the Wayleave Work Permit and other supporting documents as defined must therefore always be on site when Work is being done in the public road reserves and on Municipal Land.</p> <p>3.5.9 The Service Co-ordinator will strive to limit the duration of the application review approval process to thirty (30) working days.</p> <p>3.5.10 The Wayleave Holder accepts full responsibility for all costs (Refer to Section 3.10) associated with and resulting from the Work carried out in the public road reserves.</p> <p>3.5.11 Only Work described in the Wayleave Work Permit may be executed. If the conditions on-site necessitate a deviation from the planned Work, the Service Co-ordinator must be informed before any work is done. These deviations may be in relation to the placement of the Service or the timing of the Works. The Service Co-ordinator may inform the Wayleave Holder of additional approvals that must be obtained from the Service Agents affected by the deviation as well as further requirements in terms of drawings and specifications. Work will only be allowed to continue once the Service Co-ordinator is satisfied that all the additional requirements have been met.</p> <p><b><i>Point 3.6 Existing Services and Planned Services</i></b></p> <p>3.6.1 The Wayleave Applicant must submit Service drawings indicating the position of all Services in the area of Work with the Wayleave application form. This information is obtained from the relevant Service Agents.</p> <p>3.6.2 Service Agents may require additional precautions relating to Work in the vicinity of their Services and must specify these in writing to the Wayleave Applicant and included in the approved wayleave conditions.</p> <p>3.6.3 As part of the Undertaking/Indemnity on the Wayleave application form, the Applicant has to confirm that the necessary information has been obtained from the Service Agents and undertakes to adhere to the additional conditions laid down by the various Service Agents. The control section on the Wayleave application form, signed by the Service Agents, will serve as proof that the Internal Service Agents approved that a Wayleave Work Permit may be issued.</p> <p>3.6.4 The Wayleave Applicant will verify with all Internal Service Agents whether future Work is planned for the area indicated in the Wayleave application. Such planned Work may dictate whether a Wayleave is approved and the conditions under which a Wayleave is approved. The planning horizon will depend on the planned life of the new Service as well as the Council's five-year Work plan</p>



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	<p><b><i>Point 3.10 Costs and Tariffs</i></b></p> <p>3.10.1 Administration, Supervision, Non-compliance and Illegal Works Tariffs</p> <p>3.10.1.2 The administration and supervision fees cover the Council's costs for Work done by the Service Co-ordinator to process the Wayleave application and for regular site inspection to ensure compliance and attending to related queries from the Wayleave Holder.</p> <p>3.10.1.3 The non-compliance Tariffs will be issued to the Wayleave Holder as applicable should Wayleave Holder deviate from the conditions and requirements of the approved wayleave.</p> <p>3.10.1.4 The illegal Works Tariffs will be issued to any individual or organisation or Wayleave Holder as applicable should he/ she be found conducting Works in the road reserve or on Municipal Land without an approved wayleave or permission</p> <p><b><i>Point 3.10.2 Public Liability Insurance</i></b></p> <p>3.10.2.4 The Council requires that the Wayleave Holder engage in the implementation of the Work in the road reserve and on Municipal Land must be in possession of an appropriate, valid and sufficient public liability insurance. It is an express condition of the Wayleave Holder indemnifies and holds the Council harmless against any claims, demands or losses incurred as a result of any work performed as applied for and approved the Wayleave</p> <p>3.10.2.5 Should the Wayleave Holder damage or leave any of the Council's Infrastructure Services unsafe and fail to notify the Council and rectify it timeously, the Council may rectify the damage using its own resources and materials, and the subsequent costs will be borne by the Wayleave Holder.</p> <p><b><i>Point 3.10.3 Reinstatement Cost</i></b></p> <p>3.10.3.1 The total cost of the permanent Reinstatement on the site of the installation in terms of the Wayleave Approval/Work Permit will be borne by the Wayleave Holder.</p> <p>3.10.4.1.4 Costs claimed by the Council's Municipal Traffic from external Service Agents for loss in revenue due to disestablished parking bays;</p> <p>3.10.4.1.6 Services rendered by the Service Co-ordinator in completing Work or altering Work to conform to Wayleave specifications; and</p> <p>3.10.4.1.8 Any penalties or tariffs for Non-compliance and Illegal Works in terms of the Municipal tariffs (See Tariff) and as stated in this document.</p>

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	<p data-bbox="370 226 699 254"><b><i>Point 3.11 Traffic Control</i></b></p> <p data-bbox="370 296 1364 396">3.11.3 The Service Co-ordinator can request that a traffic management plan be submitted Manager: Transport, Roads and Stormwater for approval. Any such Approved Traffic Management Plan shall be kept available on site</p> <p data-bbox="370 443 894 470"><b><i>3.14 Preliminary Works and Cross -Cuts</i></b></p> <p data-bbox="370 516 1364 646">3.14.1 In respect of all preliminary Work requested by the Service Agents and cross- cuts, the specifications from the relevant Service sAgents and in this document must be adhered to before Work will be allowed to start. Such requests include inter alia that:</p> <p data-bbox="370 659 1364 760">3.14.1.2The Service Co-ordinator and the contact person of each Service Agent involved must be informed 48 hours prior to commencing with the Work by the Wayleave Holder.</p> <p data-bbox="370 806 1364 867">3.14.1.3Alternatively, notice periods specified by the Service Agents must be adhered to.</p> <p data-bbox="370 913 737 940"><b><i>Point 3.17 Emergency Work</i></b></p> <p data-bbox="370 987 1364 1087">3.17.2 A categorised list of Emergency Work will be maintained by the Service Co-ordinator. It will serve as a guideline for Service Agents as well as the Service Co-ordinator in determining whether Work is an Emergency.</p> <p data-bbox="370 1134 1364 1234">3.17.3 The Service Co-ordinator will provide an emergency number for the use of Service Agents that requires information on the position of Services in the area where Emergency Work is to be carried out.</p> <p data-bbox="370 1281 1364 1556">3.17.4 The Service Co-ordinator must be notified in writing within one working day from commencing with Emergency Work and an Emergency Wayleave application submitted timeously. The Emergency Wayleave application option and process must be used and followed as state in the Wayleave application form. The Emergency notification document can be obtained from the Service Co-ordinator. If the Service Co-ordinator is not notified within 24 hours from the first working since the time the Emergency Work was discover, this work may be regarded as Illegal and penalised as applicable in the approved Council Tariffs.</p> <p data-bbox="370 1602 1364 1703">3.17.5 The emergency notification must always be certified by an Authorised Agent of the Service Agent as an emergency situation that requires their immediate attention.</p>

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<p><b>Policy and Procedures for Ward Committees</b></p>	<p><b><i>Point 3.18 Routine Maintenance Work</i></b></p> <p>3.18.2 A categorised list of Routine Maintenance Work will be maintained by the Service Co-ordinator. It will serve as a guideline for Service Agents as well as the Service Co-ordinator in determining whether Work is Routine Maintenance Work.</p> <p><b><i>Point 3.20 Certificate of Completion</i></b></p> <p>3.20.1 On completion of the Work, the Professional Engineer appointed by the Wayleave Holder must furnish the Service Co-ordinator as soon as practical, with the Completion Certificate with information as maybe required by the Council to know the exact location and condition of the Service install in/ on its land. The Quality Control Engineer will then set up a site meeting with the Wayleave Holder to carry out an inspection and will sign off the Certificate of Completion if all requirements have been met. The 12-month guarantee period for Reinstatements by the Wayleave Holder then commences.</p> <p><b><u>Ward Committee Policy 2024/25</u></b></p> <p><b><u>Substantial Changes</u></b></p> <p>Major changes were made to the Ward Committee Policy. The details of such may be traced via the “Track Changes” that has been activated in said document.</p> <p>Amendments and inputs were made by the Department of Local Government, Directorate: Public Participation in line with the Municipal Structures Act, the Speaker’s Office and Manager: Councillor Support.</p> <p><b><u>The substantial changes are as follow:</u></b></p> <p><b>9. Voting</b></p> <ol style="list-style-type: none"> <li>(1) Each community member present may cast one vote for one nominee residing in his/her geographical area.</li> <li>(2) Voting will be by ballot paper unless 75% or more of the voters decide to vote by show of hands. This may be determined for the meeting as a whole or for each geographical area separately.</li> <li>(3) Where voting is done by show of hands, the nominees for each geographical area must leave the hall for the duration of the election with respect to that geographical area. Informed by previous experiences, the Municipality is kindly advised to use secret ballot in order to avoid any disruptions and intimidation tactics we experienced in the past.</li> <li>(4) The ward councillor may vote for a nominee in his/her geographical area.</li> </ol>

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	<p>(5) The ward councillor may not, before or during the election meeting, influence or campaign for the election of ward committee members</p> <p><b>Election (voting) process at election venues</b></p> <p>9.1 The elections will be conducted in accordance with the election (voting) process.</p> <p>9.2 Only registered voters, whose names appear on the voters' roll of the Ward, where election of a particular Ward Committee are conducted will be eligible to participate in the elections of the particular Ward Committee.</p> <p>9.3 A registered person can only vote for one organisation/sector and/ one geographical block representative during the election process of a particular Ward Committee.</p> <p>9.4 A minimum of not less than 2 (two) organisations/sectors to be elected as members of a particular ward committee whilst the balance must be elected from geographical blocks.</p> <p>9.5 The ratio between organisations/sectors and geographical block representation, also taking into consideration 9.4 above, will be determined by the newly elected Ward Councillor, in consultation with the appointed election officer, taking into consideration the nominations received for the particular ward, upon finalising the list of nominations.</p> <p><b>12. Termination of membership</b></p> <p>The membership of a ward committee member will be terminated if that member:</p> <p>(a) resigns in writing;</p> <p>(b) is no longer qualified, in terms of clause 6 above, to be a member of a ward committee;</p> <p>(c) is removed from office by the Speaker in terms of clause 13; or</p> <p>(d) dies;</p> <p>(e) Relocates to another ward.</p> <p><b>13. Removal from office</b></p> <p>The Municipal Council may remove a member of a ward committee from office, after consideration of the Speakers recommendation to Council, based on an internal investigation by the office of the Speaker.Said internal investigation must be based on the "Audi Alteram Partem" rule. Grounds for removal as follows: Municipal Council, upon recommendation by the Speaker, can remove a member of a ward committee from office if that member:</p>

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	<p>(a) fails to attend three consecutive meetings without obtaining leave of absence from the ward committee;</p> <p>(b) deliberately fails to adhere to meeting procedures or is guilty of gross misconduct during ward committee meetings;</p> <p>(c) is involved in proven and malicious activities undertaken solely to undermine the authority of the Council or the ward councillor; or</p> <p>(d) is engaged in corruption or deliberately fails to disclose a material conflict of interest.</p> <p><b>14. Filling of vacancies</b></p> <p>(1) The Speaker must fill the vacancy by declaring elected the person who received the second highest number of votes in the geographical area concerned during the election held in terms of clause 8.</p> <p>(2) If nobody can be declared elected in terms of sub-clause (1) above, the ward committee may, by means of an information campaign in the relevant geographical area, call for qualifying nominations from that area, consider the nominations received and by a majority vote of the members present, fill the vacancy through a process of co-option.</p> <p>(3) The intention to fill a vacancy through a process of co-option must be placed on the ward committee's agenda beforehand, and the agenda must be circulated to members at least seven days before the meeting.</p> <p>(4) The geographical area representation of the member who vacated his/her position must be taken into account when filling a vacancy.</p> <p>(5) A person co-opted as a ward committee member must comply with the criteria stipulated in clause 6 above.</p> <p>(6) The ward committee vacant post will be filled within a month after the vacancy has occurred.</p> <p><b>15. The role of the Speaker</b></p> <p>The Speaker:</p> <ol style="list-style-type: none"> <li>1. Must ensure effectiveness and functionality of ward committees and other public participation processes in terms of section 37(k) of the Municipal Structures Amendment Act (2021);</li> <li>2. Must ensure that ward committees are established within hundred and twenty (120) days after the election of municipal councils in line with The hundred and twenty (120) days are calculated from the day on which the Independent Electoral Commission (IEC) declares the results of the Local Government Elections;</li> <li>3. If the Municipality fails to establish ward committees, the Speaker</li> </ol>

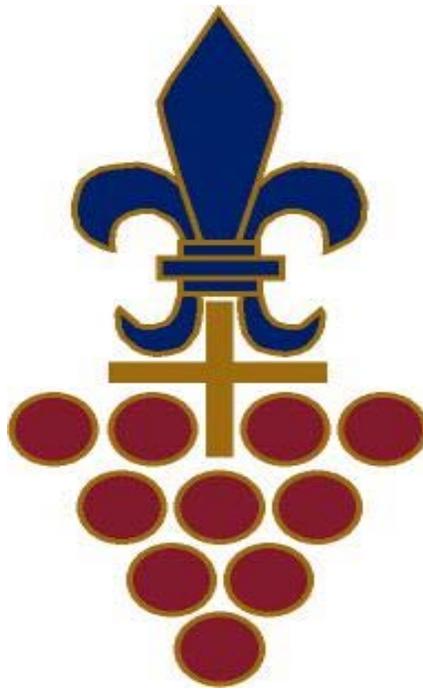
Policy/ By-law	Summarized Nature of change
	<p>must write a letter to the MEC for Local Government requesting extension. The MEC is required in terms of section 73 of the amended Structures Act to reply and indicate whether the extension has been granted or not within fourteen (14) days.</p> <ol style="list-style-type: none"> <li>4. is the patron/custodian of ward committees;</li> <li>5. must ensure that ward participatory structures are established in line with the set guidelines and applicable legislation;</li> <li>6. must in collaboration with ward councillors regulate and monitor the frequency of ward committee and community report-back meetings;</li> <li>7. must through his/her office ensure functionality of ward committees;</li> <li>8. must ensure that the local government environment is conducive to active citizen participation in governance at local level;</li> <li>9. must ensure ongoing training and capacity building programmes; and</li> <li>10. must set deadlines for submission of ward committee reports.</li> </ol> <p><b>20. Purpose of ward committee meeting</b></p> <ol style="list-style-type: none"> <li>(1) The purpose of ward committee meetings is: <ol style="list-style-type: none"> <li>(a) For ward committee members to raise, formulate and table matters affecting the ward or geographical area / sector</li> <li>(b) for the ward councillor to report on: <ol style="list-style-type: none"> <li>(i) matters decided by the Council; and</li> <li>(ii) initiatives, information, campaigns and programmes of the Council;</li> </ol> </li> <li>(c) to discuss complaints received by ward committee members on municipal service delivery in the ward; and</li> <li>(d) to formulate views and action plans on the above matters.</li> </ol> </li> <li>(2) Number of meetings <ol style="list-style-type: none"> <li>(a) at least two ward committee meetings per quarter; and</li> <li>(b) two (2) public meetings per calendar year with one meeting during the first half of the year and the other during the second half of the year.</li> </ol> </li> </ol> <p><b>25. Budget</b></p> <ol style="list-style-type: none"> <li>(1) Members of ward committees will be reimbursed for out-of-pocket expenses as contemplated in clause 25(2)(a) - (e) below.</li> <li>(2) The Municipality will annually budget for a stipend of R500? per month per ward committee member subject to</li> </ol>

Policy/ By-law	Summarized Nature of change
	<p>the following:</p> <ul style="list-style-type: none"> <li>(a) attending of meetings as per the ward committee schedule of meetings;</li> <li>(b) performing of functions as contemplated in clause 16 above;</li> <li>(c) the maximum reimbursement of R 1 500.00? can be paid at the end of each quarter after verification (meaning in the first two weeks of the new quarter) to ward committee members in person and not to organisations that she or he represents (For eg, this means that payment for the quarter October – December of the particular year will be made during the first two weeks of January of the next year). The amount payable is dependent on the attendance of ward meetings by the respective ward committee member. The payment will be done after the completion of the entire verification process.</li> <li>(d) that reimbursements only be paid on verification of attendance register of meetings and that reimbursements will only be electronically transferred to the bank account of the relevant ward committee member(s);</li> <li>(e) that non-attendance of ward committee meetings and/or non-performance of functions as stipulated in clause 16 above without a valid reason be reported to the Speaker;</li> <li>(f) ward committee members will only be paid for attendance of meetings after the proper verification. Failure to attend meetings will result in no payment;</li> <li>(g) that ward committee members may elect not to be reimbursed. This confirmation must be submitted in writing on a quarterly basis by the respective ward committee member who chooses not to be reimbursed.</li> </ul> <p><b>27. Dispute resolution</b></p> <p>The following mechanisms are recommended when disputes arise within ward committees:</p> <ul style="list-style-type: none"> <li>(a) every effort should be made to deal with disputes;</li> <li>(b) when a dispute arises, the ward councillor should notify the Speakers office, after which the Speaker must attempt to resolve the dispute through a process of mediation.</li> </ul> <p>if the attempt at mediation fails,the Speaker may choose to arbitrate or appoint an independent arbitrator to facilitate the process.</p>

Policy/ By-law	Summarized Nature of change
	(c) if the majority of the members of the ward committee remain aggrieved, the matter should be brought to the attention of Council -via office of the Speaker whereafter Council must make final resolution. This should be avoided as far as possible.



# **STELLENBOSCH MUNICIPALITY**



## **RATES POLICY**

**2024/2025**

**REVISED**



# STELLENBOSCH MUNICIPALITY

## RATES POLICY

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## 1. BACKGROUND

In 2007, Stellenbosch Municipality initiated a process to prepare a General Valuation (GV) Roll of all property situated within the geographical boundaries of Stellenbosch Municipality (WC024) in terms of the requirements of the Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004) including any subsequent amendments and consequential regulations (the MPRA) which became effective on 1 July 2009 at Stellenbosch Municipality.

This Policy is formulated in terms of Section 3 of the MPRA.

## 2. LEGISLATIVE CONTEXT

2.1 In terms of Section 229 of the Constitution, 1996 (Act 108 of 1996), a municipality may impose rates on property.

2.2 In terms of Section 4 (1) (c) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000), a municipality has the right to finance the affairs of the municipality by imposing, *inter alia*, rates on property.

2.3 In terms of Section 2 (1) of the MPRA a metropolitan or Local municipality may levy a rate on property in its area in accordance with the provisions of the MPRA.

2.4 This Policy must be read together with and is subject to the provisions of the MPRA.

2.5 In terms of Section 62 (1) (f) (ii) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (the MFMA), a municipality must have and implement a rates policy as may be prescribed by any applicable national legislation.

2.6 In terms of Section 8(1) of the MPRA, the Municipality will, as the primary instrument, levy rates on the use of property, but implemented as per paragraph 5.5 of this Policy.

2.7 All citations to applicable Acts as referenced in this Policy shall include all amendments and regulations to such as promulgated.

## 3. GUIDING PRINCIPLES

3.1 The rating of property will be implemented impartially, fairly, equitably and without bias, and these principles also apply to the setting of criteria for exemptions, reductions, and rebates contemplated in Section 15 of the MPRA.

3.2 The rating of property will be implemented in a way that:-

- is developmentally oriented;
- supports sustainable local government by providing a stable and buoyant revenue source within the legislative ambit of the Municipality;
- supports local and socio-economic development;
- promotes simplicity, uniformity, and certainty in the property rates assessment process;

- gives due consideration to the need for simple and practical process of billing and collection of property rates;
- promotes sustainable land management, especially that which reduces the risk from natural disasters;
- achieves national and local environmental management objectives; and
- balances the affordability by ratepayers versus the financial sustainability of the Municipality.

### 3.3 Other principles that will steer the processes of this Policy:

- All ratepayers within a specific category will be treated equally and reasonably.
- The Municipality will, when levying property rates for each financial year, take cognizance of the aggregate burden of rates on property owners in the various categories of property ownership.
- Rates Increases/Decreases will be guided by the budget requirements of the Municipality, and by Section 20 of the MPRA.
- In dealing with the poor/indigent ratepayers the Municipality may provide relief measures through exemptions, reductions or rebates.

### 3.4 Further determinants that will guide the processes of this Policy:

- The Zoning Scheme of the Municipality determines, via the provisions therein, the zoning and thus the legally binding use of a given property.
- However, the rating of said property is governed by the MPRA which determines a collection of rules that by implication sets the conditions by which the use of a property is categorised. It is therefore possible that even though an owner is using a property within the set rules of the Zoning Scheme, said property would not be rated on the same basis due to the definitions and provisions as applied according to the MPRA and this Policy.
- Moreover, such categorisation instituted according to the MPRAMPRA, or this Policy does not condone any unlawful use of a property regardless of circumstances.

## 4. DEFINITIONS

In this Policy, a word or expression derived from a word or expression as defined, has a corresponding meaning unless the context indicates that another meaning is intended.

The following four definitions in the MPRA are only shown for clarity:

**“Exclusion”**, in relation to a municipality's rating power, means a restriction of that power.

**“Exemption”**, in relation to the payment of a rate, means an exemption granted by a municipality.

**“Reduction”**, in relation to a rate payable on a property, means the lowering of the amount for which the property was valued and the rating of the property at that lower amount.

**“Rebate”**, in relation to a rate payable on a property, means a discount granted on the amount of the rate payable on the property.

In addition to the definitions contained in the MPRA, the following definitions apply for the purpose of the application of this Rates Policy.

Furthermore, specific terms or phrases used, but not defined in the MPRA are defined herein to describe said term or phrase for a specific perspective of the MPRA by the Municipality:-

**“the Municipality”** means Stellenbosch Municipality (WC024).

**“MPRA”** refers to the Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004) including any subsequent amendments and consequential regulations.

**“Accommodation Establishment”** means a property used for the supply of overnight sleeping facilities to transient guests at a fee.

**“agricultural activities”** means the intensive cultivation of soils for purposes of planting or growing, and gathering of trees or crops in a managed and structured manner; the intensive rearing of livestock or aquaculture. In addition, all the provisions as detailed in the definition of *“Agricultural Property”* in the MPRA persist in this Policy.

**“agricultural purposes”** refers to the active pursuit by a *bona fide* farmer to derive the principle source of income, which is commercially sustainable, from agricultural activities exclusively on Agricultural Properties.

**“bed & breakfast”** in relation to *Accommodation Establishment* means:

- an initiative on a property of which the residential character is maintained,
- where the owner or operator permanently resides in the same dwelling,
- where normally only breakfast is served, and
- sleeping accommodation to transient guests is limited to no more than 3 guest bedrooms.
- This property will be deemed to be a Residential Category.

**“bona fide farmer”** is a person or legal entity that is a legitimate farmer whose primary income originates from agricultural activities.

**“business and commercial property”** means a property that is used for the purpose described as the activity of buying, selling or trade in goods, commodities or services and includes any office or other buildings on the same property, the use of which is incidental to such business. This definition excludes the business of mining and agriculture activities.

**“Chief Financial Officer (CFO)”** means a person designated in terms of Section 80(2) (a) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003).

**“Conservation Area”** means:

- a Protected Area as defined in Section 1 of the MPRA and listed in the “Protected Areas Register” as stipulated in Section 10 of the Protected Areas Act defined in the MPRA as the National Environmental Management: Protected Areas Act, 2003 (Act 57 of 2003); nevertheless, specifically those parts of properties as described in Section 17 (1) (e) of the MPRA; or

- a mountain catchment area as described in Section 9 of the *Protected Areas Act* and declared in terms of the Mountain Catchment Areas Act, 1970 (Act 63 of 1970).

“**Guesthouse**” in relation to *Accommodation Establishment* means:

- an initiative that is operated on a property of which the residential character is maintained; and
- where the sleeping accommodation to transient guests exceeds 3 but limited to 16 guest bedrooms, or
- if any services are offered beyond the limited services of a *Bed & Breakfast* establishment.
- This property will be deemed to be a Business Category.

“**household income**” means the gross sum of all monthly income from all sources. Income sources may include wages, salaries, profits, dividends, pensions, rentals, board & lodging, interest received, grants or investment income and other forms of financial contributions.

“**industrial property**” means a property that is used for the purpose described as the branch of trade or manufacturing, production assembling or processing of finished or partially finished products from raw materials or fabricated parts, typically via a high-volume production process and on such large scale that capital and labour are significantly necessitated; and includes any office or other buildings on the same property, the use of which is incidental to such business.

“**Open Space**” means a property, but specifically land that is used as a park, garden, for passive leisure or maintained in its natural state and which is zoned as open space. These properties may either be publicly owned being commonly open to public access; or privately owned and used without financial gain.

“**ratepayer**” means a person or legal entity that is liable in terms of the MPRA for the payment of rates on property levied by the Municipality. The term “Ratepayer” is herein considered to be synonymous with the MPRA definition of the term “owner”.

“**residential purposes**” in relation to the use of the property means improved property primarily intended for human habitation and inhabited as such; subject to paragraph 7.9 of this Policy and provided that:

- the following properties are specifically excluded from this definition: hostels, old age homes, and vacant land;
- properties registered in terms of the Sectional Title Act, 1986 (Act 95 of 1986) must solely be used for this purpose; or
- properties owned by a share-block company must solely be used for this purpose; or
- a block of flats must solely be used for this purpose; or
- a dwelling used for this purpose ~~must be~~ and which is situated on property used for or related to educational purposes; or
- the predominant use of a retirement scheme or life right scheme must be 60% or more for this purpose.

“**SARS**” means the South African Revenue Service.

“**vacant land**” means a property:

- without any buildings or structures; or
- where immovable improvements have been erected but deemed incomplete and unoccupied.

“**valuation roll**” means a valuation roll drawn up in terms of Section 30 of the MPRA or a supplementary valuation roll drawn up in terms of Section 78(6) of the MPRA.

## 5. IMPOSITION OF RATES

5.1 The Municipality shall as part of the annual budgeting cycle, set for each category a rate, (being a cent amount in the Rand) that will be imposed, in accordance with the MPRA, on the market value of a property, for all rateable properties as recorded in the Municipality’s valuation roll, drawn up in terms of the MPRA. The amount so determined together with any relief measures as described in this Policy shall be the Rates due and payable by the owner of said property.

The levying of rates forms part of the Municipality’s annual budget process as set out in Chapter 4 of the MFMA.

Details of the resolution pertaining to the rate for each of the various property categories are to be published in the *Provincial Gazette* as set out in Section 14 of the MPRA.

5.2 The rates charged as a cent amount in the Rand for the residential property as per paragraph 6.1 (a) of this Policy is the base rate and the rate charged to all other categories of properties are reflected as a ratio to the residential rate if so prescribed by Regulations promulgated in accordance with the MPRA.

5.3 The Municipality will be guided by the definition of “ratio” in the MPRA and directed by Regulations pertaining to rate ratios as promulgated in terms of Section 19 of the MPRA and as applicable to the prescribed non-residential properties.

5.4 For properties used for multiple purposes, the Municipality may apply the category of multiple use. For such properties, the Municipal Valuer will apportion a value to each distinct use and apply the appropriate category for billing at the applicable rate.

5.5 For the purposes of determining a property’s category, the Municipality will determine such as per Section 8 of the MPRA. It should be noted that the Municipality considers permitted use to be appropriate on vacant properties and that all other properties would be categorised according to the actual use of said property.

5.6 Building Clause references

Obligations pertaining to Building Clauses as per the development agreements or contracts will under the obligation or constraint of Section 19(1)(d) not be administered as part of the valuation nor the rating processes.



## 5.7 Period for which rates are levied

The Valuation Roll will, according to Section 32(1) of the MPRA, remain valid for a General Valuation cycle of four years.

## 5.8 Valuation value constraints

- (a) For the purposes of valuing a property, no valuation value shall be less than R1 000 unless the valuer determines that said property's valuation value must be zero.
- (b) For administrative purposes all valuation values exceeding R1 000 may be rounded to the nearest R1 000 interval.

**6. CATEGORIES**

## 6.1 Categories of Property

Property Categories, each of which correlates to a distinct use of a property, have been determined as described below.

The codes that have been associated with each property Category are listed in paragraph 18.1 of this Policy. In addition, paragraph 18.1 identifies the attributes and criteria that determines the basis for application.

The Municipality will apply the following property Categories:

Item	Category (of property)	Purpose/Use
(a)	Residential	Refer Section 1 ( <i>Definitions</i> ) in the MPRA and the defined term <i>Residential Purposes</i> as per paragraph 4 in this Policy.
(b)	Industrial	Refer the definitions as per paragraph 4 in this Policy.
(c)	Business and commercial	Refer the definitions as per paragraph 4 in this Policy.
(d)	Agricultural	Refer Section 1 ( <i>Definitions</i> ) in the MPRA and the defined term <i>Agricultural Purposes</i> as per paragraph 4 in this Policy.
(e)	Mining	Refer Section 1 ( <i>Definitions</i> ) in the MPRA.
(f)	Public Service Purposes	Refer Section 1 ( <i>Definitions</i> ) in the MPRA.
(g)	Public Service Infrastructure	Refer Sections 1 and Sub-sections 17(1)(a) and 17(1)(aA) in the MPRA.
(h)	Public Benefit Organisation	Refer to Section 8(2)(h) in the MPRA.
(i)	Multiple Use	Refer paragraph 7.2 in this Policy.
(j)	Heritage	Refer Section 15(2A)(b) in the MPRA.
(k)	Vacant Residential	Vacant and Permitted use set as Residential.
(l)	Vacant Other	Vacant and Permitted use not set as Residential.

## 6.2 Categories for Relief Measures

The Municipality will consider relief measures on rates, being Exemptions, Rebates and/or Reductions on properties, according to various criteria as described in this Policy.

The codes (referred to as the Rebate Codes), associated with the specific relief measure, are listed in paragraph 18.2 of this Policy.

## 7. APPLICATION OF RATING

The Municipality will, in addition to the various criteria referenced above, apply the following criteria when rating a property:

### 7.1 Vacant Properties

The Category of Vacant properties will be determined according to the property's permitted use and these properties will not qualify for any relief measures.

Vacant property of which the permitted use has been set as residential will be rated as per the Vacant Residential Category.

Vacant property of which the permitted use has not been set as residential will be rated as per the Vacant Other Category.

Any vacant property registered in the name of the Municipality will be categorised as a Vacant Other Category and exempted from paying property rates.

Normally, Agricultural properties will not be considered as being vacant, however this consideration lapses if the ambit (scope) of either of the terms "*agricultural activities*" or "*bona fide farmer*" as defined in this Policy is not relevant or cannot be applied to said property.

### 7.2 Multiple use Properties

Properties with multiple uses as per Section 9 of the MPRA may be categorised for each distinct use as determined by the Municipality and which category will be applied for billing at the appropriate and applicable rate.

The different uses will be grouped into two or more components. The first component, which will be determined by the largest apportioned area of the property will be the primary component; the other components (sub-components) will be identified by their generalised functional name.

The category of the primary component of such a property will be directed in the first instance by the dominant use of the property, but at the sole discretion of the Municipality.

A multiple use property may qualify for the valuation exclusion as per paragraph 8.2.1 (i) of this Policy, provided that at least one of the components has been categorised as residential. Sub-components will not be eligible for the reduction as per paragraph 8.2.1(ii).

Sub-components may ~~not~~ be categorised for ~~any of the following below mentioned~~ categories provided that the owner of said property meets the ownership criteria of the category, namely: Public Service Purposes, Public Benefit Organisation, or Public Service infrastructure, nor any vacant category.

Vacant property may not be categorised as a multiple use property. Sub-components may not be categorised as vacant.

### 7.3 Public Service Purposes Properties

Properties used for Public Service Purposes will be categorised as per paragraph 6.1 (f) of this Policy and will be rated at the applicable rate. The exclusions, exemptions, rebates and reductions relating to the usage of properties as detailed in this Policy and the MPRA, will apply if applicable.

### 7.4 Public Service Infrastructure properties

The Municipality will apply the rate ratio as set out in the MPRA to public service infrastructure.

The Municipality acknowledges that Sections 17(1)(a) and 17(1)(aA) of the MPRA provides for the distinct grouping of kinds of public service infrastructure as in the “public service infrastructure” definition in Section 1 of the MPRA.

These groups will be processed respectively as either a PSI formulae code or a PSIE formulae code as referenced by the table in paragraph 18.1. For such properties for which the Municipality is the owner the formulae code MUNP will be used.

The Municipality will impose the 100% exclusion under the PSIE formulae code as directed by Section 93A of the MPRA.

For properties under the PSI formulae code the Municipality will impose the 30% exclusion as directed by Section 17(1)(a) of the MPRA and grant on the 70% remainder a further 100% exception.

### 7.5 Rural Properties

The categorizing and/or qualification of all rural properties will be dealt with at the sole discretion of the Municipality.

#### 7.5.1 *Agricultural Use*

The Municipality will apply the rate ratio as set out in the MPRA to properties that are used for agricultural purposes by *bona fide* farmers. These properties will however not qualify for any relief measures.

For a property to be categorised as agricultural, processes and structures fundamental to agricultural activities on that farming unit, will be considered. Structures such as a dwelling used by the farmer and farm employees will be considered integral to such processes.

The Municipality may consider applying multiple use categorisation as per paragraph 7.2 if any structures are not used exclusively for agricultural purposes, or the structures are used for delivering or selling services or products to/for customers.

#### 7.5.2 *Alternate Criteria and Use*

- (a) Where a property in a rural area is being used for residential, business, mining, or industrial purposes, such as truck depots, construction yards, restaurants, functioning venue, guesthouses, and/or factories, said property will be valued and rated according to the category for residential, business, mining or industrial

properties as applicable. The Municipality may however, consider valuating said property as a Multiple Use Property (refer to paragraph 7.2 of this Policy).

- (b) Owners of a property in rural areas which is not categorised as agricultural, but which in the opinion of the owner should be agricultural, must apply (refer to paragraph 14.1 of this Policy) for a revaluation, submit documentation as required by the CFO and declare in an affidavit, that no contraventions of the criteria for agricultural activities are taking place on the property. The application will be dealt with according to the supplementary valuation process.

## **7.6 Municipal Properties**

Municipal-owned properties which are leased in terms of a lease agreement or those properties which are allocated to beneficiaries but not yet transferred, will be rated as per the provisions of this Policy. The exclusions, exemptions, rebates, and reductions relating to the usage of properties as detailed in this Policy and the MPRA, will apply if applicable. The rates of said non-exempted property will be passed on to the lessee or the allocated beneficiary.

All other Municipal-owned properties as described in Section 7 (2) (a) (i) of the MPRA, will be exempted from paying property rates and Special Rating Area rates.

For administrative purposes it should be noted that by 1 July 2023 all exemptions as applied to municipal owned properties will be changed to exclusions.

## **7.7 Special Rating Area (SRA)**

The Municipality may consider the application for a Special Rating Area (SRA) provided that the owners of the predefined demarcated area have approved the budget and the specifics relating to such SRA. The process must adhere to Section 22 of the MPRA and to the Municipality's Special Rating Area Policy and By-Law.

The budget for such SRA will be raised via a pre-determined tariff applied on the municipal valuation of each property. This pre-determined tariff is linked to the annual budget proposal and would therefore be unique to a specific SRA and for a given financial year.

## **7.8 Land Reform Beneficiary properties**

The Municipality will determine a Land Reform Beneficiary that corresponds to the use of such property. The said determination will be applied for billing at the appropriate and applicable rate.

The Municipality will however exclude such properties from rates for a period of 10 years subject to Section 17(1)(g) and phase-in the rates as per Section 21(1)(b) of the MPRA.

## 7.9 Adjoining properties

The Municipality acknowledges that there are residential properties, registered in the name of the same owner, which are used basically as if such properties were one property.

For the above, the deemed secondary component [the adjoined property] shall be classified as a RESA formula code and will therefore not be eligible for the reduction as per paragraph 8.2.1(ii).

The Municipality will apply the RESA formula code for units in a Sectional Title scheme such as a garage or a storage unit. Consequently, these properties or units will not be eligible for the reduction as per paragraph 8.2.1(ii).

The Municipality will not consider any notarial links between any property.

Administratively a link between the adjoining property and its associated parent property must be set so as to facilitate tracking of such pairing.

## 8. RELIEF MEASURES

### 8.1 Applying relief measures on Rates

Notwithstanding that the Municipality is obligated as per the MPRA to exclude specific properties or parts thereof from rating, the Municipality will consider applying relief measures on property rates, being Exemptions, Rebates and/or Reductions as described in this Policy.

- (a) The Municipality may grant exemptions, rebates and/or reductions to the categories of properties and/or categories of owners that meet the specified criteria as indicated in sub-paragraphs of paragraph 7 above or as indicated below.
- (b) The Municipality will exclude specific properties or parts thereof as indicated in sub-paragraphs of paragraph 7 above or as indicated below.
- (c) The Municipality will not grant relief in respect of payments for rates to any category of owners or properties other than that as provided for in this Policy, nor to owners of properties on an individual basis.
- (d) Any application (when required or as requested) for a relief on rates must be submitted as per paragraph 14.1 of this Policy.

### 8.2 Residential Property

8.2.1 The Municipality will not levy a rate on the initial portion of the valuation of a residential property being the sum of:

- (i) the first R15 000 exclusion on the basis set out in Section 17 (1) (h) of the MPRA; and
- (ii) on a further R235 000 reduction, provided it does not exceed the remaining valuation in respect of a residential property, or the primary component of a multiple use property, that is categorised for *residential purposes*, as per the definition in paragraph 4 of this Policy.

- This reduction will only apply if the total valuation of said property does not exceed R 5 000 000.
- All sub-components of a multiple use property as per paragraph 7.2 of this policy, and the secondary component of adjoining properties or units of a sectional title scheme as per paragraph 7.9 of this policy, do not qualify.

The above where applicable, will be applied once only per property.

### 8.3 Senior Citizens and Disabled Persons

Designated owners being registered owners of properties or allocated beneficiaries as per paragraph 7.6 of this Policy who are senior citizens or who are disabled persons may qualify for a rebate according to their *household income*.

To qualify for the rebate referred to above, the designated owner must be a natural person, registered as a South African citizen. If not a South African citizen, the designated owner must be the registered owner of the property within the jurisdiction of the Municipality and must submit proof of his/her permanent residency in South Africa. The property in question must satisfy the residential property requirements as per this Policy and in addition to the above-mentioned, the designated owner must also:

- 8.3.1 Occupy the property as his/her normal residence; and
- (a) be at least 60 years of age, or in receipt of a disability grant; and
  - (b) be in receipt of a monthly *household income* not exceeding the highest income amount as referenced in the table of paragraph 8.3.4 of this Policy; and
  - (c) when being the designated owner of more than one property, a rebate will be granted only on the occupied property; and
  - (d) where the designated owner is unable to occupy the property due to no fault of his/her own, the spouse or minor children may satisfy the occupancy requirement; and
  - (e) where the occupant of a residential property is a senior citizen or a disabled person and is the usufructuary of the property, he/she may satisfy the occupancy requirement.
- 8.3.2 Apply as per paragraph 14.1 of this Policy with proof of income, which may include proof of a SARS assessment, or any other relevant document as requested.
- 8.3.3 If the property in question is alienated by the designated owner, then that owner would be liable for the *pro rata* rates, inclusive of the pension rebate. The new owner will be liable for the full *pro rata* portion of the rates excluding any pension rebates.

- 8.3.4 The percentage rebate granted to different monthly *household income* levels will be determined according to the schedule below. The income bands and rebates for the effective financial period of this Policy are as follows:

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

#### 8.4 Conservation Area

The Municipality will exclude those portions of a property within the ambit of a conservative area as defined in this Policy.

The apportioned value of any portion of such property, utilized for any purpose other than that used for such conservation purposes, or developed and used for commercial, business, agricultural or residential purposes will be categorised accordingly and rated at the applicable rate as described in paragraph 7.2 of this Policy.

The Municipality will apply Section 17 (2) of the MPRA upon withdrawal of said property from the conservation agreements inferred in Section 17 (1) (e) of the MPRA.

#### 8.5 Religious Organisations

In terms of Sections 1 and 17 (1) (i) of the MPRA, the Municipality will not levy a rate on a property used primarily as a place of public worship by a religious community, including the official residence which is occupied by the office bearer of that community who officiates at services at that place of worship.

The Municipality will apply Section 17 (5) of the MPRA if as per Section 17 (5) (a) of the MPRA said property is no longer used or has been disposed by the religious community.

#### 8.6 Stellenbosch Special Rebate

The Municipality may, for the organisations not meeting all the criteria for public benefit organisations as described in paragraph 8.7 below, nor the criteria for NPO organisations as described in paragraph 8.8 below, consider a rebate of 20% which shall be identified as "Stellenbosch Special Rebate" (SSR).

This rebate will only be applicable to said organisations that apply as per paragraph 14.1 of this Policy for such rebate.

#### 8.7 Public Benefit Organizations (PBO)

The Municipality will apply the rate ratio as set out in the MPRA to public benefit organisations.

As per the MPRA the specific public benefit activity listed in Item 1 (Welfare and Humanitarian), Item 2 (Health Care), and Item 4 (Education and Development) of Part I of the Ninth Schedule of the Income Tax Act will be applicable and must be conducted/executed on said property.

All Public Benefit Organisations must annually submit, according to paragraph 14.1 of this Policy proof of their status as per the above criteria. A SARS TAX Clearance Certificate may be required as well.

## **8.8 Non-Profit Organizations (NPO)**

An organisation must be registered as a Non-Profit Organisation (NPO) under the Non-profit Organisations Act, 1997 (Act 71 of 1997) to be considered as a candidate for the relief measures described below.

Organizations listed in paragraph 8.8.1 below that are operated as not-for-gain (declared or registered by law) or organisations that execute activities as per Item 6 (Cultural), item 7 (Conservation, Environment and Animal Welfare) and Item 9 (Sport) of Part 1 of the Ninth Schedule to the Income Tax Act may receive a rebate. All abovementioned organisations being privately controlled must be the owner of said properties.

These rebates are not applicable to any vacant land irrespective of its zoning or intended usage unless stated otherwise in this Policy.

Any part of said property that has been categorised as agricultural will not qualify for this relief measure.

All NPO must annually submit, according to paragraph 14.1 of this Policy proof of their status as per the above criteria. A SARS TAX Clearance Certificate may be required as well.

Abovementioned organisations which have a total revenue/income as defined in the schedule of paragraph 8.8.2 of this Policy will receive a rebate as set in said schedule.

### **8.8.1 Prescribed not-for-gain organisations**

(a) *Health and welfare institutions*

Privately owned properties used exclusively as a hospital, clinic, mental hospital, orphanage, non-profit retirement village, old age home or benevolent institution, including workshops used by the members or patients, laundry or cafeteria facilities.

(b) *Charitable institutions*

Properties used solely for the performance of charitable work.

(c) *Agricultural societies*

Property owned by agricultural societies used for the purposes of the society.

(d) *Cemeteries and crematoria*

Privately owned properties used as cemeteries and crematoria.



(e) *War veterans*

Property registered in the name of a trustee or organisation in terms of the Social Assistance Act, 2004 (Act 13 of 2004), maintained for the welfare of war veterans and their families.

- 8.8.2 The percentage rebate granted to different total revenue/income levels (expressed as being the revenue/income before any expenses, operating costs or any deductions have been applied) will be determined according to the schedule below. The revenue/income bands and rebates for the effective financial period of this Policy are as follows:

<i>Total Revenue/Income</i>				<i>% Rebate</i>
<i>Revenue/Income bands (Rands)</i>				
Up to			2 000 000	80%
From	2 000 001	to	5 000 000	50%
More than			5 000 000	20%

### 8.9 Properties affected by Disaster or adverse Economic Conditions

The Municipality may consider additional relief measures as envisaged in Section 15(2)(d) of the MPRA and as approved by Council.

### 8.10 Exceptional General Valuation Rates Increases: Phasing in

The Municipality may consider a relief measure for owners of property adversely affected by exceptional rates increase of a new General Valuation (GV) cycle. This incentive will only be implemented as from the implementation date of a GV and on proviso that:

- (a) for a property to qualify, the Rates for the first financial year of the GV cycle for the property, as result of the property valuation of a GV cycle, must be at least four (4) times more than that of the rates for said property during the financial year preceding the start of the GV cycle.
- (b) the rates for the financial year preceding the start of the GV cycle must be greater than R1 000 per annum;
- (c) the rebate granted would be phased-out over two financial years;
- (d) the rebate for the first financial year will be 50% and during the second year it will be 25% rebate on the rates applicable for that year;
- (e) this incentive will not be cumulative on any other rebate that may be granted to said owner;
- (f) the most beneficial rebate between this incentive and any other rebate which said owner may receive in each financial year will prevail;
- (g) improvements or errors of valuations to said property that could have influenced the GV valuation will be reviewed during the application approval;
- (h) applications will only be considered until the end of the initial 6 months of a GV cycle; and
- (i) owners of such property must apply as per paragraph 14.1 of this Policy.

## **9. LIABILITY FOR AND PAYMENT OF RATES**

### **9.1 Liability for and payment of rates**

Liability for and payment of rates is governed by criteria in this Policy, by the MPRA, the Municipality's Credit Control and Debt Collection Policy, By-Laws and any other applicable legislation. Actions as per the applicable By-Laws and/or Policies shall be taken against defaulters.

There are one of two methods of payment that the owner of the property must agree upon, namely (i) paying the rates on a monthly basis or (ii) paying the rates in one amount every annum.

The paying of rates on a monthly basis will be the preferred method unless the owner has selected the annual method of payment via a written request before 31 May preceding a financial year.

- (i) When paying on a monthly basis the amount due shall be paid not later than the date as specified on the monthly accounts. The cycle of such payments will start on the first day of July (the start of a financial year) and extend to the 30th of June the following year.
- (ii) When paying a once-off amount (the full rates for that financial year), then that amount shall be paid in full not later than the date as specified on the account. Please note that additional annual payments may be triggered during a financial year by a supplementary valuation on said property.

Changes to the preferred method of payment must be exercised by the owner before 31 May of a financial year and once set the method of payment will not be changed during a current financial year.

### **9.2 Rates in arrears for longer than 90 days**

When an owner's rates account is in arrears for longer than 90 (ninety) days, then the Municipality may initiate the proceedings as described in Sections 28 or 29 of the MPRA.

A notice to this effect will be forwarded to the tenant, occupier or agent providing the required legal information regarding their payments to the owner, which are to be redirected to the Municipality so as to cover the arrear rates account.

A notice will be forwarded to the owner in question to indicate the legal proceedings and the actions that the Municipality has initiated.

## **10. QUANTIFICATION OF COSTS TO MUNICIPALITY AND BENEFITS TO COMMUNITY**

The cost to the Municipality and benefit to the local community in terms of exemptions, rebates, reductions and exclusions referred to in the MPRA and rates on properties that must be phased-in in terms of the MPRA will be reflected in the Municipality's budget.

**11. OBJECTION AND APPEALS**

- (a) Any person may lodge an objection to a valuation subject to Section 50 of the MPRA but within the period stated in the notice referred to in Sections 49(1)(a) and 78(5)(b) of the MPRA.
- (b) An appeal to an appeal board against a decision of a municipal valuer in terms of section 51 of the MPRA may be lodged in the prescribed manner subject to Section 54 of the MPRA. The appeal must be lodged (as a guideline), within a period of 30 days nonetheless, as set out in Section 54(2) of the MPRA.
- (c) The administrative actions or processes as described in the MPRA for the handling of objections or appeals will be the basis that the Municipality will follow.
- (d) The lodging of an objection or appeal: -
  - (i) In terms of Section 50 of the MPRA does not defer liability for the payment of rates in terms of this Policy; or
  - (ii) In terms of Section 54 of the MPRA does not defer liability for the payment of rates in terms of this Policy.

**12 CLEARANCE CERTIFICATES**

All monies collected by the Municipality, ~~specifically in respect of Special Rating Areas~~ and any estimated amounts in terms of Section 118(1A) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) (the Systems Act), or Section 89 of the Insolvency Act, 1936 (Act 24 of 1936), are for the purpose of Section 118 of the Systems Act, deemed to be due and must be paid in order to facilitate the transfer of immovable property:-

- (i) All amounts that are due must be paid in full prior to the issuing of any clearance certificate in terms of Section 118, of the Systems Act, ~~and~~
- (ii) No interest shall be paid by the Municipality to the registered seller in respect of these payments which are deemed to be due.
- (iii) The Municipality will not be responsible for the apportionment of rates and/or services due or paid in respect of any rates clearances and registrations.
- (iv) The Municipality may issue only one clearance certificate for properties deemed to be in an adjoined state as per paragraph 7.9 of this Policy.

(v) If the amount referred to in item (i) above cannot be paid in full, then the Municipality may consider a written conditional undertaking by the Transfer Attorney.

**13 ADJUSTMENTS OF RATES PRIOR TO SUPPLEMENTARY VALUATION**

- 13.1 If the owner of a property which has been subdivided or consolidated after the last general valuation wishes to sell the consolidated erf, or one or more of the erven which have been subdivided from the parent erf, as the case may be, applies to the Municipality for a clearance certificate in terms of Section 118 of the Local Government: Municipal Systems

Act, 2000 (Act 32 of 2000), and if the Municipality has not yet included such valuation of the relevant property(ies) in a supplementary valuation:-

- (a) the Municipal Valuer shall conduct a valuation of the relevant property(ies) for purposes of a supplementary valuation; and
- (b) the valuation shall be submitted to the CFO for approval of the levying of rates on such property(ies) in accordance with such valuation, with effect from the date on which the relevant subdivision or consolidation (as the case may be) was registered in the Deeds Office.

13.2 Any valuations performed in terms of paragraph 13 shall be included in the next supplementary valuation process as per the provisions in Sub-sections 78 (1) to (5) of the MPRA.

## **14. GENERAL**

### **14.1 Applications for Relief Measures**

- (a) All applications, required in terms of this Policy for a specific relief measure must be submitted to the Municipality by 30 November of each year, which date precedes the financial year in which the rate is to be levied. If the relief measure applied for is granted, the relief measure will apply for the full financial year. All successful applicants are bound by all the criteria as per paragraph 14.1 of this Policy.
- (b) Any applicant who, during a financial year, for the first time, meets all the criteria other than (a) above, may apply to receive the relief measure initiated from the month following the approval by the Municipality of said application for the remainder of that financial year, thereafter all the criteria as per paragraph (a) above will apply to applications for subsequent financial years.
- (c) Late applications received after 30 November of a given year may be considered by the Municipality, in which case, if the relief measure applied for is granted, a *pro rata* rebate for the remainder of the next (new) financial year may be applicable.
- (d) Persons who have submitted false information and/or false affidavits will have the relief measure withdrawn with effect from the commencement of the financial year in question.
- (e) All applications for relief measures will require the applicant's municipal accounts to have been paid up to date or the conclusion of a suitable arrangement with the Municipality as provided for in the Municipality's Credit Control and Debt Collection By-Law and Policy.
- (f) The Municipality reserves the right to request current and/or previous audited financial statements or to inspect all properties before or after implementing the applicable rate and to revoke or amend any decision made prior to such investigation or financial review.
- (g) The Municipality reserves the right to recover any rates and/or relief measures from owners of properties after the status of said properties have changed.
- (h) The Municipality reserves the right to request any additional information as may be deemed necessary.

**14.2 Regular policy review processes**

This Policy will be reviewed on an annual basis to ensure that it complies with the Municipality's strategic objectives and with legislation.

**14.3 Language Interpretation**

The legal interpretation of the English version of this Policy only shall prevail above all other language translations of this Policy.

**14.4 Severance**

If any provision of this Policy is struck down as invalid by a court of law, such provision shall be severed from this Policy, and shall not affect the validity of the remaining provisions.

**15 BY-LAWS**

The principles contained in this Policy will be reflected in the By-Law as promulgated and adjusted by Council from time to time.

**16 CONTACT OF RESPONSIBLE OFFICE**

The contact details for Property Rates enquiries:

E-mail Address: [enquiries.navrae@stellenbosch.gov.za](mailto:enquiries.navrae@stellenbosch.gov.za)

Telephone Numbers: See Municipal Account for relevant telephone numbers

Postal Address: PO Box 17, Stellenbosch, 7601

Any Municipal Office in the jurisdiction of Stellenbosch Municipality

**17 SHORT TITLE**

This Policy is the Rates Policy of the Stellenbosch Municipality.

## 18. CATEGORY AND REBATE CODES

### 18.1 Category Codes

The Formulae Codes (Derived from the Categories listed in paragraph 6.1 of this Policy) as listed below will be used in the Valuation Roll and supporting letters or Notices to reflect by association the applicable Category (as indicated in the “Category (of property)” column).

Council shall on an annual basis during the budget approval cycle set the cent amount in the Rand values (being the Category Tariff) for each of the Categories in the table below.

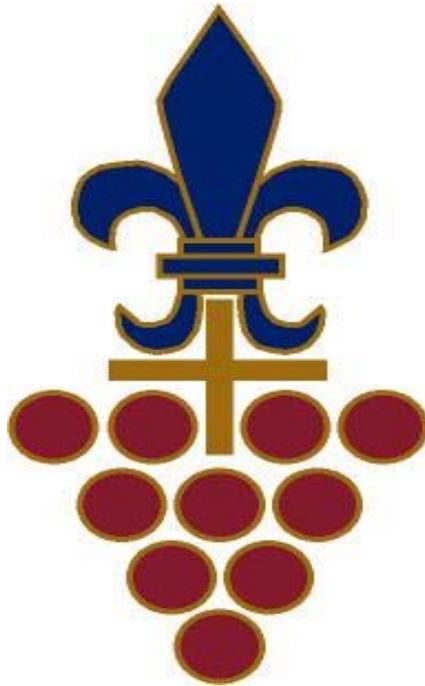
Category (of property)	Category Code	Formulae Code	Supporting references
<b>Residential</b>	RES	RES	MPRA Sections 8(2)(a); 17(1)(h) and the Policy paragraph 8.2.1
	RES	RESA	Adjoining residential; the Policy paragraph 7.9
	RES	RESM	MPRA Section 17(1)(h); <del>i.e. ONLY the</del> Policy paragraph 8.2.1 <del>(i)</del>
	RES	RESIF	Municipal Owned: Informal settlements, 100% exclusion will apply
	RES	RELI1	MPRA Section 17(1)(i) – the official residence; the Policy paragraph 8.5
	RES	MUNRR	Municipal Owned: Rented or Leased property; the Policy paragraph 7.6
	RES	MUNR	Municipal Owned: Section <del>7(2)(a)(i)8(2)(h)</del> and the Policy paragraph 7.6
	RES	LRBR	Land Reform Beneficiary: MPRA Section 17(1)(g); the Policy paragraph 7.8
<b>Industrial</b>	IND	IND	MPRA Section 8(2)(b); Policy Definitions for "industrial"
<b>Business</b>	BUS	BUS	MPRA Section 8(2)(c); Policy Definitions for "business"
	BUS	RELIG	MPRA Section 17(1)(i) – the place of worship; the Policy paragraph 8.5
	BUS	MUNBR	Municipal Owned: Rented or Leased property; the Policy paragraph 7.6
	BUS	MUNB	Municipal Owned: Section <del>7(2)(a)(i)8(2)(h)</del> and the Policy paragraph 7.6
	BUS	POS	Public Open Spaces
	BUS	PROS	Private Open Spaces
<b>Agricultural</b>	AGR	AGR	MPRA Section 8(2)(d); (Not considered to be a vacant property); the Policy paragraph 7.5
	AGR	PROT	Protected Areas: MPRA Section 17(1)(e); the Policy paragraph 8.4
	AGR	MUNAR	Municipal Owned: Rented or Leased property; the Policy paragraph 7.6
	AGR	MUNA	Municipal Owned: MPRA Section <del>7(2)(a)(i)8(2)(h)</del> and the Policy paragraph 7.6
	AGR	LRBA	Land Reform Beneficiary: Section 17(1)(g); the Policy paragraph 7.8
<b>Mining</b>	MIN	MIN	MPRA Section 8(2)(e).
<b>Public Service Purposes</b>	PSP	PSP	MPRA Section 8(2)(f); the Policy paragraph 7.3
<b>Public Service Infrastructure</b>	PSI	PSI	MPRA Sections 8(2)(g); 17(1)(a) and the Policy paragraph 7.4
	PSI	PSIE	MPRA Sections 8(2)(g); 17(1)(aA) and the Policy paragraph 7.4
	PSI	MUNP	MPRA Sections 7(2)(a)(ii) <del>and 8(2)(h)</del> ; the Policy paragraphs 7.4 and 7.6
<b>Public Benefit Organisation</b>	PBO	PBO	MPRA Section 8(2)(h) and the Policy paragraph 8.7
<b>Multiple purposes</b>	<i>Multi tariff</i>	MULTI	MPRA Sections 8(2)(i) and 9 and the Policy paragraph 7.2
<b>Heritage</b>	HER	HER	MPRA Section 15(2A)(b)
<b>Vacant Residential</b>	VACR	VACR	the Policy paragraph 7.1
<b>Vacant Other</b>	VACO	VACO	NOT agricultural properties; the Policy paragraph 7.1
		MUNV	Any vacant property registered in the name of the Municipality

## 18.2 Rebate Codes

The Rebate Codes in the table below serves to indicate the rebate if any that could be applicable to a property.

<b>Rebate Code</b>	<b>Purpose</b>	<b>Supporting references</b>
NONE	No rebate is applicable	
INDP	Indigent and 100% Pension rebate	Rates Policy paragraphs 8.3 and the Indigent Policy
INDIG	Indigent only rebate	Indigent Policy
PENS	100% Pension rebate	Rates Policy paragraph 8.3
PENS1	75% Pension rebate	Rates Policy paragraph 8.3
PENS2	50% Pension rebate	Rates Policy paragraph 8.3
PENS3	25% Pension rebate	Rates Policy paragraph 8.3
NPO	Non-Profit Organisation (80% rebate)	Rates Policy paragraph 8.8
NPO1	Non-Profit Organisation (50% rebate)	Rates Policy paragraph 8.8
NPO2	Non-Profit Organisation (20% rebate)	Rates Policy paragraph 8.8
SSR	Stellenbosch Special Rebate	Rates Policy paragraph 8.6
EGVI	Exceptional General Valuation Rates Increases	Rates Policy paragraph 8.10

# **STELLENBOSCH MUNICIPALITY**



## **INDIGENT POLICY**

**2024/2025**

**REVISED**





# 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, that correlated households are 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).

Council's mandate is further extended by Section 96 of the aforementioned Systems Act requiring a municipality to adopt, maintain and implement a credit control and debt collection policy which according to Section 97 must *inter-alia* make provision for indigent debtors consistent with national policy.

In order to give effect to the foregoing, the Council of Stellenbosch Municipality has adopted a policy relating to indigence as set out hereinafter.

## 1. DEFINITIONS

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:

**“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 of only minors under the age of 18 years, being a child as defined in Section 28 of the Constitution, and in which a minor has assumed the role of caregiver in respect of the other minor(s) in the household. This is further described in paragraph 5.2(e) of this Policy.

**“Constitution”** refers to the Constitution of the Republic of South Africa, 1996

**“Gross household income”** means the total combined earnings of the head of the household and his or her spouse(s) who are not alienated from the household. Any other financial contribution towards the household income by any means, by other dependent(s) or occupant(s) must be taken into consideration. Government grants as received by or for dependent minors or disabled occupants (excluding spouses) will be ignored and not be added as a financial contribution towards the household income.

**“Household”** means a family unit comprising a head of the family, being a natural person. The family unit may include spouse(s), blood related or adopted dependents. The household may be further extended by other occupants with or without children who reside on the same premises. All the above (including the extended members) will be deemed to be members of such a household. This is further described in paragraph 5.2 of this Policy.

**“Indigence”** 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 consumer”** means the person identified as the head of the household and as described in paragraph 5.2 who makes a formal written application on the prescribed form required for the indigent subsidy.

**“Indigent household”** means a household that has applied for, has qualified, and continues to qualify for indigent support as per this Policy.

**“Indigent subsidy”** means that portion of the overall support or financial assistance to indigent households that has been allocated to a specific indigent household.

***“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.

**“Pre-payment electricity meter”** means a type of electricity meter that requires consumers to pay for energy before using it and which will allow the flow of the pre-purchased amounts of energy in an electrical circuit.

**“Pre-payment water meter”** means a type of water meter that requires consumers to pay for water before using it and which will allow the flow of the pre-purchased amounts of water.

***“Valuation Threshold”*** means that value of municipal valuation as set for residential properties in paragraph 8.2 of the Municipality’s Rates Policy.

**“Water management device”** means a device designed to manage or restrict the water flow, water consumption or water needs of a residential property.

## **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.
- (b) 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.
- (c) 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) optionally use various classification criteria to direct the different processes.

- (e) maintain the relief measures to indigent households for as long as such indigent household remains registered on the municipality's indigent data base or register and the municipality continues to receive equitable share for this purpose.
- (f) review the relief measures by random sampling to ensure *bona fide* indigent support.
- (g) 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, in particular Sections 152 and 153.
- (b) Local Government: Municipal Systems Act, 2000 (Act 32 of 2000), in particular Sections 74, 96 and 97.
- (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, or his/her spouse(s) who are not alienated from the household, must indicate if said person is:
  - (i) a state official in any capacity; or
  - (ii) a director of a company, a member of a Closed Corporation or Trust, or
  - (iii) involved in any state tender processes.
- (b) The head of the household must be a South African citizen with valid South African identity documentation and have permanent residency.
- (c) 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 an Organ of State - (as defined in Section 239 of the Constitution) owned housing unit; or
  - (iv) in meritorious cases as determined by the Municipality 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.
- (d) To register as an indigent consumer the head of the household must personally complete and sign the registration form.
- (e) Child-headed households will only be approved based on 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. This caregiver is the head of the household and shall be deemed to meet the criteria as per paragraph 5.2(c);
  - (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 18 years or older.
- (f) Indigent households living in homes for senior citizens shall be eligible to qualify for assistance and support under this Policy, subject to the following rules and procedures:
- (i) 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 pre-payment electricity meter has been installed by the Municipality will qualify for the electricity 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 any 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) Pre-payment electricity meters may be installed on all properties of formal households before receiving indigent subsidies to prevent escalation of debt.
- (f) Water management devices or Pre-payment water meters may be installed on properties of formal households before receiving indigent subsidies to prevent escalation of debt.

#### **5.5 Qualifying income:**

- (a) The total Gross Household income for a household will be taken into account when considering the application for Indigent support.
- (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 7 000 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.
- (b) Indigent subsidies will only be considered by the Municipality upon application on a prescribed form by households which consider themselves as being indigent.



## **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;
- (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(f) 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 standpipes, high mast lighting, ablution facilities and refuse removal) to informal settlements.

The cost of the provision of free bulk services will be 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 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 set 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/household may be allocated in any given month.
- (c) Subsidy levels may be adjusted from time to time, depending on the availability of funds or any adverse conditions.

- (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) Applications (i.e. applications submitted by individuals) will be required by any household which considers themselves to be an indigent household.
- (b) Only 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.
- (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.
- (f) The Municipality may 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. The Municipality may recover such subsidies up to a maximum period of three years.
- (h) Indigent relief will not apply in respect of property owners with more than one property, whether such property is situated inside or outside the area of jurisdiction of the Municipality.
- (i) Subsidies will not be granted on a *pro-rata* basis and applications approved after the twentieth day of a month will be granted in the following month.
- (j) 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. For example, the status of any change of employment or to the Gross Household income as per paragraph 5.5 above must be reported to the Municipality.
- (k) The municipality reserves the right to review and/or to conduct home visits on a random basis with the view of assessing whether a household would still qualify for receiving indigent assistance.

- (l) Upon cancellation of indigent assistance normal credit control procedures will be applicable on arrear accounts of such cancelled applications.

**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. INDIGENT REGISTER**

- (a) The Municipality shall draw up and maintain a register in respect of formal properties and households receiving indigent assistance.
- (b) The register may be open for inspection by the public during office hours.
- (c) The Municipality may at regular intervals review the register and apply randomly selected checks as to the status of an application. Use may be made of accredited services providers for audits and/or external verification checks.

**10. COMMUNICATION PROCEDURES**

- (a) The Municipality has a program for communication in terms of which communities will be informed regarding the details of this Policy and the implementation thereof.
- (b) Regular information dissemination and awareness campaigns will be undertaken to mitigate unrealistic expectations in terms of the qualification processes, to amplify services that are rendered to indigent consumers, and to elucidate upon service delivery in general.

**10.11. 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

021 808 8579

021 808 8597

021 808 8932

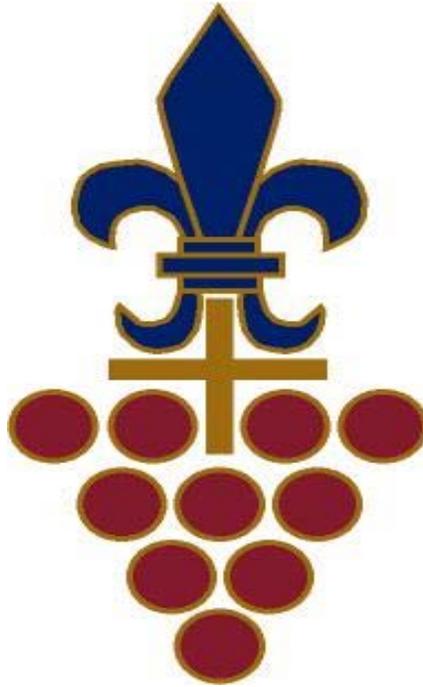
Postal Address: PO Box 17, Stellenbosch, 7601

Any Municipal Office in the jurisdiction of Stellenbosch Municipality

**11.12. SHORT TITLE and EFFECTIVE DATE**

This Policy is the Indigent Policy of Stellenbosch Municipality and shall take effect on 01 July 2024.

# **STELLENBOSCH MUNICIPALITY**



## **CREDIT CONTROL AND DEBT COLLECTION POLICY**

**2024/2025**

**REVISED**



# STELLENBOSCH MUNICIPALITY

## CREDIT CONTROL AND DEBT COLLECTION POLICY

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**PREAMBLE**

In terms of Section 96 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) a Municipality shall-

- (a) collect all money due and payable to it, subject to the provisions of said Act and any other applicable legislation and By-laws; and
- (b) for this purpose, implement and maintain a credit control and debt collection policy which is consistent with its Rates and Tariffs policies, and which complies with the provisions of said Act.
- (c) In order to give effect to the afore going provisions of said Act, the Council of the Stellenbosch Municipality (WC024), herein after referred to as the Municipality, has adopted a policy relating to credit control and debt collection as set out hereinafter.

## 1. PRINCIPLES

This Policy supports the following principles:

- (a) Human dignity must be upheld at all times.
- (b) This Policy must be implemented with equity, fairness and consistency.
- (c) Endeavours shall be focused such that data related to owners/debtors/~~consumers~~ and accounts are correct at all times.
- (d) The implementation of this Policy shall be based on sound business principles, which may include credit worthiness checks and assessments of the credit risks involved.
- (e) New services will only be provided if supported by the relevant service contract(s) being duly completed. Payment of the applicable consumer deposit will be the primary means to cover said contract obligation.

Any deviation from the payment of the consumer deposit will be directed by the sole discretion and due consideration/approval by an accountant or more senior official in the Municipality's Revenue Department.

Alternatively, to the payment of a deposit a bank guarantee in a form acceptable to the Municipality's Chief Financial Officer will be considered.

- (f) Interest on overdue accounts will be charged at the South African Reserve Bank's prime interest rate plus one percent and will be levied on applicable accounts outstanding after the relevant due dates thereof. For the purposes of calculation, a portion of a month will be deemed to constitute a full month.
- (g) Deposits/Bank guarantees will be utilised to proactively mitigate the potential of unnecessary credit risk exposure to Council.
- (h) An administration fee and/or collection fee ~~will~~may be charged on overdue accounts, according to Council's approved tariffs and the By-laws of Stellenbosch Municipality (WC024).
- (i) The rates components on overdue accounts may be processed in terms of Sections 28 and 29 of the Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA) and as described in the Rates Policy of Stellenbosch Municipality.

## 2. MUNICIPAL ACCOUNTS and ADDITIONAL MECHANISMS

### 2.1 Notices and Demands

The Owner's/Debtor's/~~Consumer's~~ attention is drawn to the note on the municipal account, which states that the supply of services will be discontinued/restricted without further notice if the accounts are not settled in full. This serves as a warning to a defaulting owner/debtor/~~consumer~~ that services will be discontinued/restricted upon defaulting on payments.

Notices, e-mails, cell phone text messages (SMS) or any available informative actions will however be issued to account holders as a first attempt (first notice) after the due date as a means to recover debt and to remind ~~consumers/debtors/owners~~owners/debtors of their obligation to pay for services.

The aim of such reminders is to urge co-operation to settle accounts without the necessity to employ more drastic steps and to offer the opportunity to make arrangements to pay off such debt where the financial position of an owner/debtor ~~consumer~~ is such that relief is possible as per criteria in the Municipality's Rates or Indigent Policies.

Failure to respond to the aforesaid first notice will result in the disconnection and/or restriction of services and a final demand being issued where applicable.

Failure to respond to a final demand and in the event of arrears not being settled within the period stipulated in the final demand, or an arrangement not being concluded, legal action may be instituted (with the Municipality's rights reserved, notwithstanding the fact that services were disconnected/restricted or not) to recover the full outstanding debt.

In this regard the Municipality may consolidate any separate accounts of an owner/debtor, credit a payment by an owner/debtor against any account of that owner/debtor and implement any of the measures provided for in this policy or the Credit Control and Debt Collection By-law in relation to any arrears of any of the accounts of such an owner/debtor.

In the case of housing rental contracts, the Municipality may consider procedures for eviction or right sizing.

### 2.2 Additional Mechanisms

#### 2.2.1 Electricity Services:

In the event of an owner/debtor/~~consumer~~, failing to pay for electrical services due and payable, and in the event of such consumer having been placed on the disconnection list 3 times within a twelve (12) month period prior to such event, then

Stellenbosch Municipality will have the right to install pre-paid electricity meters in a bid to limit credit risk. The Municipality may also consider upward adjustment of the relevant consumer deposit/bank guarantee.

## 2.2.2 Water Services:

- (a) The Stellenbosch Municipality may in the event of an owner/debtor/~~consumer~~ exhibiting a trend of non-payment of accounts during a twelve (12) month period prior to a non-payment event (i.e. 3 times or more non-payment events) consider the installation of water demand management devices with pre-paid functionality in a bid to limit credit risk. The Municipality may also consider upward adjustment of the relevant consumer deposit/bank guarantee.
- (b) In addition to the above, Stellenbosch Municipality will restrict water usage on a property for a high-usage non-paying owner/debtor/~~consumer/user~~ or a non-paying indigent owner/debtor/~~consumer/user~~ if such owner/debtor/~~customer/user~~ fails to pay for water usage in excess of 6k/ (kilolitre). These restrictive measures will be applied on said property as described and according to the table below.

The process to limit the outstanding debt basically follows a three-stage approach. The stages corresponding to the limiting levels as per the table below are dependent upon the level of usage at the commencement of debt management and the “Category of usage” of the property. The stages are administered as follows:

- (i) It will be incumbent of the owner/debtor/~~customer/user~~ to present proof of occupancy if in the opinion of said owner/debtor/~~customer/user~~ the number of persons on the property is different as to the “Category of usage” applied by Stellenbosch Municipality. Upon any proven discrepancies the Stellenbosch Municipality may apply the necessary corrective actions to address the issue at hand.
- (ii) The lowest stage of service for any “Category of usage” is the “Free Basic Service” level [6k/ (kilolitre)].
- (iii) If the defaulting owner/debtor/~~customer/user~~ is using more than the monthly usage of the “1<sup>st</sup> Restrictive limit” as per the table below at the commencement of debt management, the owner’s/debtor’s/~~customer’s/user’s~~ maximum usage will be set to the corresponding “1<sup>st</sup> Restrictive limit” level.
- (iv) If the defaulting owner/debtor/~~customer/user~~ is not using more than the monthly usage of the “1<sup>st</sup> Restrictive limit” then the level will, at the commencement of debt management, be set based upon the range of a given lower level within which said owner’s/debtor’s/~~customer’s/user’s~~ usage corresponds.

- (v) Upon the owner/debtor/~~customer/user~~ defaulting after any previous stage had been set and to mitigate further debt the service level will be downgraded from the highest level at the commencement of debt management via reactionary stages until that owner/debtor/~~customer/user~~ is at the lowest stage of service.
- (vi) The timeframes for the implementation of the downgrading from the highest level to the lowest level will be determined and implemented by the Municipality on date of defaulting by the owner/debtor/~~customer/user~~. These timeframes between stages may be different for the owners/debtors/~~customers/users~~ involved.
- (vii) After the implementation of any restrictive measures as describe ~~above, and above and~~ said owner/debtor/~~customer/user~~ has fully paid the outstanding debt, the Stellenbosch Municipality may after consideration and approval by the Manager Revenue or the Accountants in the Credit Control Section reverse the restrictive measures, but nevertheless in discreet ascending stage steps. Each stage will be time managed to prove successful payment of usage during said stage before any other stage is considered. If the owner/debtor/~~customer/user~~ should however default during this process all restrictive measures will be reverted in discreet downwards stage step from the stage on which the owner/debtor/~~customer/user~~ was at the time of defaulting.

Category of usage	Free Basic Service	2 <sup>nd</sup> Restrictive limit	1 <sup>st</sup> Restrictive limit
1 to 6 persons or Indigent households	200/ per day up to 6k/ per month	Not applicable for this "Category of usage"	400/ per day up to 12k/ per month
7 to 9 persons	200/ per day up to 6k/ per month	400/ per day up to 12k/ per month	750/ per day up to 22.5k/ per month
10 or more persons	200/ per day up to 6k/ per month	400/ per day up to 12k/ per month	1000/ per day up to 30k/ per month

### 2.2.3 Rental Services:

Actions against defaulters are regulated to a degree by the contracts involved.

All contracts must at minimum and where appropriate, include the following criteria/requirements:

- (i) Due date for payments.
- (ii) Applicable procedures upon the defaulting of payments.
- (iii) Handover procedures.
- (iv) Eviction or right sizing actions.

### 3. ARRANGEMENTS

Should owners/debtors/~~consumers~~ wish to make arrangements to pay off accounts in arrears, the following guidelines shall apply:

- (a) The main aim of arrangements should be to ensure that current accounts (which may include penalties/interest and/or any admin fees) are at least paid in full, before entering into acceptable arrangements to pay off arrears.
- (b) The Municipality may enter into an arrangement with a tenant or occupier of a property which is linked to an account in arrears, on proviso that:
  - (i) a written affidavit is received which certifies that the registered owner/~~debtor~~ of said property, at which such tenant or occupier resides; is:
    - untraceable;
    - not contactable;
    - of unknown whereabouts; or
    - not co-operating with said tenant or occupier.
  - (ii) such tenant or occupier has substantiated the ability to pay and the right to occupation stating the rental due and the time period of such occupation and providing the last known address of the registered owner/~~debtor~~;
  - (iii) such tenant or occupier undertakes to advise the registered owner/~~debtor~~, at the first reasonable opportunity of the current situation and further agrees to obtain the consent of the registered owner/~~debtor~~ to condone the process as described in this paragraph 3 (b); and
  - (iv) where applicable, such tenant or occupier provides comprehensive details of the non-co-operation of the registered owner/~~debtor~~.
- (c) Care must be taken to ensure that all reasonable financial and social assistance, as provided for in various Municipality's Policies, is rendered to assist owners/debtors/~~consumers~~ before drastic action is taken to recover debt e.g. subsidies for Free Basic Services and relief measures on property rates.
- (d) All arrangements must be concluded in writing and the ~~owner~~/debtor must be provided with a copy thereof. Arrangements will be invalid unless signed by the ~~owner~~/debtor and one or more delegated representative(s) of the municipality.
- (e) Arrangements must be entered into that are both affordable to the ~~owner/debtoreconsumer~~ and protect the Municipality's interest by ensuring the most cost-effective debt recovery.

- (f) Arrangements must be final, and owners/debtors will not be allowed to re-arrange debt repayments. The Municipality may for a meritorious case, upon presentation of proof of current difficulties, consider delaying the receipt of the arranged instalment. This delay may not exceed 3 months.
- (g) It is of vital importance to ensure that the settlement of current accounts (which may include penalties/interest and/or any admin fees), together with the debt repayment instalment, is seen as the minimum requirement for any agreement.
- (h) Arrangements must be compiled in a format that facilitates legal action, upon breach of contract. Written arrangements must as far as possible be in the form of agreements in terms of Section 57 of the Magistrate's Courts Act, 1944 (Act 32 of 1944) and as amended by the Jurisdiction of Regional Courts Amendment Act, 2008 (Act 32 of 2008) (hereinafter referred to the Section 57 Agreements).

All debt repayment arrangements will be logged on the financial system to ensure maximum accessibility and to enable the effective administration of such repayments.

- (i) Arrears of Councillors and other Municipal Officials must be settled in full or arrangements to pay off such amounts, by means of salary deductions, may be entered into. This includes the seizure of bonuses, or any other additional allowances (this paragraph (i) must be read in conjunction with the relevant sections of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)).

The Stellenbosch Municipality is entitled to recover all arrears more than ninety days by means of salary deductions and proportionally from increases and/or the official's bonus/performance bonus. In this regard, all temporary contract workers are also regarded as municipal officials.

- (j) No interest will be levied on outstanding amounts for which arranged agreements have been entered into.
- (k) It is a preferable that a water demand management device, pre-payment water meter and/or a prepaid electricity meter be installed when any arrangement is entered into.
- (l) Arrangements may only be concluded upon submission of the following documentation:
  - (i) Proof of identification;
  - (ii) Proof of Income;
  - (iii) Supporting documentation relating to expenses;

- (iv) Three-month bank statements and/or payslips; and/or
- (v) Any other relevant documentation as may be requested by the Credit Control Section.

#### 4. ADJUSTMENT OF DEPOSITS/BANK GUARANTEES

Deposits/Bank guarantees may be increased to cover the additional risk as regulated in terms of the Municipality's By-Laws.

Increases in deposits/bank guarantees shall be utilised to cover the additional risk resulting from default payments. Deposits/Bank guarantees may be increased by an amount up to three times or more of a monthly average consumption as determined by the Municipality.

The necessity for any deviation of said payment will be directed by the sole discretion and due consideration/approval by an accountant or more senior official in the Municipality's Revenue Department.

The latter deposits will be utilised only after closing of account by an owner/debtor or transfer of property. Should the account remain unpaid, such deposit will be utilised for the unpaid portion. Any credits will be refunded to the owner/debtoreconsumer.

The Stellenbosch Municipality will not pay any interest on any deposits.

#### 5. FURTHER ACTIONS

- (a) Should arrangements not be concluded or adhered to, services will be discontinued or restricted. The Municipality must ensure that a fair and equitable procedure, including reasonable notice of the intention to discontinue or limit has been followed.

Where legislation does not allow for the complete termination of services, the Credit Control Section will determine the applicable minimum level of service provision, where after, all amounts owing become due and must be paid in full before services are restored to full capacity.

- (b) Should amounts owed not be settled by the final date, i.e. after the date for payment set out in a final demand, such accounts and the relevant Agreements, where applicable, will be handed over to the Municipality's Collection Attorneys for recovery and/or to consider instituting further legal action.
- (c) The Municipality shall at its own discretion in compliance to the measures provided for in the Municipality's By-Laws, be entitled to withhold or limit the



supply of services until the total costs, penalties, other fees, services, and rates due to the Municipality have been paid in full.

This may include the restriction of supply of water or electricity to an owner/debtor who is found guilty by the Municipality or any Court of Law:

- (i) of fraud or theft of water and/or electricity,
  - (ii) any another criminal activity relating to the supply or unauthorised consumption of water and/or electricity, or
  - (iii) if it is evident that fraud, theft or any other criminal activity has occurred relating to such supply or consumption.
- (d) Stellenbosch Municipality may consider an auxiliary levy of up to 50% on the purchase of pre-paid electricity/water to recover arrear debt.
- (e) Stellenbosch Municipality may consider black-listing consumers in cases where the consumer was handed over to institute legal proceedings.
- (f) The Municipality may attach the rental income in whole or in part from a tenant or occupier of a property which is left unpaid by the owner/debtor thereof, provided that Section 115 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) is adhered to.
- (g) Once the Municipality has exhausted all reasonable and practicable debt recovery measures, in an effort to recover outstanding debt, the Municipal Manager will have sole discretion to approve the litigation process for the disposal of the movable and/or immovable assets of defaulting owners/debtors/consumers by means of a Sale in Execution order.

## 6. NEW APPLICATIONS FOR SERVICES

- 6.1 No transfer of services from an owner/debtor to a tenant (Organ of State property excluded) will be allowed. The status quo of contracts signed before 01 July 2011 will be maintained, provided that the tenant does not default on payments.
- 6.2 The owner/debtor or his/her proxy applying for a service to be rendered must be positively identified by means of a generally acceptable means of identification as used by financial institutions. A copy of the identification details (such as a copy of the person's ID and proof of residence (for business owners/debtors/users)) must be kept for reference purposes.
- 6.3 The amount of a service deposit/bank guarantee will be based on tariffs as determined by the Council.
- 6.4 Adjustments to deposits/bank guarantees ~~will~~may be determined by the owner's/debtor's payment record of municipal accounts and consumption levels.

- 6.5 The provision of all services will be subject to the signing and acceptance of the conditions of supply contained in a service contract.
- 6.6 Where the consumer is not the owner/debtor of a property, the owner/debtor must on his/her request, regularly be served with a copy of a statement of the amount due.
- 6.7 The Municipality may utilize any services in order to enhance the effectiveness of credit checks.

## 7. THE RENDERING OF ACCOUNTS

- 7.1 Accounts must be rendered regularly and timeously to all property owners/debtors ~~and consumers~~ utilising municipal services.
- 7.2 Accounts must be consumer friendly and must clearly reflect the following minimum information:
- (a) the name, address and contact numbers of Stellenbosch Municipality;
  - (b) the name and postal address of the account holder;
  - (c) details of the property in respect of which the account is issued;
  - (d) the contents of the account will be reflected in at least one of the three official languages of the Western Cape Province;
  - (e) the balance brought forward from the previous account, as well as a summary of transactions for the present period;
  - (f) all services for which the account is rendered, as well as amounts billed for such services;
  - (g) the final amount payable;
  - (h) the final date for payment;
  - (i) soft reminders in respect of interest levies and discontinuation of services; and
  - (j) the situation of payment facilities, and modes of payment accepted and office hours for payment.

## 8. ACCOUNT QUERIES

- 8.1 Consumers have the right to query accounts. In order to ensure the correctness of accounts and the satisfaction of consumers, all queries must be attended to swiftly and effectively.
- 8.2 Claims of not having received an account do not constitute a valid reason for non-payment of accounts.

Queries regarding such non-receipt must be followed up with the Revenue Section in order for same to be addressed.

A consumer liable for any services rendered by, or rates due to the Municipality must furnish the Municipality with an address where correspondence can be directed to.

Consumers should be encouraged to provide the Municipality with e-mail addresses where accounts or any documents processed by the Municipality could be sent to, rather than traditional postal addresses.

8.3 Duplicate accounts shall be available upon request at a prescribed fee.

#### **8.4 Accounts in Dispute**

8.4.1 Should an account in respect of water or electricity consumption be disputed, the concerned consumer must at minimum pay the average amount of the previous 12 (twelve) month's accounts. This shall be applicable only for the month in which the dispute was raised. Subsequent accounts issued in months thereafter (barring any new dispute raised) shall be considered unrelated to the dispute in question.

All other Municipal services or rates disputed will be dealt with at the discretion of the Municipality.

8.4.2 The dispute in question shall be considered to be resolved after all actions have been taken by the Municipality; including but not limited to the following:

- (i) determining the correctness of the account;
- (ii) relevant procedures were taken to adjust the account accordingly; and
- (iii) a written notice or a telephonic confirmation to such effect has been given to the concerned consumer.

8.4.3 In the event that a consumer declaring a dispute, does not adhere to paragraph 8.4.1 above, the disputed account will be subject to the normal Credit Control and Debt Collection procedures.

#### **8.5 Errors or Omissions**

8.5.1 The Municipality strives to ensure the accuracy of ~~consumer owner/debtor~~ accounts. The onus of the consumer is however to verify that the services as stipulated on the account statement has been delivered and is correct. Upon detection of any errors or omissions the ~~consumer owner/debtor~~ should raise the dispute and notify the Municipality soonest and preferably in writing. Alternatively, said owner/debtor may during office hours approach the account enquiries staff for direct/immediate attention.

8.5.2 Accounts will only be rectified at the sole discretion of the Municipality after considering and verifying all aspects and conditions affecting the amount due and deemed to be in error. The adjustment (if applicable) to the account will be processed as per paragraph 8.4 above and applied after the date of inspection or confirmation by the specific Services Department.

8.5.3 Upon the sole discretion of the Municipality serious nonconformities or discrepancies of an account may be adjusted based upon the actual tariffs and legislation applicable.

## 9. DUE DATES OF ACCOUNTS

Accounts are payable by the 7<sup>th</sup> (seventh) day of each month or the first working day thereafter, should the 7<sup>th</sup> (seventh) day fall on a weekend or public holiday.

Upon extraordinary circumstances the date above may be temporary amended by the Municipal Manager to a reasonable date.

## 10. ALLOW SUFFICIENT TIME TO SETTLE ACCOUNTS

In order to allow sufficient time to settle accounts, the account should, where possible, be ready for delivery at least two weeks before the due date.

This necessitates proper scheduling of all processes leading to the issuing of accounts to meet the Municipality's commitment to its consumers.

## 11. CONSOLIDATION OF ACCOUNTS

In order to reduce cost and to enhance credit control and debt collection measures, separate accounts for services rendered in respect of a property or separate accounts of an owner/debtor will be consolidated as far as possible. This will not be limited to consumer accounts only but may be extended to any other amount payable arising from any liability or obligation due to the Municipality.

## 12. PAYMENT OF ACCOUNTS – GENERAL

12.1 In order to promote the payment of accounts, payment facilities and hours for payment must be convenient to consumers, but the establishment of such facilities should still be subject to normal business principles and the economy of the provision of such services.

12.2 The following facilities are presently available – with the office hours (usually between 08h00 - 13h00 and 13h30 - 15h30) and modes of payment indicated. (Facilities are extended on an on-going basis).

<b>Facility</b>	<b>Hours</b>	<b>Payment methods accepted</b>
Cash offices at Stellenbosch, Kayamandi, Franschhoek, Klapmuts and Pniel	Office hours: Monday to Friday	Cash, debit cards
Debit orders	Application during office hours	Bank transfers
Third Party Service Providers: Countrywide outlets of Pick 'n Pay, Shoprite/Checkers, Pep Stores, Ackermans and other stores	Trading hours as per Service Provider: 7 days per week	Cash, credit cards, debit cards
Internet payments	All hours	Bank transfers
Direct bank deposits	Banking hours	Bank transfers
Personnel deductions	Office hours	Direct deductions from earnings
24-hour Utility shops at petrol stations	All hours	Cash, credit cards, debit cards
Approved Pre-Paid Vending Agents	Trading hours as per Vending Agent	Cash

- 12.3 The use of correct account references for electronic payments and/or direct deposits is a requirement to ensure correct allocation of payment and to avoid any penalties and administration costs. It is the responsibility of the **consumer owner/debtor** making the payment to ensure that the correct reference number is made known to the Municipality.
- 12.4 All payments by means of Electronic Funds Transfer (EFT) or payments via the facilities as approved must be made in time so as to reflect in the Municipality's bank account before close of business on the due date.
- 12.5 Payment prioritisation of payments received will be allocated in the following order:
- (i) Penalties.
  - (ii) Municipal Rates.
  - (iii) Special Rating Area Levies.
  - (iv) Sewerage.
  - (v) Refuse.
  - (vi) Rentals.
  - (vii) Sundries.

- (viii) Water.
- (ix) Electricity.

### 13. DISHONoured PAYMENTS

- 13.1 Receipts issued in respect of dishonoured payments must be written back upon receipt of such notices. Interest on arrears must be raised where applicable and administration costs be debited to owners/debtors account. Owners/debtors~~Debtors~~ must be notified, and debt recovery actions be instituted where necessary.
- 13.2 Should payments be dishonoured twice; the financial system must be encoded not to accept debit order transactions of such a n debtor/owner/debtor, and he/she must be informed thereof in writing.
- 13.3 If payments are dishonoured twice in a financial year, ~~consumer~~-owner/debtor deposits/bank guarantees may be adjusted to mitigate increased financial risk.

### 14. PENDING LEGAL ACTIONS AGAINST CONSUMERS

Legal actions, such as notices of intended sales in execution, press releases regarding pending insolvency's, etc. may be followed up to evaluate the credit rating of such owners/debtors in order to take steps to minimize the risk of financial loss for the Municipality.

### 15. INTEREST

- 15.1 Interest will be raised monthly, on a reasonable time after due date, to allow finalization of EFT payments, journal processing, system updates, etc. The latter interest raising will be on all arrear balances of all services (excluding housing services~~rentals on Municipal properties~~), property rates or arrangements as per paragraph 3 of this Policy, remaining unpaid.
- 15.2 A portion of a month is deemed to be a full month for the purposes of calculation of interest payable.
- 15.3 Interest on outstanding arrear accounts will be calculated and charged at the South African Reserve Bank's prime interest rate plus one percent.

### 16. GENERAL AND OTHER SERVICES

#### 16.1 Monthly Consumer accounts:

- 16.1.1 Owner's/debtor's~~Debtor's~~ records must be coded correctly and timeously to ensure the rendering of accurate accounts to consumers.

- 16.1.2 The supply of water and electricity must conform to the conditions of supply set out in the By-Laws for Stellenbosch Municipality, as promulgated in the *Provincial Gazette*.
- 16.1.3 Due to the inclined block tariffs employed for these services, care must be taken to ensure meter readings are taken accurately and at intervals as close as possible to 30 days. Should this not be possible, consumption may be estimated as set out in the Municipality's By-Laws. As a general rule it is accepted that deviations in consumption periods exceeding 10% should be guarded against.

## **16.2 Sundry Services:**

- 16.2.1 Accounts for recovery of cost encountered by the Municipality in respect of sundry services rendered are issued if and when such services are rendered to consumers.
- 16.2.2 As these services are usually not based on formal service contracts, it is essential that it be billed as soon as possible, and the recovery of such debt must receive priority, as the risk of loss to the Municipality is more eminent than in the case of other services.
- 16.2.3 Care should be taken to obtain full and accurate information of such owners/debtors and to obtain prepayment for such services where possible.
- 16.2.4 Actions applied to follow up unpaid accounts will be determined by the nature and extent of the debt and the cost effectiveness of such actions.

## **17. CONDITIONS RELATING TO RENTAL AND PURCHASING OF MUNICIPAL PROPERTY**

- 17.1 Municipal property may only be leased or sold after approval of such transactions and the signing of a rental or purchase agreement. Such approvals may be by way of specific Council resolutions or in the form of delegations.
- 17.2 The conditions for payment of instalments and deposits are regulated by the contents of the rental and purchase agreements and the Municipality explicitly reserves its rights to discontinue services for non-payment not only limited to the leased property but any other property of the lessee within the jurisdiction of Stellenbosch Municipality (WC024).
- 17.3 Other specific rental and purchase agreements are tailored to the specific nature and requirements of such transactions.
- 17.4 Full details of remedies for defaulting lessees and purchasers and procedures to address such defaults must be contained in the relevant contracts but must not have the effect of limiting the Municipality in terms of this or any other Policy regulating arrears.

- 17.5 These remedies usually commence with written reminders, leading to the cancellation of the contracts and the institution of further legal action where necessary.
- 17.6 Rental and purchase agreements represent formalised individual contracts that form the basis of all actions by the parties involved. Both parties are bound to such conditions, failing which may lead to the cancellation of such contracts by the parties involved and claims for damages.
- 17.7 Lessees who may qualify for rental subsidies must be referred to the housing office to apply for such subsidies in an effort to make rentals more affordable.

## 18. RENTALS IN RESPECT OF MUNICIPAL EMPLOYEES

Apart from the general conditions applicable to general rental the following conditions will also be applied:

- (a) Rent will be based on the principle of market related rentals as required by Municipal Supply Chain Management (SCM) Regulation 40.
- (b) Rent, and optionally rates and service charges, where applicable, may only be paid by means of salary deductions. A specific clause to this effect must form part of the contract.
- (c) The relevant Director, or his/her delegated official, must co-sign rental agreements of employees to ensure that financial conditions are met.

## 19. INDIGENT ~~CONSUMERS~~OWNERS/DEBTORS

- 19.1 The Stellenbosch Municipality supports the principle of providing support to indigent consumers by way of providing Free Basic Services in accordance with the provisions of the Municipality's Indigent Policy. All effort must be made to limit the re-occurrence or accumulation of indigent debt of such consumers.

## 20 CONTACT OF RESPONSIBLE OFFICE

The contact details for Credit Control enquiries:

E-mail Address: [creditcontrol.notices@stellenbosch.gov.za](mailto:creditcontrol.notices@stellenbosch.gov.za)

Telephone Numbers: See Municipal Account for relevant telephone numbers

Postal Address: PO Box 17, Stellenbosch, 7601

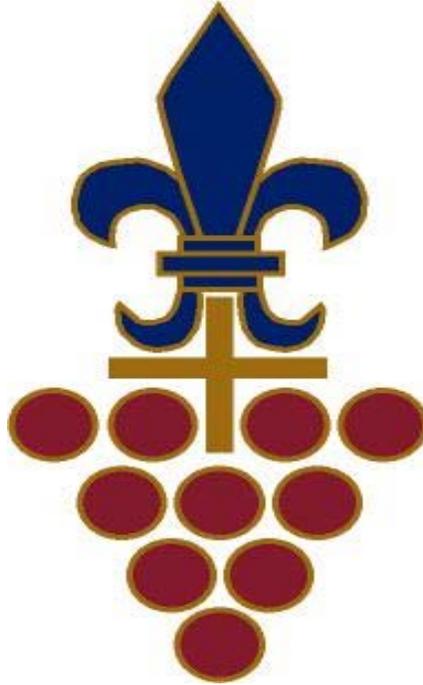
Any Municipal Office in the jurisdiction of Stellenbosch Municipality



**21. SHORT TITLE**

This Policy is the Credit Control and Debt Collection Policy of the Stellenbosch Municipality.

# **STELLENBOSCH MUNICIPALITY**



## **IRRECOVERABLE DEBT POLICY**

**2024/2025**

**REVISED**



# STELLENBOSCH MUNICIPALITY

## IRRECOVERABLE DEBT POLICY

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**PREAMBLE**

The Stellenbosch Municipal Council accepts and acknowledges its Constitutional duties and mandate towards the community/consumers of Stellenbosch Municipality (WC024).

Council further acknowledges that in order to deliver services in a sustainable manner, that same be managed in terms of Council's Credit Control and Debt Collection Policy having due regard of its limited financial resources and the need to manage cash flows.

Council therefore is aware of its duty to prepare financial statements that gives a true reflection of the financial position for a given period.

In order to give effect to the foregoing, the Council of Stellenbosch Municipality has adopted a policy relating to the management of irrecoverable debt as set out hereinafter.

## 1. Requirements before writing-off debt

All applicable actions must have been executed/implemented before any debt, owed to Stellenbosch Municipality will be considered for writing-off.

However, in special cases where all applicable actions were impossible/impractical to implement, the administration must motivate such write-off for consideration.

The irrecoverable debt of registered indigent consumers may be written-off on an annual basis by Council.

The abovementioned applicable actions are those as contained in the approved Credit Control and Debt Collection Policy of Stellenbosch Municipality.

## 2. Bad Debt Recovered

Bad debt recovered after having been written-off will be treated in terms of the Municipality's Accounting Policy.

The approval for the write-off of any debt does not mean that actions to recover the debt will be terminated. Conditionally, further actions may be instituted, depending on the costs involved. Should the debt be recovered, it will accordingly be recorded in the financial records of Stellenbosch Municipality.

## 3. Thresholds for writing-off of debt

3.1 The writing-off of debt per individual case may be considered as follows:

- (i) Above forty thousand rand (R40 000) will be effected after Council approval.
- (ii) Amounting to forty thousand rand (R40 000) and below may be effected after motivation to and approval by the Chief Financial Officer (CFO) or his/her delegate.
- (iii) Amounting to twenty-five thousand rand (R25 000) and below may be effected after motivation to and approval by the Senior Manager: Revenue and Expenditure.
- (iv) Amounting to fifteen thousand rand (R15 000) and below may be effected after motivation to and approval by the Manager Revenue.

3.2 The writing-off of any interest (or part thereof) component of debt, providing that the debt excluding the interest component, is paid in full, may be considered as follows:

- (i) Above ~~one-two~~ hundred ~~and fifty~~ thousand rand (~~R200 000~~R150 000) will be effected after Council approval.
- (ii) Amounting to ~~one-two~~ hundred ~~and fifty~~ thousand rand (~~R150 000~~R200 000) and below may be effected after motivation to and approval by the Chief Financial Officer (CFO).

- (iii) Amounting to ten thousand rand (R10 000) and below may be effected after motivation to and approval by the Senior Manager Revenue and Expenditure or Manager Revenue.

**4. Provision for irrecoverable debt**

Provision for bad/irrecoverable debt will be dealt with in terms of the Municipality's Accounting Policy.

**5. Rescission of Judgments**

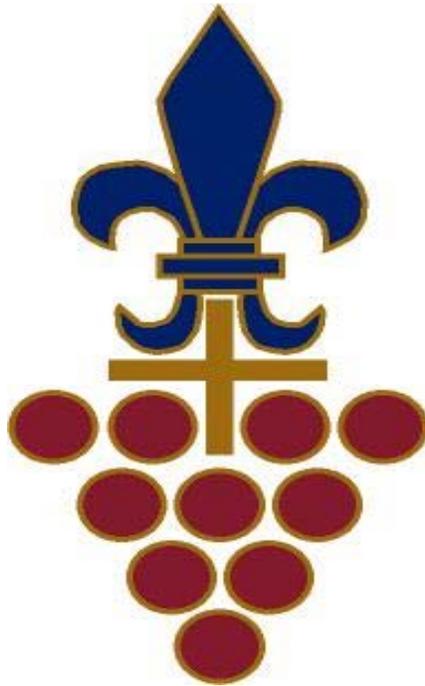
Stellenbosch Municipality will consider applications for the consent to rescission of judgments, obtained by the Stellenbosch Municipality for the recovering of debt, provided that the following conditions are applicable:

- 5.1 All outstanding debt accrued on the affected account of said property have been settled in full, and
- 5.2 A period of at least five years has lapsed since the date of the applicable judgment, in the case where the Stellenbosch Municipality has written off any debt.

**6. Short Title**

This Policy is the Irrecoverable Debt Policy of the Stellenbosch Municipality.

# **STELLENBOSCH MUNICIPALITY**



## **TARIFF POLICY**

**2024/2025**

**REVISED**



# STELLENBOSCH MUNICIPALITY

## TARIFF POLICY

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## PREAMBLE

In accordance with Section 74 of the Local Government Municipal Systems Act, 2000 (Act 32 of 2000), Stellenbosch Municipal Council must adopt and implement a tariff policy on the levying of tariffs for municipal services which complies with the provisions of the said ~~Municipal Systems~~ Act and with any other applicable legislation.

Tariffs represent the charges levied by Council on consumers for the utilization of services provided by the Municipality and rates on properties. Tariffs will be calculated in various ways, dependent upon the nature of the service being provided.

In furtherance of reusable energy, Council may consider tariffs pertinent to the purchase of surplus energy from consumers.

## 1. OBJECTIVE

The objective of this Tariff Policy is to ensure the following:

- (a) Tariffs must conform to acceptable policy principles;
- (b) Municipal services must be sustainable;
- (c) Tariffs must comply with the applicable legislation; and
- (d) Tariffs should take indigent consumers into consideration.

## 2. LEGAL FRAMEWORK

The following legislation is applicable for the determination of tariffs for municipal services delivered or for the purchase of surplus energy:

The Constitution of the Republic of South Africa, 1996 (Act 108 of 1996)

Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003)

Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)

Water Services Act, 1997 (Act 108 of 1997)

Electricity Regulation Act, 2006 (Act 4 of 2006)

Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004)

## 3. TARIFF PRINCIPLES

The following principles will apply in the Stellenbosch Municipal Area of jurisdiction (WC024):

- (a) Users of municipal services are treated equitably in the application of tariffs;
- (b) The amount individual users pay for services are generally in proportion to their use of that service;
- (c) Indigent or Poor households (as per the Indigent Policy of Stellenbosch Municipality) have access to basic services through:
  - (i) Special or lifeline tariffs for low levels of use or consumption of services or for basic levels of service; or
  - (ii) Any other direct or indirect method of subsidisation of tariffs for poor households.

- (d) Tariffs reflect the costs reasonably associated with rendering the service, including capital, operating, maintenance, administration, replacement costs and interest charges;
- (e) Tariffs are set at levels that facilitate the financial sustainability of the service, taking into account subsidisation from sources other than the service concerned.

A service is financially sustainable when it is provided in a manner that would ensure its financing from internal and external sources is sufficient to cover the costs:

- (i) of the initial capital expenditure required,
- (ii) for operating the service, and
- (iii) for maintaining, repairing, and replacing the physical assets used in its provision;

- (f) Provision is made in appropriate circumstances for a surcharge or a rebate on the tariff for a service;
- (g) Provision is made for the promotion of local economic development through special tariffs for categories of commercial and industrial users;
- (h) The economical, efficient, and effective use of resources, the recycling of waste and other appropriate environmental objectives ~~are~~ encouraged;
- (i) The extent of subsidisation of tariffs for indigent/poor households and other categories of users are fully disclosed; and
- (j) The safeguarding of the integrity of the electrical distribution network and the continued economic viability for the purchasing of surplus energy from consumers.

It is further stated that tariffs, rates, and the employment of resources, in general, take into account the Council's Integrated Development Plan (IDP) principles and goals.

#### 4. CLASSIFICATION OF SERVICES

Traditionally, municipal services have been classified into five groups based on how they are financed. The five groups are as follows:

- |     |                     |   |
|-----|---------------------|---|
| (a) | Trading services    | Water and Electricity Services  |
|     |                     | These services <del>must</del> <u>may</u> generate a surplus which will be used to subsidize community services other than economical services.   |
| (b) | Economical services | Refuse Removal and Sewerage Services  |
|     |                     | These services' charges must cover the cost of providing the services, i.e. it must at least break even. In the event of the latter not being possible within a period, the shortfall will be financed from the Municipal Property Rates revenue. |
| (c) | Rates Services      | The revenue from Municipal Property Rates is utilized for Rates related services.   |
| (d) | Housing Services    | Housing Schemes   |
|     |                     | These services are ring-fenced in the Housing Development Fund and the net operating balance is set off as a contribution to/from the Housing Development Fund.   |
| (e) | Sundry Services     | Various Services  |
|     |                     | All Services not defined in paragraphs (a) to (d) above. <u>These services' charges may cover the cost of providing the services, i.e. it should at least break even</u>  |

#### 5. CALCULATION OF TARIFFS FOR MAJOR SERVICES

##### 5.1 Water Tariffs

Although a fairly large proportion of the water needs is supplied from own sources, water is also purchased from external suppliers, such as the City of Cape Town. The increase in water tariffs is largely influenced by the changes in the Consumer Price Index (CPI), the purchase price of water and the need for financing bulk water infrastructure expansion.

Water is bought at a one-part tariff expressed in Rand per kilolitre. ~~For this reason, it is found that water tariff structures for end-users follow the same trend.~~ In order to manage consumption, an inclining block rate tariff structure is applied in the Stellenbosch Municipal area of jurisdiction.

The first block rate for domestic consumers represents the Lifeline volume in kilolitres (kl) per month (considered to be the lowest sustainable water volume per household), which is supplied at a rate targeted to be below cost. Losses incurred in this tariff category may be recovered by contributions from the higher tariff categories, conforming to the principle of cross-subsidisation.

Tariff structures for water supply are applied in the form of a sliding scale or a flat tariff in the area of jurisdiction of Stellenbosch Municipality. This is reflected in the Tariff Schedule approved by Council.

The specific sliding scale(s) linked to each consumer group, or the service charge types and the applicable tariffs, including any specific tariffs that would be applicable when Council adopts water restriction strategies, are reflected in the Water Tariff Schedule as approved by Council.

The following table illustrates the principals for tariff charges applied to various consumers or the specialised water service charge types for water consumption in the Stellenbosch Municipal Area:

**(a) Domestic:**

Includes residential erven, Sectional Title Units, as well as residential erven managed by legal entities, each being served by an individually metered water connection.

**(b) Domestic Cluster:**

Refers to a cluster (block of flats) served by a single water connection.

**(c) MASO:**

A MASO tariff for the affected parties will be applied.

**(d) Bulk Users:**

A sliding scale tariff will be applied on water consumption for irrigation of sports grounds of schools, irrigation of Council property by sports clubs, as well as irrigation of parks and other grounds or properties serviced by Council's Parks and Recreation Department.

**(e) Business, Commercial and Industrial:**

A single tariff for all business, commercial and industrial consumers will apply.

**(f) All other consumers and Miscellaneous cases:**

A single tariff for all other consumers and miscellaneous cases including schools, sport bodies, charity organizations and churches or any other user as determined by the relevant Director, may apply.

**(g) Leakages:**

Different tariffs may apply to Municipal, Domestic, Business, Commercial or Industrial consumers.

**(h) Basic Charge:**

A Basic (a fixed monthly) charge will be applied to each domestic consumer, a domestic cluster consumer and all other non-domestic consumers, irrespective whether a gated/non-gated development is supplied via a bulk meter.

The Basic charge will be applied to Indigent Households as per the Indigent Policy of the Municipality.

**(i) Availability Fee:**

An availability fee may be charged on properties not connected to the water network, should it be available. This fee aims to recoup capital and maintenance costs of networks as well as certain fixed administrative costs in respect of such properties. The applicability of such fee shall be determined by the relevant directorate.

**5.2 Electricity Tariffs**

In addition to general cost factors, the following is taken into account when determining a tariff structure for electricity:

- (i) Electricity is primarily supplied by Eskom and distributed by the Municipality.
- (ii) Minimum standards for distribution are determined nationally and must be adhered to in order to conform to both safety and continuity of supply norms.
- (iii) Due to the fact that a large part of the operating expenditure consists of bulk electricity purchases, tariff structures and levels are very sensitive to any change in the cost of supply by Eskom.
- (iv) Electricity is supplied under a distribution license, granted by the National Electricity Regulator of South Africa (NERSA) for a specific area of jurisdiction. All tariff structures and tariffs must be approved by NERSA prior to application thereof by a distributor on an annual basis.

Electricity is distributed by Stellenbosch Municipality in the areas of Stellenbosch, Johannesdal, Pniel and Franschhoek.

Eskom distributes electricity in the areas of Jamestown, Raithby, Kylemore, Klapmuts and the rural areas. In these areas, the distribution is managed, operated, and controlled by the applicable service provider.

Export of surplus energy from an approved and certified consumer to the Municipality's distribution network shall be subject to special and specific agreements embracing in broad terms the operational and financial imperatives for a sustainable and economically viable alliance.

In order to manage consumption, inclining block rate tariff structures are applied in the Stellenbosch Municipal areas of distribution, or any part or area incorporated where due course was followed. In these areas, different tariff structures may be implemented for consumers using renewable energy for own use and/or where the export of surplus energy is approved under the proviso of specific conditions, limits on energy export and reimbursement of exported energy.

Additional fees may be levied on consumers for which maximum demand charges are in effect and who have exceeded specific limits.

The specific inclining block rate(s), any other charges linked to the tariff structure and the applicable tariffs are reflected in the Electricity Tariff Schedule as approved by Council.

The following table illustrates the principals for tariff charges applied to various consumers or the service charge types for electricity consumption or export in the Stellenbosch Municipal Area:

**(a) Domestic Lifeline (PP):**

Domestic Lifeline Tariffs will apply to prepaid Indigent consumers in order to promote the affordability of the service. A fixed monthly charge will not be applied to this category of consumers.

**(b) Domestic Regular:**

Domestic Regular tariffs will apply, in various service charge types, to other domestic consumers other than Indigent consumers on either conventional or prepaid metering systems. A fixed monthly charge may be applied to this category of consumers.

**(c) Commercial Lifeline Low energy rate:**

A Commercial Lifeline energy rate tariff will apply in respect of prepaid commercial low consumers. A fixed monthly charge will not be applied to this category of consumers.

**(d) Commercial Low energy rate:**

Commercial Low energy rate tariffs will apply, in various service charge types, in respect of conventional and prepaid commercial low consumers. A fixed monthly charge will be applied to this category of consumers.

**(e) Commercial Regular energy rate:**

Commercial Regular energy rate tariffs will apply, in various service charge types, in respect of conventional and prepaid commercial regular consumers. A fixed monthly charge is applied to this category of consumers.

**(f) Agricultural energy rate:**

Agricultural energy rate tariffs will apply, in various service charge types, in respect of agricultural use. A fixed monthly charge is applied to this category of consumers.

**(g) Industrial energy rate:**

Industrial energy rate tariffs as well as various types of energy demand tariffs will apply, in various service charge types, in respect of Industrial use. A fixed monthly charge is applied to this category of consumers.

**(h) Municipal energy rate:**

Municipal energy rate tariffs will apply, in various service charge types, for municipal consumption for street and traffic lights and for municipal buildings. A fixed monthly charge will not be applied to this category of consumers.

**(i) Non-profit Organisations (NPO) energy rate:**

Non-profit organisation's tariffs will apply, in various service charge types, to Non-profit Organisations in order to promote the affordability of the service for Non-profit Organisations. A monthly fixed charge will not be applied for this category of consumers.

**(j) Sport Organisations energy rate:**

Sport energy rate tariffs will apply, and a Maximum Demand Charge may apply on sports fields as per approved contracts being classified as either Low Consumers or High Consumers. A fixed monthly charge will not be applied to this category of consumers.

**(k) Time-of-Use energy rate:**

Different fixed monthly tariffs as well as various types of energy demand tariffs will apply during the low demand and the high demand tariff periods ~~(also referred to as the summer and winter periods respectively)~~ in respect of low and medium voltage consumers. For the purpose of these tariffs the low



demand period shall be defined as being the summer period and the high demand period as the winter period.

**(l) Availability fee:**

An availability fee may be charged to properties not connected to the electricity network, where it is available. This fee aims to recoup capital and maintenance costs of networks as well as certain fixed administrative costs. The applicability of such fee shall be determined by the relevant directorate.

### **5.3 Refuse (Solid Waste) Removal Tariffs**

The specific services rendered, any other charges linked to the service and the applicable tariffs are reflected in the Solid Waste Tariff Schedule as approved by Council.

**(a) Residential properties:**

Residential refuse (solid waste) will be removed once a week. Households are allowed 3- standard refuse bags or one “Otto”-type container per week.

Refuse removal tariffs are based on a flat rate per household.

A specific tariff for Indigent consumers in respect of single residential properties will apply as per the approved Solid Waste Tariff Schedule.

**(b) Business and industries:**

Business and industry refuse (solid waste) are removed by means of “Otto”-type or bulk containers. Each container (size in volume) is accepted as a refuse unit at a specific tariff and number of removals per week.

**(c) Availability Fee:**

An availability fee may be charged to vacant properties, businesses, flats, and developments not permanently using the municipal collection services. The applicability of such fee shall be determined by the relevant directorate.

### **5.4 Sewerage Tariffs**

Tariff structures for sewerage are applied uniformly in the area of jurisdiction of Stellenbosch Municipality.

The tariff structures for specific services rendered, any other charges linked to the service and the applicable tariffs are reflected in the Sewerage Tariff Schedule as approved by Council.

**(a) Residential properties:**

A tariff structure utilizing plot sizes is applied to allocate the sewerage costs to a specific property.

**(b) Business and industries:**

A tariff structure utilizing plot sizes, as well as floor areas per usage is applied to allocate the sewerage costs to a specific property.

The removal of industrial effluent is charged at a cost as per the applicable tariffs.

**(c) Septic Tanks:**

The clearance of septic tanks is charged per 5 000 litre or part thereof.

**(d) Availability Fee:**

An availability fee based upon a tariff structure utilizing plot sizes may apply to all vacant properties. The applicability of such fee shall be determined by the relevant directorate.

**6. CALCULATION OF OTHER TARIFFS****6.1 Sundry Tariffs****(a) Tariff Structure:**

(i) The tariff structure as reflected in the Sundry Tariffs Tariff Schedule as annually approved by Council will be used to determine regulatory community and subsidized services.

**(b) Method of calculation:**

(i) Existing tariffs will be revised annually, for application during the next financial year, by adjusting the tariff that applied during the current financial year by a percentage (suitable rounding will be applied) to recover increased costs or to compensate for any cost reductions where appropriate.

(ii) New tariffs will be calculated based on the estimated actual cost where appropriate or to recover some costs depending on the type of community service.

**(c) Building Clause references:**

(i) Obligations pertaining to Building Clauses as per the development agreements or contracts will be dealt with according to the contract obligations.

**6.2 Rates Tariffs**

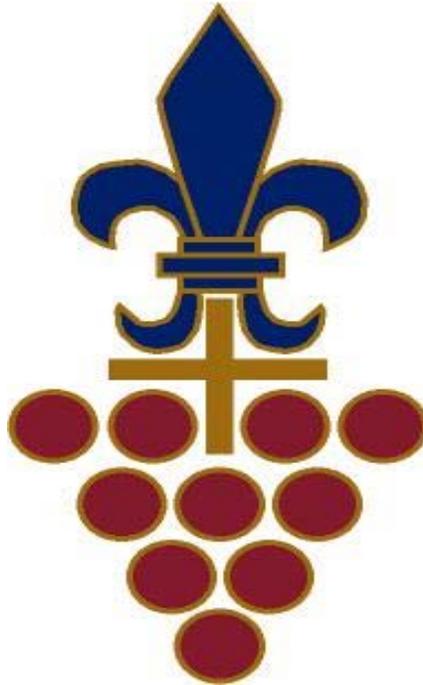
The Stellenbosch Municipality's Rates Policy describes the process for imposing property rates for the various categories of owners and properties.

The tariff structures for the applicable categories and the applicable provisions for relief measures are reflected in the Property Rates Tariff Schedule and Rates Policy as annually approved by Council.

**7. SHORT TITLE**

This policy is the Tariff Policy of the Stellenbosch Municipality.

# **STELLENBOSCH MUNICIPALITY**



## **SPECIAL RATINGS AREA POLICY**

**2024/2025**

**REVISED**



# STELLENBOSCH MUNICIPALITY

## SPECIAL RATING AREA POLICY

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## 1. DEFINITIONS

In this Policy, words or expressions shall bear the meaning assigned to them and, unless context otherwise indicates: –

**“additional rate”** means an additional rate contemplated in sections 19(1)(d) and 22(1)(b) of the Property Rates Act and in section 12(2) of the By-Law;

**“applicant”** means any owner who makes an application for the determination of a special rating area in accordance with provisions of Chapter 1 of the By-Law, or if a management body is established in terms of section 10 of the By-Law, any reference to **“the Applicant”** means the management body;

**“By-Law”** means the Stellenbosch Municipality’s Special Rating Area (SRA) By-Law;

**“CFO”** means the Chief Financial Officer of Stellenbosch Municipality, or his or her nominee;

**“Council”** means Council of Stellenbosch Municipality;

**“implementation plan”** means an Implementation Plan as contemplated in section 6 of the By-Law;

**“majority”** means the majority of properties represented by the members of the local community in the proposed special rating area who will be liable for paying the additional rate;

**“management body”** means the management body of a special rating area to be established in accordance with the provision of section 10 of the By-Law;

**“motivation report”** means a motivation report as contemplated in section 6 of the By-Law;

**“the Municipality”** means Stellenbosch Municipality (WC024),

**“owner”** has the meaning assigned to it in section 1 of the Property Rates Act;

**“Policy”** means the policy for the determination of special rating areas and will be referred to as this Policy;

**“Property Rates Act”** means the Local Government: Municipal Property Rates Act, 2004 (Act No.6 of 2004);

**“rateable property”** has the meaning assigned to it in section 1 of the Property Rates Act;

**“special rating area”** means a special rating area approved by the Council in accordance with the provisions of section 22 of the Property Rates Act and section 8 of the By-Law.

## 2. INTRODUCTION

- 2.1. This policy for the establishing of special rating areas must be read together with the Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004) and the Municipality's Special Rating Area (SRA) By-law, as in force from time to time.
- 2.2. This policy is strictly applicable to Special Rating Areas that have been established in terms of sub-sections 22(1) to 22(4) of the Property Rates Act. Therefore, this policy does not deal or apply to internal municipal service districts as envisaged in section 85 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) and in sub-section 22(5) of the Property Rates Act.
- 2.3. All words and phrases defined in the Property Rates Act and the By-Law have the same meaning in this Policy.
- 2.4. In the event of any conflict between the provisions of the By-Law and the provisions of this Policy, the By-Law prevails.
- 2.5. This Policy needs to be read together with the Municipality's Rates Policy.

## 3. AIM OF THE POLICY

This Policy aims to –

- 3.1. Set out Council's position on special rating areas and the factors that will influence Council's decision whether or not to institute a particular Special Rating Area.
- 3.2. Provide guidance to members of the local community and to decision-makers within the Municipality in relation to the establishment of special rating areas; and
- 3.3. Strike an appropriate balance between facilitating self-funded community initiatives that aim to improve and/or upgrade neighbourhoods by –
  - (a) making use of Council resources and structures; or
  - (b) making use of a Non-Profit (previously known as a Section 21) company structure (refer paragraph 8.12.5 of this Policy); and to
  - (c) ensure commitment to good, fair and transparent governance by the managing body, by implementing a transparent process when appointing service providers to improve and/or upgrade the special rating area in the public areas and ensuring that these improved and/or upgraded services are not provided on private properties.

#### 4. POLICY STATEMENT

- 4.1. The special rating area model is aimed at preventing the degeneration of towns and the consequential urban decay, and facilitating their upliftment, economic growth and sustainable development.
- 4.2. The purposes of a special rating area are to –
- (a) enhance and supplement the municipal services provided by Stellenbosch Municipality;
  - (b) facilitate investment in the special rating area;
  - (c) facilitate a cooperative approach between Stellenbosch Municipality and the private sector in the provision of municipal services;
  - (d) halt the degeneration and facilitate the upliftment of distressed business and mixed-use areas; and
  - (e) promote economic growth and sustainable development and in this way, assist the Council in the fulfilment of its objects and developmental duties as set out in its Integrated Development Plan (“IDP”).
- 4.3. Stellenbosch Municipality regards special rating areas as a potential tool for allowing it to fulfil its constitutional and statutory obligations to promote;
- (a) social and economic development; and
  - (b) a safe and healthy environment in a way which balances the guiding principles underlying its Rates Policy.
- 4.4. Special rating areas allow property owners within an explicitly defined geographical area to improve and upgrade their area by means of a property rate in addition to the standard property rate.
- 4.5. Special Rating Areas do not give property owners or the management structures of the Special Ratings Area the right to infringe on any of the constitutional rights as enshrined in the Bill of Rights, Chapter Two of the Constitution of South Africa, 1996 ([Act 108 of 1996](#)) of any juristic or natural person in any way. Specifically, the right to freedom of movement and residence of any juristic or natural person referred to in Section 21 of the Constitution [of South Africa](#) must be guaranteed by the Special Rating Area as a pre-requisite for approval by the municipality.

#### 5. FACTORS CONSIDERED WHEN DETERMINING A SPECIAL RATING AREA

The Council will consider instituting a special rating area where the requirements of Section 22 of the Property Rates Act are complied with, including that –

- 5.1. the purpose of the special rating area is to allow an additional rate to be levied on property in the defined area to raise funds for improving or upgrading the area;
- 5.2. the special rating area will not be used to reinforce existing inequities in the development of the Stellenbosch Municipality’s (WCO24) area of jurisdiction;
- 5.3. the determination of the special rating area is consistent with Stellenbosch Municipality’s IDP;



- 5.4. residential special rating area refers to an area in which more than 40% (forty percent) of the rates based municipal valuation consists of Residential Property as defined in the Rates policy.
- 5.5. any residential special rating area must comply fully with the provision of the By-Law, save that, with reference to the majority support the applicant must provide written proof to the Council that owners of rateable property within the boundary of the special rating area who own not fewer than 60% (sixty percent) in number of such properties, approve the formation of the special rating area. Subject to paragraph 6.3, municipal-owned properties will be excluded from such voting procedures.
- 5.6. the majority of members of the local community who will be liable for paying any additional rate in the special rating area, other than residential special rating areas, have consented to its establishment. Subject to paragraph 6.3, municipal-owned properties will be excluded from such voting procedures.
- 5.7. the procedural requirements of Section 22 of the Property Rates Act as well as the By-Law and this Policy are complied with, which include the community consultation requirement as determined by the Municipality's Chief Financial Officer (CFO);
- 5.8. the proposed improvement or upgrade has been clearly and fully defined;
- 5.9. the proposed improvement or upgrade can be clearly and logically linked to a geographical area, the boundaries of which must be clearly determined;
- 5.10. there is evidence that it will be financially viable to use a special rating area to raise funds for the proposed improvement or upgrade;
- 5.11. Stellenbosch Municipality is satisfied with the institutional arrangements proposed in respect of the special rating area; and
- 5.12. Ultimately, the decision whether or not to determine a special rating area rests with the Council in its sole discretion.

## 6. **APPLICABILITY OF STELLENBOSCH MUNICIPALITY'S RATES POLICY AND OTHER POLICIES**

- 6.1. When Stellenbosch Municipality grants any measure of relief to Senior Citizens, Disabled Persons and Non-Profit Organisations in terms of the Rates Policy, or registered indigents in terms of the Indigent Policy, the relevant property owner will be granted a full (100%) discount in relation to the additional special rating area rate.
- 6.2. The granting of the above discount as per paragraph 6.1 will however not in any way modify the voting rights in relation to said property as described in paragraphs 5.5 and 5.6.
- 6.3. Subject to paragraph 6.4, municipal-owned properties will be exempted from the additional special rating area rates and will not participate during any voting procedures as described in paragraphs 5.5 and 5.6.
- 6.4. The occupants of municipal-owned properties which are leased in terms of a lease agreement and who are liable for the payment of rates or the occupants of those properties which are

allocated to beneficiaries but not yet transferred will be liable for the additional special rating area rates and will retain the voting rights as described in paragraphs 5.5 and 5.6.

## 7. **PROCESS**

This Policy sets out –

- (a) the institutional arrangements for special rating areas (paragraph 8 of this Policy)
- (b) the establishment requirements which must be followed (paragraph 9 of this Policy);
- (c) the information which needs to be submitted to Stellenbosch Municipality in order to motivate a request for determination of a special rating area (paragraph 10 of this Policy);
- (d) the annual requirements which must be followed (paragraph 11 of this Policy);
- (e) the amendments and/or extension of term for a special rating area (paragraph 12 of this Policy);
- (f) the dissolution requirements which must be followed (paragraph 13 of this Policy)
- (g) financial arrangements (refer paragraph 14 of this Policy).

## 8. **INSTITUTIONAL ARRANGEMENTS**

Section 22 of the Property Rates Act is not prescriptive as to the structural arrangements which need to be put in place to administer a special rating area. The structural arrangement that will be considered by the municipality is the following:

### 8.1. **Administration by a Non-Profit Company**

- 8.1.1. Stellenbosch Municipality will require the ratepayers within the special rating area to establish and participate in an appropriate structure to carry out planning, contracting, financial control and administrative functions within the special rating area.
- 8.1.2. This does not entail ratepayers setting the additional rate, which under law can only be done by Stellenbosch Municipality (paragraph 14 of this Policy).
- 8.1.3. This places funds collected by government in the hands of the private sector, thus the requirements set out in this Policy must be met.
- 8.1.4. The functions of the Non-Profit Company would include:
  - (a) Determining the funding required each year (refer paragraph 14.2 of this Policy);
  - (b) Appointing contractors or service providers to effect the improvement/s or upgrade/s;
  - (c) Receiving the additional rate collected by Stellenbosch Municipality and expending the funds in accordance with the approved Business Plan.
- 8.1.5. Structural requirements of the Non-Profit company:
  - (a) Before Stellenbosch Municipality will consider allowing ratepayers in a special rating area to carry out administrative and other functions in relation to the area, the Steering

Committee must establish a Non-Profit company (company not for gain) as per the Companies Act, Act 71 of 2008 (as amended or replaced) (“the Companies Act”) for that purpose. The provisions of the Companies Act must be complied with, particularly those relating to non-profit companies (which effectively replaced Section 21 companies as per the old Companies Act, Act 61 of 1973), subject to the transitional provisions contained therein;

- (b) The founding documentation (“the Memorandum of Incorporation”) in relation to the structure established by ratepayers (this is equivalent to the Memorandum and Articles of Association, as per the old Companies Act, Act 61 of 1973), must be as per the prescribed format determined by the CFO;
- (c) The Non-Profit company must be managed under the Companies Act, and also comply with any other legislation as a result of the financial connections to Council; and
- (d) The Non-Profit company must give a written notice by the most effective manner to all the property owners within the special rating area of the intention to hold an Annual General Meeting (AGM) on the date stated in the notice;
- (e) A Special General Meeting (“SGM”) must be called within 6 months of the establishment of the Non-Profit Company. The purpose of the SGM is to:
  - (i) Accept new members;
  - (ii) Appoint directors;
  - (iii) Amend the Memorandum of Incorporation if required; and
  - (iv) Approve the following year’s Budget and Implementation Plan (refer paragraph 14.2 of this Policy).

## **9. APPLICATION FOR THE ESTABLISHMENT OF A SPECIAL RATING AREA**

- 9.1. The process for establishing special rating areas as set out in Chapter 1 of the By-Law must be followed.
- 9.2. The special rating area application must be submitted by end of September of the financial year preceding the establishment of the special rating area.
- 9.3. Further to section 7.2 of the By-Law the applicant must hold another public meeting within 30 days after submitting the application to confirm that it was lodged and to discuss details with the community.

## 10. MOTIVATING A SPECIAL RATING AREA

The Motivation Documentation must comprise of the following:

### 10.1. Business Plan –

The Business Plan must clearly define and indicate all the required improvements or upgrades and must contain -

#### 10.1.1. Introduction;

- (a) an executive summary of the improvement or upgrade proposed for the special rating area as set out in the Implementation Plan;
- (b) An explanation of how the proposed improvement or upgrade is linked to the geographical area of the proposed special rating area;
- (c) An explanation of why the proposed special rating area will not reinforce existing inequities in the development of Stellenbosch Municipality;
- (d) An explanation of how the special rating area, if instituted, will be consistent with Stellenbosch Municipality's IDP as per the Service Departments' Business Plans;
- (e) An explanation of the institutional arrangements proposed in relation to the special rating area.

#### 10.1.2. Vision;

#### 10.1.3. Mission;

#### 10.1.4. Goal;

#### 10.1.5. A diagram clearly indication the boundaries of the proposed special rating area;

#### 10.1.6. Management;

- (a) Administrative policies of the Non-Profit company;
- (b) Proposed management structure:
  - Composition of the management body including allocation of portfolios and;
  - Operational Arrangements

#### 10.1.7. Services;

Service providers must be appointed as per paragraph 3.3(c) and 10.1.1(d) of this Policy.

#### 10.1.8. Financial Impact;

- (a) Provide details regarding the calculation of the cent-in-the-rand and as acted on the municipal valuation value of each property;
- (b) Provide details of criteria to qualify for exemption of additional rate;

#### 10.1.9. A list of all rateable properties within the proposed special rating area, contact details of owners and the value of each property as set out in the Council's municipal valuation ~~roleroll~~.

Differentiation between categories of properties, as provided for in Section 8 of the Property Rates Act and used in the valuation ~~releroll~~, ~~must~~ may be considered;

10.1.10. Proof of the consent of the majority of the members of the local community as per paragraph 5.5 of this Policy, in the proposed special rating area who will be liable for paying the additional rate;

10.1.11. Proof of the notice of the public meeting or meetings contemplated in the By-Law;

10.1.12. Minutes of the public meeting or meetings; and

10.1.13. Compilation date.

#### 10.2. Implementation Plan

The Implementation Plan is a schedule of goals to implement improvements or upgrades as per the motivation report and must at least address the following:

10.2.1 Milestones;

10.2.2 Tasks per milestone;

10.2.3 Start and finish date per task;

10.2.4 Assign responsibility per goal, milestone & task; and

10.2.5 Performance indicators per milestone.

#### 10.3. Budget Plan

The Budget Plan for the proposed improvements or upgrades must at least address the following:

10.3.1 a budget line item should be set for each milestone or task and grouped in such a way that there is a clear indication how the Implementation Plan is financially structured;

10.3.2 an annual budget per line item commencing on 01 July of the first year and end on 30 June of the last year of the term; and

10.3.3 a budget split for the provision of improvements or upgrades between the different categories of properties.

**11. ANNUAL REQUIREMENTS**

- 11.1. Confirm property data base (Register of properties and owners in the special rating area);
- 11.2. Submit an audited financial Statement and Trail Balance as approved/accepted at a SGM called for that purpose and
- 11.3. Submit an annual budget and an Implementation Plan as approved at the Annual General Meeting (AGM) by 31 January (refer paragraph 14.2 of this Policy).

**12. AMENDMENT AND/OR EXTENSION OF TERM**

In the event that a special rating area seeks to extend the term over which it will operate or amend the goals as per its Implementation Plan, then the procedures set out in Chapter 3 of the By-Law must be followed and submitted by the end of October.

**13. DISSOLUTION**

The special rating area may be cancelled by resolution of the Council, subject to the provision of section 16 of the By-Law.

**14. FINANCIAL CONTROL**

- 14.1. As stated in the By-Law, the amount of any additional rate levied in a special rating area is determined by the Council. The additional rate as imposed by the Council, is debt owing to Stellenbosch Municipality and is payable and collected in the same manner as other property rates imposed by the Council.
- 14.2. The management structure must recommend the annual budget amount of the additional rate to the Stellenbosch Municipality by 31 January, with appropriate motivation including an Implementation Plan and a Budget Plan for the next financial year, and the Council will consider the recommendation during its budgeting process.
- 14.3. Before Stellenbosch Municipality will pay over any additional rate collected to the management structure, the management structure and Stellenbosch Municipality must have concluded a written finance agreement regulating, amongst other things;
  - (a) the mechanisms and manner of payment;
  - (b) how the additional rate is to be held by the management structure;
  - (c) any parameters relating to expenditure; and
  - (d) any obligations on the management structure to take out and maintain appropriate insurance.
- 14.4. The financial year of the Municipality shall be deterministic and shall be applied to the Budget plan and all financial transactions.

15. **COMMENCEMENT AND IMPLEMENTATION**

15.1. Implementation of this Policy will commence on 01 July ~~2020~~2024.

15.2. Where Stellenbosch Municipality is legally empowered to do so, requirements set out in this Policy may be imposed as conditions attached to the determination of a special rating area.

15.3. This Policy and its implementation will be reviewed annually.

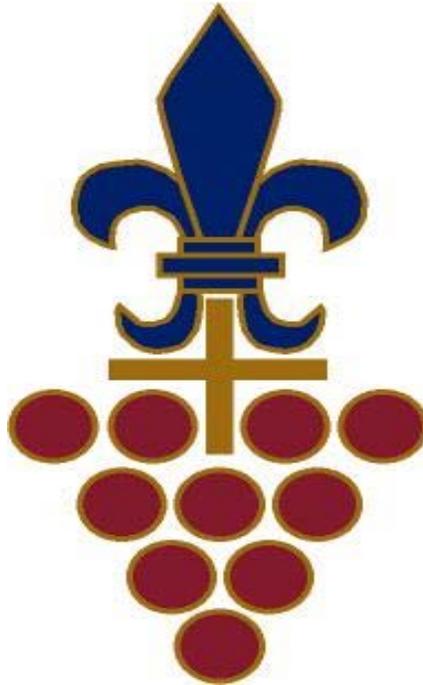
16. **COST**

Stellenbosch Municipality shall not be liable for any costs incurred by ratepayers within the relevant proposed special rating area in respect of the implementation of the steps set out in this Policy and in the By-Law.

17. **SHORT TITLE**

This policy is the Special Rating Area Policy of the Stellenbosch Municipality.

# **STELLENBOSCH MUNICIPALITY**



## **TRAVEL AND SUBSISTENCE POLICY**

**2024/2025**

**REVISED**





# STELLENBOSCH MUNICIPALITY

## TRAVEL AND SUBSISTENCE POLICY

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## 1. OBJECTIVE

It is essential that representatives of this municipality from time-to-time travel in order to establish and maintain links and relationships with other municipalities, government bodies, and other parties, institutions and organizations operating in the sphere of local government. It should also be read together with paragraph 2 of MFMA Circular 82 of 30 March 2016 as well as the Cost Containment Regulations as far as it is applicable to travel and subsistence issues.

This policy sets out the basis for the payment of a subsistence travel allowance, hourly rate when applicable and for the purpose of such official traveling.

**In the event of any conflict between a provision of this policy and the Cost Containment Policy, the latter policy shall apply.**

## 2. TRAVEL

### 2.1 *Responsibilities of Representatives who travel on Business of the Municipality*

- a) Every representative who travels on the business of the municipality must comply with this policy in letter and in spirit.
- b) Representatives who travel on the business of the municipality must take note that their actions, conduct and statements must be in the best interest of the municipality, and they must comply with any specific mandates they have been given.

### 2.2 **Air Travel**

- a) **The Accounting Officer in respect of all officials or political office bearers and the Executive Mayor in respect of the Accounting Officer only approve the purchase of economy class tickets for air travel.**
- b) All flights by representatives of the municipality shall be in economy class, unless another class of travel is specifically authorized by-
  - (i) the executive committee, with regard to Holders of Public Office and the Municipal Manager, or
  - (ii) The Municipal Manager, with regard to officials and applicants for interviews

### 2.3 International Travel

- a) International travel for any official or political office bearer can only be approved by the municipal council in a meeting open to the public with a supporting vote of the majority of the members of the municipal council present.
  
- b) The report to council for approval of international travel must include:
  - (i) A motivation why the international travel is seen as critical and fully setting out the anticipated benefit that the municipality will derive from attending the event, meeting or function;
  - (ii) If international travel to the destination or event was previously undertaken, state what benefits if any derived from the previous attendance;
  - (iii) The full cost of the international travel including travel allowances and visas if applicable to be paid; and
  - (iv) The proposed officials and political office bearers, not exceeding three, to travel and why they have been identified.
  
- c) The following events will not be considered critical to justify international travel whether the full cost of the travel is paid by another institution or not:
  - (i) Attendance of international sporting events;
  - (ii) Attendance of international social events;
  - (iii) Attendance of international party-political events;
  - (iv) The opening of another country's parliament or any other country's government's celebration events.
  
- d) The accounting officer or delegated official must ensure that requirements for international travel by officials or political office bearers are not inserted into bid documents, whether it is for inspection of products at source of construction/assembly or for any other reason.

## 2.4 Car Rental, Travel Costs and rates

- a) Only “A” or “B” category vehicles may be rented, unless it is more cost-effective to hire any other category (for example, when the number of representatives involved could justify the hire of a micro-bus).
- b) Car rental must be approved as part of the travel package before the trip is embarked on. A representative who rents a vehicle whilst traveling on the business of the municipality without having received prior authorization will only be reimbursed for the cost of the vehicle rental if proof of expenditure can be produced and the representative can demonstrate that vehicle rental was reasonably but unexpectedly necessitated by the circumstances.
- c) Parking and toll fee – actual cost will be reimbursed via Petty Cash after the submission of proof of expenditure.
- d) If a representative has to utilize his or her personal motor vehicle, he or she will be reimbursed at the tariffs listed below. The distance to which the reimbursement applies, must be the shortest distance via tarred road between the municipality’s offices and the location where the official business is to be transacted.
  - o Councilors:

Will be reimbursed in terms of the Private Column of Department Transport monthly circulars pertaining to Tariffs for the Use of Motor Transport to a maximum of R4.18 per kilometer.
  - o Officials with vehicle/car allowance:

Will be reimbursed at a flat rate of R4.18 per kilometer where motor vehicles are used and R2.00 per kilometer where motorcycles are used. Where it is possible to fly to a destination, but the official prefers to drive with his own vehicle, the lower value between kilometer claim and a flight ticket will be used as basis for reimbursement.
  - o Officials who are in receipt of an Essential User Transportation Allowance:

Will be reimbursed according to the official Cost Tables contained in the “Essential User Scheme: Transport Allowance” circulars of the South African Local Government Bargaining Council – Western Cape Division applicable.

- o Officials without a car allowance and Members of a Committee: established in terms of applicable legislation, as per the Rate per kilometer fixed by the Minister of Finance under section 8(1) (b) (ii) and (iii) of the Income Tax Act, 1962. If the total number of kilometers for which such reimbursement is received exceeds 8 000 in any tax year, reimbursement for the excess kilometers over 8 000 must be taxed for PAYE purposes. If the cost of any one trip exceeds that of an air ticket, the lesser amount will be paid.

The number of employees travelling to conferences or meetings on official duty for the same matter is limited to three (3) employees, unless otherwise approved in advance by the relevant Director, or Accounting Officer in the case of Directors travelling.

- e) Similar to the above, the number of employees travelling by air to other centers to attend an official engagement on the same matter is also limited to three (3) employees, unless otherwise approved in advance by the relevant Director or Accounting Officer in the case of Directors travelling.
- f) For the purpose of this policy, domestic travel shall mean travel within South Africa, and international travel shall mean travel to any country other than South Africa.
- g) The Accounting Officer will when appropriate determine an hourly rate for the different committees serving Council.
- h) Notwithstanding the above provisions, all employees must make use of shuttle services if the cost of such services is below the cost of hiring a vehicle.

### **3. SUBSISTENCE**

#### **3.1 Subsistence Allowance**

- a) A representative may claim a daily subsistence allowance as provided in this policy with the understanding that all authorized personal expenses are covered by the subsistence allowance. No further expenses, with the exception of certain business expenses (see below), may be claimed.
- b) In line with SARS guidelines on Subsistence Allowances and Advances, A daily subsistence allowance will only be applicable where-
  - (i) The representative is obliged to spend at least one night away from his or her usual place of residence on business; ~~R493~~R522 per day, or

- (ii) The representative will be on official business for a period exceeding 12 consecutive hours per day, without having to spend a night away from his or her usual place of residence; ~~R152-R161~~ per day.
- c) A representative of the municipality must claim his or her subsistence allowance, as provided in this policy before embarking on any official trip, with the exception where such claim reaches the creditors section at least three days before the trip; in which case such claim must be submitted after the event. Such a claim must be accompanied by details of the conference or workshop or emailed/faxed invitation.
- d) No subsistence allowance will be paid, and no representative will be entitled to a subsistence allowance, if the trip or travel is not related to the official business of the municipality. All travel on business of the municipality must be approved as such before a representative is entitled to a subsistence allowance.
- e) For the purpose of a subsistence allowance, a representative shall mean-
  - (i) mayor or executive mayor, as the case may be
  - (ii) deputy-mayor
  - (iii) speaker
  - (iv) members of the executive committee or mayoral committee, as the case may be
  - (v) other councilors specifically authorized to represent the municipality on a particular occasion
  - (vi) municipal manager
  - (vii) directors
  - (viii) any other official/representative specifically authorized to represent the municipality on a particular occasion
  - (ix) any official or councilor who is a member of a recognized professional institution and is granted permission to attend meetings and conferences of such institution.
- f) The subsistence allowance of international travel will be the lesser of:
  - (i) an amount equivalent to the rates as determined by SARS, at the beginning of 1 July every year.

**Or**

  - (ii) US\$190 per day where the exchange rate of ZAR is more than 5:1 in relation to the currency of the destination country; and

- (iii) US\$100 per day where the exchange rate of ZAR is less than, or equal to 5:1 in relation to the currency of the destination country;

#### **4. ACCOMMODATION**

##### **4.1 Accommodation Costs**

- a) Overnight accommodation may only be booked where the return trip exceeds 500 kilometers.
- b) Notwithstanding the provision in paragraph 4.1(a) overnight accommodation where the return trip is 500 kilometers or less, may be booked where in the view of the Accounting Officer or delegated official the limitation may be impractical and any of the following instances are present:
  - (i) The road or any other conditions could jeopardize the safety, health and security of officials or political office bearers;
  - (ii) The trips are to be undertaken over a number of consecutive days provided that a return trip is in excess of 200 kilometers;
  - (iii) The starting time of the meeting or event would require the official or councilor to leave his/her place of residence before 05h00 in order to be punctual.
  - (iv) Should the circumstances as stated in paragraph 4.1 (b)(i) – (iii) not be applicable, but an official still prefers to sleep over and not travel every day, the relevant director may approve travelling and accommodation expenses to be paid in the following manner:
    - The cost of one return trip at the applicable rates stated in this policy to be claimed and reimbursed to the official, plus
    - The Daily Allowance referred to in paragraph 3.1 (b) (ii) of this policy for every night the official spends away from the workplace to be claimed and paid to the official and
    - Accommodation paid directly to the relevant establishment equal to the monetary value of R4.50 per kilometer, the potential travel claim for every night that officials sleep over instead of travelling. In cases where more than one official was to travel together, the travel claim will be equally divided between the accommodation costs of the respective officials. Any excess accommodation costs must be borne by the official concerned.
- c) Any request for overnight accommodation and/or travel must be motivated on a prescribed form and approved by the municipal manager or delegated official prior to the arrangement for overnight stay or travel.

- d) The actual cost of accommodation will be borne by the municipality, subject to a maximum of 3- to 4-star rating for the accommodation itself in respect of domestic travel. Where such accommodation is available, the rate for a single room will be payable.
- e) If no such accommodation is available, higher rating accommodation can be used subject to the prior approval of the Municipal Manager.
- f) If a representative stays with a relative or friend, no accommodation allowance may be claimed, but the representative may claim a subsistence allowance of R493 per day.
- g) The recoverable cost of accommodation for international travel may not exceed US\$350 per day.
- h) The municipality will at all times firstly consider accommodation where the National Treasury has negotiated discounts for rates as per MFMA circular 97. In the absence of such accommodation or failure to secure space, only then will the municipality consider accommodation outside the "NT negotiated accommodation".
- i) Notwithstanding the provisions of 4 (1) (c), the procurement of all accommodation services will be subjected to the municipality's SCM policy and preferential procurement policy. The written approval in terms of paragraph 4.1(c) must be filed with the relevant supply chain documents for the accommodation booking.

## **5 CONFERENCES, MEETINGS AND STUDY TOURS**

**5.1** Applications for conferences, meetings and conferences, both within or outside South African borders, must be done on the prescribed form. Applications for conferences, study tours and similar events must be accompanied by a motivation that takes the under mentioned aspects into account:

- a) The official's or political office bearer's roles and responsibilities and the anticipated benefits of the conference or event;
- b) Whether the conference or event addresses relevant concerns of the institution;
- c) The appropriate number of officials or political office bearers, not exceeding three, attending the conference or event;
- d) The availability of funds to meet expenses related to the conference or event.

**5.2** The accounting officer may consider appropriate benchmark costs with other professional bodies or regulatory bodies prior to granting approval for an official to attend a conference or event within and without the borders of South Africa.



- a) Such benchmark costs may not exceed an amount as determined from time to time by the National Treasury through a notice.
- b) The costs exclude costs related to travel, accommodation and related expenses, but include conference or event registration expenses and any other expenses in relation to the conference or event.
- c) When considering costs for conferences or events these may not include items such as laptops, tablets or other similar tokens that are built into the price of such conferences or events.
- d) The accounting officer must grant the approval for officials and in the case of political office bearers and the accounting officer, the mayor for attendance of conferences and events.

**5.3** The accounting officer must ensure that meetings and planning sessions that entail the use of municipal funds are, as far as may be practically possible, held in-house.

- a) Municipal or provincial office facilities must be unitized for conference, meeting, strategic planning sessions, *inter alia* where an appropriate venue exists within the municipal jurisdiction.

**5.4** The municipality must, where applicable, take advantage of early registration discounts by granting the required approvals to attend the conference, event or study tour, in advance.

**6. TRAVEL AND SUBSISTANCE ALLOWANCES FOR APPLICANTS INVITED FOR INTERVIEWS**

- (a) If an invited for an interview has to utilize his or her personal motor vehicle he or she will be reimbursed at the same rates as stipulated in paragraph 2.4 (d) of this policy. The actual cost of air travel will be reimbursed subject to the prior approval of the Municipal Manager or the Director Corporate Services.
- (b) Candidates residing outside the boundaries of Stellenbosch municipality will be reimbursed for reasonable costs of travelling as provided for in this policy. Where the distance to travel and interview circumstances is such that a candidate requires accommodation, suitable accommodation may be pre-authorized by the relevant director and the candidate may be reimbursed.
- (c) If a candidate is made an offer of appointment and declines the offer, no reimbursement of costs will be made.
- (d) Where necessary the User Department in consultation with Human Resources will make suitable travelling and accommodation arrangements and provide budget for the costs.

## **7. AUTHORISATION**

### **7.1 For purposes of implementing this policy**

- a) Only the Municipal Manager may authorize any travel to be undertaken by Directors, but provided the expenses to be incurred are on the approved budget of the relevant department. Claims by other officials to be authorized by directors concerned.
- b) Only the Director Strategic and Corporate Services or the Municipal Manager may authorize payments to be made for persons invited for interviews, but provided that the expenses to be incurred are on the approved budget.
- c) Only the Executive Mayor together with the relevant director may authorize any travel to be undertaken by Holders of Public Office, or the municipal manager, but provided that the expenses to be incurred are on the approved budget of the municipality.
- d) Only Directors may authorize any travel to be undertaken by employees in the respective Directorate, but provided that the expenses to be incurred are on the approved budget of the municipality.
- e) As far as is practically possible, authorization for the above must be obtained prior to the occasion by any representative who travels on the business of the municipality.

An invitation to attend a workshop, meeting or related event is not an automatic authorization to attend such workshop or event. The required authorization must still be obtained from the municipal manager or executive mayor, executive committee or director as the case may be.

## **8. COUNCIL DELEGATES**

Council delegates or representatives to any conference, workshop or meeting must ensure that they arrive on time and attend until the conclusion of such event. If any representative fails to do so, the executive mayor or executive committee, the municipal manager or director as the case may be, may recover all allowances and disbursements paid to enable such delegate or representative to attend such event, provided that such delegate or representative is afforded the opportunity to submit reasons for not being able to be present from the commencement to conclusion of such event.

**9. COMMITTEES ESTABLISHED AS A RESULT OF PRESCRIBED LEGISLATION**

Any committee established as a result of prescriptions in relevant legislation, will for the purposes of application of this policy, qualify for an allowance equal to that paid to Holders of Public Office.

**10. AUTHORITY**

Any deviation from this policy for whatsoever reason must be authorized by the Municipal Manager and in the case of the Municipal Manager, the Executive Mayor will authorize.

In any instance where a delegate did not attend business as approved in accordance with this policy, any expenditure incurred by the council should be refunded by the representative. All deviations in this regard must be approved by council.

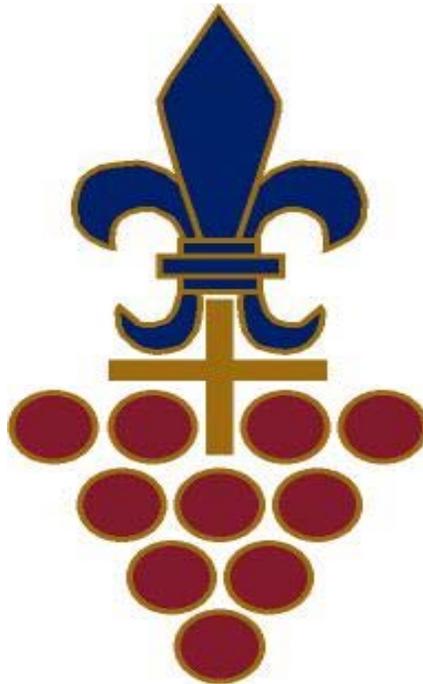
**11. TRAVEL AND SUBSISTANCE ALLOWANCE CLAIM FORM**

The official Travel and Subsistence Allowance claim form, as prescribed by Chief Financial Officer must be used with regard to Travel and Subsistence Allowance applications. The approved form should reach the creditors office 3 days before the intended day of departure in order for allowances to be paid to the representative timeously.

**12. SHORT TITLE**

This Policy will be known as the Travel and Subsistence Policy.

# **STELLENBOSCH MUNICIPALITY**



## **CASH MANAGEMENT AND INVESTMENT POLICY**

**2024/2025**

**REVISED**



# STELLENBOSCH MUNICIPALITY

## CASH MANAGEMENT AND INVESTMENTS POLICY

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**PREAMBLE**

*Whereas* Section 13 of the Local Government: Municipal Finance Management Act, 2003 (No. 56 of 2003) (the Act) determines that a municipality must introduce an appropriate and effective cash management and investment arrangement;

*and whereas* a bank, in accordance with the provisions of Section 13 of the Act, has to disclose details regarding a municipalities' investments;

*and whereas* councillors and officials, as trustees of public funds have an obligation to ensure that cash resources are managed as effectively, efficiently, and economically as possible;

*now therefore* the Stellenbosch Municipality adopted the Cash and Investment Management Policy set out in this document.

**1. LEGAL FRAMEWORK**

- a) Legislation – Local Government: Municipal Finance Management Act 56 of 2003 (As amended).
- b) Treasury regulations in terms of Section 13(1) of the Act (As amended).

In this Policy, the terms “*the Act*” or “*MFMA*” refers to the Local Government: Municipal Finance Management Act, 2003 (No. 56 of 2003).

**2. OBJECTIVES**

- a) To maximize returns from authorized investments, consistent with the secondary objective of minimizing risk.
- b) To ensure compliance with all legislation governing the investment of funds.
- c) To maintain adequate liquidity to meet cash flow needs.
- d) To undertake the investment of funds not immediately required for operational purposes in a prudent financial manner.
- e) To ensure diversification of permitted investment.

**3. CASH MANAGEMENT**

**3.1 Guiding Principles**

It is recognised that from time to time, Council has cash flow surpluses and borrowing requirements due to daily receipts and payments.

Council maintains a daily cash position summary and a yearly cash flow projection is prepared during the annual planning process and is updated monthly. This determines Council’s borrowing requirements and surpluses for investment. Cash invested “outside” the bank account is covered by paragraph 5 of this Policy.

**3.2 Bank Accounts**

Council operates one primary bank account for its day to day operational activity requirements and two secondary accounts specifically for service charges and revenue derived from fines.

All monies due to Council and due by Council emanating from Council activities must pass through this primary account, therefore secondary accounts are swept daily, and all balances are transferred to the primary bank account.

3.2.1 Revenue Management

Revenue Management Section 64 of the Act clearly states that all moneys received must be promptly deposited in the Municipality's primary and other bank accounts, therefore:

- all revenue received by the Municipality, including revenue received by any collecting agent on its behalf, is recorded at least on a weekly basis.
- all monies collected by the Municipality on behalf of another organ of state must be transferred to that organ of state at least on a weekly basis.

3.2.2 ~~Cheque Management~~ Petty Cash Withdrawal

~~Cheques are printed in batch format. To prevent the removing of cheques, cheques are delivered in sealed boxes where strict control is exercised over the numerical sequence of cheques on the expenditure system by means of a cheque register~~  
-Petty Cash is replenished by completing a petty cash replenish form provided.....

3.2.3 Delegation/Rights

The incumbents of the following posts are authorized ~~to sign~~ to sign ~~petty cash request forms and authorise electronic payments~~ petty cash request forms and ~~cheques~~ on behalf of Council:

~~3.2.3.1~~ Cheques

- ~~A Signatories:~~ Chief Financial Officer  
~~SNR Manager: Financial Management Services~~  
~~SNR Manager: Revenue and Expenditure~~  
~~Manager: Expenditure Management~~  
~~Manager: Revenue~~  
~~SNR Manager: Supply Chain Management~~  
~~Manager: Budget and Costing~~  
~~Manager: Financial Statements, Compliance and Reporting~~  
~~Manager: Financial Asset Management~~
- ~~B Signatories:~~ Chief Accountant: Consumer Accounts and Valuations  
~~Senior Accountant: Cash Management and Credit Control~~  
~~Chief Accountant: MFMA Reporting and Compliance~~  
~~Chief Accountant: Financial Statements and Reconciliations~~  
~~Chief Accountant: Asset Management~~  
~~Senior Accountant: Creditors and Payroll~~



~~Each cheque needs to be signed by at least two A-Signatories, or one A-Signatory and one B-Signatory.~~

3.2.3.2 Electronic Funds Transfer (EFT) and Petty cash request

A-Signatories: Chief Financial Officer  
 SNR Manager: Financial Management Services  
 SNR Manager: Revenue and Expenditure  
 Manager: Expenditure  
 Manager: Revenue  
 SNR Manager: Supply Chain Management  
 Manager: Budget and Costing  
 Manager: Financial Statements, Compliance and Reporting  
 Manager: Financial Asset Management

B-Signatories: Chief Accountant: Consumer Accounts and Valuations  
 Senior Accountant: Cash Management and Credit Control  
~~Senior~~Chief Accountant: MFMA Reporting and Compliance  
~~Senior~~Chief Accountant: Financial Statements and Reconciliations  
 Chief Accountant: Asset Management  
 Chief Accountant: SDBIP Monitoring and Budget Control x2  
 Senior Accountant: Creditors and Payroll

Each electronic payment and petty cash request form needs to be authorized by at least two A-Signatories, or one A-Signatory and one B-Signatory.

**3.3 Bank Overdraft**

3.3.1 Council made the decision to not request an overdraft facility with its primary banker. as the general policy is to avoid going into overdraft.

In the instance that short-term debt is incurred based on expected income it must be repaid within the same financial year. (Section 45 of the MFMA)

3.3.2 Any overdrawn bank account at any date must be reported without avail to Council supported by reasons, therefore.

3.3.3 Any short-term facility that requires review must first be approved by the Accounting Officer.

**4. CASH MANAGEMENT PROCEDURES**

4.1 Internal Controls

The supervisor and/or Accountant do a monthly audit on the cashier floats, manual receipt books and the compilation of daily cash-up and banking documents.

4.2 Issuing of Receipts

The cashier will only issue an official enumerated receipt when a client pays his/her municipal account in full or partially.

4.3 Cancellation of Receipts

An official enumerated receipt will only be cancelled whilst the client is still at the cash office and only for the following reasons;

- a) cashier made an error.
- b) client made an error.

The cashier will re-issue a correct receipt and the cancelled receipt will be signed by the incumbent and the supervisor. In cases where the client wants his money back a prescribed official document must be completed and signed by the Client, Cashier and the Supervisor stating the reason(s) for cancelation.

4.4 Cash Balancing

After the end of each shift, the cashier will count the monies received, and do a daily end of day cashier procedure. The supervisor will then re-count the money to ensure that the cashier's daily takings balances with the supervisor's end-of-day totals. The cashier will do a final end-of-day procedure when he/she balances, and the supervisor will do a receipting end of day shut-down procedure.

4.4.1 Cashier surplus and shortage

If the cashier is short, he/she will then pay the monies in immediately. If there is a surplus the cashier will receipt the surplus on the same day. Management discretion can be used should there be substantial evidence and motivation that it was out of the control of a cashier to avoid a shortage the Manager can exonerate the cashier from paying the shortfall and in such an instance the shortage should be allocated to an expense line item.

4.4.2 Cashier resources

The Cashier will be supplied with the necessary tools and equipment to perform a proper cashier function. (E.g. Ultra violet lights, etc.)

4.5 Deposit Books

Each [satellite-office](#) cashier has an enumerated deposit book, as each pay point has a number. The Senior Clerk: Cashier orders books from the bank when needed. [Head Office cashiers use the cash-vault machines for all deposits.](#)

#### 4.6 Other payment methods

##### 4.6.1 Direct Deposits and ACB

Direct deposits can be made into Municipal bank account via the Internet or by deposit slip via their bank, using the applicable Municipal account number as reference. This information is extracted and uploaded on a daily basis from the bank ~~and is then credited against the client's accounts and imported into the Financial System. All deposits with a correct and recognisable reference will be receipted on a daily basis into the Financial System, where it is not possible to identify the deposit(s) it will be transferred into the Unallocated/Default vote. The Senior Clerk: Electronic Payments will investigate and follow-up regularly on the deposits in the Unallocated/Default vote to receipt these deposits to the correct debtor account or U-key.~~

[A monthly reconciled Unallocated/Default register which is duly signed off by the Accountant and Senior Accountant Cash Management is kept on record for reporting and capturing into the Annual Financial Statements.](#)

[All deposits with an incorrect or unrecognisable reference in the reconciled and duly signed off Unallocated/Default register will be submitted to the Senior Manager: Revenue and Expenditure to be duly authorised for recognition as Income in accordance with the Prescription Act 68 of 1969\(Updated to 23 December 2020\).](#)

Accounts are also paid by means of a debit order (ACB) payment.

##### 4.6.2 3rd Party

Payments can be made at any [approved service provider paypoints. EasyPay and Pay@ pay points.](#) This information is extracted and uploaded on a daily basis from [EasyPay the service providers' and Pay@](#) and credited against the client's' accounts. ~~incomplete~~

##### 4.6.3 ~~Cheque Deposit (Only bank guaranteed cheques will be accepted)~~

~~The cashier will issue an official enumerated receipt when a client pays his/her Municipal account with a bank guaranteed cheque. Bank guaranteed cheques that are dropped into the cheque deposit box at the Municipal office are taken out of the box on a daily basis, receipted by the cashier and the receipt is posted to client on request.~~

##### 4.6.4 ~~Mailed Bank Guaranteed Cheques~~

~~Bank guaranteed cheques attached to the Municipal account are collected from the post office on a daily basis and is recorded in a register at the Records department. It is then collected by the Supervisor. Cashiers who will write all the bank guaranteed cheques up in a register. The supervisor will hand it to the cashier to be receipted and the receipt details will be entered in the register.~~

#### ~~4.6.5 Returned/Rejected Cheques and Debit Orders/Debit Orders and/or Electronic Payments~~

~~If cheques and debit orders are returned and marked as "Refer to Drawer", the full balance will immediately become payable. Should any ~~any~~ debit orders and/or electronic payment be rejected by any bank, such receipts will be reversed, and the full balance will be immediately become due. Any debit orders captured by the Finance Department and rejected by any bank, will be cancelled after three rejections.~~

~~We don't have returned cheques but we do have UNPAIDS from our ACB collection~~

4.6.5.1 ~~The cost that is payable by the consumer must be equal to the~~ A prescribed fee as that has been approved by Council in all cases where a cheque bears the status of "Refer to Drawer". may be levied on all rejected electronic payments

4.6.5.2 ~~Bank charges in this regard will be payable by the consumer. In the event of a customer having tendered a "refer to drawer cheque" for the second time, no further cheques will be accepted from him/her, excluding bank guarantee cheques.~~

4.6.5.3 ~~A cashier must not accept a cheque that was issued by a Consumer in the event the cheque bears the status as a post-dated cheque, altered and/or an unsigned cheque. In the event this occurs and notwithstanding the aforementioned provisions, all bank charges that would arise and be incurred by Stellenbosch Municipality will then be recovered from the said cashier. The cashier will be required to pay back the bank costs as approved by Council within 24 hours for recovery of the said amount.~~

#### 4.6.6 Private Money

No Municipal employee is allowed to:

- Use Council's cash funds at any stage to be replaced at a later stage.
- Use his/her own money as cashier float.
- ~~Change a Municipal official's cheque for cash.~~
- Safeguard private money amongst Council's cash (e.g. Cashier drawers, petty cash boxes, safes, Cash vault machines(wher installed) etc.)

## 5. INVESTMENTS

## 5.1 Guiding Principles

Generally, Council will invest surplus funds with deposit taking institutions registered in terms of the Bank's Act, 1990 (Act 94 of 1990) for terms not exceeding one year in anticipation of cash flow expectations. From time to time, with prior Executive Mayoral Committee approval, investments can exceed 1 [one] year and be made at other institutions/instruments as approved in the National Treasury regulations from time to time.

## 5.2 Permitted Investments

The Account Officer must ensure that only the following investment types are utilized in terms of Section 6 of the Municipal Investment Regulations (No. R. 308) dated 1 April 2005:

- a) Securities issued by national government.
- b) Listed corporate bonds with an investment grade rating from a recognized credit rating agency.
- c) Deposits with banks registered in terms of the Banks Act (Act 45 of 1984).
- d) Deposits with the Public Investment Commissioners.
- e) Deposits with the Corporation for Public Deposits.
- f) Banker's acceptance certificate or negotiable certificates of deposits of registered banks.
- g) Guaranteed endowment policies with the intention of establishing a sinking fund.
- h) Repurchase agreements with registered banks.
- i) Municipal bonds issued by a municipality.
- j) Any other investment type as identified by the Minister of Finance in consultation with the Financial Services Board.

## 5.3 Diversification

Council will only make investments, as prescribed by Section 6 of the Municipal Investment Regulations, with approved institutions ~~which have a rating as defined per Appendix A as set out in par 5.2 above~~. Excluding investments made per Executive Mayoral Committee resolution not more than 50% of available funds will be placed with a single institution. The discretion of management should be used when investing funds into the institution quoting the highest rate versus diversification of investment portfolio. Should the difference between the investment quotes be minimal, a decision can be made to invest in the lower quote for the diversification of investment portfolios.

## 5.4 Investment Managers

5.4.1 In the event of the appointment of an external Investment Managers

Where the above means a natural person or legal entity that is a portfolio manager registered in terms of the Financial Markets Control Act, 1989 (Act 55 of 1989), and Stock Exchanges Control Act, 1985 (Act 1 of 1985), contracted by a municipality or municipal entity to-

- a) advise it on investments;
- b) manage investments on its behalf; or
- c) advise it on investments and manage investments on its behalf.

The External Investment Manager will be appointed in terms of Supply Chain Management Policy and a service level agreement will govern the functions and responsibility of the service provider. All investments made by the External Investment Manager on behalf of the Council of Stellenbosch Municipality must be made within the ambit of this Policy and with National Treasury's investment regulations.

## 5.5 Internal Controls Over Investments

### 5.5.1 Delegations

5.5.1.1 In terms of Section 60(2) of the Local Government: Municipal Systems Act, (Act 32 of 2000) (the MSA), the Council may only delegate to the Municipal Manager (MM) the power to make decisions on investments on behalf of the Municipality.

5.5.1.2 In terms of section 79 of the Act, the Accounting Officer has delegated to the Chief Financial Officer (CFO), in writing, his/her duty under section 65(2) (h) to manage the Council's available working capital effectively and economically in terms of the prescribed cash management and investment framework.

### 5.5.2 Obtaining quotations and concluding deals

Request are emailed to all approved institutions the day before, or the morning thereof. A cut-off is requested to ensure timeous processing of authorisation and payment of the investment transactions. Quotes are captured on the decision report rates are compared and chosen in terms of the policy. Writing mandates, signed by the CFO and MM, shall be issued to all successful investees with whom the Council of Stellenbosch Municipality invests funds setting out the following:

5.5.2.1 Authorised dealers: name and particulars of the Council's officials who are authorised to transact investments deals with the investees;

5.5.2.2 Authorised signatories: name and particulars of the Council's officials who are authorised to sign written confirmations or any other correspondence in respect of investments transactions.

5.5.2.3 A dealing sheet, signed by an authorised dealer, shall be prepared in all instances for each individual investment, detailing the quotations received and the recommended investee. The CFO shall advise the MM to approve the transaction.

A written confirmation of the terms of each investment transaction shall be prepared, and signed off by the CFO and MM.

5.5.3 A monthly investment register should be kept of all investments made. The following information must be recorded:-

- name of institution;
- capital invested;
- date invested;
- interest rate;
- maturation date;
- interest received;
- Investment balance;
- total withdrawal amount;
- total interest earned.

5.5.3.1 The investment register and accounting records must be reconciled on a monthly basis.

## **6. OWNERSHIP**

All investments must be made in the name of the Council of Stellenbosch Municipality.

Written proof of investments made must be obtained from the institution where the investment is made and must be kept on file.

## **7. DUE CARE**

In dealing with financial institutions, the following ethical principles must be observed:

7.1 The Chief Financial Officer and all staff in his/her directorate shall not accede to any influence by or interference from Councillors, investment agents, institutions, or any other outsiders;

- 7.2 Under no circumstances may inducements to invest be accepted;
- 7.3 Interest rates quoted by one institution must not be disclosed to another institution; and
- 7.4 The business ethics of any controlling body of which the relevant financial institution is a member must be observed by such institution or body at all times.

## **8. PERFORMANCE MEASUREMENT**

Measuring the effectiveness of Council's treasury activities is achieved through a mixture of subjective measures. The predominant subjective measure is the overall quality of treasury management information. The Chief Financial Officer has primary responsibility for determining this overall quality.

Objective measures include: -

- (a) Adherence to policy.
- (b) Timely receipt of interest income.



## 9. REPORTING

### 9.1 Reports

The following reports are produced:

REPORT NAME	FREQUENCY	PREPARED BY	RECIPIENT
Bank Balance report	Daily	Senior Clerk: Electronic Payments	Chief Finance Officer
Investments	Monthly	<u>Senior</u> Chief Accountant: Financial Statements and Reconciliations	Manager: Financial Statements and Reporting

## 10. ANNUAL REVIEW OF POLICY

This Policy will be reviewed annually or earlier if so required by legislation.

Any changes to this Policy must be adopted by Council and be consistent with the applicable Acts and any National Treasury Regulations.

## 11. EFFECTIVE DATE

The effective date of this Policy is 1 July ~~2020~~2023 and will be reviewed on an annual basis to ensure that it is in line with the Municipality's strategic objectives and with legislation.

## 12. SHORT TITLE

This Policy is the Cash Management and Investments Policy of the Stellenbosch Municipality.

**APPENDIX A—  
LONG-TERM  
RATINGS—  
FITCH**

**AAA**—  
Obligations  
which have the  
highest rating  
assigned by  
Fitch IBCA on its  
national rating  
scale for that  
country. This  
rating is  
automatically  
assigned to all  
obligations  
issued or  
guaranteed by  
the sovereign  
state. Capacity  
for timely  
repayment of  
principal and  
interest is  
extremely  
strong, relative  
to other obligors  
in the same  
country.

**AA**—Obligations  
for which  
capacity for  
timely  
repayment of  
principal and  
interest is very

strong relative to other obligors in the same country. The risk attached to these obligations differs only slightly from the country's highest rated debt.

A Obligations for which capacity for timely repayment of principal and interest is strong relative to other obligors in the same country. However, adverse changes in business economic or financial conditions are more likely to affect the capacity for timely repayment than for obligations in higher rated categories.

**SHORT-TERM  
RATINGS****FITCH**

F1—Obligations assigned this rating have the highest capacity for timely repayment

under Fitch Ratings Ltd national rating scale for that country, relative to other obligations in the same country. This rating is automatically assigned to all obligations

issued or guaranteed by the sovereign state. Where issues possess a particularly strong credit feature, a "+" is added to the assigned rating.

F2—Obligations supported by a strong capacity for timely repayment relative to other obligors in the

same—country.  
However,—the  
relative—degree  
of risk is slightly  
higher than for  
issues classified  
as ‘A1’ and  
capacity— for  
timely  
repayment may  
be—susceptible  
to—adverse  
changes—in  
business,  
economic—or  
financial  
conditions.  
F3—Obligations  
supported by an  
adequate  
capacity— for  
timely  
repayment  
relative to other  
obligors in the  
same—country.  
Such capacity is  
more  
susceptible—to  
adverse  
changes—in  
business,  
economic,—or  
financial  
conditions—than  
for obligations in  
higher  
categories.

**LONG-TERM  
RATINGS——  
MOODY'S**

AAA——  
Obligations  
rated——“AAA”  
have the highest  
rating assigned  
by——Moody's——  
Ratings.——The  
capacity of the  
issuer to pay  
interest——and  
repay capital is  
extremely  
strong, relative  
to other South  
African obligors.

AA——Indicates  
very——strong  
capacity of the  
issuer to pay  
interest——and  
repay——capital  
relative to other  
South——African  
obligors.

A——Indicates  
strong capacity  
of the issuer to  
pay interest and  
repay——capital,  
relative to other  
South——African  
obligors,  
although it is

slightly—more  
susceptible—to  
adverse  
changes—in  
economic  
conditions—and  
circumstances  
than—debt—in  
categories—rated  
higher.

**SHORT-TERM  
RATINGS—  
MOODY'S**

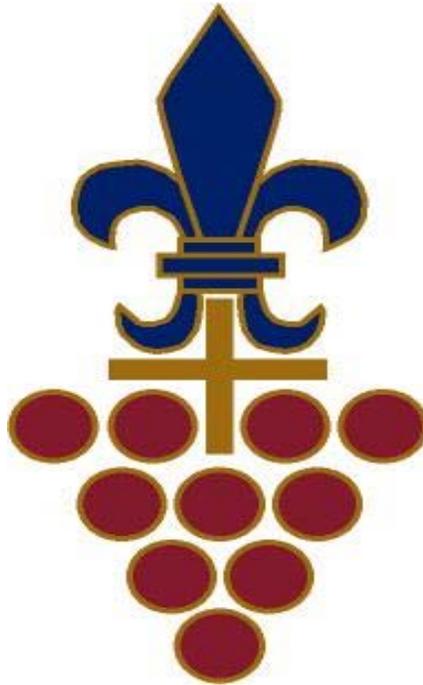
A-1—Indicates  
that the degree  
of—safety  
regarding timely  
payment—is  
either  
overwhelming or  
very—strong,  
relative to other  
South—African  
obligors. Issues  
determined—to  
possess  
overwhelming  
safety  
characteristics  
are denoted with  
a plus (+) sign  
designation.  
A-2—Indicates  
that capacity for  
timely payment  
on issues with  
this designation  
is—strong,

~~relative to other  
South—African  
obligors.~~

~~A-3—Indicates  
satisfactory  
capacity— for  
timely payment,  
relative to other  
South—African  
obligors.—They  
are,— however,  
somewhat more  
vulnerable to the  
adverse effects  
of changes in  
circumstances  
than obligations  
carrying—the  
higher  
designations.~~



# **STELLENBOSCH MUNICIPALITY**



## **DEVELOPMENT CHARGES POLICY**

**2024/2025**

**REVISED**



## STELLENBOSCH MUNICIPALITY

### ENGINEERING INFRASTRUCTURE SERVICES DEVELOPMENT

#### CHARGES POLICY

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## 1. DEFINITIONS

In this policy, unless the context indicates otherwise -

- 1.1 **'Amendment Bill'** means the Fiscal Powers and Functions Amendment Bill, 2020;
- 1.2 **'applicant'** means a person or entity contemplated in section 45(1) of the SPLUMA who submits a land development application;
- 1.3 **'bulk service'** means the capital infrastructure assets associated with that portion of an external engineering service which is intended to ensure provision of municipal infrastructure services for the benefit of multiple users or the community as a whole, whether existing or to be provided as a result of a development in terms of the MSDF – the relevant Municipal Master Plan shall be used as a guide to identify such bulk services;
- 1.4 **'capacity'** means the extent of availability of a municipal infrastructure service, based on the capital infrastructure asset or combination of capital infrastructure assets installed for provision of such municipal infrastructure services;
- 1.5 **'capital infrastructure asset'** means land, property, building or any other immovable asset, including plant and equipment that accede thereto, which is required for provision of a municipal infrastructure service, limited to immovable;
- 1.6 **"community facilities"**, including play equipment, street furniture, crèches, clinics, sports fields, indoor sports facilities or community halls; conservation purposes, energy conservation, climate change; or engineering services.
- 1.7 **'developer'** means a person or entity intending to implement or implementing undertaking land development;
- 1.8 **'development charge (DC)'** means a charge levied by [the Municipality or](#) a Municipal Planning Tribunal in terms of section 40(7)(b) of, and contemplated in section 49 of, the SPLUMA, which must-
  - (a) contribute towards the cost of capital infrastructure assets required to meet increased demand for existing and planned external engineering services; or
  - (b) with the approval of the Minister, contribute towards capital infrastructure assets required to meet increased demand for other municipal engineering services not prescribed in terms of the SPLUMA;
- 1.9 **'Engineer'** means an engineer employed by the Municipality or any person appointed by the Municipality from time to time to perform the duties of the Engineer envisaged in terms of this Policy, including the Director: Infrastructure Services;
- 1.10 **'engineering services'** means a municipal engineering service as defined in section 1 of the SPLUMA;
- 1.11 **'engineering services agreement'** means a written agreement concluded between the Municipality and a developer, recording their detailed and specific respective rights and obligations regarding the provision and installation of the external engineering services required for an approved land development, and regarding the associated development charge;
- 1.12 **'external engineering service'** means an engineering service situated outside the boundaries of a land area and which is necessary to serve the use and development of the land area concerned; provided that in circumstances where the characteristics

of a specific area or the design of the relevant engineering service so requires, such services can be located within the boundaries of a land area;

- 1.13 **'impact zone'** means a geographical zone within which the capital infrastructure assets or system of capital infrastructure assets required to provide bulk services to an approved land development are located (the impact zones are Stellenbosch Town, Klipmuts, Dwars River, Franschoek, Koelenhof, Polkadraai and Raithby);
- 1.14 **'internal engineering service'** means an engineering service within the boundaries of a land area which is necessary for the use and development of the land area concerned and which is to be owned and operated by the Municipality or service provider;
- 1.15 **'land development'** means the erection of buildings or structures on land, or the change of use of land, including township establishment (provision of engineering services infrastructure), the subdivision or consolidation of land or any deviation from the land use or uses permitted in terms of the Zoning Scheme;
- 1.16 **'land development application'** means an application for approval of land development as contemplated in section 41 of the SPLUMA [or a building plan application](#);
- 1.17 **'land use'** means the purpose for which land is or may be used lawfully in terms of [a](#) the municipal land use scheme or of any other authorisation, permit or consent issued by a competent authority, and includes any conditions related to such land use purposes;
- 1.18 **'link engineering service'** means the capital infrastructure assets associated with that portion of an external engineering service which links an internal engineering service to the applicable bulk service, and which is not shared by multiple users or the community generally;
- 1.19 **'LUPA'** means the Western Cape Land Use Planning Act, 2014, Act. 3 of 2014 (PN 99/2014 of 7 April 2014);
- 1.20 **'MSDF'** means the current Stellenbosch Municipal Spatial Development Framework contained in the Municipality's approved Integrated Development Plan;
- 1.21 **'Municipality'** means (a) the Stellenbosch Municipality (WCO24) established in terms of Provincial Notice 489 of 22 September 2000 in terms of the Local Government: Municipal Structures Act, 117 of 1998, and (b) includes all political structures or office bearers, the Municipal Planning Tribunal and municipal staff members to whom authority has been delegated to take decisions in terms of the Municipality's delegation system;
- 1.22 **'municipal infrastructure service'** means any of the following municipal services, namely potable water, sewerage and wastewater treatment, electricity distribution, municipal roads, street lighting, storm water management, solid waste disposal and public transport, including non-motorised transport. Community facilities, including play equipment, street furniture, crèches, clinics, sports fields, indoor sports facilities or community halls. Conservation purposes, energy conservation, climate change; or engineering services.
- 1.23 **'Municipal Planning Tribunal'** means a Municipal Planning Tribunal as defined in the SPUMA, and includes a municipal official authorised to determine land use and land development applications, in terms of section 35 of the SPLUMA;
- 1.24 **'Planning By-Law'** means the Stellenbosch Municipality: Land Use Planning By-Law published in the Western Cape Provincial Gazette Extraordinary of 20 October 2015;

- 1.25 'SPLUMA' means the Spatial Planning and Land Use Planning Act, 16 of 2013;
- 1.26 'Systems Act' means the Local Government: Municipal Systems Act, 2000, Act 32 of 2000 ("MSA"); and
- 1.27 'Zoning Scheme' means the Stellenbosch Municipality: Zoning Scheme By-Law published in the Western Cape Provincial Gazette Extraordinary of 27 September 2019.

## 2. INTRODUCTION

- 2.1. The Constitution enjoins local government not just to seek to provide services to all its inhabitants, but to be fundamentally developmental in orientation and to play a key role in promoting justifiable social and economic development. To this end it *inter alia* has to perform regulatory functions in respect of land use planning and development and ensuring lawful, reasonable and fair administrative government practices.
- 2.2. Socio-economic development is generally regarded as the passport to reduced poverty, reduced inequality and improved social well-being. New economic development generally also has a positive impact on the municipality's finances. It increases revenue from property rates and service charges by expanding the base of ratepayers. But development associated with economic growth has an impact on the demand for essential engineering services, which are needed to support sustainable social and economic development. Without available infrastructure of adequate capacity, public and private sector investment in Stellenbosch will decline.
- 2.3. Stellenbosch is as an attractive destination for economic investment. Working towards the MDSF vision of Stellenbosch as the "Valley of Opportunity and Innovation", a number of principles are key, including that future opportunity be allowed to build on existing infrastructure investment. Engineering services infrastructure (water, sewerage, stormwater, roads, street lighting, solid waste and electricity) represents substantial assets for enabling individual and communal development opportunity of different kinds.
- 2.4. The creation and promotion of an enabling environment for business to grow and create jobs, is fundamental to a competitive and vibrant economy. The potential for large scale upliftment and development may be severely hampered by the lack of attention to necessary infrastructure. The Municipal Council aims to create an economically enabling environment in which investment can grow and jobs can be created while still being able to provide basic services to all its citizens. The equitable and efficient financing of the cost of infrastructure to accommodate new developments is key in this regard.
- 2.5. Additional engineering services infrastructure must be provided to create additional services capacity to cater for growing needs, and it comes at a high cost. The rationale for DCs needs to be understood in relation to how this particular funding mechanism fits within the municipal fiscal framework. Municipal service delivery is generally financed through a fiscal framework that is based on a clear assignment of fiscal powers and functions that empower municipalities to raise property rates and used charges on electricity distribution, water and sanitation services and solid waste collection.
- 2.5.1. These primary sources of revenue are supplemented by intergovernmental transfers that support the operating costs of basic service delivery to poor households, as well as related national development priorities. Municipalities may use any operational surpluses generated from this revenue to finance

capital investment programmes, again supplemented by intergovernmental transfers, as well as funds that have been borrowed to finance infrastructure investment programmes.

2.5.2. Municipal development charges complement these sources of capital finance, by providing a direct charge to beneficiaries of existing and planned infrastructure installed to enable an intensification of land use. Development charges are thus an additional source of capital finance, which enhance the efficiency and volume of municipal capital financing through -

- o ensuring that the beneficiaries of infrastructure pay a fair share of the costs of installing it, relative to other residents;
- o releasing resources that a municipality would otherwise have dedicated to meeting these needs to be spent on other development priorities; and
- o providing an additional revenue stream to support municipal borrowing programmes, where applicable.

2.6 For both municipalities and developers to budget and plan efficiently, requires a robust legal basis on which development charges are levied, linked to long term spatial and infrastructure planning systems. Local government may only act within the powers lawfully conferred upon it.

2.7 After the country's first democratic elections, the Legislator was tasked to translate the electoral dream of a "Better Life For All" into legislation. It put the public sector at the heart of the challenge to reduce poverty. Legislation such as the SPLUMA and LUPA followed, both which empowers, qualifies and constrains municipal powers to levy development charges.

2.8 The Municipal Fiscal Powers and Functions Amendment Bill 2020, published for public comment during 2020, provides for a uniform, consistent, transparent and equitable basis on which municipalities can calculate and levy development charges on developers. The Amendment Bill requires that development charges are paid by both the public and private sectors, in order to ensure that a substantial portion of municipal bulk infrastructure investment can be financed on a 'user pays' principle, with the needs of poor households directly and transparently supported through public subsidies, including intergovernmental transfers.

2.9 A Development Charge ('DC') is a once-off capital charge to recover the actual cost of external infrastructure required to accommodate the additional impact of a new development on engineering services. A DC calculation is triggered by a [land use change / land development application](#) that will, if approved, intensify the municipal infrastructure demand. The threshold is the level up to which a new land use is deemed to have the same infrastructure impact as the existing permissible use and is determined based on a technical assessment.

2.10 The DC policy is an important tool to provide economic infrastructure and to ensure sustainable infrastructure investment in all the required engineering services. It provides the key details of the Municipality's Development Charges for Engineering Services, covering water, roads, stormwater, sewerage, solid waste and electricity.

2.11 A motivation for DCs is that the incidence of the cost is more accurately and equitably assigned to those who directly benefit from the infrastructure, rather than being spread amongst all ratepayers. The key function of a system of DCs is to ensure that those who benefit from new infrastructure investment, or who cause

off-site impacts, pay their fair share of the associated costs. A primary role of a system of DCs is to ensure the timely, sustainable financing of required urban infrastructure.

### 3. LEGISLATIVE (REGULATORY) FRAMEWORK

#### 3.1 Source of empowerment

A municipality derives its power to levy development charges from legislation, not from policy. Policy determinations cannot override, amend or be in conflict with laws (including subordinate legislation). [1]

In *Fedsure* the Constitutional Court said that '*it seems central to the conception of our constitutional order that the Legislature and Executive in every sphere are constrained by the principle that they may exercise no power and perform no function beyond that conferred upon them by law*'. It is trite that "a local government may only act within the powers lawfully conferred upon it". [2]

*"A municipality under the Constitution is not a mere creature of statute otherwise moribund save if imbued with power by provincial or national legislation. A municipality enjoys 'original' and constitutionally entrenched powers, functions, rights and duties that may be qualified or constrained by law and only to the extent the Constitution permits."* [3]

It is also a well-established principle of South African law that powers given to a public body for one purpose cannot be used for ulterior purposes which are not contemplated at the time when the powers were confirmed. [4] Good intentions and public benefits are insufficient. As *Baxter* mentions: "It does not help that the improper purpose which the public authority sought to achieve was well intentioned, or even that it would benefit the public." [5]

The powers lawfully conferred upon the Municipality in relation to development charges have been qualified and constrained in terms of national, provincial as well as municipal legislation. A study into this rather dense legislative environment was undertaken to ensure that this policy document will be in line with the current and proposed empowering legislation.

#### 3.2 Relevant legislation

Attention is invited to the provisions of the following legislation.

- The National Constitution.
- Local Government: Municipal Systems Act, 32 of 2000 – ('MSA').
- Stellenbosch Municipality: Zoning Scheme By-Law 2019 – ('Zoning Scheme').

<sup>1</sup> *Akani Garden Route (Pty) Ltd v Pinnacle Point Casino (Pty) Ltd* 2001 (4) SA 501 (SCA) at par [6] and [7].

<sup>2</sup> *Fedsure Life Assurance Ltd and Others v Greater Johannesburg Transitional Council and Others* 1999 (1) SA 374 (CC) par 56.

<sup>3</sup> *City of Cape Town v Robertson* 2005 (2) SA 323 (CC) at par 60.

<sup>4</sup> See *Baxter*, Lawrence. 1984. *Administrative Law*. Juta & Co, Ltd: Cape Town on p. 508 and 511.

<sup>5</sup> See *Administrator, Cape v Associated Buildings Ltd* 1957 (2) SA 317 (A) at 329). Also see *South Peninsula Municipality and Another v Malherbe NO and Others* 1999 (2) SA 966 (C) at 981D.

- Municipal Fiscal Powers and Functions Act, 12 of 2007 – ('Fiscal Powers Act').
- The SPLUMA.
- The LUPA.

For ease of reference some of the relevant provisions therein contained, are quoted *verbatim* further below and in Appendix "A".

### 3.2.1 The National Constitution – ('Constitution')

The Constitution enjoins local government to seek to provide services to the citizens, to be fundamentally developmental in orientation, to *promote* justifiable social and economic development and, together with other organs of state, to contribute to the progressive realisation of the fundamental constitutional rights.

Municipalities derive their fiscal powers from section 229 of the National Constitution. Section 229(1)(a) empowers a municipality to impose rates on property and surcharges on fees for services provided by or on behalf of the Municipality.

It is necessary to distinguish between '*services charges*' and '*development charges*'.

- A service charge is ongoing contributions (usually levied monthly), required to recover the ongoing costs reasonably associated with rendering the service (e.g., refuse removal), including capital, operating, maintenance, administration and replacement costs, and interest charges.
- A Development Charge ('DC') is a once-off capital charge to recover the actual cost of external infrastructure required to accommodate the additional impact of a new development on engineering services. Development charges fall in the section 229(b) category and is not a service fee.

### 3.2.2 Local Government: Municipal Systems Act, 32 of 2000 – ('MSA')

See Appendix "A" for relevant sections of the MSA. Essentially it deals with the empowerment of local authorities to provide municipal services for the benefit of the local community and the funding thereof by charging service charges or fees for covering the costs thereof. This is achieved by applying tariffs that must reflect the costs reasonably associated with rendering the service, including capital, operating, maintenance, administration and replacement costs, and interest charges. DCs are not intended to fund municipal services being rendered.

### 3.2.3 Spatial Planning and Land Use Management Act, 16 of 2013 – ('SPLUMA')

- Section 40(7)(b) empowers a municipal Planning Tribunal, in the approval of any land development application, to impose any reasonable conditions, including conditions related to the provision of engineering services and the payment of any development charges.



- Section 49(4) provides that an applicant may, in agreement with the Municipality or service provider, install any external engineering service instead of payment of the applicable development charges, and the fair and reasonable cost of such external services may be set off against development charges payable.
- According to section 49(5), if external engineering services are installed by an applicant instead of payment of development charges, the provision of the Local Government: Municipal Finance Management Act, 56 of 2003 pertaining to procurement and the appointment of contractors on behalf of the Municipality, does not apply.

[NOTE: 'Applicant' to be read as a 'developer' as defined.]

### 3.2.4 Western Cape: Land Use Planning Act, 3 of 2014 – ('LUPA')

- Section 40(1) of LUPA empowers a municipality, when approving a land use application, to do so subject to conditions, which conditions the must be reasonable conditions and must arise from the approval of the proposed utilisation of land.
- In terms of section 40(2) such conditions may include, but are not limited to, conditions relating *inter alia* to the provision of engineering services and infrastructure; and the cession of land or the payment of money.
- Section 40(3) empowers a municipality to require in a condition relating to the provision of engineering services and infrastructure that a proportional contribution to municipal public expenditure be made according to the *normal need* therefor arising from the approval, as determined by the Municipality in accordance with norms and standards as may be prescribed. Section 40(12) provides that a municipality may, if appropriate, depart from contributions so determined.
- Section 40(4) provides that such municipal public expenditure includes, but is not limited to, municipal public expenditure for municipal service infrastructure and amenities relating to—
  - community facilities, including play equipment, street furniture, crèches, clinics, sports fields, indoor sports facilities or community halls;
  - conservation purposes, energy conservation, climate change; or engineering services.
- Section 40(5) requires that, when determining the contribution contemplated in subsections (3) and (4), a municipality must have regard to at least—
  - the municipal service infrastructure and amenities for the land concerned that are needed for the approved land use;
  - the public expenditure on that infrastructure and those amenities incurred in the past and that facilitates the approved land use;

- o the public expenditure on that infrastructure and those amenities that may arise from the approved land use;
  - o money in respect of contributions contemplated in subsection (3) paid in the past by the owner of the land concerned; and
  - o money in respect of contributions contemplated in subsection (3) to be paid in the future by the developer of the land concerned.
- Section 40(6) requires that, except for land needed for public places or internal engineering services, any additional land required by the Municipality arising from an approved subdivision must be acquired subject to applicable laws that provide for the acquisition or expropriation of land.

### 3.2.5 Stellenbosch Municipality: Zoning Scheme By-Law 2019 – ('Zoning Scheme')

#### 20. *Development charges in terms of this Scheme*

- (1) *The calculation of development charges and whether a development charge is payable, shall be subject to the Municipality's adopted policy.*
- (2) *Where the provision in a particular zone identifies that a development charge is payable for **intensified** primary development **rights which came into operation as a result of** this Scheme, and where the owner intends to develop according to such intensified rights, such development charge shall be calculated when the building plan is submitted and shall be paid prior to the approval of said building plan.*
- (3) *Where an application is made in terms of Planning Law, or where application is made for technical approval in terms of this Scheme, the Municipality may impose a condition related to development charges payable where said approval leads to the intensification of land use beyond the primary rights which has been originally approved on the land unit.*
- (4) *Unless an alternative agreement is reached in writing between the owner and the Municipality, no building plan shall be approved on any land unit where an outstanding development charge is payable.*
- (5) *If the Municipality fails to calculate a development charge at the appropriate approval stages as set out in this section, it is deemed that there are no charges related to that development.*

[NOTE: 'Owner' to be read as a 'developer' as defined.]

**NOTES:**

1. 'Landowner' to be read as a 'developer', as defined.
2. Other relevant sections of the Zoning Scheme are quoted *verbatim* in Appendix "A" for ease of reference (i.e. 89, 102, 115, 128, 140, 151 162, 172 and 219 – development charges in the Multi-Unit Residential zone, Mixed-Use zone, Industrial zone, Education zone, Community zone Utility Service zone, Transport-facilities zone, and Agricultural and Rural zone)

**3.2.6 (a) Municipal Fiscal Powers and Functions Act, 12 of 2007 – ('Fiscal Powers Act')**

This Act was adopted to regulate the exercise by municipalities of their power to impose surcharges on fees for services provided under section 229 (1) (a) of the Constitution; to provide for the authorisation of taxes, levies and duties that municipalities may impose under section 229 (1) (b) of the Constitution; and to provide for matters connected therewith. The date of its commencement is 7 September 2007.

This Act applies to municipal surcharges and municipal taxes referred to in section 229 of the Constitution, *other than rates on property* regulated in terms of the Local Government: Municipal Property Rates Act, 2004, and municipal base tariffs regulated under the Municipal Finance Management Act, 2003, the Municipal Systems Act, 2000, or sector legislation.

**(b) Municipal Fiscal Powers and Functions Amendment Bill**

During 2020 National Treasury published the Amendment Bill for public comments (Government Gazette Notice No. 3 of 2020) and awaited comments until the 31<sup>st</sup> March 2020. Since then, it refined the Amendment Bill in line with the public comments received.

As part of the Cabinet protocols, the Amendment Bill had to be presented to the Directors-General Clusters and Cabinet Committees for their inputs and recommendations before submitting it to Cabinet for approval to table in Parliament for scrutiny. According to National Treasury as of November 2021 these processes were far advanced, and the Amendment Bill is likely to be submitted to Parliament during the first quarter of 2022.

National Treasury previously published various draft *Policy Frameworks* for Municipal Development Charges since the commencement of the 2007 Act. According to those frameworks the guiding principles in relation to development charges were equity and fairness, predictability, spatial and economic neutrality and administrative ease and uniformity. 'Fairness' to ensure that developers pay only for the infrastructure investments which they benefit from. 'Predictability' to enable developers to accurately estimate their liability and hold municipalities to account for the timely delivery of required infrastructure.

Those Policy Frameworks have since been converted into a memorandum of objects to the Amendment Bill. It was part of the document that was published for public comments in the 2020 Government Gazette. Therefore, in the formulation of this policy

document, the focus has been to bring it in line with the underlying thinking encountered in the Amendment Bill and in the 'Memorandum of Objects' concerned.

The purposes of the Amendment Bill *inter alia* include to amend the 2007 Act, so as to regulate the power of municipalities to levy development charges; to set out the permissible uses of income from development charges; to provide for the basis of calculation of development charges; to provide for municipal development charges policies, community participation and by-laws; to provide for the installation of external engineering services by developers instead of payment of development charges; to provide for the consequences of non-provision of infrastructure by a municipality; to regulate reductions to the obligation to pay development charges through subsidies; to provide for matters relating to the budgeting of and accounting for development charges; to establish an entitlement on the part of municipalities to withhold other approvals or clearances due to non-payment of development charges; and to amend the SPLUMA.

Essentially the Amendment Bill seeks to regulate the power of municipalities to levy development charges in respect of a land development application submitted to the Municipality in terms of section 33(1) of SPLUMA or a municipal planning by-law. Clause 4 of the Amendment Bill proposes the insertion of **Chapter 3A**, which deals with development charges and *inter alia*:

- provides for a power for municipalities to levy development charges and establishes the basis on which they are calculated (Clause 9A);
- allows a municipality which decides to levy development charges to subsidise a land development or category of land developments through reducing the development charges payable where it has set out a criteria for such subsidy in its policy on development charges (Clause 9E);
- permits a municipality to set off the cost of infrastructure installed by the developer against a development charge (Clause 9G);
- deals with the consequences of a municipality not providing infrastructure for which a developer has paid a development charge (Clause 9H)
- provides for mechanism to resolve dispute for a person whose rights are affected by a decision regarding development charges (Clause 9K).

The Amendment Bill proposes amendments to SPLUMA, including *inter alia* the deletion of the definition of "engineering service" and inserting the following definitions:

- *'bulk engineering services' means capital infrastructure assets associated with that portion of an external engineering service which is intended to ensure delivery of municipal engineering services for the benefit of multiple users or the community as a whole, whether existing or to be provided as a result of development in terms of a municipal spatial development framework.*

- *'link engineering services' means the capital infrastructure assets associated with that portion of an external engineering service, which links an internal engineering service to the applicable bulk engineering services.*
- *'municipal engineering service' means a system for the provision of water, sewerage, electricity, municipal roads, stormwater drainage, gas and solid waste collection and removal required for the purpose of land development management, referred to in Chapter 6.*

The Amendment Bill restricts the scope of engineering services to those already covered in the current definition of engineering services provided in the SPLUMA. These are the provision of water, sewerage, electricity, municipal roads, storm water drainage, gas and solid waste collection and removal required for the purpose of land development. However, some level of flexibility has been provided for municipalities to levy development charges on other engineering services not specified in the SPLUMA, by providing for a municipality to apply to the Minister of Finance for an extension of services to be included in the calculation of development charges.

The Amendment Bill also proposes the following amendments to the SPLUMA.

- The amendment of the empowering provision (section 40(7) of the SPLUMA), by the substitution for paragraph (b) of the following paragraph:

*(A Municipal Planning Tribunal may ...)*

*in the approval of any application, impose any reasonable conditions, including conditions related to the provision of engineering services and the payment of any development charges: Provided that the Municipal Planning Tribunal endorses the Municipality's calculation of development charges and, where applicable, the timing for payment thereof as a condition or conditions of approval.*

- The amendment of section 49 by the substitution for subsection (2) of the following subsection:

*A municipality is responsible for the provision of external engineering services: Provided that link engineering services are installed by an applicant and that the municipality may require that such services are installed to provide a greater capacity than the land development itself needs, subject to the municipality reimbursing the applicant accordingly, unless the applicant waives his or her claim to reimbursement or the value of installing the additional capacity is set off against the applicable development charges liability.*

- The amendment of section 49 by the addition of the following subsection:

*A municipality may agree to contribute towards the cost of link engineering services, where the applicant's provision of link engineering service that meet the minimum standards of the municipality shall result in capacity that exceeds the requirements of the land development itself: Provided that the maximum contribution of the municipality does not exceed the amount which represents the difference between the cost associated with meeting the minimum standard and the cost of the actual requirements of the land development in question. (Emphasis added).*

[NOTE: 'Applicant' refers to a 'developer' as defined.]

If the amendments to SPLUMA (as proposed in the Amendment Bill) go through unamended and the Amendment Bill (unamended) becomes law, the following is noteworthy.

- A **development charge** will mean a charge levied by a Municipal Planning Tribunal in terms of section 40(7)(b) of, and contemplated in section 49 of, SPLUMA, which must-
  - contribute towards the cost of capital infrastructure assets required to meet increased demand for existing and planned **external engineering services**; or
  - with the approval of the Minister, contribute towards capital infrastructure assets required to meet increased demand for other municipal engineering services not prescribed in terms of SPLUMA.
- Section 9A(1)(a) will empower a municipality to levy a development charge in respect of a **land development application** as contemplated in section 33(1) of SPLUMA or a municipal planning by-law.
- Section 9A(4) will require that the amount of a development charge must be-
  - **proportional** to the extent of the demand that the land development is projected to create for **existing or planned bulk** engineering services; and
  - calculated on the basis of a **reasonable assessment of the costs** of providing existing or planned **bulk** engineering services.
- According to the new SPLUMA definition, "**bulk engineering services**" will mean *capital infrastructure assets associated with that portion of an external engineering service which is intended to ensure delivery of municipal engineering services for the **benefit of multiple users** or the community as a whole, whether existing or to be provided as a result of development in terms of a municipal spatial development framework.*

- According to the SPLUMA “external engineering service” means an engineering service situated outside the boundaries of a land area and which is necessary to serve the use and development of the land area.

### 3.3 Interpretation

Our higher Courts in recent times have repeatedly stated that when it comes to the interpretation of statutes, the fundamental rule is that the words in a statute must be given their *ordinary grammatical meaning*, unless to do so would result in an absurdity.

There are *three interrelated riders*: the provisions should be interpreted purposively; the provision must be properly contextualised and statutes must be construed consistently with the Constitution so that where reasonably possible the provisions should be interpreted to preserve their constitutional validity. It is also well recognised that it is wrong to ignore the clear language of a statute under the guise of adopting a purposive interpretation, as doing so would be straying into the domain of the legislature.

When attributing meaning to the words used in legislation, regard must be had to the context provided by reading the particular provisions in the light of the Act or by-law as a whole and the circumstances attendant upon its coming into existence. The *‘inevitable point of departure is the language of the provision itself’*, read in context and having regard to the purpose of the provision and the background to it landing on the statute books. It is therefore useful, when looking at the question of the legal requirements to be satisfied when imposing development charges in the context of present-day legislation, to have a historical perspective.

It is therefore important to take cognisance of the Legislative Background provided in Appendix “A” for a proper understanding of the Legislature’s intention with DCs’.

## 4. OBJECTIVES

- 4.1. The objectives of this policy are to provide a sustainable and equitable framework for the financing of capital infrastructure assets and to ensure that:
  - 4.1.1. The Municipality is able to provide capital infrastructure assets in a timely and sufficient manner to support land development;
  - 4.1.2. Development charges complement other sources of capital finance available to the Municipality and are not utilised as a general revenue source;
  - 4.1.3. Development charges are managed in a predictable, fair and transparent manner; and
  - 4.1.4. Unnecessary litigation in the administration of development charges is minimised.

## 5. KEY PRINCIPLES OF THE POLICY

- 5.1. Principles to be applied must be in accordance with the current legislation, [as well as Chapter 3A of the Amendment Bill](#), and further expounded in this policy.

5.2. Development Charges will be levied based on the increased demand that utilisation of intensified land use rights, which came into operation as a result of the Zoning Scheme or approval of new land development applications, are reasonably expected to have on existing and planned external engineering services capacity, irrespective of the geographical location of the development. For example, the traffic generated by a development located along a provincial road, will ultimately end up on the municipal road network that link to the provincial roads. The same applies to the additional stormwater run-off that ends up in downstream municipal networks and river courses, increase in demand and the bulk supply of water, and sewer and solid waste disposal. Factors are allowed in the calculations to reflect the actual usage in terms of industry norms and standards of infrastructure for these cases.

5.3. Four key principles underlie the system of development charges. These are:

5.3.1. **Equity and Fairness:** Development charges should be reasonable, balanced and practical so as to be equitable to all stakeholders. The key function of a system of development charges is to ensure that those who benefit from new infrastructure investment, or who cause off-site impacts, pay their fair share of the associated costs.

This implies that:

5.3.1.1. The Municipality should recover from developers a contribution that is as close as possible to be full and actual costs of the capital infrastructure assets that are needed to mitigate the impacts of their land developments and to provide external engineering services to their developments;

5.3.1.2. Development charges are levied to recover the infrastructure costs incurred or to be incurred due to land development, and are thus not a form of taxation;

5.3.1.3. Costs which should be covered by development charges can be determined both in relation to the value of pre-installed capital infrastructure assets resulting from historical investments, and the provision of new capital infrastructure assets to meet new capacity requirements; and

5.3.1.4. Development charges are not an additional revenue source to be used to deal with historical backlogs in provision of services, such as backlogs that exist in some historically disadvantaged areas.

5.3.2. **Predictability:** Development charges should be a predictable, legally certain, and reliable source of revenue to the Municipality for providing external engineering services and should be clearly and transparently accounted for. In order to promote predictability in municipal finance systems the costs associated with municipal capital infrastructure assets provided expressly to benefit poor households should be established before subsidies are applied in a transparent manner to fund the liability.

5.3.3. **Spatial and Economic Neutrality:** The primary role of a system of development charges is to ensure the timely, sustainable financing of required capital infrastructure assets.

This implies that:

5.3.3.1. Development charges should be determined based on identifiable and measurable costs so as to avoid distortions in the economy and in patterns of spatial development;



- 5.3.3.2. Development charges should not be used as a spatial planning policy instrument;
- 5.3.3.3. Costs recovered should be dedicated only to the purpose for which they were raised; and
- 5.3.3.4. Development charges should be calculated where possible on a sectoral or geographic scale to more accurately approximate costs within a specific impact zone.

5.3.4. **Administrative ease and uniformity:** The determination, calculation and operation of development charges should be administratively simple and transparent.

## 6. OBLIGATION TO IMPOSE A DEVELOPMENT CHARGE

### 6.1. Development Charges Apply

When the Municipal Planning Tribunal or [Municipality \(delegated authority\)](#) approves a land development application which will or may result in intensified land use with an increased demand for external municipal engineering services infrastructure, it may, by imposing a condition of approval [in terms of section 66 of the Planning By-Law](#), levy a development charge proportional to the calculated municipal public expenditure that has or may be incurred to satisfy the increased demand according to the normal need arising from such approval.

### 6.2. Development Charges do not apply

Development Charges do not apply to land development restricted to the exercise of current primary land use rights obtained or approved prior to the commencement of the Zoning Scheme, **unless 13.6 is applicable.**

It also does not apply to the following types of land use applications, as the impact of those land uses have an insignificant impact on engineering services infrastructure and those uses have a social and/or economic benefit to the Municipality and/or the community:

- 6.2.1. Home / non-commercial early childhood development centres that serve the surrounding community.
- 6.2.2. Community based churches and places of religious worship (it must be clear that such development will not lead to a significant additional service usage that will have an increased demand on municipal services).
- 6.2.3. House shops up to the lesser of 30% of the floor area of the buildings on the site or 50m<sup>2</sup> per erf.
- [6.2.4.](#) Second dwellings – up to a total maximum of five bedrooms per erf will not trigger a Development Charges payment.
- [6.2.5.](#) [Houses or rooms in houses converted to student rooms / communes - up to a total maximum of five bedrooms per erf will not trigger a Development Charges payment. Bedrooms beyond five will be charged per room under the "Student accommodation / Commune / Hostels" DC category.](#)
- [6.2.4-6.2.6.](#) [Houses or rooms in houses converted to guest houses - up to a total maximum of three bedrooms per erf will not trigger a Development Charges payment. Bedrooms beyond three will be charged per room under the "Guest House" DC category.](#)

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- 6.3. A development charge will be determined by the Municipality in terms of and on the basis of the applicable statutory provisions referred to in paragraph 3.2 above read with this policy.
- 6.4. A developer must pay to the Municipality the full amount of the applicable development charge due prior to the exercise of any rights to use, develop or improve the land arising from the approval of a land development application, unless in the case of a phased land development –
- 6.4.1. The Municipality authorises phased payments in the conditions of approval of land development applications, to take into account the timing of the proposed phases of the land development; and
- 6.4.2. The Municipality may approve payment of the outstanding development charge into an attorney's trust account, in cases where this will enable the completion of infrastructure projects in lieu of Development Charges that are not yet completed at the time that clearance is sought and if such withholding of clearance is deemed to be unfair towards the developer. An example of this is where the Municipality has requested the upgrade or installation of a service in-lieu of Development Charges, of which the upgrade was not an original condition of approval, or which is not specifically triggered by the development, but of which the immediate upgrade will be of benefit to the Municipality and/or the greater public. The conditions for the utilisation of the funds in this trust account shall be stipulated in a letter of undertaking issued by the trust attorney and as agreed to in writing by the Municipality.
- 6.5. When approving a land development application, the Municipality must stipulate at least the following matters relating to the development charge –
- 6.5.1. The total amount of the development charge;
- 6.5.2. The dates/development milestones on which the payment or payments must be made and the amount of such payments;
- 6.5.3. Whether the Municipality and the developer have agreed that the developer will install any bulk services, as contemplated in paragraph 9; and
- 6.5.4. Where the developer is to install bulk services instead of the payment of some portion or all of a development charge –
- 6.5.4.1. The nature and extent of the bulk services to be installed by the developer;
- 6.5.4.2. The timing of commencement and completion of the bulk services to be installed by the developer;
- 6.5.4.3. The amount of the developer's fair and reasonable costs of installation, or the process for determining that amount, including the process, after installation, for making any adjustments to an amount specified as determined by the Municipality; and
- 6.5.4.4. The engineering and other standards to which the installed external engineering services must conform.
- 6.6. The Municipality and a developer may, and in the circumstances provided for in paragraph 9 must, conclude an engineering services agreement to give detailed effect on the arrangements contemplated in this paragraph 6, provided that an engineering services agreement may not permit any intensification of land use beyond that which was approved.

## 7. CALCULATION OF DEVELOPMENT CHARGES

- 7.1. Subject to the provisions of this policy, a development charge shall be calculated with reference to the estimated increased load placed on the external engineering services networks that results from the development in a specific impact zone.
- 7.2. The capital cost of internal engineering services is for the account of the developer.
- 7.3. Subject to paragraph 6.3 above and for purposes of calculation of the bulk services component of a development charge, the Municipality must –
- 7.3.1. Determine a unit cost for each municipal infrastructure service, which unit cost must include all land cost, professional fees, materials, labour and reasonable costs of construction, but must exclude the value of any debts incurred by the Municipality for purposes of funding existing capital infrastructure assets, to the extent that such debt has not been repaid by the Municipality;
- 7.3.2. Apply a formula, which formula will –
- 7.3.2.1. Be aimed at determining the impact of the proposed land use on municipal infrastructure services, taking into account current and planned capacity, relative to the impact of the land use occurring at the date of approval of the land development application; and
- 7.3.2.2. Calculate the amount payable by multiplying the unit cost referred to in paragraph 7.3.2.1, by the estimated proportion of the municipal infrastructure services, including current and planned capacity, that will be utilised by the proposed land development.
- 7.4. The basis upon which development charges unit costs of the civil services and community services will be determined, as envisaged in paragraph 7.7, shall be consistent with Chapter 3A of the Amendment Bill.

The methodology for calculating unit costs can be summarised as follows, per service and for each impact zone thereof:

- Use an appropriate planning horizon in the future for that service (e.g. 20 years).
- Use town-planning scenarios and engineering master planning to determine what new services are required, such that at that point in the future, the joint capacity of existing and future services matches the number of consumption units that will be in place, being the existing amount plus the future development amount.
- Estimate the costs of the existing and future infrastructure, as though it was all being constructed at the present day, i.e. replacement cost for existing infrastructure or present-day cost for future infrastructure.
- Establish the number of consumption units that the total infrastructure will cater for i.e. existing consumption plus future consumption.
- From the above calculate the cost per unit consumption factor.
- The DC for the development in question is then calculated by multiplying the nett additional consumption needed for that development, by the cost per unit consumption factor.

In this manner the new development is paying its fair share of the infrastructure that it uses in that impact zone, and not financing an existing shortfall nor financing a surplus being created.

- 7.5. The basis upon which development charges will be determined i.t.o. electricity will be as per NRS 069: Code of practice for the recovery of capital costs for distribution network assets or in terms of any existing of future municipal policy relating to electricity DCs.
- 7.6. The Municipality must adjust the unit cost for each municipal infrastructure service on an annual basis during the budget preparation process referred to in Section 21 of the Local Government: Municipal Finance Management Act 56 of 2003, to take account of inflationary impacts and must publish the adjusted unit costs within two months of approving the municipal budget. The Municipality will use the Contract Price Adjustment Factor as prescribed in the SAICE General Conditions of Contract for Construction Works (as amended) to determine the annual effect of inflation.
- 7.7. Where possible, unit costs for each municipal infrastructure service should be re-calculated every five years to take into account the current and planned capacity for each municipal infrastructure service at the date of re-calculation, and any other relevant factors.
- 7.8. ~~The unit costs were last recalculated for 2022/23.~~ No adjustment factor between 2021/22 and 2022/23 was approved by Council as the new the unit costs were recalculated from scratch. rates became effective immediately. As an escalation factor is still required in some instances, for instance to escalate the value of work done in lieu of DCs over multiple financial years, this increase is hereby confirmed as 14.7415%.
- ~~7.9. In the event of the Municipality discovering that a gross error has occurred in the determination of the development charges, or if there are justifiable reasons to review the charges, it may, by means of a council resolution, correct such error or review the charges.~~

## 8. ADJUSTMENT FOR ACTUAL COSTS OR USAGE

- 8.1. Notwithstanding the provisions of paragraph 7.3, the Municipality may at its own instance or on request by a developer, increase or reduce the amount of the bulk services component of a development charge so as to reflect the actual cost of installation of the required bulk services, where:
- 8.1.1. there are exceptional circumstances, as motivated by the developer and if accepted by the Council, justify such an increase or reduction. An exceptional circumstance will typically be in the event that it is discovered that a gross error has occurred in the determination of the development charges tariffs, or
- 8.1.2. a particular land development significantly exceeds the size or impact thresholds set out in the applicable Development Charges tariff tables, or
- 8.1.3. the actual usage of a particular land use development varies significantly from the usage of the approved Development Charges tariff tables and of which the actual usage is motivated by a professional engineer and can be justified by means of recognised engineering guidelines and/or industry norms and standards. or,
- 8.1.4. ~~w~~where a development is situated outside the urban area, and it is not connected to or uses the bulk infrastructure allowed for in the Development Charge calculation, because it is providing its own bulk services (e.g. private borehole water supply and waste water package plant) ~~or its reduced usage is not already allowed for in the calculation,~~ then that portion of the Development Charge must be removed from the calculation adjusted by means of calculations by a professional engineer in terms of this section, and the

developer must pay for [the installation of](#) his own bulk infrastructure to the approval of the Engineer [or](#).

[8.1.5. in the event of the Municipality discovering that an error has occurred in the determination of the development charges tariffs, or if there are justifiable reasons to review the tariffs, it may, by means of a council resolution, correct such error or review such tariffs.](#)

8.2. Where the Municipality adjusts the amount of the bulk services component of a development charge [on the basis of actual costs](#) in terms of this section:

8.2.1. the developer is responsible for the costs of performing the calculation of such adjustment, which must be carried out by a registered professional civil engineer appointed by the developer with appropriate experience and expertise having regard to the nature and extent of the proposed land use; and

8.2.2. the actual cost must include, where applicable and without limitation, land costs, professional fees, materials, labour, the reasonable costs of construction and any tax liabilities: provided that all such costs would otherwise have been borne by the Municipality, in the provision and installation of the bulk services concerned.

## 9. **INSTALLATION OF EXTERNAL ENGINEERING SERVICES INSTEAD OF THE PAYMENT OF DEVELOPMENT CHARGES**

9.1. The Municipality may agree with a developer that the developer installs all or part of the external engineering bulk services required for an approved land development instead of the payment of the applicable development charge.

9.2. Where a developer installs external engineering services to the technical standards required by the Municipality, as reflected in the applicable conditions of approval of the land development application or as agreed with the Municipality in writing, the developer may set off the fair and reasonable cost of such installation, as determined by the Municipality, against the applicable development charges.

9.3. Any capital infrastructure assets forming part of an external engineering service installed by a developer instead of payment of any part of a development charge shall, upon installation, become the property of the Municipality, and-

9.3.1. the developer shall bear the responsibility of ensuring that ownership or other relevant rights to the affected capital infrastructure assets is or are transferred to the Municipality;

9.3.2. the Municipality must include the applicable capital infrastructure asset gain in its next adjustments budget, in accordance with regulations relating to asset gains, made in terms of the Local Government: Municipal Finance Management Act 56 of 2003.

9.4. The Municipality may require that a developer installs external engineering services to accommodate a greater capacity than that which would be required for the proposed land use alone in accordance with any master plan approved by the Municipality, in order to support planned future development in the vicinity of the approved land development. Where the total fair and reasonable cost of installation of such required external engineering services exceeds the development charge payable by the developer, the Municipality may reimburse the developer the amount in excess of the development charge, in accordance with a written agreement, provided that such infrastructure has been provided for in accordance with an approved master planning programme for such service and which has been approved as a capital project in terms of the budget of the Municipality. This reimbursement is to be within an agreed payment schedule not exceeding three

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years from the date of installation unless the developer waives his right to the applicable reimbursement.

- 9.5. If the developer elects to develop outside the Municipality's approved capital expenditure programme, he or she will have to fund the provision of services to enable such development. There is no obligation on the Municipality to provide services to land simply because an owner wants to develop his/her land and the Municipality is not obligated to re-imburse the developer for such expense. Section 152 of the

Constitution emphasises the fact that the Municipality must structure its administration and budgeting and planning processes to give priority to the basic needs of the community.

- 9.6. When a developer installs external engineering services instead of payment of a development charge, he or she must adopt the most cost-effective and efficient approach to meet the Municipality's technical standards. The principles of procuring the most cost-effective and efficient services must be followed. Therefore, the installation of engineering services must be provided at costs based on a competitive procurement process and evaluated by the developer's consultant with a recommendation for appointment. Such recommendation must be approved by the Municipality before the appointment of a contractor for this purpose.
- 9.7. "Upon the "Developer" having complied with all the terms and conditions of an engineering services agreement the "Municipality" undertakes to value the total cost of "Municipal Services", such valuation will be based on the payment certificates as certified by the professional Consulting Engineer. The total value as per the final payment certificate of the project will be used to determine the total cost of "Municipal Services". If the project has been completed in a previous financial year, the total completion value (as normally indicated on the final payment certificate) can be escalated to the year at which time DC payment is to be made. The escalation rate will be the same as the DC annual escalation as approved by council. The outstanding amount of development ~~contributions—charges~~ payable ~~as concluded with the "Developer"~~ will be reduced by the value of such "Municipal Services" ~~as provided in terms of this Agreement~~. The outstanding amount will be payable before a clearance certificate is issued by the Municipality, or before an occupation certificate is issued (where clearance certificate is not applicable) or by any stage as indicated by the Municipality in the approval conditions for that development.

## 10. NON-PROVISION BY THE MUNICIPALITY

- 10.1. Where the Municipality has agreed to install the required external engineering services and fails to do so within a period of twelve months from the date for completion stipulated in such agreement, the Municipality must return the applicable portion of the development charge paid by the developer, to the developer, with interest charged at the applicable rate for debts owed to the State.
- 10.2. Notwithstanding the provisions of paragraph 10.1, the Municipality and the developer may agree to:
- 10.2.1. an extension of the time period for the installation of the required external engineering services by the Municipality: provided that such extended time period may not exceed twenty-four months and provided further that where the Municipality completes the installation within such extended time period, it has no obligation to return the development charge paid by the developer, to the developer; or
- 10.2.2. an engineering services agreement, or such a revised agreement, in terms of which the developer agrees to install the required external engineering services in whole or in part and, where agreeing to install in part, the time period within which the Municipality will install those external engineering services for which it remains responsible: provided that the extended time period for installation by the Municipality may not exceed twenty-four months and provided further that where the Municipality completes its portion of the installation within such extended time period, it has no obligation to return that portion of the development charge paid by the developer which pertains to the external engineering services installed by the Municipality, to the developer.

## 11. WITHHOLDING CLEARANCES AND APPROVALS.

- 11.1. The Municipality shall be entitled to withhold any consent, clearance or approval in respect of a land development in the event where development charges owed by the developer remain unpaid or the developer fails to install external engineering services in accordance with an engineering services agreement entered into with the Municipality.
- 11.2. The Municipality shall not be obliged to allow any internal or link services to be connected to the bulk services of the Municipality until all development charges have been paid by a developer.

## 12. ~~SUBSIDIES~~ ~~AND EXEMPTIONS~~ AND DISCOUNTS

- 12.1. The Municipality may only subsidise a land development or category of land developments through reducing the development charge payable in respect thereof if it meets one or more any of the following criteria:
- The beneficiaries of the land development must primarily be indigent persons, persons dependent on pensions or social grants for their livelihood, or persons temporarily without income.
  - The land development must be for purposes of serving the community, conservation, educational, institutional or public purposes as defined in Schedule 2 to the SPLUMA.
  - The applicant for a subsidy must be a registered non-profit or charitable community organisations undertaking social development projects that is beneficial to the community and/or where the applicant is able to demonstrate how the proposed development will have a social and/or economic benefit to the Municipality. The use of any land or buildings, or any part thereof, shall not be for the private financial benefit of any individual, including as a shareholder in a company or otherwise.
  - If the bulk engineering services for the land development concerned have been budgeted to be funded through a fiscal transfer from another sphere of government, a subsidy may be granted to the extent of that grant funding.
- 12.2. Examples of land uses that ~~may potentially~~ qualify for ~~subsidies or automatic~~ exemptions, are the following:
- ~~Breaking New Ground (BNG) (also known as low cost) housing projects. All government~~ All government subsidised housing programmes implemented by the Municipality will be automatically exempt from DCs. These projects are approved by council as per the Housing pipeline prior to implementation and such approval should include financial commitments regarding the provision of bulk services for these projects. Such projects would also typically qualify for government grants to fund the upgrade of bulk infrastructure. It is thus not necessary for development charges if the provision of bulk services is to be funded by alternative funding sources. If any bulk upgrades are identified to accommodate the new development during land use approval, then the onus will be on Council to allocate the required funds to the budget as part



of the project implementation.

12.3 [Examples of land uses that may potentially qualify for subsidies, subject to council approval, are the following:](#)

- Public schools, hospitals, clinics and other public infrastructure projects developed and funded by government which provides a service to especially the poorer communities may qualify for a potential subsidy. These projects will have a social and economic benefit to the communities and the Municipality in its whole and in so doing will alleviate some institutional and financial pressure on the Municipality in terms of providing social infrastructure and social development programmes.

12.5. Applications [and motivations](#) for subsidies must be in writing and addressed to the Director: Infrastructure Services for evaluation, calculation of the applicable development charge as if it were payable, and submission of a recommendation to the Stellenbosch Municipal Council for consideration. Such submission must clearly indicate how the application meets the criteria of 12.1 and / or 12.23 above. [Should the submission/motivation fail to prove that it meets these criteria, it will not be recommended to council for consideration.](#)

12.6. If a subsidy is granted, the Municipal Council must set out the reasons for its decision, must identify the alternative funding source for the required bulk engineering services to the value of the subsidy, and must budget for and/or obtain funding from an alternative source to the value of the subsidy.

12.7. Before the Municipality grants an individual subsidy, it must:

~~12.4.1~~[12.7.1](#). ensure that the revenue to be forgone as a result of any subsidy approved by the Municipal Council is reflected in the Municipality's budget (Finance);

~~12.4.2~~[12.7.2](#). must provide for budgetary provision for the realisation of the revenue forgone to be made, from another realistically available source of revenue (Finance);

[12.7.3](#). ensure that the monetary value of the subsidy, together with the amount of any other payment or payments received by the Municipality towards the capital costs of external engineering services for an approved land development, is at least equal to the development charge calculated in accordance with paragraph 12.4.1.

12.8. A discount for Inclusionary housing units/erven will be applicable if approved by Council in the Stellenbosch Municipality's Inclusionary Zoning Policy (as amended). The discount will be based on the discount rate approved in the aforementioned policy.

### 13. SPECIAL ARRANGEMENTS

13.1. Rural areas/farms: Development Charges will not be levied in respect of buildings as are reasonably connected with the permissible main farming activities on the farm (e.g. cellar and bottling facilities on a wine farm or a fruit packaging and storage facility on a fruit farm). Development Charges according to the applicable tariff will be levied for any other development on farms requiring approval of land use applications, e.g., a farm stall, function venue, tourist accommodation facilities, conference facilities or other commercial activities. A scientifically calculated reduction factor of 50% will be however be applied to the trip generation rates as specified for such land uses outside of urban areas.

- 13.2. Gross Leasable Area ("GLA"): When at the time of the Development Charges calculation being done, the GLA figure is not known, it will be deemed to be 15% less than the permissible total bulk (i.e. based on 85% of the total permissible bulk).
- 13.3. Development Charges In lieu of Parking bays: If the development is located in an area where in the opinion of the Municipality the lack of sufficient on-site parking is currently causing problems, payment of Development Charges in lieu of providing parking bays will not be permitted. Some or all of the following criteria, [at the sole discretion of the Municipality](#), must be met before a Development Charges payment in lieu of parking will be favourably considered:
- If located in the historical CDB core where buildings were [historically](#) approved with limited parking provision;
  - When a development is situated within a 500m radius of a public transport hub or facility;
  - When a development is situated along a primary functional public transport route – provided that the necessary embayment required, is provided;
  - When a development is situated along a primary Non-Motorised Transport route (as defined by the Non-motorised Transport Masterplan) – provided that the necessary facilities are in a good state;
  - Where a public parking garage has been constructed that, in the Municipality's opinion, adequately caters for the demand created by the shortfall of on-site parking.
- 13.4. Provincial roads outside of the urban boundaries are not allowed for. For provincial Roads within the urban boundaries, 20% of the value thereof has been allowed for in the determination of the Development Charges tariffs and therefore this percentage will be allowed to be offset from Development Charges where constructed by the Developer in terms of an engineering services agreement. The offsetting of Development Charges against the full cost of provincial road upgrades would result in an under-recovery of Development Charges for municipal roads. Exception is upgrades to intersections between municipal and provincial roads, where the full amount can be offset from Development Charges.
- 13.5. Non-motorised transport facilities: A functional and safe non-motorised transport and public transport network will reduce the dependence on private motor vehicles and therefore relieve road congestion and free up capacity on the roads and intersections. The developer may set off its fair and reasonable cost of providing such facilities, as determined by the Municipality, against the applicable development charges if the Municipality is satisfied, based on its non-motorised transport master plan, that those facilities are for the benefit of multiple users/developments and/or the community as a whole.
- 13.6. Handling of properties with historical land use rights: If a property (especially business and industrial zoned property) has an existing zoning right, it does not necessarily mean that DCs have been paid on the full development potential of the property when such zoning was approved. A DC credit can only be granted if a DC for a specific development or building has been paid in the past, or if there are existing permanent, legal buildings (has building plan approval) on the site which service demand has already been absorbed into the bulk service networks. Otherwise there is no justification for granting such a credit. The onus to prove that DCs have been paid is on the Developer/Applicant. DC's will be payable before building plan approval.
- 13.7. Temporary Departures: No Development Charges will be levied in respect of temporary departure approvals; provided that:

- 13.7.1. If, in the Municipality's opinion, any external engineering services upgrades are required to meet increased demand due to the impact of the temporary land use concerned, even if of a temporary nature, the developer must construct such upgrade at own cost; and
- 13.7.2. if an application for an extension of a temporary departure is granted, Development Charges will be levied due to the prolonged impact on services.
- 13.8. Where a development's Development Charges are utilised to upgrade a specific service in order to create the required capacity, and the Development Charges for that specific service category is not sufficient to cover the cost of the upgrade, the Director: Infrastructure Services, at his discretion, will determine if Development Charges from the other service categories can be utilized to cover the cost. Factors to be taken into consideration include the status of bulk services in the development area, the practicality and timing to secure alternative sources of funding, etc. ~~Electrical Development Charges may not be used to cross fund civil engineering infrastructure and vice versa.~~ The Community Facilities Development Charges must be ring fenced and not utilised on engineering, civil or electrical infrastructure.
- 13.9. Where a service other than a bulk service needs to be modified/relocated in order to accommodate a development, and such modification/relocation is the municipality's responsibility, but cannot be implemented by the municipality due to time and/or budget and/or operational constraints, such work may be offset from DCs. An example would be if a municipal service is located on private property, without a servitude, and such service needs to be relocated to allow building work.
- 13.10. Where a change in land use leads to a lower impact than the original land use, and leads to a specific service being in a "credit" in terms of the DC for that service, such credit cannot be refunded, or be offset from the DCs of any of the other services. The reason for this is that the original impact has already been catered for in terms of bulk services, that expense does not fall away due to the lower impact of the changed land use. Furthermore, should the new land use in future change back to its original use, a DC will not be applicable, as it would be deemed that such DC had been paid when the original land use had been implemented.
- Example – a new 2 residential erf subdivision is approved – DCs are paid before subdivision clearance. Then afterwards, it is consolidated, no DC payable because impact on (say roads/trip generation is less for one erf than 2 erven.). Afterward, again subdivided into the original 2 erven – no DC is now payable because a DC was already paid when the 2 erven were originally subdivided.
- ~~13.9.~~13.11. Outdoor Function / Picnic Areas: Where such an outdoor area is provided as an alternative seating space for the formal seating (GLA) in a restaurant/deli/tourist facility, in other words the outdoor area will not lead to additional guests, then DCs will not be applicable for the outdoor area. The total number of persons to be accommodated at any point in time at the establishment will then be limited to the capacity of the restaurant/deli/tourist facility, which must be stated in the application and in the application's motivation. If, however the seating of an outdoor area is additional to the formal seating (GLA) in a restaurant/deli/tourist facility, then DCs will be charged for that outdoor area as well.

## Appendix "A"

### Legislative background and relevant statutory provisions

#### Legislative background

##### 1. The Townships Ordinance, 33 of 1934 – ('Townships Ordinance')

Before 1 July 1986 (i.e., the commencement date of the Land Use Planning Ordinance, 15 of 1985), land use applications in the Province of the Cape of Good Hope were dealt with in terms of the Townships Ordinance, 33 of 1934.

It *inter alia* provided in section 35 *ter* that an enhancement levy was due to the local authority concerned by the owner of any land of which the *value* is or has increased in consequence of 'provisions' being or having been 'prescribed' (i.e., zoning rights granted). The intention clearly was that the levy would serve as the developer's contribution towards the cost of providing or upgrading municipal services infrastructure required to serve development undertaken, based on the approved enhanced rights.

##### 2. The Venter Commission

Under the Townships Ordinance, however, the settling of the question of a basis on which engineering services should be provided by the township establisher and the local authority concerned, was one of the biggest single factors that retarded the township establishment process and the rapid and effective production of new residential sites.

On 26 June 1982 the State President therefore appointed a commission to inquire into and make recommendations *inter alia* regarding methods which may promote the provision of sufficient residential erven and reduce the cost thereof. The commission became known as the Venter Parliamentary Commission (the 'Venter Commission').

At that stage the regulation of costs of township establishment in the Cape Province was based on the recommendations of the 1970 Niemand Commission. These included the basic principle that the existing municipality rate payers should not be expected to carry the burden of services for the new township but that the arrangements between the township owner and the municipality should be such that the municipality did not make a profit out of the township owner or the purchaser of his erven either. In short, the basis for cost liability was supposed in all cases to be the principle of equal treatment, in accordance with which the inhabitants of the old town should not subsidise the new township and neither should the old derive benefit from the new township.

The Venter Commission published three reports, respectively dated 29 March 1983, 16 June 1983 and 30 November 1983. It assumed, for purposes of those reports, that the concept of '*internal services*' referred to the engineering services network that was internal to the township

concerned, but that it did not include the higher order services situated within the area of the township concerned that were generally classified as 'external services' and were able to serve adjacent areas as well. It recommended [1] that *'the township establisher should accept responsibility for the installation and financing of all engineering services that are internal to the township, and the local authority should accept responsibility for the installation and financing of external engineering services.'*

### 3. The Land Use Planning Ordinance, 15 of 1985 – ('LUPO')

Many of the recommendations of the Venter Commission were adopted by the then Cape Province Provincial Government and served as points of departure for the drafting of the Land Use Planning Ordinance, 15 of 1985 ('LUPO').

Section 42(1) of (the now repealed) LUPO, empowered the competent authority to grant a land use application, subject to *'such conditions as he may think fit'*. Section 42(2) of LUPO is particularly noteworthy. It read as follows:

*'Such conditions may, having regard to-*

- (a) *the community needs and **public expenditure which** in his or its opinion **may arise** from the authorisation, exemption, application or appeal concerned **and** the public expenditure **incurred in the past** which in his or its opinion facilitates the said authorisation, exemption, application or appeal, and*
- (b) *the various **rates and levies** paid in the past or to be paid in the future by the owner of the land concerned, **include conditions** in relation to the cession of land or the **payment of money which is directly related to requirements** resulting from the said authorisation, exemption, application or appeal in respect of the provision of necessary services or amenities to the land concerned.'* [Emphasis added].

LUPO no longer catered for enhancement levies but introduced an arrangement in terms of which local authorities could require, as a condition of approval, a contribution towards specified public expenditure. The qualification was that such expenditure (incurred in the past or that may arise) should (a) in the opinion of the authority, facilitate the land use approval; and (b) had to be directly related to requirements *resulting from such approval, in respect of the provision of necessary services or amenities to the land concerned.*

The reason why local authorities were required to take into consideration *'the various rates and levies paid in the past or to be paid in the future by the owner of the land concerned'*, relates to how *loans*, as mechanism to finance infrastructure investment programmes, fits within the municipal fiscal framework. When loans are taken up for this purpose, municipalities repay same *inter alia* by using income from those sources. In other words, even the owners of vacant land contribute towards the cost of existing infrastructure that was or new infrastructure that will be provided with borrowed funds. To disregard their previous and future contribution would therefore be in conflict with the requirement that municipality should not make a profit out of the developer.

### 4. Conclusion

Development charges are not a new revenue source or tax for municipalities, but a once-off infrastructure access charge imposed by a municipality on a developer as a condition of approval of a land development that will result in intensification of land uses and an increase in the use of or need for municipal engineering infrastructure.

All the new order local government and planning legislation and language used therein, can easily induce an exaggerated sense of the extent of the substantive shift that it is brought about. Actually, the new order regime very much replicates that which previously subsisted in terms of the old order legislation and provides for the substantive continuity of the regulatory structure.

The new order legislation merely refined statutory arrangements relating to development

<sup>1</sup> Par 3.6 Venter Commission 2nd Report sub-paragraph 10.

charges whilst the underlying principles in respect thereof, remained the same. People working with the legislation shall appreciate the pattern today is not something essentially different to what it was yesterday and because different language is used in the legal framework one shouldn't allow that to confuse oneself into thinking of it as some sort of a legal revolution. The underlying principles still represent an equitable division of development costs between the local authority and the developer.

## **Relevant statutory provisions**

### **The National Constitution – ('Constitution')**

- Section 229(1)(b) empowers a municipality, if authorised by national legislation, to impose other taxes, levies and duties.
- According to section 229 (2) the power of a municipality to impose rates on property, surcharges on fees for services provided by or on behalf of the Municipality, or other taxes, levies or duties-
  - o may not be exercised in a way that materially and unreasonably prejudices national economic policies, economic activities across municipal boundaries, or the national mobility of goods, services, capital or labour; and
  - o may be regulated by national legislation.

### **Stellenbosch Municipality: Zoning Scheme By-Law 2019 – ('Zoning Scheme')**

#### **20. *Development charges in terms of this Scheme***

- (1) *The calculation of development charges and whether a development charge is payable, shall be subject to the Municipality's adopted policy.*
- (2) *Where the provision in a particular zone identifies that a development charge is payable for intensified primary development rights which came into operation as a result of this Scheme, and where the owner intends to develop according to such intensified rights, such development charge shall be calculated when the building plan is submitted and shall be paid prior to the approval of said building plan.*
- (3) *Where an application is made in terms of Planning Law, or where application is made for technical approval in terms of this Scheme, the Municipality may impose a condition related to development charges payable where said approval leads to the intensification of land use beyond the primary rights which has been originally approved on the land unit.*
- (4) *Unless an alternative agreement is reached in writing between the owner and the Municipality, no building plan shall be approved on any land unit where an outstanding development charge is payable.*
- (5) *If the Municipality fails to calculate a development charge at the appropriate approval stages as set out in this section, it is deemed that there are no charges related to that development. (0)*

#### **89. *Development charges in the Multi-Unit Residential zone***

- (1) *The Municipality may impose development charges for any additional use or consent use application in accordance with Planning Law.*
- (2) *A development charge is payable in terms of section 20 in instances where a building plan is submitted to utilise intensified primary development rights which came into operation because*

of this Scheme.

- (3) The Municipality shall, prior to approval of such a building plan, determine the extent of such additional rights and calculate the required levy, which shall be paid by the landowner prior to the approval of said building plan.
- (4) The Municipality shall consider additional development charges in at least the following instances where building plans for primary rights are submitted:
  - (a) any new development where a group housing or retirement village scheme exceeds the density per hectare as indicated below for the various former scheme areas:
    - (i) 20 units per hectare in former Stellenbosch scheme area and former Section 8 scheme area;
    - (ii) 30 units per hectare in former Franschhoek scheme area;
  - (b) any new development where the total floor area exceeds the following:
    - (i) in former Stellenbosch and Franschhoek scheme areas:
      - 40% for erven up to 1499m<sup>2</sup> (factor of 0.4)
      - 50% for erven up to 1749m<sup>2</sup> (factor of 0.5)
      - 60% for erven up to 1999m<sup>2</sup> (factor of 0.6)
    - (ii) in former Section 8 areas: (0)
      - 100% of the land unit (factor of 1.0)
  - (c) where consolidation is undertaken which results in a greater floor area threshold applying than set out above for the original land unit size;
  - (d) any new development where a direct or indirect limitation applied on the development potential of the land unit by a condition of approval or the provisions of the former zoning scheme.

#### **102. Development charges in the Local Business zone**

- (1) The Municipality may impose development charges for any additional use or consent use application in accordance with Planning Law.
- (2) A development charge is payable in terms of section 20 in instances where a building plan is submitted to utilise intensified primary development rights which came into operation as a result of this Scheme.
- (3) The Municipality shall, prior to approval of such a building plan, determine the extent of such additional rights and calculate the required levy, which shall be paid by the landowner prior to the approval of said building plan.
- (4) The Municipality shall consider additional development charges in at least the following instances where building plans for primary rights are submitted:
  - (a) any development which exceeds the previously approved development extent or land use on a land unit which was zoned "Restricted Business", "Specific Business" or "Minor Business" in the former Stellenbosch or Franschhoek schemes;
  - (b) any development where the floor area exceeds 150% of the area of the land unit (factor of 1,5);
  - (c) any development where consolidation is undertaken which results in the intensification of land use which is greater than that applicable on the individual erven; and
  - (d) any new development where a direct or indirect limitation applied on the development

potential of the land unit by virtue of a condition of approval or the provisions of the former zoning scheme.

**115. Development charges in the Mixed-Use zone**

- (1) The Municipality may impose development charges for any additional use or consent use application in accordance with Planning Law.
- (2) A development charge is payable in terms of section 20 in instances where a building plan is submitted to utilise intensified primary development rights which came into operation because of this Scheme.
- (3) The Municipality shall, prior to approval of such a building plan, determine the extent of such additional rights and calculate the required levy, which shall be paid by the landowner prior to the approval of said building plan.
- (4) The Municipality shall consider additional development charges in at least the following instances where building plans for primary rights are submitted:
  - (a) any new development where the total floor area exceeds the following:
    - (i) in former Franschoek scheme area:
      - 255% of the area of the land unit (coverage of 85% on 3 floors) for business related buildings;
      - 150% (coverage of 50% on 3 floors) for flats and any other residential buildings;
    - (ii) in former Section 8 scheme areas:
      - 300% of the area of the land unit (floor factor of 3,0) for business related buildings;
      - 100% of the area of the land unit (floor factor of 1,0) for flats and any other residential buildings);
    - (iii) in former Stellenbosch scheme areas:
      - 425% of the area of the land unit (coverage of 85% on 5 floors) for business related buildings;
      - 185% of the area of the land unit (coverage of 85% on ground and 50% on 2 more floors) for flats and any other residential buildings (excluding hotel and guest house);
      - 285% (coverage of 85% on ground and 50% on 4 more floors) for hotels and guest house.
  - (b) any new development where a direct or indirect limitation applied on the development potential of the land unit in terms of a condition of approval or the provisions of the former zoning scheme.

**128. Development charges in the Industrial zone**

- (1) The Municipality may impose development charges for any additional use or consent use application in accordance with Planning Law.
- (2) A development charge is payable in terms of section 20 in instances where a building plan is submitted to utilise intensified primary development rights which came into operation because of this Scheme.
- (3) The Municipality shall, prior to approval of such a building plan, determine the extent of such additional rights and calculate the required levy, which shall be paid by the landowner prior to the approval of said building plan.
- (4) The Municipality shall consider charging development charges in at least the following instances where building plans for primary rights are submitted:



- (a) any new development where the total floor area exceeds the following:
- (i) in former Franschoek and Stellenbosch scheme areas:
    - 225% of the area of the land unit (coverage of 75% on 3 floors);
  - (ii) in former Section 8 scheme areas:
    - 150% of the area of the land unit (floor factor of 1,5);
- (b) any new development where a direct or indirect limitation applied on the development potential of the property by a condition of approval or the provisions of the former zoning scheme.

**140. Development charges in the Education zone**

- (1) A development charge is payable in terms of section 20 in instances where a building plan is submitted to utilise intensified primary development rights which came into operation because of this Scheme.
- (2) The Municipality shall, prior to approval of such a building plan, determine the extent of such additional rights and calculate the required levy, which shall be paid by the landowner prior to the approval of said building plan.
- (3) The Municipality may impose development charges for any additional use or consent use application in accordance with Planning Law.

**151. Development charges in the Community zone**

- (1) A development charge is payable in terms of section 20 in instances where a building plan is submitted to utilise intensified primary development rights which came into operation because of this Scheme.
- (2) The Municipality shall, prior to approval of such a building plan, determine the extent of such additional rights and calculate the required levy, which shall be paid by the landowner prior to the approval of said building plan.
- (3) The Municipality may impose development charges for any additional use or consent use application in accordance with Planning Law. (0

**162. Development charges in the Utility Services zone**

- (1) A development charge is payable in terms of section 20 in instances where a building plan is submitted to utilise intensified primary development rights which came into operation because of this Scheme.
- (2) The Municipality shall, prior to approval of such a building plan, determine the extent of such additional rights and calculate the required levy, which shall be paid by the landowner prior to the approval of said building plan.
- (3) The Municipality may impose development charges for any additional use or consent use application in accordance with Planning Law.

**172. Development charges in the Transport Facilities zone**

- (1) The Municipality shall, prior to approval of a building plan for a primary right, determine whether the building to be approved constitutes an increase in development rights which is greater than the rights which existed in the former scheme, and should this be found to be the case, require that a development charge in accordance with section 20 of this Scheme.
- (2) The Municipality shall at least consider imposing development charges in the following instances:

- (a) any new development or expansion of business-related ancillary uses to passenger transport uses;
- (b) any new petrol filling stations or expansion of existing filling stations;

any new development where a direct or indirect limitation applied on the development potential of the land unit by a condition of approval or the provisions of the former zoning scheme.

**219. Development charges in the Agriculture and Rural zone**

- (1) A development charge is payable in terms of section 20 in instances where a building plan is submitted to utilise intensified primary development rights which came into operation as a result of this Scheme.
- (2) The Municipality shall, prior to approval of such a building plan, determine the extent of such additional rights and calculate the required levy, which shall be paid by the landowner prior to the approval of said building plan.
- (3) The Municipality may impose development charges for any additional use or consent use application in accordance with Planning Law.

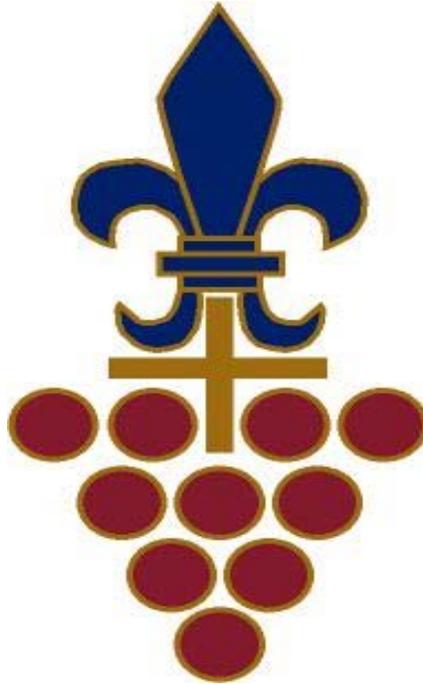
**Local Government: Municipal Systems Act, 32 of 2000 – ('MSA')**

According to the MSA a 'municipal service' means a service that a municipality is empowered to provide and which it provides or may provide to or for the benefit of the local community. Irrespective of whether such a service is provided (or to be provided) by the municipality through an internal mechanism or by engaging an external mechanism.

- Section 4 (1)I provides that the council of a municipality has the right to finance the affairs of the municipality by
  - o charging fees for services; and
  - o imposing surcharges on fees, rates on property and, to the extent authorised by national legislation, other taxes, levies and duties.
- Section 4(2) provides that the council of a municipality, within the municipality's financial and administrative capacity and having regard to practical considerations, has the duty inter alia to-
  - o exercise the municipality's executive and legislative authority and use the resources of the municipality in the best interests of the local community;
  - o strive to ensure that municipal services are provided to the local community in a financially and environmentally sustainable manner; and
  - o promote and undertake development in the municipality.
- According to section 11(3) a municipality exercises its legislative or executive authority *inter alia* by imposing and recovering rates, taxes, levies, duties, service fees and surcharges on fees, including setting and implementing tariff, rates and tax and debt collection policies.
- Section 74 of the MSA requires that a municipal council must adopt and implement a tariff policy on the levying of fees for municipal services provided by the municipality itself or by way of service delivery agreements, and which complies with the provisions of the MSA and any other applicable legislation. In terms of section 74(2) a tariff policy must *inter alia* reflect at least the following principles, namely that-
  - o tariffs must reflect the costs reasonably associated with rendering the service, including capital, operating, maintenance, administration and replacement costs, and interest charges;

- 
- o tariffs must be set at levels that facilitate the financial sustainability of the service, taking into account subsidisation from sources other than the service concerned;
  - o the extent of subsidisation of tariffs for poor households and other categories of users should be fully disclosed.
  - Section 75A of the MSA deals with the general power of municipalities to levy and recover fees, charges and tariffs. It provides that a municipality may-
  - o levy and recover fees, charges or tariffs in respect of any function or service of the municipality; and
    - o recover collection charges and interest on any outstanding amount.

# **STELLENBOSCH MUNICIPALITY**



## **ACCOUNTING POLICY**

**2024/2025**

**REVISED**



# STELLENBOSCH MUNICIPALITY

## ACCOUNTING POLICY

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## 1. Basis of Preparation

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), including any interpretations, guidelines and directives, issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand. All figures are rounded to the nearest Rand.

In the absence of an issued and effective Standard of GRAP, accounting policies for material transactions, events or conditions were developed in accordance with paragraphs 8, 10 and 11 of GRAP 3 as read with Directive 5.

The principal accounting policies adopted in the preparation of these annual financial statements are set out below.

### 1.1 Going concern assumption

These unaudited annual financial statements have been prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.

### 1.2 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.

### 1.3 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.

### 1.4 Materiality

Material omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made ~~on the basis of~~based on the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment ~~takes into account~~considers how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.



## 1.5 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:

### 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:

#### Revenue recognition

Accounting Policy 1.1~~86~~ on Revenue from Exchange Transactions and Accounting Policy 1.1~~97~~ 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~~ 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.

The IGRAP 1 amendments did not have any impact on Traffic Fines revenue issued in terms of the current Criminal Proceedings Act system but will only influence fines issued in terms of the Amended Act (AARTO) that is expected to become effective on 1 July 2021. As the legislation is new, the possible impact cannot at this stage be determined. The legislation itself will significantly increase Traffic Fines revenue based on higher fine amounts being pronounced in Schedule 3 of the Amendment Act.

The iGRAP 20 interpretation is not regarded as having an effect, as the principles of revising revenue (e.g., incorrect tariff or appeal) is already applied by the municipality.

#### Impairment of financial assets

Accounting Policy 1.1~~34~~: 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 1.108 and 1.119 the municipality depreciates its property, plant and equipment and intangible assets over the estimated useful lives of the assets, ~~taking into account~~considering the residual values of the assets at the end of their useful life, which is determined when the assets are brought into use. 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.

The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

### **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 may then require a material adjustment to the carrying value of tangible assets.

### **Value in use of cash generating assets**

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped

at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time. They are significantly affected by ~~a number of~~several 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 ~~22~~29 - Provisions.

A qualified environmental engineer calculates the provision. The provision represents the best estimate or net present value of the expected future cash flows to rehabilitate the landfill site at yearend. The professional engineer determines the cost of rehabilitation and the remaining useful life of each site. Interest rates linked to prime were used to calculate the effect of the time value of money.

### **Allowance for slow moving, damaged and obsolete stock**

An allowance for inventory to write inventory down to the lower of cost or net realisable value. Management has made estimates of the selling price and direct cost to sell on certain inventory items. The write down is included in the surplus/deficit.

### **Fair value estimation**

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the municipality is the current bid price.

The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined by using valuation techniques. The municipality

uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the municipality for similar financial instruments.

### **Effective interest rate**

The municipality used the prime interest rate to discount future cash flows.

### **Allowance for doubtful debts**

On ~~receivables-debtors~~, an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the receivables carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

### **Impairment of statutory receivables**

If there is an indication that a statutory receivable, may be impaired, the municipality measures the impairment loss. The impairment loss is measured as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, are reduced, either directly or ~~through the use of using~~ an allowance account. The amount of the loss is recognised in surplus or deficit.

In estimating the future cash flows, the municipality considers both the amount and timing of the cash flows that it will receive in future. Consequently, where the effect of the time value of money is material, the municipality discounts the estimated future cash flows using a rate that reflects the current ~~risk-free~~risk-free rate and, if applicable, any risks specific to the statutory receivable, or group of statutory receivables, for which the future cash flow estimates have not been adjusted.

An impairment loss recognised in prior periods for a statutory receivable are revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

### **Pre-paid electricity**

Pre-paid electricity is only recognised as income once the electricity is consumed. The pre-paid electricity balance (included under payables) represents the best estimate of electricity sold at year-end, which is still unused.

### **Accounting by principals and agents**

~~The entity makes assessments on whether it is the principal or agent in principal-agent relationships.~~

#### **1.6 Biological assets that form part of an agricultural activity**

The municipality recognises biological assets that form part of an agricultural activity or agricultural produce when and only when:

- the municipality controls the asset as a result of past ~~events;~~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 asset that form part of an agricultural activity, is included in surplus or deficit for the period in which it arises.

Where market determined prices or values are not available, the present value of the expected net cash inflows from the asset, discounted at a current market-determined pre-tax rate where applicable, is used to determine fair value.

Where fair value cannot be measured reliably, biological assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

The municipality classifies biological assets as consumables which consist of timber in the form of pine trees. All biological assets are held for sale.

Agricultural produce harvested from an entity's biological assets shall be measured at its fair value less costs to sell at the point of harvest. Such measurement is the cost at that date when applying GRAP 12 or another applicable Standard of GRAP.

<b>Item</b>	<b>Useful life</b>
Trees in a plantation forest	indefinite

#### **1.7 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 30–99 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.

### Subsequent measurement - Cost model

Investment property is, ~~subsequent to~~after initial measurement, carried at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided to write down the cost, less estimated residual value by equal installments over the useful life of the property, which is as follows:

<b>Item</b>	<b>Useful life</b>
Property - buildings	30-99 years
Property - land	indefinite

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in surplus or deficit in the period of retirement or disposal.

Compensation from third parties for investment property that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

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 104).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the annual financial statements (see note 104).

All properties held to earn market-related rentals or for capital appreciation or both and that are not used for administrative purposes, and that will not be sold within the next 12 months are classified as Investment Properties

A building owned by the municipality (or held by the municipality under a finance lease) and leased out under one or more operating leases~~When classification is difficult, the criteria used to distinguish investment property from owner-occupied property and from property held for sale in the ordinary course of operations, are as follows:~~

Transfers to, or from, investment property shall be made when, and only when, there is a change in use, evidenced by:

- (a) commencement of owner-occupation, for a transfer from investment property to owner-occupied ~~property;~~property.
- (b) commencement of development with a view to sale, for a transfer from investment property to ~~inventories;~~inventories.
- (c) end of owner-occupation, for a transfer from owner-occupied property to investment property; or
- (d) commencement of an operating lease (on a commercial basis) to another party, for a transfer from inventories to investment property.

## 1.8 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.

### Initial recognition and Mmeasurement

Property, plant and equipment are initially recognised at cost on its acquisition date. 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 costs of dismantling and removing the asset and restoring the site on which it is located. 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~~ it is deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the municipality is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Major spare parts and standby equipment which are expected to be used for more than one period are included in property, plant, and equipment. In addition, spare parts and standby



equipment which can only be used in connection with an item of property, plant and equipment are accounted for as 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~~After 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.

Property, plant and equipment are depreciated on the ~~straight-line~~straight-line basis over their expected useful lives to their estimated residual value.

### **Depreciation**

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

<u>Item</u>	<u>Depreciation method</u>	<u>Average useful life</u>
<u>Land</u>	<u>Straight-line</u>	<u>indefinite</u>
<u>Machinery and equipment</u>	<u>Straight-line</u>	<u>1-66</u>
<u>Furniture and office equipment</u>	<u>Straight-line</u>	<u>2-24</u>
<u>Transport assets</u>	<u>Straight-line</u>	<u>4-21</u>
<u>Computer equipment</u>	<u>Straight-line</u>	<u>5-23</u>
<u>Community assets</u>	<u>Straight-line</u>	<u>4-50</u>
<u>Other property, plant and equipment</u>	<u>Straight-line</u>	<u>6-99</u>
<u>Capital restoration asset</u>	<u>Straight-line</u>	<u>5-30</u>
<u>Electrical infrastructure</u>	<u>Straight-line</u>	<u>10-100</u>
<u>Water supply infrastructure</u>	<u>Straight-line</u>	<u>10-100</u>
<u>Solid waste infrastructure</u>	<u>Straight-line</u>	<u>10-50</u>
<u>Roads infrastructure</u>	<u>Straight-line</u>	<u>10-100</u>
<u>Information and communication infrastructure</u>	<u>Straight-line</u>	<u>3-15</u>

<u>Wastewater network</u>	<u>Straight-line</u>	<u>10-100</u>
<u>Stormwater infrastructure</u>	<u>Straight-line</u>	<u>10-50</u>
Land	indefinite	
<u>Machinery and equipment</u>	<u>1-25</u>	
<u>Furniture and office equipment</u>	<u>2-24</u>	
<u>Transport assets</u>	<u>4-20</u>	
<u>Computer equipment</u>	<u>5-23</u>	
<u>Community assets</u>	<u>4-30</u>	
<u>Other property, plant and equipment</u>	<u>6-99</u>	
<u>Capital restoration asset</u>	<u>5-30</u>	
<u>Electrical infrastructure</u>	<u>10-50</u>	
<u>Water supply infrastructure</u>	<u>10-100</u>	
<u>Solid waste infrastructure</u>	<u>10-30</u>	
<u>Roads infrastructure</u>	<u>10-100</u>	
<u>Information and communication infrastructure</u>	<u>3-15</u>	
<u>Waste water network</u>	<u>10-100</u>	
<u>Stormwater infrastructure</u>	<u>10-50</u>	

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.

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 110).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 119).

## 1.9 Intangible assets

### Initial recognition and measurement

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.

If the expected useful life of the asset is different from previous estimates, the amortisation period shall be changed accordingly. If there has been a change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the amortisation method shall be changed to reflect the changed pattern. Such changes shall be accounted for as changes in accounting estimates in accordance with GRAP 3.

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~~; sale.
- there is an intention to complete and use or sell ~~it~~; it.
- there is an ability to use or sell ~~it~~; it.
- it will generate probable future economic benefits or service ~~potential~~; potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset; and
- the expenditure attributable to the asset during its development can be measured reliably. Intangible assets are initially measured at cost.

### Subsequent measurement

~~Subsequent to~~ After initial measurement intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a ~~straight-line~~ straight-line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified

as indefinite is an indicator that the asset may be impaired. As a result, the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

If the expected useful life of the asset is different from previous estimates, the amortisation period shall be changed accordingly. If there has been a change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the amortisation method shall be changed to reflect the changed pattern. Such changes shall be accounted for as changes in accounting estimates in accordance with GRAP 3.

Amortisation is provided to write down the intangible assets, on a ~~straight-line~~straight-line basis, to their residual values as follows:

<u>Item</u>	<u>Depreciation method</u>	<u>Average useful life</u>
<u>Internally generated: Capital development</u>	<u>Straight-line</u>	<u>5 - 7 years</u>
<u>Computer software</u>	<u>Straight-line</u>	<u>3 - 30 years</u>
<u>Service operating and land rights</u>	<u>Straight-line</u>	<u>5 - 30 years</u>
<u>Item</u>		<u>Useful life</u>
<u>Computer software</u>		<u>3 - 30 years</u>
<u>Internally generated: Capital development</u>	<u>Straight line</u>	<u>5—7 years</u>
<u>Service operating and land rights</u>	<u>Straight line</u>	<u>5—30 years</u>

### Derecognition

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.

## 1.10 Heritage assets

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

### Recognition

The municipality recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the municipality, and the cost or fair value of the asset can be measured reliably.

Where the municipality holds a heritage asset, but on initial recognition it does not meet the recognition criteria because it cannot be reliably measured, information on such a heritage asset is disclosed in note 14 Heritage assets.

### **Initial measurement**

Heritage assets are measured at cost.

Where a heritage asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

### **Subsequent measurement**

~~After initial measurement classes of heritage assets are carried at cost less any accumulated impairment losses. 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.~~

~~Reference to impairment paragraphs can be made to note 1.14 and 1.15~~

~~Compensation from third parties for heritage assets that have been impaired, lost or given up, shall be included in surplus or deficit when the compensation becomes receivable.~~

### **Impairment**

~~The municipality assesses at each reporting date whether there is an indication that it may be impaired. If any such indication exists, the municipality estimates the recoverable amount or the recoverable service amount of the heritage asset.~~

### **Transfers**

~~Transfers from heritage assets are only made when the particular asset no longer meets the definition of a heritage asset.~~

~~Transfers to heritage assets are only made when the asset meets the definition of a heritage asset.~~

### **Derecognition**

~~The municipality derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.~~

~~The gain or loss arising from the derecognition of a heritage asset is included in surplus or deficit when the item is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).~~

### **1.11 Financial instruments**

~~A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.~~

~~The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectible.~~

~~A concessionary loan is a loan granted to or received by a municipality on terms that are not market related.~~

~~Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.~~

~~Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.~~

### **Derecognition**

Derecognition is the removal of a previously recognised financial asset or financial liability from ~~ana~~ municipality's statement of financial position.

### **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.

### **1.11 Financial instruments**

~~A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity. Financial instruments are classified into three categories namely, financial instruments at fair value, financial instruments at amortised cost or financial instruments at cost. The municipality determines the classification of its financial instruments at initial recognition. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, a municipality shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the municipality shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).~~

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

- ~~cash; cash.~~
- a residual interest of another municipality; or
- a contractual right to:
  - receive cash or another financial asset from another municipality; or
  - exchange financial assets or financial liabilities with another municipality under conditions that are potentially favorable to the municipality.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another municipality; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavorable to the municipality.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.



Liquidity risk is the risk encountered by a municipality in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

Loans payable are financial liabilities, other than short-term payables on normal credit terms.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the municipality had not acquired, issued or disposed of the financial instrument.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:

- the municipality designates at fair value at initial recognition; or
- are held for trading.

Financial instruments at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

Financial instruments at fair value comprise financial assets or financial liabilities that are:

- ~~derivatives;~~derivatives.
- combined instruments that are designated at fair ~~value;~~value.
- instruments held for trading. A financial instrument is held for trading if:
  - it is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or
  - on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern

- of ~~short terms~~short-term profit-taking
- o non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; and
- o financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

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:

<u>Type of financial asset</u> <u>Class</u>	<u>Classification in terms of GRAP 104</u> <u>Category</u>
<u>Long-term receivables</u> <u>Receivables from exchange transactions</u>	<u>Financial assets at amortised cost</u> <u>Financial asset measured at amortised cost</u>
<u>Consumer debtors</u> <u>Receivables from non-exchange transactions</u>	<u>Financial assets at amortised cost</u> <u>Financial asset measured at amortised cost</u>
<u>Other debtors</u> <u>Cash and cash equivalents</u>	<u>Financial assets at amortised cost</u> <u>Financial asset measured at amortised cost</u>
<u>Short-term investment deposit - Call</u> <u>Other receivables from exchange transactions</u>	<u>Financial assets at amortised cost</u> <u>Financial asset measured at amortised cost</u>
<u>Bank balances and cash</u> <u>Short term investments</u>	<u>Financial assets at amortised cost</u> <u>Financial asset measured at amortised cost</u>
<u>Long term receivables</u>	<u>Financial asset measured at amortised cost</u>

Cash includes cash on hand (including petty cash) and cash with banks (including call deposits). Cash equivalents are short- term highly liquid investments, readily convertible into known amounts of cash that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value. For the purposes of the Cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, net of bank overdrafts. The municipality categorises cash and cash equivalents as financial assets 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:

<u>Type of financial liability</u> <u>Class</u>	<u>Classification in terms of GRAP</u> <u>104</u> <u>Category</u>
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 and measurement**

A financial instrument is recognised, when the municipality becomes a party to the contractual provisions of the instrument and are initially measured at fair value. In the case of a financial instruments not subsequently measured at fair value, transaction costs that are directly attributable to the acquisition or issue of the financial instruments are added or deducted from the fair value, as appropriate on initial recognition.

### **Subsequent measurement – Financial assets**

Financial assets consist of cash and cash equivalents, deposits, receivables and investments.

Receivables are subsequently measured at amortised cost using the effective interest rate method, less impairment. Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

A provision for impairment of receivables is established when there is objective evidence that the municipality will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Changes in the carrying amount of the provision is recognised in the Statement of financial performance. When a receivable is considered uncollectible, it is written off against the provision. Any gains or losses arising from the change in fair value of investments measured at fair value are recognised in the Statement of financial performance.

Trade and other receivables (excluding Value Added Taxation, prepayments and operating lease receivables), loans to municipal entities and loans that have fixed and determinable payments that are not quoted in an active market are classified as financial assets at amortised cost.

Financial assets measured at fair value are initially measured at fair value plus directly attributable transaction costs. They are subsequently measured at fair value with unrealised gains or losses recognised directly in equity until the investment is derecognised, at which time the cumulative gain or loss recorded in equity is recognised in the Statement of financial performance, or determined to be impaired, at which time the cumulative loss recorded in equity is recognised in the Statement of financial performance.

### **Subsequent measurement – Financial Liabilities**

Financial liabilities consist of payables, interest bearing loans and bank overdrafts. These liabilities are subsequently measured at amortised cost, using the effective interest rate method. Finance costs are expensed in the Statement of financial performance in the period in which they are incurred except were stated otherwise (see accounting policy on borrowing costs).

Bank borrowings, consisting of interest-bearing short-term bank loans, repayable on demand and overdrafts are recorded at the proceeds received. Finance costs are accounted for using the accrual basis and are added to the carrying amount of the bank borrowing to the extent that they are not settled in the period that they arise.

Prepayments are carried at cost less any accumulated impairment losses.

### **Derecognition Financial assets**

The municipality derecognises financial assets only when the contractual rights to the cash flows from the asset expires or it transfers the financial assets and substantially all the risks and rewards of ownership of the asset to another entity, except when Council approves the write-off of financial assets due to non-recoverability.

If the municipality neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the municipality recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the municipality retains substantially all the risks and rewards of ownership of a transferred financial asset, the municipality continues to recognise the financial assets and recognises a collateralised borrowing for the proceeds received.

### **Financial liabilities**

The municipality derecognises financial liabilities when, and only when, the municipality's obligations are discharged, cancelled or they expire.

An exchange between an existing borrower and lender of debt instruments with substantially different terms shall be accounted for as having extinguished the original financial liability, and a new financial liability recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it (whether attributable to the financial difficulty of the debtor) shall be 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, shall be recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another entity by way of a nonexchange transaction, are accounted for in accordance with GRAP 23.

### **Fair value measurement considerations**

The best evidence of fair value is quoted prices in an active market. If the market for a financial instrument is not active, the municipality establishes fair value using a valuation technique. The chosen valuation technique makes maximum use of market inputs and relies as little as possible on municipality-specific inputs.

### **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.

The municipality first assesses whether the substance of a concessionary loan is in fact a loan. On initial recognition, the municipality analyses a concessionary loan into its component parts and accounts for each component separately. The municipality accounts for that part of a concessionary loan that is:

- a social benefit in accordance with the Framework for the Preparation and Presentation of Financial Statements, where it is the issuer of the loan; or
- non-exchange revenue, in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers), where it is the recipient of the loan.

### **Subsequent measurement of financial assets and financial liabilities**

The municipality measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at fair value.
- Financial instruments at amortised cost.
- Financial instruments at cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

### **Fair value measurement considerations**

The best evidence of fair value is quoted prices in an active market. If the market for a financial instrument is not active, the municipality establishes fair value by using a valuation technique. The objective of using a valuation technique is to establish what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal operating considerations. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. If there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, the municipality uses that technique. The chosen valuation technique makes maximum use of market inputs and relies as little as possible on municipality specific inputs. It incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments. Periodically, the municipality calibrates the valuation technique and tests it for validity using prices from any observable current market transactions in the same instrument (i.e., without modification or repackaging) or based on any available observable market data.

~~Short-term receivables and payables are not discounted where the initial credit period granted or received is consistent with terms used in the public sector, either through established practices or legislation.~~

### **Reclassification**

~~The municipality does not reclassify a financial instrument while it is issued or held unless it is:~~

- ~~• a combined instrument that is required to be measured at fair value; or~~
- ~~• an investment in a residual interest that meets the requirements for reclassification~~

~~Where the municipality cannot reliably measure the fair value of an embedded derivative that has been separated from a host contract that is a financial instrument at a subsequent reporting date, it measures the combined instrument at fair value. This requires a reclassification of the instrument from amortised cost or cost to fair value.~~

~~If fair value can no longer be measured reliably for an investment in a residual interest measured at fair value, the municipality reclassifies the investment from fair value to cost. The carrying amount at the date that fair value is no longer available becomes the cost.~~

~~If a reliable measure becomes available for an investment in a residual interest for which a measure was previously not available, and the instrument would have been required to be measured at fair value, the municipality reclassifies the instrument from cost to fair value.~~

### **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 collectability of financial assets**

~~The municipality assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.~~

~~For amounts due to the municipality, significant financial difficulties of the receivable, probability that the receivable will enter bankruptcy and default of payments are all considered indicators of impairment.~~

### **Financial assets measured at amortised cost:**

~~If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in surplus or deficit. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.~~

~~The calculation in respect of the impairment of fines receivable (receivables from non-exchange transactions) is based on an assessment of the past history of fines per category.~~

## **Derecognition**

### **Financial assets**

~~The municipality derecognises financial assets using trade date accounting. The municipality derecognises a financial asset only when:~~

- ~~• the contractual rights to the cash flows from the financial asset expire, are settled or waived;~~
- ~~• the municipality transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or~~
- ~~• the municipality, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the municipality:
 
  - ~~— derecognise the asset; and~~
  - ~~— recognise separately any rights and obligations created or retained in the transfer.~~~~

~~The carrying amounts of the transferred asset are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations are measured at their fair values at that date. Any difference between the consideration received and the amounts recognised and derecognised is recognised in surplus or deficit in the period of the transfer.~~

~~On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.~~

~~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).~~

### **4.121.11 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.

#### **Entity as lessee - operating leases**

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight- line basis. Any contingent rent is expensed in the period in which they are



~~incurred. Housing rental and instalments~~

~~Finance income from the sale of housing by way of instalment sales agreements or finance leases is recognised on a time proportion basis.~~

### **Operating leases - lessor**

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis.

Income for leases is disclosed under revenue in statement of financial performance.

### **Operating leases -- lessee**

~~Operating lease payments are recognised as an expense on a straight line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.~~

~~The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight-line basis.~~

~~Any contingent rent is expensed in the period in which they are incurred.~~

## **4.131.12 Inventories**

### **Initial measurement:**

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.

Inventories shall be recognised as an asset if, and only if:

- it is probable that future economic benefits or service potential associated with the item will flow to the entity.
- and the cost of the inventories can be measured reliably.

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.

~~Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, and then their costs are their fair value as at the date of acquisition.~~

~~Subsequently inventories are measured at the lower of cost and net realisable value.~~

~~Inventories are measured at the lower of cost and current replacement cost where they are held for:~~

- ~~• distribution at no charge or for a nominal charge; or~~
- ~~• consumption in the production process of goods to be distributed at no charge or for a nominal charge.~~

~~Net realisable value is the estimated selling price in the ordinary course of operations less~~

~~the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.~~

~~Current replacement cost is the cost the municipality incurs to acquire the asset on the reporting date.~~

~~The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs. The cost of inventories is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.~~

~~When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.~~

#### **4.141.13 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~~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~~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.

#### 4.151.14 Impairment of cash-generating assets

The municipality classifies all assets held with the primary objective of generating a commercial return as cash-generating assets. A commercial return means that the return charged by the entity is commensurate with the risk associated with holding the asset and the asset is intended to generate positive cash inflows. All other assets are classified as non-cash-generating assets.

Cash-generating assets are assets managed with the objective of generating a commercial return. An asset generates a commercial return when it is deployed in a manner consistent with that adopted by a profit-oriented entity.

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~~ period 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.

### Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount of the asset.

### Value in use

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

When estimating the value in use of an asset, the municipality estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the municipality applies the appropriate discount rate to those future cash flows.

### Discount rate

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

### Recognition and measurement (individual asset)

If the recoverable amount of a cash-generating asset is less than ~~its~~ 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~~ assets unless a change ~~is~~ are justified.

The carrying amount of a cash-generating unit is determined on a basis consistent with the way the recoverable amount of the cash-generating unit is determined.

An impairment loss is recognised for a cash-generating unit if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment is allocated to reduce the carrying amount of the cash-generating assets of the unit on a pro rata basis, based on the carrying amount of each asset in the unit. These reductions in carrying amounts are treated as impairment losses on individual assets.

In allocating an impairment loss, the entity does not reduce the carrying amount of an asset below the highest of:

- its fair value less costs to sell (if determinable); ~~);~~
- its value in use (if determinable); and
- zero.

The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other cash-generating assets of the unit.

Where a non-cash-generating asset contributes to a cash-generating unit, a proportion of the carrying amount of that non-cash-generating asset is allocated to the carrying amount of the cash-generating unit prior to estimation of the recoverable amount of the cash-

generating unit.

### Reversal of impairment loss

The municipality assess at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a cash-generating asset is recognised immediately in surplus or deficit.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

A reversal of an impairment loss for a cash-generating unit is allocated to the cash-generating assets of the unit pro rata with the carrying amounts of those assets. These increases in carrying amounts are treated as reversals of impairment losses for individual assets. No part of the amount of such a reversal is allocated to a non-cash-generating asset contributing service potential to a cash-generating unit.

In allocating a reversal of an impairment loss for a cash-generating unit, the carrying amount of an asset is not increased above the lower of:

- its recoverable amount (if determinable); and
- the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior periods.

The amount of the reversal of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit.

In assessing whether there is any indication that an asset may be impaired, the municipality will consider, as a minimum, the following indications:

External sources:

(a) During the period, an asset's market value has declined significantly more than would be

expected as a result of the passage of time or normal use.

(b) Significant changes with an adverse effect on the entity have taken place during the period, or will take place soon, in the technological, market, economic or legal environment in which the entity operates or in the market to which an asset is dedicated.

(c) Market interest rates or other market rates of return on investments have increased during the period, and those increases are likely to affect the discount rate used in calculating an asset's value in use and decrease the asset's recoverable amount materially

Internal sources:

(d) Evidence is available of obsolescence or physical damage of an asset.

(e) Significant changes with an adverse effect on the entity have taken place during the period or are expected to take place soon, in the extent to which, or way, an asset is used or is expected to be used. These changes include the asset becoming idle, plans to discontinue or restructure the operation to which an asset belongs, plans to dispose of an asset before the previously expected date, and reassessing the useful life of an asset as finite rather than indefinite.

(f) A decision to halt the construction of the asset before it is complete or in a usable condition.

(g) Evidence is available from internal reporting that indicates that the economic performance of an asset is, or will be, worse than expected.

#### **4.161.15 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~~ 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 tests a ~~non-cash~~ non-cash generating intangible asset with an indefinite useful life or a ~~non-cash~~ 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~~noncash generating assets is determined using the following approach:

### Depreciated replacement cost approach

The present value of the remaining service potential of a ~~non-cash~~noncash 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~~based on 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~~noncash 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~~asset is 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 assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a ~~non-cash~~noncash generating asset may no longer exist or may have decreased. If any such indication exists, the municipality estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a ~~non-cash~~noncash 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~~noncash 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~~asset is revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

#### 1.171.16 Employee benefits

Employee benefits are all forms of consideration given by a municipality in exchange for service rendered by employees.

A qualifying insurance policy is an insurance policy issued by an insurer that is not a related party of the reporting municipality, if the proceeds of the policy can be used only to pay or fund employee benefits under a defined benefit plan and are not available to the reporting municipality's own creditors (even in liquidation) and cannot be paid to the reporting municipality, unless either:

- the proceeds represent surplus assets that are not needed for the policy to meet all the related employee benefit obligations; or
- the proceeds are returned to the reporting municipality to reimburse it for employee benefits already paid.

Termination benefits are employee benefits payable as a result of either:

- a municipality's decision to terminate an employee's employment before the normal retirement date; or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

Vested employee benefits are employee benefits that are not conditional on future employment.

Composite social security programmes are established by legislation and operate as multi-

employer plans to provide postemployment benefits as well as to provide benefits that are not consideration in exchange for service rendered by employees.

A constructive obligation is an obligation that derives from a municipality's actions ~~where~~ ~~by~~whereby an established pattern of past practice, published policies or a sufficiently specific current statement, 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.

### 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;~~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;~~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~~expense unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The municipality measure the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The municipality recognises the expected cost of bonus, incentive and performance related

payments when the municipality has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

### **Accrued leave pay**

Liabilities for annual leave are recognised as they accrue to employees. Liability is based on the total accrued leave days owing to employees and is reviewed annually.

### **Post-employment benefits: Defined contribution plans**

A defined contribution plan is a plan under which the municipality pays fixed contributions into a separate entity. The municipality has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to service in the current or prior periods.

When an employee has rendered service to the entity during a reporting period, the entity recognises 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, an entity recognises 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.

### **Post-employment benefits: Defined benefit plans****Post-employment benefits**

Defined benefit plans are post-employment benefit plans other than defined contribution plans. In this aspect defined contribution plans can be considered as the pension fund.

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 entity recognises 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 or similar distributions 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 entity account not only for its legal obligation under the formal terms of a defined benefit plan, but also for any constructive obligation that arises from the entity's informal practices. Informal practices give rise to a constructive obligation where the entity has no realistic alternative but to pay employee benefits. An example of a constructive obligation is where a change in the entity's informal practices would cause unacceptable damage to its relationship with employees.

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 entity measures the resulting asset at the lower of:

- the amount determined above; and
- the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The present value of these economic benefits is determined using a discount rate which reflects the time value of money.

Any adjustments arising from the limit above is recognised in surplus or deficit.

The entity determines 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 audited annual financial statements do not differ materially from the amounts that would be determined at the reporting date.

The entity 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 entity 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, an entity 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, an entity shall attribute benefit on a straight-line basis from:

- the date when service by the employee first leads to benefits under the plan (whether the benefits are conditional on further service); until
- the date when further service by the employee will lead to no material number 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 entity 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 entity re-measure 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 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 entity offsets an asset relating to one plan against a liability relating to another plan when the entity 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.

~~Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.~~

~~Post-employment benefit plans are formal or informal arrangements under which a municipality provides post-employment benefits for one or more employees.~~

~~Multi-employer plans are defined contribution plans (other than state plans and composite social security programmes) or defined benefit plans (other than state plans) that pool the assets contributed by various entities that are not under common control and use those assets to provide benefits to employees of more than one entity, on the basis that contribution and benefit levels are determined without regard to the identity of the entity that employs the employees concerned.~~

### **Multi-employer plans**

~~The municipality classifies a multi-employer plan and/or state plans and/or composite social security programmes 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 in the same way as for any other defined contribution plan.~~

~~Where a plan is a defined benefit plan, the municipality account 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 account for the plan as if it was a defined contribution plan.~~

### **Post-employment benefits: Defined contribution plans**

~~Defined contribution plans are post-employment benefit plans under which the municipality pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.~~

~~When an employee has rendered service to the municipality during a reporting period, the~~

~~municipality recognizes the contribution payable to a defined contribution plan in exchange for that service:~~

- ~~• as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, the municipality recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and~~
- ~~• as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.~~

~~Where contributions to a defined contribution plan do not fall due wholly within twelve months after the end of the reporting period in which the employees render the related service, they are discounted. The rate used to discount reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the obligation.~~

### **Post-employment benefits: Defined benefit plans**

~~Defined benefit plans are post-employment benefit plans other than defined contribution plans.~~

~~Actuarial gains and losses comprise experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred) and the effects of changes in actuarial assumptions. In measuring its defined benefit liability, the municipality recognises actuarial gains and losses in surplus or deficit in the reporting period in which they occur.~~

~~Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service in the current period.~~

~~Interest cost is the increase during a period in the present value of a defined benefit obligation which arises because the benefits are one period closer to settlement.~~

~~Past service cost is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting in the current period from the introduction of, or changes to, post-employment benefits or other long-term employee benefits. Past service cost may be either positive (when benefits are introduced or changed so that the present value of the defined benefit obligation increases) or negative (when existing benefits are changed so that the present value of the defined benefit obligation decreases). In measuring its defined benefit liability, the municipality recognise past service cost as an expense in the reporting period in which the plan is amended.~~

~~Plan assets comprise assets held by a long-term employee benefit fund and qualifying insurance policies.~~

~~The present value of a defined benefit obligation is the present value, without deducting any plan assets, of expected future payments required to settle the obligation resulting from~~



~~employee service in the current and prior periods.~~

~~The return on plan assets is interest, dividends and other revenue derived from the plan assets, together with realised and unrealised gains or losses on the plan assets, less any costs of administering the plan (other than those included in the actuarial assumptions used to measure the defined benefit obligation) and less any tax payable by the plan itself.~~

~~The amount recognised as a defined benefit liability is the net total of the following amounts:~~

- ~~• the present value of the defined benefit obligation at the reporting date;~~
- ~~• minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly;~~
- ~~• plus, any liability that may arise as a result of a minimum funding requirement.~~

~~The amount determined as a defined benefit liability may be negative (an asset). The municipality measure the resulting asset at the lower of:~~

- ~~• the amount determined above; and~~
- ~~• the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The present value of these economic benefits is determined using a discount rate which reflects the time value of money.~~

~~Any adjustments arising from the limit above is recognised in surplus or deficit.~~

~~The municipality determine the present value of defined benefit obligations and the fair value of any plan assets with sufficient regularity such that the amounts recognised in the annual financial statements do not differ materially from the amounts that would be determined at the reporting date.~~

~~The municipality recognises the net total of the following amounts in surplus or deficit, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:~~

- ~~• current service cost;~~
- ~~• interest cost;~~
- ~~• the expected return on any plan assets and on any reimbursement rights;~~
- ~~• actuarial gains and losses;~~
- ~~• past service cost;~~
- ~~• the effect of any curtailments or settlements; and~~
- ~~• the effect of applying the limit on a defined benefit asset (negative defined benefit liability).~~

~~The municipality uses the Projected Unit Credit Method to determine the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost. The Projected Unit Credit Method (sometimes known as the accrued benefit method pro-rated on service or as the benefit/years of service method) sees each period of service as giving rise to an additional unit of benefit entitlement and measures each~~

~~unit separately to build up the final obligation.~~

~~In determining the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost, the municipality shall attribute benefit to periods of service under the plan's benefit formula. However, if an employee's service in later years will lead to a materially higher level of benefit than in earlier years, the municipality attributes benefit on a straight line basis from:~~

- ~~• the date when service by the employee first leads to benefits under the plan (whether or not the benefits are conditional on further service); until~~
- ~~• the date when further service by the employee will lead to no material amount of further benefits under the plan, other than from further salary increases.~~

~~Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan. The results of the valuation are updated for any material transactions and other material changes in circumstances (including changes in market prices and interest rates) up to the reporting date.~~

~~The municipality recognises gains or losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs. The gain or loss on a curtailment or settlement comprises:~~

- ~~• any resulting change in the present value of the defined benefit obligation; and~~
- ~~• any resulting change in the fair value of the plan assets.~~

~~Before determining the effect of a curtailment or settlement, the municipality re-measures the obligation (and the related plan assets, if any) using current actuarial assumptions (including current market interest rates and other current market prices).~~

~~When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the right to reimbursement is recognised as a separate asset. The asset is measured at fair value. In all other respects, the asset is treated in the same way as plan assets. In surplus or deficit, the expense relating to a defined benefit plan is presented as the net of the amount recognised for a reimbursement.~~

~~The municipality offsets an asset relating to one plan against a liability relating to another plan when the municipality has a legally enforceable right to use a surplus in one plan to settle obligations under the other plan and intends either to settle the obligations on a net basis, or to realise the surplus in one plan and settle its obligation under the other plan simultaneously.~~

## Actuarial assumptions

Actuarial assumptions are unbiased and mutually compatible.

Financial assumptions are based on market expectations, at the reporting date, for the period over which the obligations are to be settled.

The rate used to discount post-employment benefit obligations (both funded and unfunded) reflect the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the post-employment benefit obligations.

Post-employment benefit obligations are measured on a basis that reflects:

- estimated future salary ~~increases;~~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~~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 are payable after 10 years of continuous service and after every 5 years thereafter to employees. Additional to this employee 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.

Actuarial gains and losses arising from the experience adjustments and changes in actuarial assumptions are recognised in the Statement of financial performance in the period that it occurs. Interest cost on employee benefit obligation is recognised as part of employee related cost.

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;~~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;~~cost.
- interest ~~cost;~~cost.
- the expected return on any plan assets and on any reimbursement right recognised as an ~~asset;~~asset.
- actuarial gains and losses, which shall all be recognised ~~immediately;~~immediately.
- past service cost; and
- the effect of any curtailments or settlements.

### **Termination benefits**

The municipality recognises termination benefits as a liability and an expense when the entity is demonstrably committed to either:

- terminate the employment of an employee or group of employees before the normal retirement date; or
- provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

The municipality is demonstrably committed to a termination when the entity has a detailed formal plan for the termination and is without realistic possibility of withdrawal. The detailed plan includes [as a minimum]:

- the location, function, and approximate number of employees whose services are to be ~~terminated;~~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~~period 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.

#### **4.181.17 Provisions ~~and contingencies and contingencies~~**

Provisions are recognised when:

- the municipality has a present obligation as a result of a past ~~event;~~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.

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~~are added to, or deducted from, the cost of the related asset in the current ~~period;~~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;~~deficit.
- if the adjustments ~~results~~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 the impairment by estimating its recoverable amount or recoverable service amount, and accounts for any impairment loss, in accordance with the accounting policy on impairment of assets as described in the accounting policy on impairment of cash-generating assets and/ or impairment of non-cash generating assets.

The adjusted depreciable amount of the asset is depreciated over its useful life. Therefore, once the related asset has reached the end of its useful life, all subsequent changes in the liability is recognised in surplus or deficit as they occur.

### **Provision for constructive obligations**

A constructive obligation to restructure arises only when the municipality:

- has a detailed formal plan for the restructuring, identifying at least:
  - the activity/operating unit or part of an activity/operating unit concerned.
  - the principal locations ~~affected;~~affected.
  - the location, function, and approximate number of employees who will be compensated for services being ~~terminated;~~terminated.
  - the expenditures that will be undertaken; and
  - when the plan will be implemented; and
- has raised a valid expectation in those affected that it ~~will~~would carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both:

- necessarily entailed by the restructuring; and
- not associated with the ongoing activities of the municipality.

No obligation arises ~~as a consequence of~~because of the sale or transfer of an operation until the municipality is committed to the sale or transfer, that is, there is a binding arrangement.

After their initial recognition contingent liabilities recognised in entity combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and

- the amount initially recognised less cumulative amortisation.

## Contingencies

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality.

A contingent liability is a:

- possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the ~~municipality~~; 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 the notes to the municipality.

## 4.191.18 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

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.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction

### Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

### Service charges

Service charges relating to electricity and water are based on consumption. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of

consumption, based on the consumption history, are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced, except at year-end when estimates of consumption up to year-end are recorded as revenue without being invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period. In respect of estimates of consumption between the last reading date and the reporting date, an accrual is made based on the billings done during July and August. The billing and invoiced amounts done in July are recognized in total as an accrual as all billing in July pertains to services rendered prior 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~~ usage and are levied monthly based on the number of refuse containers on each property, regardless of ~~whether or not~~ whether 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.

The municipality accounts for availability charges as an exchange transaction.

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction shall be 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:

- (a) the amount of revenue can be measured reliably.
- (b) it is probable that the economic benefits or service potential associated with the transaction will flow to the entity
- (c) the stage of completion of the transaction at the reporting date can be measured reliably; and
- (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably. interest is levied on outstanding debtors using the effective interest rate method.

Rentals on facilities and equipment are recognised on the straight-line basis over the term of the lease agreement

### **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;~~reliably.
- it is probable that the economic benefits or service potential associated with the transaction will flow to the ~~municipality;~~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.~~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~~considers the effective yield on the investment.

**Dividends**

~~Dividends are recognised on the date that the municipality becomes entitled to receive the dividend in accordance with the substance of the relevant agreement, where applicable.~~

**Traffic Ccharges**

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 licenses and permits.

**Income from agency services**

~~Income for agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified. The income recognised is in terms of the agency agreement.~~

**Sale of goods**

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- The municipality has transferred to the buyer the significant risks and rewards of ownership of the goods.
- The municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality.
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Revenue recognition of unclaimed deposits**

~~Unclaimed deposits older than three (3) years are recognised as revenue.~~  
~~Income from agency services~~

~~Income for agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified. The income recognised is in terms of the agency agreement.~~

## 4.201.19 Revenue from non-exchange transactions

### Rates and taxes

Other than services in-kind not recognised in terms of paragraph .99, an inflow of resources from a non-exchange transaction that meets the definition of an asset shall be recognised as an asset when, and only when:

(a) it is probable that the future economic benefits or service potential associated with the asset will flow to the entity; and

(b) the fair value of the asset can be measured reliably.

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. Rebates and discounts are offset against the revenue. As per iGRAP 1, there is no intention to collect this revenue. 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.~~

### Rates and taxes

Other than services in-kind not recognised in terms of paragraph .99, an inflow of resources from a non-exchange transaction that meets the definition of an asset shall be recognised as an asset when, and only when:

(a) it is probable that the future economic benefits or service potential associated with the asset will flow to the entity; and

(b) the fair value of the asset can be measured reliably.

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. Rebates and discounts are offset against the revenue. As per iGRAP 1, there is no intention to collect this revenue. 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.~~

### Fines

Fines constitute both spot fines and camera fines. Fines are recognised when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset. It is measured at the best estimate, based on experience, of the amount of revenue the municipality is entitled to collect.

After initial recognition and measurement, the municipality assess the collectability of the revenue and recognises a separate impairment loss where appropriate.

### **Donations and contributions**

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. Where the agreement contains a stipulation to return the asset, other future economic benefits or service potential, in the event of non-compliance to these stipulations and would be enforced by the transferor, a liability is recognised to the extent that the criteria, conditions or obligations have not been met. Where such requirements are not enforceable, or where experience has indicated that the transferor has never enforced the requirement to return the transferred asset, other future economic benefits or service potential when breaches have occurred, the stipulation will be considered a restriction and is recognised as revenue.

### **Transfers and subsidies**

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.

### **Unconditional grants**

Equitable share allocations are recognised in revenue at the start of the financial year.

### **Conditional grants**

Conditional grants recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. Where the agreement contains a stipulation to return the asset, other future economic benefits or service potential, in the event of non-compliance to these stipulations and would be enforced by the transferor, a liability is recognised to the extent that the criteria, conditions or obligations have not been met. Where such requirements are not enforceable, or where experience has indicated that the transferor has never enforced the requirement to return the transferred asset, other future economic benefits or service potential when breaches have occurred, the stipulation will be considered a restriction and is recognised as revenue.

Interest earned on grants received and invested is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the creditor and if it is the municipality's interest

it is recognised as interest earned in the Statement of financial performance.

### **Interest earned on unspent grants and receipts**

Interest earned on unspent grants and receipts is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the creditor and if it is the municipality's interest it is recognised as interest earned in the Statement of financial performance in accordance with GRAP 9.

### **Services received 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.

### **Recognition**

~~An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.~~

~~As the municipality satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.~~

~~Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the municipality with no future related costs are recognised in the statement of financial performance in the period in which they become receivable.~~

### **Measurement**

~~Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the municipality.~~

~~When, as a result of a non-exchange transaction, the municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as~~

~~at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.~~

### **Property rates**

~~The municipality recognises an asset in respect of taxes when the taxable event occurs and the asset recognition criteria are met.~~

~~Resources arising from taxes satisfy the definition of an asset when the municipality controls the resources as a result of a past event (the taxable event) and expects to receive future economic benefits or service potential from those resources.~~

~~Resources arising from taxes satisfy the criteria for recognition as an asset when it is probable that the inflow of resources will occur and their fair value can be reliably measured.~~

~~The municipality analyses the taxation laws to determine what the taxable events are for the various taxes levied.~~

~~The taxable event for property tax is the passing of the date on which the tax is levied, or the period for which the tax is levied, if the tax is levied on a periodic basis.~~

~~Taxation revenue is determined at a gross amount. It is not reduced for expenses paid through the tax system.~~

### **Transfers**

~~The municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.~~

~~Transferred assets are measured at their fair value as at the date of acquisition.~~

### **Debt forgiveness and assumption of liabilities**

~~The municipality recognises revenue in respect of debt forgiveness when the former debt no longer meets the definition of a liability or satisfies the criteria for recognition as a liability, provided that the debt forgiveness does not satisfy the definition of a contribution from owners.~~

~~Revenue arising from debt forgiveness is measured at the carrying amount of debt forgiven.~~

### **Fines**

~~Fines are recognised as revenue when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset.~~

~~The municipality makes use of estimates to determine the amount of revenue that it is entitled to collect. Where settlement discounts or reductions in the amount payable are offered, the municipality considers past history in assessing the likelihood of these discounts or reductions being taken up by receivables. Where the municipality collects fines in the capacity of an agent, the fine will not be revenue of the collecting municipality.~~

### **Gifts and donations, including goods in-kind**

~~Gifts and donations, including goods in-kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.~~

### **Services in-kind**

~~Services in-kind that are significant to the municipality's operations and/or service delivery objectives are recognised as assets and the related revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.~~

~~Where services in-kind are not significant to the municipality's operations and/or service delivery objectives and/or do not satisfy the criteria for recognition, the municipality discloses the nature and type of services in-kind received during the reporting period.~~

### **Collection charges and penalties**

~~Collection charges and penalty interest is recognised when:~~

- ~~• it is probable that the economic benefits or service potential associated with the transactions will flow to the municipality; and~~
- ~~• the amount of revenue can be measured reliably; and~~

~~to the extent that there has been compliance with the relevant legal requirements (if applicable).~~

## **4.211.20 Statutory receivables Identification**

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.



The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means.

The transaction amount (for purposes of the Standard of GRAP on Statutory Receivables) means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

## Recognition

The municipality recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using the accounting policy on Revenue from exchange ~~transactions;~~transactions.
- if the transaction is a non-exchange transaction, using the accounting policy on Revenue from non-exchange transactions (Taxes and transfers); or
- if the transaction is not within the scope of the accounting policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the municipality and the transaction amount can be measured reliably.

## Initial measurement

The municipality initially measures statutory receivables at their transaction amount. Subsequent measurement

The municipality measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed ~~subsequent to~~after initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable);~~);~~.
- impairment losses; and
- amounts derecognised.
- Accrued interest

Where the municipality levies interest on the outstanding balance of statutory receivables, it adjusts the transaction amount after initial recognition to reflect any accrued interest. Accrued interest is calculated using the nominal interest rate.

Interest on statutory receivables is recognised as revenue in accordance with the accounting policy on Revenue from exchange transactions or the accounting policy on Revenue from non-exchange transactions (Taxes and transfers), whichever is applicable.

## Other charges

Where the municipality is required or entitled to levy additional charges in terms of legislation, supporting regulations, by-laws or similar means on overdue or unpaid amounts, these charges are accounted for in terms of the municipality's accounting policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (taxes and transfers).

### Impairment losses

The municipality assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

In assessing whether there is any indication that a statutory receivable, or group of statutory receivables, may be impaired, the municipality considers, as a minimum, the following indicators:

- significant financial difficulty of the receivable, which may be evidenced by an application for debt counselling, business rescue or an equivalent.
- it is probable that the receivable will enter sequestration, liquidation or other financial re-organisation.
- a breach of the terms of the transaction, such as default or delinquency in principal or interest payments (where levied).
- adverse changes in international, national or local economic conditions, such as a decline in growth, an increase in debt levels and unemployment, or changes in migration rates and patterns.

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the municipality measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced ~~through the use of~~ using an allowance account. The amount of the losses is recognised in surplus or deficit.

An impairment loss recognised in prior periods for a statutory receivable is revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

Any previously recognised impairment loss is adjusted by adjusting the allowance account. The adjustment does not result in the carrying amount of the statutory receivable, or group of statutory receivables exceeding what the carrying amount of the receivable(s) would have been had the impairment loss not been recognised at the date the impairment is revised. The amount of any adjustment is recognised in surplus or deficit.

### Derecognition

The municipality derecognises a statutory receivable, or a part thereof, when:

- the rights to the cash flows from the receivable are settled, expire or are ~~waived;~~ waived.

- the municipality transfers to another party substantially ~~all-of~~all the risks and rewards of ownership of the receivable; or
- the municipality, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the municipality:
  - derecognises the receivable; and
  - recognises separately any rights and obligations created or retained in the transfer.

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred ~~on the basis of~~based on their relative fair values at the transfer date. The municipality considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

#### 4.221.21 Accounting by principles and agents

##### Identification

An agent is an entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

##### Identifying whether an entity is a principal or an agent

When the municipality is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

The assessment of whether a municipality is a ~~principal~~principal, or an agent requires the municipality to assess whether the transactions it undertakes with third parties are for the benefit of another entity or for its own benefit.

##### Binding arrangement

The municipality assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement.

Where the terms of a binding arrangement are modified, the parties to the arrangement re-assess whether they act as a principal or an agent.

### **Assessing which entity benefits from the transactions with third parties**

When the municipality in a principal-agent arrangement concludes that it undertakes transactions with third parties for the benefit of another entity, then it is the agent. If the municipality concludes that it is not the agent, then it is the principal in the transactions.

The municipality is an agent when, in relation to transactions with third parties, all three of the following criteria are present:

- It does not have the power to determine the significant terms and conditions of the transaction.
- It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- It is not exposed to variability in the results of the transaction.

Where the municipality has been granted specific powers in terms of legislation to direct the terms and conditions of ~~particular transaction~~ transactions, it is not required to consider the criteria of whether it does not have the power to determine the significant terms and conditions of the transaction, to conclude that is an agent. The municipality applies judgement in determining whether such powers exist and whether they are relevant in assessing whether the municipality is an agent.

### **Recognition**

The municipality, as a principal, recognises revenue and expenses that arise from transactions with third parties in a principal-agent arrangement in accordance with the requirements of the relevant Standards of GRAP.

The municipality, as an agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP.

The municipality recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

### **1.23 Borrowing costs**

Borrowing costs are interest and other expenses incurred by the municipality in connection with the borrowing of funds. Borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised to the cost of the asset. All other borrowing costs are recognised as an expense in the period in which it is incurred. The capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is disclosed in the notes below.

### **1.24 Comparative figures**

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year. Refer to note [59 and 6064](#) for detail.

### 1.25 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.

### 1.26 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.

### 1.27 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy. Irregular expenditure excludes unauthorised expenditure.

All expenditure relating to irregular expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

### 1.28 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 to obtain benefits from its activities.

Joint control is the agreed sharing of control over an activity by a binding arrangement and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

An entity is related to the Municipality if any of the following conditions apply:

- the entity is a member of the same economic entity (which means that each controlling entity, controlled entity and fellow controlled entity is related to the others).
- one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of an economic entity of which the other entity is a member).
- both entities are joint ventures of the same third party.
- one entity is a joint venture of a third entity, and the other entity is an associate of the third entity.
- the entity is a post-employment benefit plan for the benefit of employees of either the Municipality or an entity related to the Municipality. If the reporting entity is itself such a plan, the sponsoring employers are related to the entity.
- the entity is controlled or jointly controlled by a person identified in (a).
- a person identified in (a) has significant influence over that entity or is a member of the management of that entity (or its controlling entity).

A person is a close member of the family of another person if they:

- are married or live together in a relationship like a marriage or are separated by no more than two degrees of natural or legal consanguinity or affinity.

Management (formerly known as “Key Management”) includes all persons having the authority and responsibility for planning, directing and controlling the activities of the Municipality, including:

- all members of the governing body of the Municipality.
- a member of the governing body of an economic entity who has the authority and responsibility for planning, directing and controlling the activities of the Municipality.
- any key advisors of a member, or sub-committees, of the governing body who has the authority and responsibility for planning, directing and controlling the activities of the Municipality; and
- the senior management team of the Municipality, including the chief executive officer or permanent head of the Municipality, unless already included in (a).

Management personnel include:

- All directors or members of the governing body of the Municipality, being the Executive Mayor, Deputy Mayor, Speaker and members of the Mayoral Committee. Other persons having the authority and responsibility for planning, directing and controlling the activities of the reporting Municipality being the Municipal Manager, Chief Financial Officer, and all other managers reporting directly to the Municipal Manager or as designated by the Municipal Manager.

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 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 those family members who may be expected to influence, or be influenced by, that management in their dealings with the municipality.

The municipality is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favorable than those which it is reasonable to expect the municipality to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the municipality is exempt from the disclosures in accordance with the above, the municipality discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its annual financial statements. 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.

Joint control is the agreed sharing of control over an activity by a binding arrangement and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

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 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.~~

~~The municipality is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favorable than those which it is reasonable to expect the municipality to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.~~

~~Where the municipality is exempt from the disclosures in accordance with the above, the municipality discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its annual financial statements.~~

### **1.29 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.



### **1.30 Commitments**

Items are classified as commitments where the municipality commits itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Commitments are not recognised in the statement of financial position as a liability, but are included in the disclosure notes in the following cases:

- approved and contracted ~~commitments;~~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.

### ~~1.29 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.~~

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### ~~1.30 Commitments~~

~~Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.~~

~~Disclosures are required in respect of unrecognised contractual commitments.~~

~~Commitments are not recognised in the statement of financial position as a liability, but are included in the disclosure notes in the following cases:~~

- ~~• approved and contracted commitments;~~
- ~~• where the expenditure has been approved and the contract has been awarded at the reporting date; and~~

- ~~• where disclosure is required by a specific standard of GRAP.~~

#### 1.31.29 Value Added Tax

The municipality accounts for Value Added Tax on the cash (receipt) basis.

#### 1.32.30 Budget information

~~The approved budget is prepared on an accrual basis and presented by economic classification linked to performance outcome objectives.~~

~~The approved budget covers the fiscal period from 2024/07/01 to 2025/06/30.~~

~~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.~~

~~Material variances are determined in accordance with the municipality's materiality framework. These material differences will be explained in the financial statements under note for budget differences referenced to the statement of budget comparison.~~

~~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 2019/07/01 to 2020/06/30.~~

~~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.~~

### 1.33 Events after reporting date

Events after reporting date are those events, both ~~favourable~~favorable 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~~based on the financial statements.

### 1.34 Presentation currency

These annual financial statements are presented in South African Rand (R), which is the functional currency of the municipality.

### 1.35 Construction contracts and receivables

Construction contract is a contract, or a similar binding arrangement, specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use.

Contractor is an entity that performs construction work pursuant to a construction contract.

A contractor is an entity that ~~enters into~~enters a contract to build structures, construct facilities, produce goods, or render services to the specifications of another entity either itself or ~~through the use of~~using sub-contractors. The term “contractor” thus includes a general or prime contractor, a subcontractor to a general contractor, or a construction manager.

### 1.36 Segment Information

A segment is an activity of an entity:

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity).
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

#### Measurement

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the entity’s financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment’s surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment’s assets and segment’s liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

If management uses only one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities in assessing segment performance and deciding how to allocate resources, segment surplus or deficit, assets and liabilities are reported in terms of that measure. If management uses more than one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities, the reported measures are those that management believes are determined in accordance with the measurement principles most consistent with those used in measuring the corresponding amounts in the entity's financial statements.

### **1.37 Offsetting**

Financial assets and liabilities are offset, and the net amount reported on the Statement of financial position only when there is a legally enforceable right to set off the recognised amount, and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### **1.38 Current year comparatives**

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are also reclassified and restated, unless such comparative reclassification and / or restatement is not required by a Standard of GRAP. The nature and reason for such reclassifications and restatements are also disclosed.

Where material accounting errors, which relate to prior periods, have been identified in the current year, the correction is made retrospectively as far as is practicable and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable and the prior year comparatives are restated accordingly.

The presentation and classification of items in the current year is consistent with prior periods.

### **1.39 Cash and cash equivalents**

Cash includes cash on hand (including petty cash) and cash with banks (including call deposits). Cash equivalents are short-term highly liquid investments, readily convertible into known amounts of cash and are subject to an insignificant risk of change in value. Cash and cash equivalents are carried at amortised cost. Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdraft are expensed as incurred. Amounts owing in respect of bank overdrafts are carried at amortised cost.

### **1.40 Housing arrangements**

The Accounting Standards Board issued the guideline on Accounting for Arrangements Undertaken in terms of the National Housing Programme.

Where the municipality acts as a project manager in a housing arrangement, it is regarded as an agent in terms of the principles of GRAP 109 - Accounting by Principals and Agents.

Where the municipality is regarded as an agent, costs related to the construction of top structures and the related recovery thereof (revenue) is not be recognised in the Statement of financial performance of the municipality.

Where the municipality is identified as a project developer, the construction of the houses is performed by the municipality or by the appointment of a sub-contractor to undertake the construction on the municipality's behalf. The municipality applies the GRAP 11, Construction Contracts to account for these construction activities.

Where the municipality is regarded as the project developer and if the outcome of the construction contract can be estimated reliably, then contract revenue is recognised in profit or loss in proportion to the stage of completion of the contract. The stage of completion is assessed with reference to surveys of work performed. Otherwise, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. Contract revenue will be in the form of a grant from the Department of Human settlements and presented and disclosed under transfers and subsidies in the Statement of financial performance.

Contract costs are recognised as an expense in the period in which they are incurred. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Contract revenue shall comprise: (a) the initial amount of revenue agreed in the contract; and (b) variations in contract work, claims and incentive payments to the extent that: (i) it is probable that they will result in revenue; and (ii) they are capable of being reliably measured.

Contract costs shall comprise: (a) costs that relate directly to the specific contract; (b) costs that are attributable to contract activity in general and can be allocated to the contract on a systematic and rational basis; and (c) such other costs as are specifically chargeable to the customer under the terms of the contract.

An expected deficit on a construction contract to which paragraph .49 applies shall be recognised as an expense immediately in accordance with paragraph .49.

#### **1.41 Grants-in-aid**

The municipality transfers money to individuals, organizations 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.

These transfers are recognised in the annual financial statements as expenses in the period that the events giving rise to the transfer occurred.

#### **1.42 Consumer deposits**

The municipality recognises consumer deposits as a current liability when the municipality becomes a party to the contract i.e., when the deposit is made. The consumer deposit is recognised as a liability as the municipality has an obligation to pay the money back to the consumer once the consumer account is closed. As the timing of when a consumer will close their account is unknown, the consumer deposits are classified as a current liability.

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

Carrying amount is the amount at which an asset is recognised in the statement of financial position.

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means.

The transaction amount (for purposes of this Standard) for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

### **1.43 Unspent conditional grants**

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 where the obligations have not been met, a liability is recognised.

## 2 New standards and interpretations

### 2.1 Standards and interpretations not yet effective or relevant

There are no new or amended pronouncements that are effective for financial periods commencing on or after 1 April 2024

~~In the current year, the municipality has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:~~

#### ~~IGRAP 20: Accounting for Adjustments to Revenue~~

~~As per the background to this Interpretation of the Standards of GRAP, there are a number of legislative and regulatory processes that govern how entities levy, charge or calculate revenue, in the public sector. Adjustments to revenue already recognised in terms of legislation or similar means arise from the completion of an internal review process within the entity, and/or the outcome of an external appeal or objection process undertaken in terms of legislation or similar means. Adjustments to revenue include any refunds that become payable as a result of the completion of a review, appeal or objection process. The adjustments to revenue already recognised following the outcome of a review, appeal or objection process can either result in a change in an accounting estimate, or a correction of an error.~~

~~As per the scope, this Interpretation of the Standards of GRAP clarifies the accounting for adjustments to exchange and non-exchange revenue charged in terms of legislation or similar means, and interest and penalties that arise from revenue already recognised as a result of the completion of a review, appeal or objection process. Changes to the measurement of receivables and payables, other than those changes arising from applying this Interpretation, are dealt with in accordance with the applicable Standards of GRAP. The principles in this Interpretation may be applied, by analogy, to the accounting for adjustments to exchange or non-exchange revenue that arises from contractual arrangements where the fact patterns are similar to those in the Interpretation.~~

~~The interpretation sets out the issues and relating consensus with accounting for adjustments to revenue.~~

~~The effective date of the interpretation is for years beginning on or after 01 April 2020.~~

~~The municipality has adopted the interpretation for the first time in the 2020/2021 annual financial statements.~~

#### ~~GRAP 110 (as amended 2016): Living and Non-living Resources~~

~~The objective of this Standard is to prescribe the:~~

- ~~recognition, measurement, presentation and disclosure requirements for living resources; and~~
- ~~disclosure requirements for non-living resources~~

~~It furthermore covers Definitions, Recognition, Measurement, Depreciation, Impairment, Compensation for impairment, Transfers, Derecognition, Disclosure, Transitional provisions and Effective date.~~

~~The subsequent amendments to the Standard of GRAP on Living and Non-living Resources resulted from editorial changes to the original text and inconsistencies in measurement requirements in GRAP 23 and other asset-related Standards of GRAP in relation to the treatment of transaction costs. Other changes resulted from changes made to IPSAS 17 on Property, Plant and Equipment (IPSAS 17) as a result of the IPSASB's Improvements to IPSASs 2014 issued in January 2015 and Improvements to IPSASs 2015 issued in March 2016.~~

~~The most significant changes to the Standard are:~~

- ~~General improvements: To clarify the treatment of transaction costs and other costs incurred on assets acquired in non-exchange transactions to be in line with the principle in GRAP 23; and to clarify the measurement principle when assets may be acquired in exchange for a non-monetary asset or assets, or a combination of monetary and non-monetary assets~~
- ~~IPSASB amendments: To clarify the revaluation methodology of the carrying amount and accumulated depreciation when a living resource is revalued; To clarify acceptable methods of depreciating assets; and to define a bearer plant and include bearer plants within the scope of GRAP 17 or GRAP 110, while the produce growing on bearer plants will remain within the scope of GRAP 27~~

~~The effective date of the standard is for years beginning on or after 01 April 2020.~~

~~The municipality has adopted the standard for the first time in the 2020/2021 annual financial statements.~~

~~The impact of the standard is not material.~~

### **~~IGRAP 1 (revised): Applying the Probability Test on Initial Recognition of Revenue~~**

~~The amendments to this Interpretation of the Standard of GRAP clarifies that the entity should also consider other factors in assessing the probability of future economic benefits or service potential to the entity. Entities are also uncertain of the extent to which factors, other than the uncertainty about the collectability of revenue, should be considered when determining the probability of the inflow of future economic benefits or service potential on initial recognition of revenue. For example, in providing certain goods or services, or when charging non-exchange revenue, the amount of revenue charged may be reduced or otherwise modified under certain circumstances. These circumstances include, for example, were the~~



~~entity grants early settlement discounts, rebates or similar reductions based on the satisfaction of certain criteria, or as a result of adjustments to revenue already recognised following the outcome of any review, appeal or objection process.~~

~~The consensus is that on initial recognition of revenue, an entity considers the revenue it is entitled to, following its obligation to collect all revenue due to it in terms of legislation or similar means. In addition, an entity considers other factors that will impact the probable inflow of future economic benefits or service potential, based on past experience and current facts and circumstances that exist on initial recognition.~~

~~A municipality applies judgement based on past experience and current facts and circumstances.~~

~~The effective date of the amendment is for years beginning on or after 01 April 2020.~~

~~The municipality has adopted the interpretation for the first time in the 2020/2021 annual financial statements.~~

### **~~GRAP 18 (as amended 2016): Segment Reporting~~**

~~Segments are identified by the way in which information is reported to management, both for purposes of assessing performance and making decisions about how future resources will be allocated to the various activities undertaken by the municipality. The major classifications of activities identified in budget documentation will usually reflect the segments for which an entity reports information to management.~~

~~Segment information is either presented based on service or geographical segments. Service segments relate to a distinguishable component of an entity that provides specific outputs or achieves particular operating objectives that are in line with the municipality's overall mission. Geographical segments relate to specific outputs generated, or particular objectives achieved, by an entity within a particular region.~~

~~The subsequent amendments to the Standard of GRAP on Segment Reporting resulted from editorial and other changes to the original text have been made to ensure consistency with other Standards of GRAP. The most significant changes to the Standard are:~~

- ~~• General improvements: An appendix with illustrative segment disclosures has been deleted from the Standard as the National Treasury has issued complete examples as part of its implementation guidance.~~

~~The effective date of the standard is for years beginning on or after 01 April 2020~~

~~The municipality has adopted the standard for the first time in the 2019/2019 annual financial statements~~

~~The adoption of this standard has not had a material impact on the results of the municipality but has resulted in more disclosure than would have previously been provided in the annual financial statements.~~

## 2.2 Standards and interpretations issued, but not yet effective

The following Standards of GRAP, or amendments to existing Standards, have been approved by the Board but have no effective date that has been determined by the Minister of Finance:

Topic	Status
GRAP 1 on <i>Presentation of Financial Statements</i> (Amendments on going concern, approved December 2022)	Effective date to be determined.
GRAP 103 on <i>Heritage Assets</i> (Approved June 2022)	Effective date to be determined.
<i>Improvements to the Standards of GRAP 2023</i> (Approved September 2023)	Effective date to be determined.

The following pronouncements are not yet effective:

Topic	Status
GRAP 104 on <i>Financial Instruments</i> (2019)	Effective from 1 April 2025. Entities may early adopt the Standard before the effective date. In this instance, the entire Standard needs to be adopted early. Piecemeal adoption is not permitted.
IGRAP 22 on <i>Foreign Currency Transactions and Advance Consideration</i>	Effective from 1 April 2025. Entities may early adopt the Interpretation before the effective date.

~~The municipality has not early adopted any GRAP standard that is not effective.~~

## 2.3 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 2021 or later periods:~~

### ~~GRAP 104 (amended): Financial Instruments~~

~~Following the global financial crisis, a number of concerns were raised about the accounting for financial instruments. This included that (a) information on credit losses and defaults on financial assets was received too late to enable proper decision-making, (b) using fair value in certain instances was inappropriate, and (c) some of the existing accounting requirements were seen as too rules based. As a result, the International Accounting Standards Board® amended its~~

~~existing Standards to deal with these issues. The IASB issued IFRS® Standard on Financial Instruments (IFRS 9) in 2009 to address many of the concerns raised. Revisions were also made to IAS® on Financial Instruments: Presentation and the IFRS Standard® on Financial Instruments: Disclosures. The IPSASB issued revised International Public Sector Accounting Standards in June 2018 so as to align them with the equivalent IFRS Standards.~~

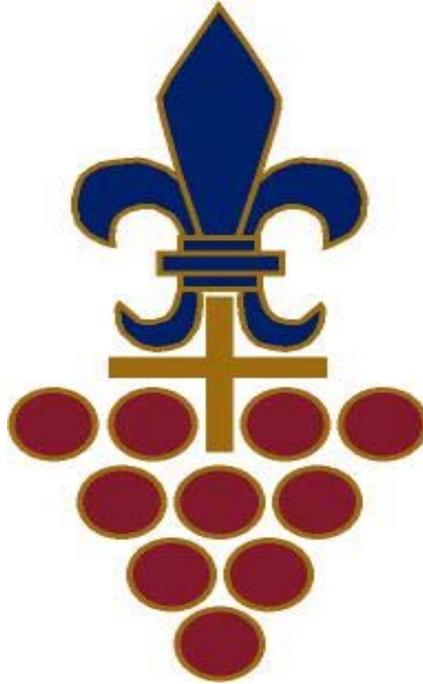
~~The revisions better align the Standards of GRAP with recent international developments. The amendments result in better information available to make decisions about financial assets and their recoverability, and more transparent information on financial liabilities. The most significant changes to the Standard affect:~~

- ~~• Financial guarantee contracts issued~~
- ~~• Loan commitments issued~~
- ~~• Classification of financial assets~~
- ~~• Amortised cost of financial assets~~
- ~~• Impairment of financial assets~~
- ~~• Disclosures~~

~~The effective date of the is not yet set by the Minister of Finance.~~

~~The municipality expects to adopt the standard for the first time when the Minister sets the effective date for the standard.~~

# **STELLENBOSCH MUNICIPALITY**



## **FINANCING OF EXTERNAL BODIES PERFORMING MUNICIPAL FUNCTIONS POLICY**

**2024/2025**

**REVISED**



# STELLENBOSCH MUNICIPALITY

## FINANCING OF EXTERNAL BODIES PERFORMING MUNICIPAL FUNCTIONS POLICY

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## 1. DEFINITIONS

1.1 In this policy unless the context indicates otherwise:

- 1.1.1 **“Accounting Officer”** means the Municipal Manager as referred to in section 60 of the Local Government: Municipal Finance Management Act, 56 of 2003 (“MFMA”);
- 1.1.2 **“Approved Budget”** means the Municipality’s annual budget approved by the Council in terms of section 24 of the MFMA and include an adjustment budget in terms of Section 28 of the MFMA;
- 1.1.3 **“Community”** means the residents within the Stellenbosch WCO24 area;
- 1.1.4 **“Constitution”** means the Constitution of the Republic of South Africa, 1996;
- 1.1.5 **“Director”** means a person appointed in terms of section 56 of the Systems Act who is directly accountable to the Municipal Manager;
- 1.1.6 **“Executive Mayor”** means the councillor elected as the Executive Mayor in terms of section 55 of the Local Government: Municipal Structures Act, 32 of 2000 (“the Structures Act”);
- 1.1.7 **“Chief Financial Officer”** or “CFO” means an official as envisaged in section 80(2)(a) of the Local Government: Municipal Finance Management Act, 56 of 2003 (“MFMA”);
- 1.1.8 **“Grant”** means a grant or allocation, as referred to in section 17(3)(j(ii) and 17(3)(j(iv) of the MFMA, made by the Municipality to any organisation or body referred to in section 67(1) and to be utilised to assist the Municipality in fulfilling its constitutional mandates including local tourism, municipal health services and such other municipal functions contemplated in Part B of Schedules 4 and 5 of the Constitution;
- 1.1.9 **“Grant Committee”** means the Committee established in terms of clause 7 of this policy;
- 1.1.10 **“official”** means an employee in the service of the Municipality;
- 1.1.11 **“organisation or body”** means those organisations or bodies outside any sphere of government making application for Grants in terms of this Policy, Which include associations, non-profit organisations or companies or trusts;
- 1.1.12 **“the Systems Act”** means the Local Government: Municipal Structures Act, 32 of 2000;
- 1.1.13 **“the Structures Act”** means the Local Government: Municipal Structures Act, 117 of 1998;
- 1.1.14 **“the MFMA”** means the Local Government: Municipal Finance Management Act, 56 of 2003;
- 1.1.15 **“the Municipality”** means the Stellenbosch Municipality and reference to Council has a similar meaning;
- 1.1.16 **“the Policy”** means the Financing of External Organisation/Bodies Performing Municipal Function Policy as set out in this document.

- 1.1.17 **"service delivery agreement"** or "MOA" means the agreement entered into between the Municipality and any organisation or body which received a Grant in terms of this Policy.

## 1. PURPOSE, AIMS AND OBJECTIVES

- 1.1 The purpose of this Policy is to provide a framework for financial assistance by Stellenbosch Municipality ("the Municipality") to external organisations / bodies performing local government functions to the extent as set out in section 155(6)(a) and (7) of the Constitution as listed in Part B of Schedule 4 and 5.
- 1.2 The purpose of this Policy is to ensure the efficient performance of the municipal function entrusted to that external organisation/body in a manner which gives effect to the goals and objectives of the Municipality's Integrated Development Plan ("IDP") by establishing partnerships between the municipality and the organisations and bodies performing the functions on behalf of the Municipality.
- 1.3 The Municipality will favour grants for achievement of outcomes aligned to the IDP. The objective of the funding of external bodied performing municipal functions is primarily to ensure the achievement of agreed outcomes to improve the health and well-being of the citizens and not to cover administrative costs and salaries.

## 2. LEGAL FRAMEWORK

- 2.1 In terms of section 156 of the Constitution, the Municipality has executive authority in respect of and the right to administer –
- 2.1.1 the local government matters listed in Part B of Schedule 4 and 5; and
- 2.1.2 any other matters assigned to it by national and provincial legislation.
- 2.2 Section 16(2) of the MFMA provides that the Mayor of the Municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year. Section 17(3)(j)(ii) and 17(3)(j)(iv) provides that when an annual budget is tabled in terms of section 16(2) it must include particulars of any proposed allocation or grants by the municipality to any municipal entities and other external mechanism assisting the municipality in the exercise of its functions or power and any organisation or bodies referred to in section 67(1).
- 2.3 Immediately after the tabling of the annual budget the accounting officer must make public the annual budget and invite the local community to submit representations in connection with the budget before the budget is approved by Council in terms of section 24 of the MFMA.
- 2.4 Section 67 of the MFMA provides that the Municipality implement and sustain proper and effective controls and procedures when transferring funds of the Municipality to an organisation or body outside any sphere of government.
- 2.5 Section 67(1) provides that the accounting officer must be satisfied that the organisation or body has the capacity and agreed to comply with any agreement with the Municipality including all reporting, financial management and auditing requirements as may be stipulated in the agreement, to report at least monthly to the accounting officer on actual expenditure against such transfer and to submit audited financial statements for its financial year to the

accounting officer promptly. The organization must implement effective, efficient and transparent financial management and internal control systems to guard against fraud, theft and financial mismanagement and has the obligation to prove in terms of previous similar transfers that it has complied with all the requirements. The accounting officer must through contractual and other appropriate mechanism enforce compliance with this policy.

- 2.6 All transfer of funds in terms of this Policy shall comply with the Constitution, the Systems Act, the Structures Act, the MFMA and any other applicable legislation, regulations and policies that may govern the transfer of municipal funds and that are not in contradiction to the aforementioned legislation.

### **3. PUBLIC ADVERTISEMENT AND APPLICATION PROCEDURE**

- 3.1 Applications for funding of external bodies performing municipal functions shall be considered where organisations or bodies have responded to advertisements published in the local newspapers distributed in the Stellenbosch Municipal Area calling upon organisations or bodies to submit proposals in the prescribed form, as set out 4.3 below, to perform a specific municipal function for a period up to 3 years. Such advertisements may be published quarterly by the accounting officer.
- 3.2 Advertisements should clearly specify the categories for which requests are called, the closing date for applications, who they should be addressed to, and where and how to obtain the relevant documentation pertaining to such applications, including the prescribed forms. Only applications made on the prescribed form (see Annexure A) may be considered.
- 3.3 The organisation/body must submit a detailed business plan with its application, confirming the envisaged outcomes their past achievements in the field and their commitment to performing that particular municipal function effectively and in line with Council's goals as set out in the IDP. Applications must be accompanied by a covering letter on the organisation/body letterhead, signed by the head of the organisation/body and must include the following information:
- 3.3.1 the organisation/body's legal name and a brief description of the organisation/body's business;
  - 3.3.2 the organisation/body's registration number, if any;
  - 3.3.3 the date of establishment, details of the organisation/body's members, founding documents, including constitution and certificates of incorporation;
  - 3.3.4 the contact name of the person signing the application, full street address, telephone number and email address of the organisation;
  - 3.3.5 if funding is required for a specific project, a brief description of the project and what it aims to achieve, as well as the detailed budget for and the duration of the project together with a written confirmation by the relevant municipal Director that the project is part of the IDP projects or programs;
  - 3.3.6 references, independent of the organisation/body and the head of the organisation/body;
  - 3.3.7 most recent audited financial statements not older than 24 months;
  - 3.3.8 a summary of its past achievements; and



- 3.3.9 a declaration by the head of the organisation/body to the satisfaction of the Municipal Manager that the organisation/body implements effective, efficient and transparent financial management and internal control mechanism to guard against fraud, theft and financial mismanagement and has in the past complied with requirements for similar transfers of funds.
- 3.4 Individuals will not be considered or appointed as an organisation/body to provide a municipal function as contemplated in this Policy.
- 3.5 Organisations or bodies whose directors, managers, major shareholders or trustees are in service of the state will not be considered or appointed as an organisation/body to provide a municipal function as contemplated in this Policy.
- 3.6 The appointment of a particular organisation/body to perform a municipal function for a period of three (3) years does not guarantee financial support by the Municipality, which will be determined annually when the municipal budget is approved by the Municipal Council.
- 3.7 No late applications received, in response to an advertisement as contemplated in clause 3.1 and 3.2 above will be considered and processed by the Grant Committee.

#### 4. OBLIGATIONS OF THE ORGANISATION/BODY

- 4.1 The head of the organisation/body must acknowledge in writing to the Municipal Manager that the money allocated was received in its bank account and that the money will be utilised in accordance with the completed and signed MOA, the submitted application and this Policy within 30 days of transfer of funds / payment, failing which no future grants may be considered.
- 4.2 The organisation / body shall submit monthly reports on actual expenditure against such transfer, the ward within which activities are conducted as well as the number of people benefiting from the activity to the Municipal Manager.
- 4.3 The relevant municipal Director must co-sign each monthly report to confirm monthly management and oversight of the activities.
- 4.4 The beneficiary undertakes to provide the Municipality with the details of a separate bank account to deposit the funds directly into such bank account.
- 4.5 The beneficiary must ensure that the funds earn interest until such funds are used for the purpose it was approved.
- 4.6 Funds that are not used for intended purpose, must be refunded to the Municipality with all interest accrued.
- 4.34.7 The beneficiary must submit to the Municipality quarterly progress reports.

#### 5. RIGHTS OF THE MUNICIPALITY, CONTROL AND MONITORING

- 5.1 The relevant municipal Director shall be entitled, at any reasonable time from time to time, to verify and inspect the existence and activities of the organisation/body. The relevant municipal Director or his delegate has the right to physically visit the premises where the organisation/body or funded project is based, to peruse the budgets and any progress report related to the project.
- 5.2 The relevant municipal Director shall manage the service delivery agreement

- entered into between the Municipality and the organisation / body by inter alia receiving and considering monthly reports, inspecting financial records including audited financial statement.
- 5.3 If the organisation / body fails to comply with the terms and conditions of its service delivery agreement with the Municipality, the accounting officer may in consultation with the relevant municipal Director terminate the agreement with reasonable notice or grant the organization / body an opportunity to rectify the breach within an agreed period of not more than 90 days, failing which the accounting officer may terminate the agreement with reasonable notice.
- 5.4 The Municipality has the right not to give a Grant to any or all organisations/bodies applying for such Grants or to give proportional or partial grants to give. Having been awarded a Grant previously does not give an organisation/body the right to receive a Grant again.
- 5.5 The relevant municipal Director shall ensure that those organisations or bodies, who have received Grants in terms of this Policy:-
- 5.5.1 comply with all the provisions of the completed and signed MOA;
- 5.5.2 comply with all reporting, financial management and auditing requirements as stipulated in the MOA;
- 5.5.3 report at least monthly to the Municipality on actual expenditure against such transfer;
- 5.5.4 promptly, or no longer than 4 months after the end of their financial year, submit their audited financial statements; and
- 5.5.5 utilise the grant funding strictly in accordance with the approved business plan and approved budget.
- 5.5.5.5.6 Submit quarterly records of funds allocated and its actual expenditure to the Municipality.
- 5.6 The requirements in paragraphs 5.5.1 to 5.5.4 above shall not apply to organisations where the transfer does not exceed R200 000,00 (two hundred thousand rand), provided the Accounting Officer takes all reasonable steps to ensure that the targeted beneficiaries, as identified by the organisation or body in its application, receive the benefit of such grants and it certifies that compliance by that organisation or body with 5.5.1 to 5.5.4 above is uneconomical or unreasonable.

## 6. GRANT COMMITTEE

- 6.1 A Grant Committee consisting of at least the Municipal Manager, the Chief Financial Officer and one director of the Municipality, as well as any other official whom the Municipal Manager may include, shall evaluate all applications received in response to the local advertisement.
- 6.2 The Grant Committee will have the power to make recommendations to Council for final appointments and financial allocations.
- 6.3 The Grant Committee must submit a report on its decisions to the Council for final approval.
- 6.4 The Grant Committee shall, in terms of the Systems Act, establish a programme for community consultation and information dissemination regarding the appointment of any organisation/body and the availability of the service delivery agreement for perusal will be communicated to the local community through the media prior to any service delivery agreement being

- entered into between the Municipality and the organisation or body.
- 6.5 No payments in terms of the allocation will be made to any organisation / body until a service delivery agreement in the form approved by the accounting officer has been signed by the respective parties.
  - 6.6 No payment can be made to an organisation/body until it has submitted its audited financial statements as contemplated in this Policy and a statement certified by its auditor that it has fully complied with its agreement with the Municipality.
  - 6.7 Payments may be allocated as a once off amount or in tranches as determined by the CFO in consultation with the relevant municipal Director.

## **7. Funding acknowledgement of the Municipality**

Successful applicants will be required to acknowledge the Municipality as the provider of Grant funding in their funding record as well as any public record in respect of Grants received in order to confirm that these transfers of funds are also part of the Municipality's endeavours to meet its strategic objectives and to assist it in carrying out its constitutional powers and functions.

## **8. COMMENCEMENT**

This Policy called the **FINANCING OF EXTERNAL BODIES PERFORMING MUNICIPAL FUNCTIONS POLICY** takes effect on the date on which it is adopted by the Council.



# STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

Municipality • Umasipala • Munisipaliteit

## APPLICATION : FUNDING OF EXTERNAL BODIES PERFORMING A MUNICIPAL FUNCTION

NOTE: ONLY APPLICATIONS ON THIS PRESCRIBED FORM WILL BE CONSIDERED

### PLEASE COMPLETE THE FOLLOWING:

**A** Registered name of organisation:

.....

**B** Date and year in which the organisation was founded or incorporated (include brief description of business or activities of organisation):

.....

.....

.....

.....

**C** Address:

(i) Street

(ii) Postal

.....

.....

.....

.....

.....

.....

Contact details:

Name and Surname: .....

Title/Position held: .....

Tel: ..... E-mail: .....

**D** List **ALL** the directors / board / committee members / shareholders / trustees of the organization (use additional pages if necessary):

Name and Surname: .....

Position: .....

Contact Address and tel. no: .....

Name and Surname: .....

	<p>Contact Address and tel. no: .....</p> <p>Name and Surname: .....</p> <p>Position: .....</p> <p>Contact Address and tel. no: .....</p> <p>Name and Surname: .....</p> <p>Position: .....</p> <p>Contact Address and tel. no: .....</p> <p>Name and Surname: .....</p> <p>Position: .....</p> <p>Contact Address and tel. no: .....</p> <p>Name and Surname: .....</p> <p>Position: .....</p> <p>Contact Address and tel. no: .....</p>
<b>D</b>	<p><b>Indicate in which ward the organisation is active:</b></p> <p>Ward: _____</p> <p>Is the organisation a non-profit company? <span style="float: right;">Yes    No</span></p> <p>If yes, provide company registration number: _____ -</p> <p>Is the organisation a non-profit organisation as contemplated in section 13 of the Non-Profit Organisation Act, 1997? <span style="float: right;">Yes    No</span></p> <p>If yes, provide registration number: _____ -</p> <p>Is the organisation a public benefit organisation as contemplated in terms of the Income Tax Act, 1962? <span style="float: right;">Yes    No</span></p> <p>If yes, provide registration number: _____ -</p> <p>Is funding required for a specific project? <span style="float: right;">Yes    No</span></p> <p>If yes, attach details separately.</p> <p>Budget amount of projects: .....</p> <p>Duration of project: .....</p> <p>Is funding required for general support? <span style="float: right;">Yes    No</span></p> <p>If yes, attach a copy of the organisation's overall budget and business plan.</p>

**E Category:**  
 Please categorise your application (mark with x):  
 Tourism Destination Marketing & Visitors Information  
 Tourism Development  
 Animal Welfare

Note: For more detail, see attached Funding of External Bodies Performing a Municipal Function Policy.(general guidelines and categories)

Please indicate the specific type of project/programme, as per the Funding of External Bodies Performing a Municipal Function Policy

.....  
 .....  
 .....  
 .....  
 .....  
 .....  
 .....

- F The following MUST accompany this application:**
1. A copy of the latest, audited financial statements.
  2. A copy of the Organisation’s Constitution or Memorandum of Incorporation as well as the resolutions/minutes adopting the Constitution or Memorandum of Incorporation.
  3. A copy of a project/programme description and/or a business plan for the ensuing financial year. Including the following:
    - Full details of the proposal or project including its objectives, the number of people who will benefit and how the project will contribute or enhance the strategic objectives of Stellenbosch Municipality.
    - Commencement and completion dates of the project.
    - Information on the total cost of the project budget, including a breakdown of costs and an outline of any contribution by fundraising and/or own contribution.
    - A list of all other sources of funding together with the assessments.
    - A summary of past achievements.
    - References independent of the applicant and its executive.
  4. An original copy of a correctly completed creditors control form of Stellenbosch Municipality.
  5. If the Organisation received funding from Stellenbosch Municipality in the preceding financial year, you need to account for the expenditure of the funding received with your new application.
  6. If the Organisation received funding from other bodies, please identify and list the amounts received;

	<ol style="list-style-type: none"> <li>7. If the Organisation is a non-profit company as defined in the section 1 of the Companies Act, 2008, a certificate/letter issued by the Companies and Intellectual Property Commission (CIPC) confirming registration must be attached;</li> <li>8. If the Organisation has been registered as a “non-profit” organisation in terms of the Non-Profit Organisation Act, 1997, a certificate/letter issued by the Department of Social Development confirming registration as a non-profit organisation must be attached;</li> <li>9. If the Organisation has been registered as a “Public Benefit Organisation” in terms of the Income Tax Act, 1962, a certificate/letter issued by SARS confirming the Organisation's tax exemption status must be attached; and</li> <li>10. Valid Tax Clearance Certificate issued by SARS.</li> </ol>
<p><b>G</b></p>	<p><b>The following shall apply:</b></p> <ol style="list-style-type: none"> <li>1. The allocation of funds will only be considered if the application document has been fully completed and signed and is accompanied by the required and supporting documentation referred to therein. Applicants must in their submission clearly indicate / specify and motivate what the funding will be utilised for.</li> <li>2. The funding must be exclusively utilised for the purpose defined and the successful applicant must submit the necessary undertaking to this effect.</li> <li>3. Applicants must in their submission satisfy the Council of their ability to execute the project successfully.</li> <li>4. Organisations who have already received financial or other assistance from the Council during the previous financial year <u>must</u> specify same in their application.</li> <li>5. No funding will be considered for political groupings, church/sectarian bodies or ratepayers organisations.</li> <li>6. No funding will be considered where only an individual will benefit or where a member of Council or an official of Stellenbosch Municipality will receive any financial or other gain.</li> <li>7. Projects outside the boundaries of the Council will not be considered.</li> <li>8. Subsequent requests from applicants to cover overspending on projects will not be considered.</li> <li>9. Council will not pay any funds to anyone who has already procured against the perception that they will receive any municipal funds.</li> <li>10. Successful applicants must at all times comply with the provisions of Section 67(1) of the Municipal Finance Management Act No. 56 of 2003 which <i>inter alia</i> stipulates that the organisation or body has to:- <ul style="list-style-type: none"> <li>• Enter into and comply with a Memorandum of Agreement with the Municipality as well as with all reporting, financial management and auditing requirements as may be contained in such agreement. This memorandum of agreement will bind the successful applicant to deliver on what the application speaks to, but also to commit to become involved with municipal programmes of the community where it functions. The Memorandum of Agreement will be made available to successful applicants for completion.</li> <li>• Report monthly on the actual expenditure of the amount allocated.</li> </ul> </li> </ol>

	<p>11. The Council reserves the right not to give funding to any or all organisations applying.</p> <p>12. Having been awarded funding previously does not give an applicant the right to receive a grant/funding again.</p> <p>13. Funding will not be considered where a project or organisation is already receiving funds from Council in terms of Council's functions. Applicants are required to disclose other sources of funding, failing which such applicant will be disqualified.</p> <p>14. Funding will not be considered where in Council's opinion, an organisation received sufficient funds from other sources to sustain its activities or the project applied for. For this purpose, organisations must submit financial statements and budget for the ensuing financial year.</p> <p>15. Organisations having received funding from Stellenbosch Municipality during the previous financial year, are required to attached to any new application, a copy of the financial statements relating to the year in which the funding was received from Council, as required in terms of section 67(1) of the Municipal Finance Management Act, 2003 (MFMA).</p> <p>(The Funding of External Bodies Performing a Municipal Function Policy must be consulted for the sake of completeness)</p>
H	<p><b>Undertaking:</b></p> <p>I/We hereby verify that the information provided in this application is true and correct and that the conditions applicable to the allocation of funds as set out above have been read, understood and will be complied with.</p> <p>I/We also declare that the organisation implements effective, efficient and transparent financial management and internal control mechanisms to guard against fraud, theft and financial mismanagement and has in the past complied with requirements for similar transfer(s) of funds.</p> <p>This completed and signed at Stellenbosch on this.....day of.....20....</p> <p>_____</p> <p><b>Chairperson / Authorised Representative</b></p> <p>_____</p> <p><b>Secretary / Duly Authorised Signatory</b></p>



**I Please take note:**

(i) That completed application forms together with all the required documentation must be delivered to:

**Director: Planning and Economic Development  
P O Box 17  
Stellenbosch  
7599**

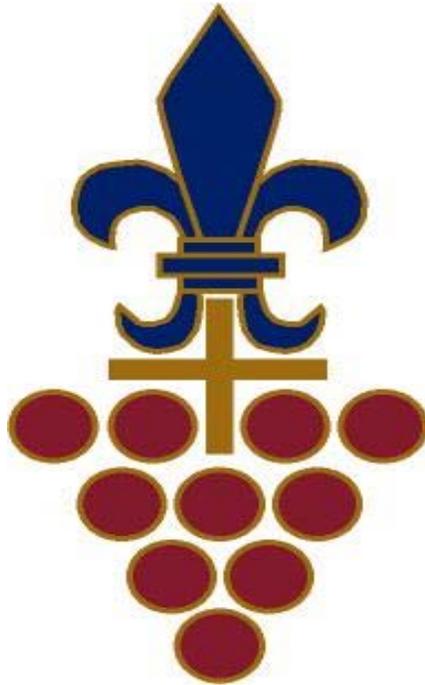
Or delivered to:

**58 Andringa Street  
Stellenbosch  
7600**

(ii) That the closing date for the submission of applications is: ..... at  
.....

(iii) That **neither late nor incomplete applications** shall be considered.

# **STELLENBOSCH MUNICIPALITY**



## **WARD ALLOCATION POLICY**

**2024/2025**

**REVISED**



# STELLENBOSCH MUNICIPALITY

## WARD ALLOCATION POLICY

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## 1. INTERPRETATION

### 1.1. Acronyms

“IDP”	-	Integrated Development Plan
“SDBIP”	-	Service Delivery and Budget Implementation Plan
“EPWP”	-	Expanded Public Works Programme

### 1.2. Definitions

“**Capital budget**” is expenditure relating to the purchase, upgrade or refurbishment of a Council asset (property, plant and/or equipment);

“**Town / municipality**” means the Greater Stellenbosch also known as WC024, a local municipality established in terms of section 12 of the Local Government Municipal Structures Act (Act 117 of 1998)

“**Municipal Manager**” means the accounting officer of the municipality of Stellenbosch, appointed in terms of section 54A of the Local Government: Municipal Systems Act (Act No. 32 of 2000) being the head of administration and accounting officer in terms of section 55 of the Local Government: Municipal Systems Act (Act No. 32 of 2000);

“**Council**” means the municipal Council of Stellenbosch Municipality;

“**Councillor**” means a member of the Council of the Stellenbosch Municipality;

“**Lead directorate**” is the directorate whose core business encompasses the ward allocation project, which is the dominant user or beneficiary of the outcome of the ward allocation project and which accepts responsibility and ownership of the ward allocation project;

“**Legacy project**” is a project that is executed in a financial year and of which the benefits to the community continues into the future;

“**User Department**” is the department whose core business encompasses the ward allocation project, which is the dominant user or beneficiary of the outcome of the ward allocation project and which accepts responsibility and ownership of the ward allocation project;

“**Operating budget**” refers to expenditure, other than capital, in respect of Council activities and includes repairs and maintenance of Council assets;

“**Ukey**” refers to a unique numerical key consisting of 7 segments describing the allocation of funds. All budget items must be linked to a Ukey.

“**Veriment**” refers to the administrative process required to request and approve the transfer of funds from one cost centre to another. Apart from

re-allocation of funds through the adjustment budget, transfer of funds can only be done between cost centres within a directorate.

**“Ward committee”** means a committee that has been established for each ward in terms of section 73 of the Local Government: Municipal Structures Act (Act No. 117 of 1998);

**“Ward project”** a project identified by the ward councillor in line with the identified IDP needs, in consultation with the ward committee and financed by the ward allocation;

## 2. INTRODUCTION

The Republic of South Africa Constitution, 1996 requires the Municipality to encourage the public participation of community members and community organizations in the matters of local government. The Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) (“Structures Act”) provides for the establishment of ward committees as formal mechanisms to give effect to this Constitutional obligation. Ward committees play a vital role in bridging the gap between the Community, the Municipality and its Council and also play an important role in:

- a) Enhancing participatory democracy;
- b) Neighbourhood and ward based planning including the encouragement of communities to take charge of their own livelihoods;
- c) Assisting the Municipality in service delivery improvement;
- d) Assisting in the economic empowerment of communities;
- e) Enhancing local democracy and accountability;
- f) Enhancing social cohesion, nation building and integration of communities across class, race, culture

Along with many other responsibilities the Municipality provide support to the Councillors and Ward Committees through the Ward Allocation policy. The policy intends to establish uniform rules and regulations in the identification, planning and implementation of ward projects. It will further encourage accountability and regulate all administrative processes in the execution phases.

## 3. POLICY OBJECTIVE

- 3.1. The objective of the Ward Allocations Policy is to create opportunities for Councillors to identify ward projects in line with the identified IDP needs, with the support of their Ward Committees, which would improve the quality of living in all wards. These projects would need to fit into the basket of services of the relevant User Department and must comply with the following:

- 3.1.1. Local Government’s mandate;
- 3.1.2. Council policies;

- 3.1.3. Support the pillars and objectives of the IDP;
  - 3.1.4. Directly benefit the community.
- 3.2. Ward project must be:
- 3.2.1. Additional projects identified by Councillors as identified through the IDP community participation processes,
  - 3.2.2. Supported by the ward committees, and
  - 3.2.3. Approved by Council.
- 3.3. Ward Allocation funds must be utilised in the manner contemplated in sections
- 3.3.1. **7(e)** categorising municipalities according to their system of municipal government. B Municipalities include a ward participatory system which allows for matters of local concern to be dealt with by committees established for wards;
  - 3.3.2. **72 (3)** describing the object of a ward committee as being to enhance participatory democracy in local government; and
  - 3.3.3. **74** describing the powers and functions of ward committees **of the Local Government: Municipal Structures Act (Act No. 117 of 1998)**.

#### 4. STRATEGIC INTENT

The Policy shall be governed by the underlying principle of ensuring that ward allocation projects meet the requirements of the Integrated Development Plan including specific reference to the following:

- 4.1. A “**valley of possibility**” that creates an environment conducive to business development and job creation. To facilitate and coordinate support to emerging entrepreneurs by utilizing internal SCM processes and linking SMME’s with opportunities in the market. To provide, upgrade and maintain an effective engineering infrastructure to support effective service delivery and to ensure the provision of non-motorised transport routes as a functional mode of transport.
- 4.2. A “**green and sustainable valley**” that ensures the management of human use of the biosphere and its resources, enhancing the integrity of the environment as an imperative for long-term sustainability and incorporates bio-diversity into the environment as an imperative for long-term sustainability. A valley that ensures spatial sustainability and facilitate efficient use of all forms of capital available to the Town including human capacity and ability and information management.
- 4.3. A “**safe valley**” where integrated safety strategies with multi-stakeholder engagements are implemented to focus on institutional, situational and social crime prevention interventions that will improve law enforcement and neighbourhood watches.
- 4.4. A “**valley with dignified living**” inclusive of sustainable human settlements, social infrastructure through the involvement and building of capacity of

stakeholders in the planning and management of the areas where they live. This includes access to basic services to households.

- 4.5. A “**valley of good governance and compliance**” that ensures transparency and is corruption-free, establishes an efficient and productive administration to prioritise service delivery and ensures financial prudence, with clean audits by the Auditor-General;

## 5. POLICY PARAMETERS

- 5.1. The provisions of this policy apply to Ward Councillors, Ward Committees and all Directorates and Departments of the municipality;
- 5.2. This policy applies to all programmes and projects within the jurisdiction of Stellenbosch Municipality that are funded through ward allocations and which are approved by Council in accordance with this policy.

## 6. REGULATORY CONTEXT

This Policy draws its legal mandate from the following laws and relevant policies, as amended from time to time:

- 6.1. Legislation:
  - 6.1.1. The Constitution of the Republic of South Africa, 1996
  - 6.1.2. Local Government: Municipal Systems Act, (Act No. 32 of 2000);
  - 6.1.3. Local Government: Municipal Finance Management Act, (Act No. 56 of 2003);
  - 6.1.4. The Municipal Budget and Reporting Regulations with specific reference to Circular 82 adopted by Stellenbosch Council on 25 May 2016.
- 6.2. Policies and documents
  - 6.2.1. Stellenbosch Municipality: Integrated Development Plan (IDP);
  - 6.2.2. Stellenbosch Municipality: Asset Management Policy;
  - 6.2.3. Stellenbosch Municipality: Supply Chain Management Policy;
  - 6.2.4. Stellenbosch Municipality: Virement Policy

## 7. ROLE PLAYERS, ROLES AND RESPONSIBILITIES

The relevant role players include, but are not limited to:

- 7.1. The Ward Councillors and members of Ward Committees;
- 7.2. Manager: Councillor Support;
- 7.3. Council support staff;
- 7.4. Directors;
- 7.5. Budget office;
- 7.6. Technical or functional representatives in User Departments;
- 7.7. Ward Administrators; and

## 7.8. IDP Department

<b>Official / Councillor</b>	<b>Role and responsibility</b>
Manager: Councillor Support	<p>Owner and driver of Ward Allocation Policy.</p> <p>Collations of all ward projects.</p> <p>Submission of ward allocation projects for draft budget.</p> <p>Facilitation of meetings with councillors.</p> <p>Manage ward administrators in this process.</p> <p>Monthly and annual collations of all ward-project progress reporting on all ward projects.</p> <p>Elevate problems to MM.</p>
Councillor and Ward Committee	<p>Project identification, development, submission for draft budget inclusion to Manager Councillor Support.</p> <p>Signing of commitment form.</p> <p>Finalization and submission of project plans to lead departments.</p> <p>Attending meetings with lead departments.</p> <p>Identification of IDP link.</p> <p>Identification of beneficiaries.</p> <p>Attendance, overseeing and reporting (incl. pictures) on projects.</p> <p>Return service provider goods/equipment (if applicable).</p> <p>It is important to note that Ward Committees play a supporting and advisory role to the Ward Councillor.</p>
Ward Administrator	<p>Minute keeping of Ward Committee meetings and provision of said minutes relating to project identification to lead departments.</p> <p>Administrative support for the execution of ward projects (communication and arrangements)</p> <p>Administrative and coordinating link between lead department, councillor and community (ie. Transport plans, attendance registers, beneficiary communication, indemnity forms, etc.).</p> <p>Assist with the drawing up of project evaluation reports and submission thereof to lead department.</p> <p>Compilation of photographic portfolio of evidence of completed projects with specific focus on goods and services procured.</p> <p>Asset registers and general asset management of furniture, tools and equipment procured.</p>
Speaker after consultation with the Executive Mayor	<p>Identify the annual strategic intent of ward projects.</p> <p>Verify that the identified projects comply with the mandate of local government,</p> <p>Respond in writing to the Ward Councillor if projects are approved.</p> <p>Has the prerogative to refuse funding for projects outside the scope of the policy.</p>



	<p>Continuously, monitor and evaluate the progress of the Ward projects.</p> <p>Provide advice and support to Ward Councillors where necessary in terms of the Ward Allocation projects.</p> <p>Keep record of all proposals and projects arrange All Wards meetings discussing the projects.</p>
MM	<p>The Municipal Manager as head of the administration is responsible and accountable for tasks and functions as provided for in, but not limited to the Local Government: Municipal Systems Act, No. 32 of 2000, Chapter 8 of the Local Government: Municipal Finance Management Act, No. 56 of 2003, other functions/tasks.</p>
IDP and Public Participation	<p>Identification of needs and priorities in the different wards through a valid public participation process.</p> <p>Provide ward committees and ward councillors with updated lists of community needs and ward priorities.</p> <p>Provide feedback to community on project implementation linked to their needs.</p>
CFO	<p>Submission of recommended projects as part of draft and final budget for council approval.</p> <p>The Finance Directorate with the approval of the Speaker may, depending on the circumstances approve the use of the Ward Allocation for projects outside this framework but within the mandate of the Municipality.</p>
Directors	<p>Ensure implementation ownership of projects at manager level.</p> <p>Recommend projects for inclusion after costing.</p> <p>Authorization of procurement documents.</p> <p>Address elevated problems with lead managers.</p>
User department	<p>Costing of projects.</p> <p>Completion of procurement plans and inclusion of ward projects in implementation planning for the year.</p> <p>Implementation of projects.</p> <p>Procurement of services.</p> <p>Arranging meetings with councillors to guide, and explain process to follow.</p> <p>Communication between procured service provider, Ward Administrator and Ward Councillor.</p> <p>Signing off and submission of invoices.</p> <p>Monthly reporting on overall departmental expenditure for ward projects. <u>This reporting must also be provided to the Manager: Councillor Support.</u></p>
SCM	<p>Procurement of goods and services.</p>

## 8. CRITERIA FOR THE SELECTION OF PROJECTS

Projects that are to be implemented under the Ward Allocations Policy must comply with the following criteria:

- 8.1 Be within Local Government mandate as defined in legislation.
- 8.3 Be aligned with the objectives and pillars of the Integrated Development Plan and with the approved strategic intent identified by the Speaker.
- 8.4 Comply with all the Policies of Council.
- 8.5 Be informed by the ward based needs of the wards and municipal infrastructure needs that have been –
  - 8.5.1 assessed by the Ward Councillor and Manager Councillor Support, and
  - 8.5.2 reported and supported by the ward committee in accordance with the budget and IDP timelines.
- 8.6 Fall within the core business activity of the Lead Directorate and shall form part of the Lead Directorate's SDBIP.
- 8.7 Preferably be legacy projects that will address a need and be of a sufficient scale to have a significant impact in the ward.
- 8.8 **Not** be projects that directly benefit an individual.
- 8.9 **Not** be projects that benefit a private property – including repairs and maintenance of property not owned by Stellenbosch Municipality.
- 8.10 Projects shall, as far as possible, be completed within the financial year in respect of which they are approved but capital funds may be rolled over to the next financial year at the August Adjustment Budget (MFMA Sec 28 (2) (e) where compelling reasons exist for such roll-over. Funds remaining after the successful completion of projects will be deemed savings and re-allocated to existing approved projects requiring additional funding during the adjustment budget in January of each year.
- 8.11 Projects may cross ward boundaries provided that the relevant ward councillors are in agreement on collaborative planning, funding and implementation of such projects. This agreement must be submitted formally in writing to the Manager: Councillor Support and approved at the ward committee meetings of the respective wards.
- 8.12 The lead directorate must technically evaluate and cost all projects in order to ensure that they are technically feasible, cost effective and comply with budgetary priorities before council considers a project for approval.

- 8.13 Labour intensive approaches shall be developed to maximise EPWP opportunities wherever possible for projects in both the capital and operating budget components. Councillors should note the timelines for submission of EPWP projects as part of the National EPWP Business Plan. These requirements entail that EPWP project identification must be completed and submitted to the LED Department by March each year.
- 8.14 In the case of projects undertaken on the **capital budget**, the assets created must:
- 8.14.1 Be on council property that is appropriately zoned and reserved for the lead directorate.
  - 8.14.2 Have a provision for maintenance and operating costs (inclusive of human resources) on the operating budget of the user directorate for subsequent years. These projects must adhere to sections 18 and 19 of the Local Government: Municipal Finance Management Act, (Act no. 56 of 2003) describing the funding sources and requirements for capital projects.
  - 8.14.3 Be placed on the asset register of the user directorate responsible for the facility.
  - 8.14.4 Be adequately insured and secured by the user directorate responsible for the facility.

~~8.15~~ 8.15 In the case of projects undertaken on the **operating budget**:

~~8.16.1~~ ~~8.16.1~~ \_\_\_\_\_

~~8.14.1.~~ 8.15.1 Adequate supervisory control shall be provided by the user directorate.

~~8.14.2.~~ 8.15.2 Projects will be undertaken on council property, except in cases where:

~~8.14.2.1.~~ 8.15.2.2 A ward hosts a function or event at facilities that are not council owned - subject to adequate supervisory control provided by the relevant user directorate, or

~~8.14.2.2.~~ 8.15.2.3 A ward funds or supports a local government function (for example; additional law enforcement officers) that is not necessarily performed on council property.

~~8.14.3.~~ 8.15.2.4 All operational projects will comply with the requirements of National Treasury Circular 82 specifying requirements to be adhered to when providing catering as adopted by Stellenbosch council.

~~8.14.4.~~ 8.15.2.5 Community events aimed at vulnerable groups must contain an educational component that speaks to the strategic intent as identified by the Speaker.

8.16 To contribute to maximum impact through meaningful legacy projects within communities, projects must be limited to **two operational and two capital** projects per ward, depending on whether capital projects are allowed for the respective financial year. (Except for wards consisting of mostly rural areas where council does not own property.)

8.17 Ward councillors and / or ward committees are not allowed to cancel projects when official purchase orders have been issued for service providers to procure

items / provide services as per the ward allocation programme for the respective ward. Should the ward councillor / ward committee cancel the project on the day of the implementation, and the service provider is able to provide proof of expenditure, then the ward councillor will be liable for the recovery of the expenses.

The request to cancel the project must be communicated in writing to both the Manager: Councillor Support and the Manager of the respective department where the implementation of the project / event is based. Reasons for the cancellation must be provided.

## 9. OWNERSHIP AND ACCOUNTABILITY

Directors are responsible for ensuring that all ward allocation projects within their respective directorates are completed during the financial year in respect of the projects approved by Council. Capital funds may be rolled over to the next financial year where compelling reasons exist for such roll-over and after approval has been obtained.

Directors must ensure timeous monthly and annual reporting on constraints and/or progress to the Manager Councillor Support for inclusion in Council documents.

## 10. BASIS FOR ALLOCATING WARD ALLOCATION BUDGET

10.1. Council **MAY** allocate as part of the municipal annual budgetary process certain funding from the rates accounts towards the Ward Allocations which may be an Operating Budget allocation and/or a Capital Budget allocation. The funding provided for each ward in the municipality must be equal;

10.2. Ward allocation funding might be approved annually as part of the budgeting process with a percentage distribution between capital and operational funding if there is allocation for both capital and operational. All capital projects must be captured on the municipality's capital project identification, planning and prioritization system.

10.3 if funding for ward projects is allocated in the annual budget, formal communication will be circulated to all ward councillors to inform them of the amount allocated to each ward for projects, either for operational or capital or both. This is done after the approval of the budget.

## 11. POOLING OF FUNDS BETWEEN WARDS

Subject to the clause 8.11 ward allocations may be pooled in order to achieve higher impact and enable legacy projects.

## 12. PROJECT SELECTION AND IMPLEMENTATION PROCESS

The different stages of selection and implementation are set out hereunder and are subject to the timelines set out in the IDP and Budget Preparation process approved by Council in August of each year. See Ward Allocation SOP for detail and roles and responsibilities. **(ANNEXURE 1) Note that the stages are completed in the preceding financial year to ensure implementation of projects within one financial year.**

ACTION	RESPONSIBLE	TIME LINE
<b>STAGE 1: STRATEGIC INTENT</b>		
Determine and announce strategic intent of all ward projects for the ensuing financial year.	Speaker	July
<b>STAGE 2: INTRODUCTION</b>		
Report submitted at All Wards Meeting containing: 1. Clear strategic intent 2. Timeframes 3. Roles and responsibilities 4. Process 5. Updated ward priorities, ward plans and baseline needs	Manager: Councillor Support supported by 1. Manager IDP 2. Manager Budget Office  Representation required from all user departments at meeting.	July
Documentation required for this stage: 1. Minutes of meeting 2. Attendance Register 3. Ward Allocation Policy 4. Updated IDP ward priorities	Manager Councillor Support	July
<b>STAGE 3: WORKSHOP AND CONSULTATION PHASE</b>		
Arrange series of workshops with Ward Councillors and Ward Committees to: 1. Discuss strategic intent, ward priorities, process, timelines and costing of proposed projects 2. Explain the project prioritisation and provide technical information regarding projects. 3. Signing of Commitment Form <b>(ANNEXURE 2)</b>	User Departments through Ward Administrator	July - August
Documentation of meetings containing the following: 1. Minutes 2. Attendance Registers 3. Completed Commitment Forms	Ward Administrator	August
<b>STAGE 4: PROJECT IDENTIFICATION, COSTING AND TECHNICAL REVIEW</b>		



Obtain recommendation from Executive Mayor and submit all ward projects to Mayco as part of draft budget.	Manager Council Support via Budget Office	November
Creation and allocation of Ukeys for all ward projects	Budget Office with support from User Departments	November
Council approval of ward project plans as part of draft and final budget.	Council	March and May
Documentation required for this stage include: 1. Completed and signed Ward Project Plans per ward. 2. Minutes of meetings	Manager Council Support Secretariat	May
<b>STAGE 6: IMPLEMENTATION</b>		
Monthly reporting on implementation of projects submitted to Manager Council Support	User Department	Monthly starting in July of each financial year.
Collation and monthly reporting on progress to Executive Mayor and Speaker	Manager Council Support	Monthly starting in August of each financial year.
Changes to approved Ward Allocation Projects can be done as part of the adjustment budget following the same processes and approvals as departmental adjustment budget requests. It is important to note that the adjustment budget does not allow for the creation of new projects, but only for the movement of budget between previously approved projects on the existing budget.		

### 13. DEVIATION FROM POLICY

- 13.1. Deviation from the project selection criteria as listed in section 8 above may be considered by the Municipal Manager on receipt of a written request from the Manager Councillor Support, supported by the User Directorate, detailing the motivation for such a deviation. The initial request for a deviation from the criteria listed must be received in writing from the ward councillor.
- 13.2. The basis of the Municipal Manager's consideration of a deviation shall be whether the deviation would further the Policy Objective as set out in section 3 of the Policy.
- 13.3. The Municipal Manager shall report to Council on the requests received for deviations from the Policy.

### 14. PROJECT REVIEW

- 14.1. After every financial year there shall be a review of the projects undertaken by the Ward Allocation process. This review will be undertaken by the Manager Councillor Support and reported to the Municipal Manager and

Director's Forum. Once supported the reviewed document must be submitted to Council;

14.2. The review must cover the following for all the projects undertaken in the municipal area:

- 14.2.1. Ward number and Ward Councillor name;
- 14.2.2. List of projects per User Directorate responsible;
- 14.2.3. Budgeted cost against projects;
- 14.2.4. Whether the project was completed within the planned time by the User Directorate – if not, reasons must be supplied;
- 14.2.5. Assessment of project as to whether the original objectives of the project were achieved;
- 14.2.6. Assessment of projects in terms of quality;
- 14.2.7. Assessment of the sustainability of the projects in terms of maintenance and operating cost;
- 14.2.8. Check list for Asset Register and Insurance;
- 14.2.9. Reason for the under spending of allocated funds in order to reflect savings or over-quoting

## **15. ANNEXURES TO POLICY**

**ANNEXURE 1:** Ward Allocation SOP

**ANNEXURE 2:** Ward Allocation Commitment Form

**ANNEXURE 3:** Ward Allocation Project Plan

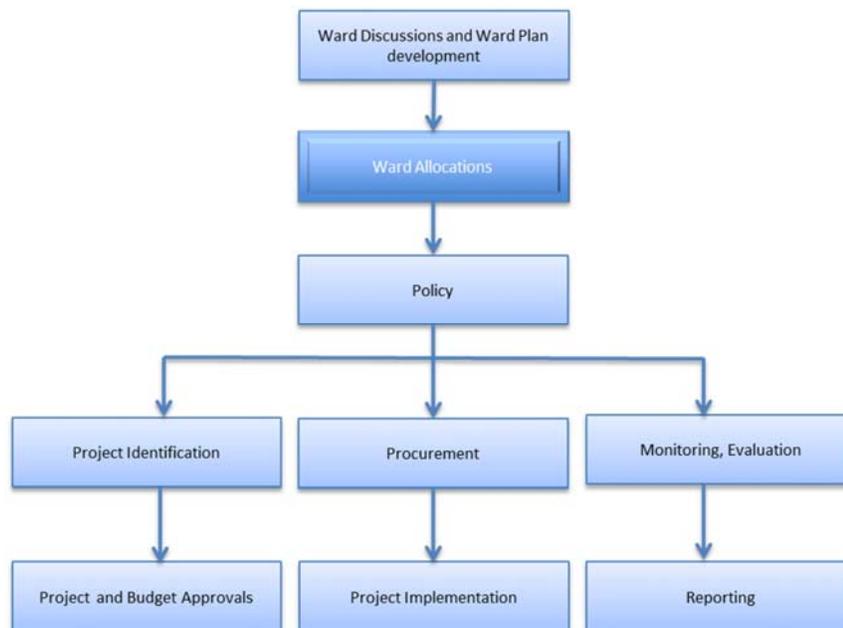
**ANNEXURE 4:** Ward Allocation Project approval budget submission format



**Stellenbosch Municipality  
Standard Operating Procedures**

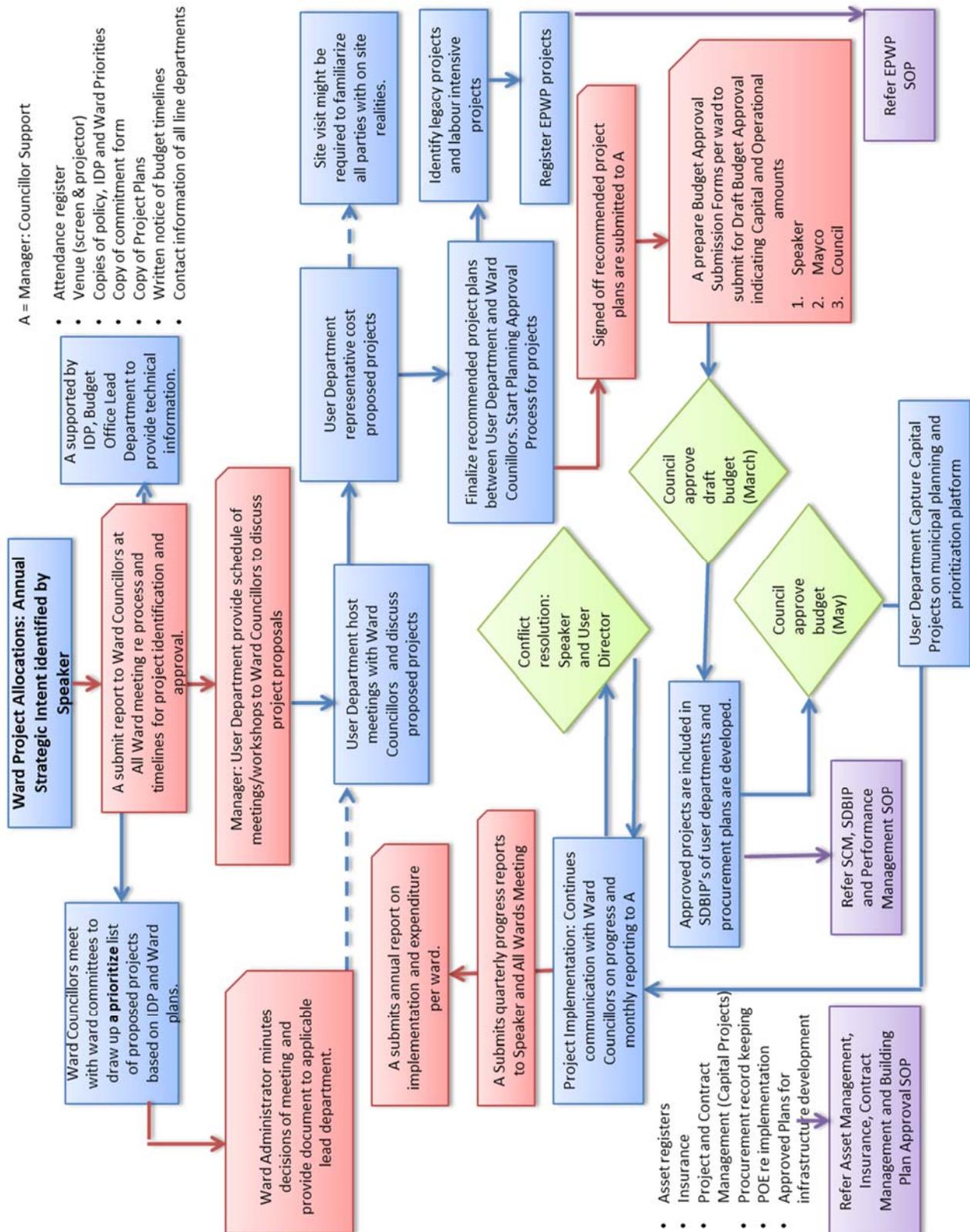
<b>SOP #</b>		<b>Version #</b>	1.1	<b>Date</b>	2018-10-19
<b>Responsible Directorate</b>	Strategic and Corporate Services	<b>Responsible Person</b>	Manager Councillor Support	<b>Author</b>	Manager Community Development
<b>Delegation ref #</b>		<b>Description/ Delegation Name</b>	Determine Operational Procedures		
<b>SOP Title</b>	Ward Allocation Projects and Funding				
<b>Purpose</b>	This SOP explains the process to through which Ward Allocation funds are approved, starting with the identification and costing of projects through to the implementation and reporting on completed ward projects.				
<b>Scope</b>	Council may allocate as part of the municipal annual budgetary process certain funding from the rates accounts towards the Ward Allocations which may be an Operating Budget allocation and/or a Capital Budget allocation. The objective of the Ward Allocations is to create opportunities for the Councillors to identify ward projects, with the support of their Ward Committees, which would uplift their communities. These projects would need to fit into the basket of services of the relevant User Department.				

**High Level Process Graph**





**Standard Operating Procedure Process Flow:**



**References:**

Reference #	Reference Name	Requirements
Act 56 of 2003	Local Government Municipal Finance Management Act	Section 18 and 19: Funding of expenditure and Capital funding. Section 21 (2) a: When preparing a budget the Integrated Development Plan must be taken into account.
Act 32 of 2000	Local Government Municipal Systems Act	Sections 7(e) Ward participatory system which allows for matters of local concern to wards to be dealt with by committees established for wards. Section 72(3) Object of Ward Committees to enhance participatory democracy in local government. Section 74 – Powers and Functions of Ward Committees
National Treasury	Municipal Budget and Reporting Regulations	
Stellenbosch Municipality	Asset Management Policy	Recording and safe keeping of municipal assets. Insurance of municipal assets.
Stellenbosch Municipality	Supply Chain Management Policy	Procurement of goods and services.
Stellenbosch Municipality	EPWP Policy	Registering, management and administration of EPWP projects. Recruitment and selection of beneficiaries.
Stellenbosch Municipality	Integrated Development Plan	Strategic Objectives of Stellenbosch Municipal Services, identification of ward priorities and baseline needs.

**Definitions:**

Name	Description
<b>Capital budget</b>	is expenditure relating to the purchase, upgrade or refurbishment of a Council asset (property, plant and/or equipment);
<b>Council</b>	means the municipal Council of Stellenbosch Municipality
<b>Councillor</b>	means a ward council member of the Council of the Stellenbosch Municipality
<b>User directorate</b>	is the directorate whose core business encompasses the ward allocation project, which is the dominant user or beneficiary of the outcome of the ward allocation project and which accepts responsibility and ownership of the ward allocation project
<b>Legacy project</b>	is a project that is executed in a financial year and of which the benefits to the community continues into the future
<b>User Department</b>	is the department whose core business encompasses the ward allocation project, which is the dominant user or beneficiary of the outcome of the ward allocation project and which accepts responsibility and ownership of the ward allocation project
<b>Operating budget</b>	refers to expenditure, other than capital, in respect of Council activities and includes repairs and maintenance of Council assets
<b>Ward committee</b>	means a committee that has been established for each ward in terms of section 73 of the Local Government: Municipal Structures Act (Act No. 117 of 1998);
<b>Ward project</b>	a project identified by the ward councillor in consultation with the ward committee and financed by the ward councillor ward allocation
<b>EPWP</b>	Expanded Public Works Programme

## Procedure Outline:

Action ref	Procedure Description	Timeframe	Person(s) Responsible	Resources Required	Deliverables	Dependencies	Links to SOP
1.	<b>Stage 1:</b> Strategic Intent Identification and communication	Jul	Speaker		Strategic Intent communicated to Ward Councillors		
2(a)	<b>Stage 2:</b> Report on IDP and budget process and timelines submitted to All Wards meeting.	July	Manager Councillor Support	Information on Budget and IDP Process	All Wards Agenda, minutes and attendance registers.	Reliant on information from Budget and IDP Office. Require attendance of User Department representatives	
2(b)	<b>Stage 3:</b> Ward Committee Meetings	July	Ward Councillor	Stationery	Attendance registers and Minutes of meeting	Availability of committee members and Ward Administrator	
3.	Discussion Workshops between User Departments and Ward Councillors	August	User Department Representative	Functional experience	Minutes of workshops and attendance registers. Annexure 2: Commitment Forms.	Availability of other line departments should projects be across departments. Availability of Ward Committee Meeting minutes.	
4(a)	<b>Stage 4:</b> Costing of projects	September	User Department		Annexure 3: Project prioritization forms. Budget estimations for projects.	Receiving Quotations in time. Detail provided by councilor in draft project plan.	
4(b)	Site visits (if required)	September	User Department	Transport	Detailed sketches		
5(a)	Finalize Project Plans: Ensure appropriate Zoning and Building Plan Approval for CAPEX if required.	September	User Department	OPEX Budget if project require future operational expenditure	Signed Project Plans recommendations	Required approvals received. OPEX	
5(b)	Identify labour intensive projects and register as EPWP projects	September	User Department		EPWP project registered	OPEX to pay stipends	EPWP SOP
5(c)	EPWP Recruitment and Selection Process	April - May	User Department	Approved OPEX	EPWP Employment Contracts	OPEX	EPWP SOP
5(d)	Capture capital projects on municipal identification, planning and prioritization system	September	User Department	Approved CAPEX Access to system	Project register	Approved projects	

6	Submit signed Project Recommendation Plans to Manager: Councillor Support	September	User Department		Signed Ward Allocation Project Plans		
7	<b>Stage 5:</b> Collate recommended Ward Allocation Projects per ward and submit to Executive Mayor	October	Manager: Councillor Support		Ward Allocation Budget Approval Forms for each ward. Annexure 4: Ward Project plans	All User Departments submitting Project Plans on time.	
8	Recommended Ward Allocation Projects included in Draft Budget	Febr	Manager: Budget		Council Agenda	Receipt of all Ward Allocation Project Approval Forms	
9	Approval Draft Budget	March	Council	Funds allocated to Ward Projects	Council Minutes	Council Approval	
10	Assign UKey numbers to all projects	November	Manager: Budget		Detailed departmental budgets		
11	Incorporate projects into departmental SDBIP's	May	Manager: Budget Head: Performance Management		Departmental SDBIP's	Final Council Approval	SDBIP and Performance Management SOP
12	Final Budget Approval	May	Council	Funds allocated to Ward Projects	Approved Budget		
13	Develop Procurement Plans	June	User Departments		Approved Procurement Plans		SCM SOP
14	<b>Stage 6:</b> Project Implementation, including, but not limited to: 1. EPWP management and administration (if applicable) 2. Asset Management and Insurance registration (if applicable) 3. Procurement 4. Meetings with Councillors 5. Contract Management 6. Project Monitoring 7. Monthly progress report submission 8. Record Keeping 9. Dispute resolution	July - June	User Departments User Directors Executive Mayor and Speaker	Approved Orders Staff Capacity Overtime Budgets (OPEX functions) Support from and communication flow between User Departments and Ward Administrators	Orders, Minutes of Meetings, Contract Evaluation Reports, Monthly Progress Reports, EPWP Project Management Reports, Asset and Insurance Registers and, POE's	SCM processes	SCM, Asset Management and Insurance Register SOP Contract Management SOP
15	Combined Ward Allocation Project Implementation Monthly Progress Reports Submission	July - June	Manager Councillor Support		Minutes of Council Meeting	Receipt of Monthly reports from User Departments	

16	Quarterly progress reporting at All Ward Meetings	October, January, April, July	Manager Councillor Support		Quarterly Report	Receipt of Monthly reports from User Departments	
17	Annual Ward Project Implementation Report	June	Manager: Councillor Support	Continues monitoring and evaluation	Council Minutes	Receipt of User Department Monthly Progress Reports	

**Competencies and Approvals:**

Competency Category	Competency Requirement	Competency Assessment

**Health & Safety Considerations:**

Name	Description

**Applicable Standard Forms/Documents:**

Form #	Name	Description
1	Ward Allocation Commitment Form	Confirms commitment of Ward Councillor and responsible User Department regarding implementation of projects aligned with policy requirements.
2	Ward Allocation Project Plan	Provide background information on envisaged projects in order for accurate costing to be done. Completed form serve as recommendation to Council for budget approval per project.
3	Ward Allocation Budget Approval Submission Form	Provide list of recommended projects per ward to Council for approval.
4	Ward Allocation Monthly Report	Monitor, evaluation and reporting on implementation progress along with sustainability and realization of objectives to Council.

**Performance Measurement:**

KPI	Unit of Measurement	Target/targets
Completed Ward Allocation Project Plans received by Budget Office prior to approval of Draft Budget.	Number of completed Ward Allocation Project Plans received.	Depending on whether the allocation is for operational only / capital only or both
Expenditure on Approved Ward Allocation Projects.	% Expenditure	90%

No	Proposals
1	



ANNEXURE 2



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## WARD ALLOCATION PROCESS COMMITMENT FORM

202~~43~~/202~~54~~ Financial Year

Commented [DM1]:

CONTACT INFORMATION			
Ward No:		User Department:	
Councillor:		Official Responsible	
Email:		Email:	
Contact Numbers:		Contact Numbers:	
Ward Administrator:		Ward Committee Member	
Email:		Email:	
Contact Numbers:		Cell:	

(To be completed by Ward Councillor)	(To be completed by User Department)	(To be completed by Ward Councillor)	(To be completed by User Department)
<b>PRIORITY RANKING</b>	<b>UKEY / VOTE</b>	<b>IDENTIFIED PROJECT DESCRIPTION (Indicate IDP / Ward Priority / Baseline need linkage)</b>	<b>PROJECT COSTING</b>
<b>Operational Budget</b>			
<b>Capital Budget</b>			
<b>TOTAL</b>			

This document serves as an agreement between the User Department and the Ward Councillor to commit to costing, planning and implementation of ward allocation projects and the agreed upon timeframes in order to achieve identified outcomes.

User Department Representative:  
 Name:  
 Date:

Ward Councillor:  
 Name:  
 Date:

I have read and understand the Ward Allocation Policy of Stellenbosch Municipality;

And thus commit as follow:

Nr:	Commitment	Councillor Initial	User Department Initial
1	That I will abide by the prescription of the all policies of Stellenbosch Municipality.		
2	As Ward Councillor, I commit to involve my ward committee members in the <b>written</b> identification of projects all projects will be captured in the minutes of the ward committee meeting and will be supplied to the User Department. The projects will be accompanied by a detailed description of what is envisaged in order to enable the User Department to cost the project accurately.		
3	The projects identified by the ward committee and the Ward Councillor will be prioritised and aligned with the IDP strategic objectives, ward based plans and identified baseline needs.		
4	As Ward Councillor and User Department, we commit to attend all agreed upon meetings and workshop to finalize project plans and ensure that we are prepared for these meetings		
5	We will identify and sign off on all agreed upon ward projects in time for the draft budget approval		
6	The submission for the draft budget will cover the total sum for the ward allocations. No projects will be identified after the approval of the draft budget.		
7	As responsible User Department representative, I commit to cost all identified projects		
8	As Ward Councillor, I understand that projects that have not been approved in the annual budget and included in the SDBIP of the User Department cannot be implemented.		
9	We will utilize the adjustment budget to ensure sufficient funding for approved projects and not identify new projects that are not included in the SDBIP of the User Department.		
10	As Ward Councillor, I commit the active involvement on the day of myself, the ward committee members and ward administrator, should operational funds be earmarked for events.		
11	Should operational funding be utilized for labour intensive projects, I commit to register the project as an EPWP project and abide by the applicable policy. As Ward Councillor, I will not interfere with the recruitment and selection of beneficiaries of the project.		
12	Should capital funding be utilized for the acquisition of moveable assets, all assets will be barcoded and registered on the asset register and insured.		
13	As User Department representative, I will take full responsibility for the procurement processes required for the identified project. I will submit requisitions in time, but cannot take responsibility for the time required by SCM to generate an order.		
14	NO instruction will be given to any service provider without first obtaining a green order slip for said services. Once a service provider has been appointed, changes to the scope of work will not be negotiated with or expected from the service provider.		
15	As User Department representative, I will keep accurate records of all procurements and meetings in order to generate monthly reports.		
16	As Ward Councillor, I will ensure that accurate minutes are kept of ward committee meetings relating to ward projects and that ward administrator will make this freely available to the User Department. I commit the cooperation of the ward administrator with the drawing up of project feedback reports and the taking of photographic evidence.		
17	To protect both the Ward Councillor and User Department representative NO petty cash or direct payments will be allowed as part of ward projects.		
18	All discussions surrounding the ward projects will be followed up with written confirmation of said discussion.		

We agree that ward projects can only be successfully implemented if there is full cooperation between all role-players. Should problems be experienced between the Ward Councillor and the responsible User Department representative, it will be referred to The Speaker and the responsible Director.

By signing this commitment form, I confirm that I have read and understand the content and commit to adhere to all the stipulations.

Signed at \_\_\_\_\_ on this \_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_.

\_\_\_\_\_  
**Ward Councillor**

\_\_\_\_\_  
**User Department Representative**



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## WARD ALLOCATION PROJECT PLAN 20\_\_\_\_/20\_\_\_\_

(To be completed for submission to the Draft Budget Approval. Complete a separate plan per project.)

FOR COMPLETION BY USER DEPARTMENT REPRESENTATIVE IN CONSULTATION WITH WARD COUNCILLOR						
WARD NUMBER		Valley of Possibility		Linked to the following IDP need/s:		
Operational		Green and Sustainable Valley				
Capital funds		Safe Valley				
Pooling of Funds	<input type="checkbox"/> Y	<input type="checkbox"/> N	Valley with Dignified Living			
Pooling with ward:		Valley of Good Governance and Compliance				
Signature of Pooling Ward Councillor/s:						
<b>PROJECT NAME:</b>						
<b>PROJECT OBJECTIVES:</b>						
DESCRIPTION (Please be very specific. What, when, where, how, who. If an operational project and in collaboration with a local organization – specify please.) A site visit might be required for all parties to familiarise themselves with the detail.		<b>What:</b>				
		<b>When:</b>				
		<b>Where:</b>				
		<b>How:</b>				
		<b>Who:</b>				
Is this a labour intensive project?	<input type="checkbox"/> Y	<input type="checkbox"/> N	EPWP Registration	<input type="checkbox"/> Y	<input type="checkbox"/> N	Confirmed (V Swartz):
Official responsible for managing EPWP project (contracts and monthly admin):	Name and Surname: Contact Details:			Official Signature:		
If capital project:	Are there operational funds linked to project?		<input type="checkbox"/> Y	<input type="checkbox"/> N	UKey:	
	Are new assets procured?		<input type="checkbox"/> Y	<input type="checkbox"/> N	Location bar code:	
Sustainability of Project:	Indicate how sustainability is ensured: Maintenance, ect.					
Confirmation of Ward Committee involvement in identification of project:	Ward Committee Meeting minutes attached:		<input type="checkbox"/> Y	<input type="checkbox"/> N		

SHARING OF RESPONSIBILITY (Add additional lines if needed):						
What	Description	Who				
Procurement (Detailed specifications to be attached for procurement needs.)						
Public Participation (if required)						
Transport Plan						
FOR COMPLETION BY RESPONSIBLE USER DEPARTMENT						
Procurement process to follow (Please attach departmental project plan to indicate timelines for specifications, adjudication and implementation):		Normal		FQ		Bid
COSTING (Please attach quotations as estimate. Add additional lines if needed):		Is this a single or multi-year project?			S	M
Type of budget	Description	UKey		Amount		
Capital Expenditure (If capital project)	Year 1			R		
	Year 2			R		
Operational Expenditure (If Operational proj)	Item 1			R		
	Item 2			R		
	Item 3			R		
TOTAL				R		
OBSTACLES IDENTIFIED FOR IMPLEMENTATION						

Recommended:

_____	_____	_____	_____	_____
Ward Councillor	User Department	Director	Manager Councillor Support	Budget Office
_____	_____	_____	_____	_____
Date	Date	Date	Date	Date



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ANNEXURE 4

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**PROJECT BUDGET APPROVAL SUBMISSION FORM (To be completed by Manager: Council Support)**

**WARD NO**

**Councillor Name**

Completed Project Plans Received

Yes	No

Capital Budget				
Ukey No	Description	Lead Department	Amount	Pooling with Ward
1				
2				
3				
<b>TOTAL</b>				

Operational Budget				
Ukey No	Description	Lead Department	Amount	Pooling with Ward
1				
2				
3				
<b>TOTAL</b>				

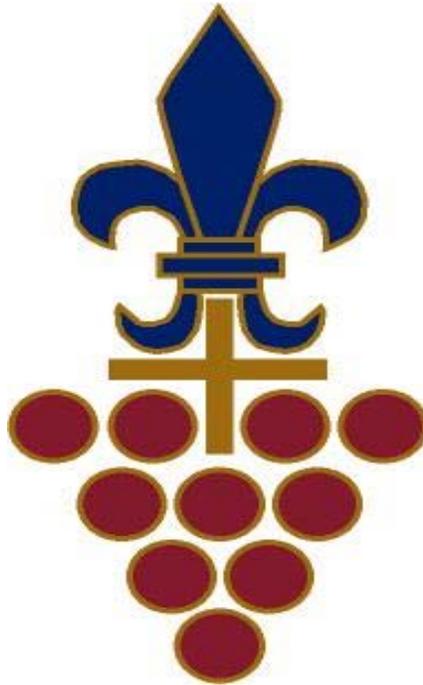
\_\_\_\_\_  
Ward Councillor  
Date:

\_\_\_\_\_  
Manager Council Support  
Date:

\_\_\_\_\_  
User Director  
Date:

\_\_\_\_\_  
Budget Office  
Date:

# **STELLENBOSCH MUNICIPALITY**



## **WAYLEAVE POLICY**

**2024/2025**

**REVISED**

SECTION: DEVELOPMENT SERVICES, ASSET MANAGEMENT &  
SYSTEMS, PROJECT MANAGEMENT UNIT (PMU)  
DIRECTORATE: INFRASTRUCTURE SERVICES



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<b>Policy Name:</b>	<b>Wayleave Policy</b>
<b>Policy Number:</b>	
<b>Status:</b>	<b>Draft</b>
<b>Date:</b>	<u>November 2023</u> <del>February 2022</del>
<b>Approved By:</b>	<b>Acting</b> Senior Manager: Development Services, Asset Management & Systems, Project Management Unit (PMU)
<b>Date Approved:</b>	<b>22 February 2021</b> <del>2022</del>
<b>Date Last Amended:</b>	<b>22 February 2021</b> <del>2022</del>
<b>Date for Next Review:</b>	<b>February 2023</b> <del>February 2024</del>
<b>Date Published on</b>	



SECTION: DEVELOPMENT SERVICES, ASSET MANAGEMENT &  
SYSTEMS, PROJECT MANAGEMENT UNIT (PMU)  
DIRECTORATE: INFRASTRUCTURE SERVICES



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## **WAYLEAVE POLICY**

DRAFT REVIEW NOV 2023

SECTION: **DEVELOPMENT SERVICES, ASSET MANAGEMENT &  
SYSTEMS, PROJECT MANAGEMENT UNIT (PMU)**  
DIRECTORATE: **INFRASTRUCTURE SERVICES**

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# 1. INTRODUCTION

## 1.1 Legal Context

In terms of [Section 151](#) of the Constitution of the Republic of South Africa, 108 of 1996, a municipality has the right to govern on its own initiative, the local government affairs of its community, subject to national and provincial legislation.

[Section 156](#) of the Constitution grants the municipalities the right to administer the local government matters listed in Schedule 5B, which include municipal roads. A municipality may make by-laws for the effective administration of municipal roads.

This Policy will be converted into municipal by-laws to give it legal effect.

## 1.2 Need for Co-ordination

The collective value of ~~services~~ infrastructure [services](#) contained within the public road reserve, ~~and~~ the road itself [and Municipal Lands](#) amounts to a considerable value. This infrastructure needs to be maintained, periodically rehabilitated and replaced [or upgraded](#) from time to time. Such activities can result in considerable delays, inconvenience, danger and additional costs to the road users and Municipality ~~itself~~ if not well planned and coordinated. The potential damages that can be suffered by either party include:

- Damage to roads and other services;
- Damage to vehicles;
- ~~Injury to vehicle occupants or pedestrians~~ [Inconvenience to road users](#);
- Reduction of the useful life of the road, footway or other services; and
- Time and social costs caused by delays.

It is [imperative](#) apparent that ~~careful control and co-ordination~~ [permission is a prerequisite](#) ~~effort~~ [all Work conducted](#) in ~~the~~ the public road reserves [and in Municipal Lands is a prerequisite](#) for ~~careful control and co-ordination of the Works to avoid effective disturbance~~ [to service delivery and public inconvenience](#). This responsibility resides with the Stellenbosch Municipality and its [infrastructure services](#) departments to continuously improve their capability to provide such services.

~~Being As~~ the custodian of all municipal road reserves, the Infrastructure ~~Services Directorate~~ —Roads, Transportation and Stormwater ~~Department Sub-Unit within The Stellenbosch Municipality~~ [to an](#) ~~initiated~~ [div](#) programme to establish the necessary co-ordination activities and policies regarding Work [conducted](#) in ~~the~~ public road reserves. This [wayleave policy](#) document ([this document](#)) ~~is~~ [was](#) the first deliverable of the programme. ~~This initiate was later transferred to the Asset Management and Systems (Wayleaves) Unit~~. ~~This document attempts to provide a basic framework for ensuring proper co-ordination and co-operation between the various departments as well as external parties who conduct Work in the public road reserves~~ [and Municipal Lands](#).

The document was prepared with the aim to minimise [and strive to eliminate any negative](#) ~~the effect or disruptions to services installed of all Work~~ in the public road reserves [and on Municipal Lands as a consequence of uncoordinated and carefully controlled Works to the benefit of all concerned and in particular the ratepayers, road users \(motorists and pedestrians\), and eventually the coordinating body within The Stellenbosch Municipality.](#) ~~Included in~~ [This document covers are](#) the procedures to apply for, process and approve Wayleaves, procedures to follow for undertaking and completion of Work, as well as a reference to specifications according to which the Work must be done.

— This initiative can only succeed if all internal and External parties [that involved in carrying out](#)

Work work in the public road reserves and Municipal Lands constructively cooperate by working according to this Code, related policies and supporting documentation ~~and by providing feedback on how the system can be improved.~~

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### 1.3 Establishing a ~~Service Co-ordinator~~ Service Co-ordinator

The Infrastructure Services Directorate has identified that this co-ordination function will need to:

- Improve the interdepartmental communication on annual Work plans and the execution of such Work;
- Coordinate and regulate all Work carried out within the public road reserves and Municipal Lands;
- Minimise the danger and inconvenience to the public;
- Minimise the disturbance and damage to existing Services;
- Reduce and prevent illegal works carried out in the road reserves and Municipal Lands;
- Reduce the number of legal claims; and,
- Promote the use of technology, such as Geographical Information Systems (GIS) to locate Services;
- Assist in protection and safe guarding of the municipality infrastructure assets.

In order to effectively implement and sustain such a function ~~for a Service Co-ordinator~~ Service Co-ordinator and a Quality Control Engineer (collectively the Asset Management & Systems (Wayleaves) Section) are being established within The Stellenbosch Municipality. The four essential tasks that must be accomplished in the process of establishing the ~~Service Co-ordinator~~ Service Co-ordinator and the Quality Control Engineer are:

- Establishing the necessary Council Policy in this regard (covered by this document);
- Establishing effective and simplistic procedures (covered by this document and detailed standard operating procedure);
- Establishing effective Municipal Bylaws (future activity in the process of formation); ~~and,~~
- Establishing an effective Organisational Structure (in the process of formation future activity); ~~and,~~
- Proper record-keeping of each approval and work done on-site (future activity active).

The process to develop this ~~Policy~~ Policy included the following activities:

- Identifying and documenting the Stellenbosch Municipality requirements in terms of the Policy and procedures;
- Identifying representatives for both internal and external stakeholders to participate in the policy formulation process;
- Researching existing documentation and other information sources as provided by the Stellenbosch Municipality and representatives;
- Developing of a draft Policy and Procedures;
- Facilitating workshops on the document; and
- Finalising documentation and getting approval from the Stellenbosch Municipality Council.

### 1.4 Document Structure

This document is organised into three sections. The following is a brief description of each section:

Section 1 – Introduction: This section aims to illustrate the need for coordination and responsibility of the ~~custodian of the public road reserves to wayleaves service~~ coordinate on team. It ~~continues by further explaining~~ elaborate on the development approach ~~that was followed~~ adopted.

Section 2 – Definitions: This section is a summary of definitions of terms used throughout the document.

Section 3 – Policy: The Wayleave Policy as adopted by Council is explained under a collection of topics, including the Basic Wayleave Procedure. This structure was used in order to simplify the use of the document.

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## 1.5 Supporting Documents

Three supporting documents, which documents are incorporated and form part of this Policy.

- [Wayleave application form](#),
- The General [Wayleave](#) Conditions ~~relating to Wayleave Applications~~. These general conditions may be amended by the ~~Service Co-ordinator~~ [Service Co-ordinator](#) depending on the nature of the Work to be carried out.
- Wayleave Work Permit/ ~~or~~ [Approval form](#) ~~letter~~,
- Services Verification Meeting [Certificate](#) ~~Record~~
- [Public Liability Insurance Checklist](#) ~~Wayleave Guarantee Checklist~~,
- Wayleave Tariffs [as approved per financial year](#),
- Certificate of [Works](#) Completion

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## 2. DEFINITIONS

The following words and phrases have the meaning assigned to them in this Code unless the context otherwise indicates:

**"Authorised Agent"** means an agent who is authorised by the ~~Service Co-ordinator~~Service Co-ordinator to perform specified Services;

**"Backfilling"** refers to the replacement of the structural layers in the trench or excavation and ~~may include~~include the base, sub-base, selected subgrade and subgrade, but excludes the surfacing (~~which is covered under see 'Reinstatement'~~);

**"Certificate of Works Completion"** means the document issued by the Professional Engineer appointed by the Wayleave Holder as proof that Work in the public road reserves has been completed ~~according to~~complies with the ~~specifications requirements and conditions~~ of this document and that of the approved wayleave and issued to the Wayleave Holder;

**"Code"** means the Policy (this document) for Work in the Public Road Reserve (PRR) and other Municipal Lands as approved by the Council and as agreed to by the Parties including ~~any~~the accompanying -appendices ~~attached~~ thereto;

**"Council"** means the Municipal Council of The Stellenbosch Municipality established by Provincial Notice No. 352 of 2000 dated 19 September 2000, as amended, or its successor in title, and any committee or person to which or whom an instruction has been given or any power, function or duty has been delegated or sub-delegated in terms of, or as contemplated in, section 59 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000);

**"Distance of Excavation"** means the shortest horizontal distance between the electrical equipment or electrical structure nearest to the excavation. "Electric structure" means any power line tower, electric pole, switch box, miniature substation fence or building or any other structure used in the distribution of electricity;

**"Emergency Work"** is defined as any Work that is required to prevent or end a dangerous situation, to prevent or end an unplanned interruption in the supply of a Service, or to avoid any substantial losses. It is important to note that a lack of proper planning of Work to be carried out will not justify Emergency Work and such activities will be reasonably stopped by the ~~Service Coordinator~~Service Co-ordinator;

"External" refer to anything not belonging to the Council as applicable in the context.

"Illegal" refer to Works conducted without an approved Wayleave or without a valid authorisation from the Council.

"Internal" refer to anything belonging to the Council as applicable in the context.

**"Lane Rentals"** mean the rentals that are paid to the ~~Service Coordinator~~Service Co-ordinator by a Service ~~Agency~~Agent, excluding a Municipal Department, whose Work in the Public Road Reserve (PRR) results in time delay costs (TDC) being incurred by the users of the Public Road Reserve (PRR);

"Non-compliance" refers to any violation of the approved wayleave conditions and requirements as applicable.

**"Municipal Department"** means any Department that belongs to or is controlled by the Council;

**"Municipal Land"** any land that is owned or is under controlled by the Stellenbosch Municipality;

**"Professional Engineer"** means a person registered as a Professional Engineer/ Technologist in terms of the Engineering Professions Act, 2000, appointed and funded by the Wayleave Holder to ensure compliance with the [requirements and Conditions of the Code and the Approval of the Wayleave](#). Appointment of such a person is required to control the Works wherever any excavation [and overhead installations are](#) is involved.

**"Public Road Reserve"** means the full width of a public road, and includes the verge and the roadway;

**"Reinstatement"** refers to [replacement of the final layer in the case of roads, footways and verges and this may be](#) ing the bituminous surfacing, paving blocks, [concrete, or grass, etc, as applicable originally discover on the site or may be instructed in the Wayleave Approval, in the case of roads, footways and verges;](#)

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**"Routine Maintenance Work"** is defined as all types of Work involved in maintaining the services in the public road reserves and other Municipal Lands ~~and that~~ does not require excavation, traffic control or reinstatement activities;

**"Security Deposit"** means the refundable deposit required to be paid to the Municipality in respect of each Wayleave approval issued, either a fixed amount per the tariff register (for smaller projects), a percentage of the costs of the works to be undertaken or in an approved and valid form of bank guarantee;

**"Service"** means any structure or system installed by a Service Agent for supplying a public need that a Service Agency has on or in the Public Road Reserve (PRR) and in a Municipal Land to provide service to the public or individuals;

**"Service Agency"** means any Municipal Department, Public or Private Agency or utility that has intends to install -a Service in the Public Road Reserve (PRR) on in a Municipal Land;

**"Service Co-ordinator"** means the person or official or institutional body established by the Council-respective department(s) with the sole responsibility to carry out the administrative functions of receiving and processing wayleaves applications ~~for wayleaves~~, obtaining comments from the various internal and external service agencies internal Agents, and (following the decision by the Strategic Management Committee) conveying this decision in writing to the Applicant, namely to approve with conditions, or reject with reasons, any wayleave application, and to provide record-keeping of each application and installation;

**"Service owner"** the owner of a particular Service.

**"Service-Sharing Installation"** means utilisation installations of a service which are designed to (by one or more Service Agents) of utilise the same existing or new ducting or pipelines installation or structure as support or protection of a service -without the need for to avoid and/ or the need for additional excavations, or installation of a protection or supporting structure except minimal excavation/ construction at junctions or terminals;

**"Quality Control Engineer"** means the person/official/institutional body identified by the Stellenbosch Municipality to coordinate and regulate any work undertaken in those sections of the public road reserves that fall within the Municipal area of the Council;

**"Wayleave"** ~~generally~~ means the formal approval to carry out Work following certain conditions and requirements concerning planned and any existing services within the Public Road Reserve or Municipal Land. in specific positions and during a specific period. The wayleave approval must not be misconstrued as permission to build or install a structures or service or to plant or to connect a service. The onus is on the wayleave applicant or wayleave holder to ensure that he/ she attains all Council required permissions and approval prior to commencing with his/ her Works.

**"Wayleave Applicant"** means the individual or institution or Service Agency organisation who has applied for a wayleave and has not received an approval who currently owns or would own the future Service, who applies for a Wayleave;

**"Wayleave Holder"** means the individual person, institution or organisation Service Agency who is in possession of an approved wayleave issued by -Wayleave Approval Document/Work Permit approved by the Service Co-ordinator Service Co-ordinator;

**"Wayleave Work Approval Document/ Work Permit"** means the signed document/s issued by the Service Co-ordinator Service Co-ordinator, detailing the Work which has been

approved and the period during which the Work shall be carried out, and includes approved drawings/plans as applicable and requirements Conditions of approval;

**"Work(s)"** refers in the Public Road Reserve meansto any underground or overhead installation any activityactivities (irrespective of the size), including the activities provided for in Section 1 of this Code, carried out within the Public Road Reserve and Municipal Land. It includes any project related activities, irrespective of the size of the project.

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### 3. POLICY

#### 3.1 Overview

- 3.1.1 The coordination of Work in the public road reserves and Municipal Land deals with two aspects, namely:
- 3.1.1.1 Planning the time schedule for future Work in the public road reserves so that the Work can be executed in a logical sequence, e.g. avoiding the placement of a Service in a road that was surfaced during the previous month. This could involve new construction, rehabilitation or Routine Maintenance Work;Work; and
- 3.1.1.2 The application for and approval of a Wayleave for the execution of any Work in the public road reserves and in Municipal Land.
- 3.1.2 The co-ordination of Work schedules described under 3.1.1.1 above may result in specific co-ordination issues where the Service Co-ordinatorService Co-ordinator, in consultation with the Quality Control Engineer, has to ensure that an acceptable solution is defined by the Service Agenciet(s) involved.
- 3.1.3 The role of the Quality Control Engineer is to facilitate coordination between the various Service AgenciesAgents. Each Service Agencyt will have its own project leaders and Professional Engineers. They are responsible for the implementation of their projects together with compliance with the Council's policies, procedures and standards.
- 3.1.4 The approval of a Wayleave means that:
- 3.1.4.1 The Wayleave Holder has permission to:
- 3.1.4.1.1 Conduct excavations in the Public Road Reserve place a new Service in the Public Road Reserve;
- 3.1.4.1.2 With attainment of relevant approvals and permissions from other departments as relevant and applicable; Place a new service, upgrade or maintain an existing underground or overhead service within the Public Road Reserve or Municipal Land, under specific requirements and conditions as stipulated in the wayleave;de excavations in the Public Road Reserve;
- 3.1.4.1.3 Obtain approval from the relevant department(s) to de-conduct vehicular and pedestrian control in the Public Road Reserve and in Municipal Land as applicable; and,
- 3.1.4.1.4 de-Conduct excavation Reinstatement Works on the road, walkways, road reserve and other areas and pavement surfaces where excavations have been madeas applicable.
- 3.1.4.2 The Council intends to protect and safeguard all of its infrastructure assets/ services and other services belonging to external service providers, the new Service in its position in install within the the public road reserves and Municipal Landsagainst damage by other parties while working in the public road reserves. However, the Councilit does not take responsibility and cannot be held responsible-liable for any disturbance and/ or damages to the other services belonging to external/ other service providersincurred.
- 3.1.4.3 For any External Services installed within the road reserve and in Municipal Land, Fanyhe cost associated with temporary works, removal, relocating or upgrading –these Service due to Council's or External projects such as developments, upgrades, rehabilitations, etc, those costs –when a road is widened or rebuilt remains with the installed Service Agency that owners the

Service.

- 3.1.4.4 ~~All~~The all associated costs for temporary works, removal, relocating or upgrading of to relocate a Service owned by the Council must be included in the project cost.

### 3.2 Planning Work Time Schedules

- 3.2.1 The necessary procedure that must be followed for planning the time schedule of future Work is as follows:

3.2.1.1 Within a designated time period from the approval of this Policy and publication of the by-laws, each external Service Agency~~ty~~ shall provide to the Council with digital records of all of its services within the jurisdiction of Stellenbosch Municipality for capture into capturing purposes the Council's GIS, of all of its services within the jurisdiction of Stellenbosch Municipality. This will form the basis for all future planning and updating of new installations.

3.2.1.2 ~~By 30 March of each year, the~~The various internal and external Service Agencies~~Agents~~ shall submit Work Plans, for the next 1-year period to the ~~Service Co-ordinator~~Service Co-ordinator.

3.2.1.3 These Work Plans shall show:

- a) The nature of the Work, e.g. the placement of new water-main~~s~~, or the replacement of a water/ sewer ~~line~~networks.
- b) The location of the Work in terms of street blocks and the side of the public road reserves where the Work will be executed, with due regard for the Councils typical cross-section for the public road reserves.
- c) The extent of the Work, i.e. the start and end positions.
- d) The planned timing of the Work, i.e. from month/year to month/year.
- e) Reference to the Work in the latest approved Integrated Development Plan of Council if applicable.

3.2.1.4 The ~~Service Coordinator~~Service Co-ordinator, in consultation with the Quality Control Engineer, shall review the Work plans in order to determine possible conflicts in the planned Work.

3.2.1.5 Before the end of June each year the ~~Service Coordinator~~Service Co-ordinator, in consultation with the Quality Control Engineer, shall schedule a Service co-ordination meeting with the internal and external Service Agencies~~Agents~~ where the identified conflicts will be discussed and resolved.

~~3.2.1.6 A second co-ordination meeting may be held in July/August to resolve any changes that may have resulted out of the budget approval process.~~

### 3.3 Basic Wayleave Procedure

- 3.3.1 The basic procedure that is required for Work in the public road reserves and in Municipal Land is as follows:

3.3.1.1 Permission to work in the public road reserves and/ or in Municipal Land must be obtained from the ~~Service Coordinator~~Service Co-ordinator through a formal Wayleave application in the form of a letter describing the Work to be done with details and design drawings/plans.

3.3.1.2 The Wayleave Applicant must first~~ly~~ obtain Service plans, indicating the

positions of existing Services from the Service ~~Agencies~~ Agents / -Owners identified by the ~~Service Coordinator~~ Service Co-ordinator, where available. The Service plans must indicate the positions and type of Services in the area where Work will be undertaken. It may be necessary for the Applicant to carry out certain preliminary Work in order to determine precise positions and dimensions of any existing services which are not clear from the Service Plans which have been consulted.

- 3.3.1.3 The ~~Service Coordinator~~ Service Co-ordinator shall arrange a Services Verification Meeting on behalf of the Wayleave Applicant to meet up with the necessary Service ~~Owner or Agencies~~ Owner or Agents. This will help facilitate the process mentioned in 3.3.1.2. The ~~Service Coordinator~~ Service Co-ordinator shall only arrange a Services Verification Meeting once the ~~the~~ Wayleave Applicant ~~is in~~ is in good standing in terms of any compliance with the Stellenbosch Municipality.
- 3.3.1.4 In the Services Verification Meeting, the Wayleave Applicant and the Service Co-ordinator shall ensure that the control section on the ~~Services Verification Wayleave application form~~ Report form is signed by each Service Agency~~t~~, indicating that in principle whether there ~~is~~ are no objections to the issuing of the Wayleave to the applicant, alternatively where there is an objection then detailed reasons and motivations for such objection must be given. This approval will be subject to technical compliance with the standards of the Service ~~Agencies~~ Agents involved as well as compliance with the standards of ~~the~~ Stellenbosch Municipality and the Work planned by the Council within the area under consideration.
- 3.3.1.5 Once the ~~Services Verification Report control~~ section has been completed by all the Service ~~Agencies~~ Agents, the application must be made for the issuing of a Wayleave Work Permit in accordance with the procedure set out in this document. No Work in the public road reserves may commence before a Wayleave has been approved and a Wayleave Work Permit issued for that Work to the applicant.
- 3.3.1.6 The ~~Service Coordinator~~ Service Co-ordinator, in consultation with the Quality Control Engineer, will review the Wayleave application and prepare a report on the application, with recommendations.
- 3.3.1.7 The ~~Service Co-ordinator~~ Service Co-ordinator shall submit the report to the Manager: Asset Management and Systems detailing the application, the various Service ~~Agencies~~ Agents consulted, their comments received, confirmation of payment of the processing fees and the relevant ~~security deposit~~, and confirmation of the appointment by the Applicant of a Professional Engineer or Technologist if any excavation is involved in the proposed Works, and after consultation with the Quality Control Engineer, the proposed decision, with conditions to be imposed upon approval, or the reasons for refusal.
- 3.3.1.8 Once approved, the decision to approve with conditions, or to refuse with reasons, shall be forwarded by the ~~Service Co-ordinator~~ Service Co-ordinator to the Applicant. In the case of approval, the documents forwarded to the Applicant will ~~include two copies of each of the letter indicating~~ indicate approval of the application and the conditions under which the approval is given, the signed approved plans, signed Site Services Verification ~~Certificate~~ Record form and the signed Wayleave Work Permit ~~form~~. ~~One copy of the letter of approval with Conditions imposed by Council together with the approved plans for a specific project must be signed as accepted by the Applicant and returned for filing~~ The applicant will be required to acknowledge receipt and understanding of the approved wayleave with stated requirements and condition, by signing and returning the signed copy of the approved wayleave.

- ~~3.3.1.9~~ The security deposit must be deposited in a Municipal suspense account for the purpose and will be used to correct unsatisfactory Work or reinstatements if need be.
- 3.3.1.10 The Work must be carried out according to this Policy, ~~any other applicable laws and policies, and the procedures and specifications as referred to in the Conditions of Approval and relevant support documents where applicable.~~
- 3.3.1.11 The Wayleave Work Permit and the Service plans of the Service ~~Agencies~~Agents must be kept on-site while the Work is in progress.
- 3.3.1.12 Additional copies of the Wayleave Work Permit and approval documents may be obtained from the ~~Service Coordinator~~Service Co-ordinator if the Wayleave is applicable to more than one Work area or Work team.
- ~~3.3.1.13~~ Work will be stopped if ~~either~~ the approved Wayleave Work Permit ~~or the Service plans and relevant supporting documents~~ are not available during inspections on-site or if any of the Wayleave Conditions are not being ~~met~~adhered to. Work will be stopped until the required documents are available ~~on-site~~on-site.
- ~~3.3.1.133~~3.3.1.14 Failure to comply with the approved Wayleave Conditions may negatively impact ~~other future wayleave applications being made by the same Service Provider of the same applicant. This may include penalising and withholding wayleave approval of the applicant until the non-compliance he/her rectifies the non-compliance has been rectified.~~
- ~~3.3.1.143~~3.3.1.15 On completion of the Work, all trenches and excavations in the public road reserves must be Backfilled and Reinstated according to the specifications of the Quality Control Engineer, referred to by this document or as specified in the approved wayleave conditions.
- ~~3.3.1.153~~3.3.1.16 On completion of the Work and permanent Reinstatement, a Certificate of Completion signed by the Wayleave Holder's Professional Engineer must be sent to the ~~Service Coordinator~~Service Co-ordinator by the Wayleave Holder.
- ~~3.3.1.163~~3.3.1.17 The Quality Control Engineer must review the Completion Certificate as well as carry out an inspection of the site after receiving the Completion Certificate, and sign the certificate confirming that all conditions have been met.
- ~~3.3.1.173~~3.3.1.18 The applicable guarantee period will be stated in the letter of approval/ conditions (usually 12 months).
- ~~3.3.1.183~~3.3.1.19 Work performed under an approved Wayleave can only be performed in normal working hours (Mondays – Thursdays 08:00-17:00 and Fridays 08:00-15h00). Working after hours, on public holidays or on the weekend is not permitted without authorisation from the Service Co-ordinator and other involved departments, except for cases of Emergency Work. Any unauthorised work performed outside of business hours will attract a penalty as per the approved Municipal Tariffs. This ~~penalty~~penalty will apply and must be settled before any new applications will be accepted from the ~~Wayleave Applicant or non-Wayleave Holder~~Applicant who violated this requirement.
- ~~3.3.1.193~~3.3.1.20 Where work in the road reserve has been performed without an approved wayleave, the penalty as per the approved Municipal Tariffs will apply. This ~~penalty~~penalty will apply and must be settled before any new applications ~~will~~may be accepted from the ~~Wayleave Applicant who is guilty of this violation or non-Wayleave Holder~~Wayleave Applicant who is guilty of this violation.
- 3.3.2 This Code applies to all persons individuals and organisations that who carry out conducts Work in the public road reserves and in-on the ~~Municipal~~ Municipal arealand, of the



~~Council, such as this includes as~~ Internal ~~Municipal~~ Departments, External organisations, Service ~~Agencies~~ ~~Agents~~ and contractors. It ~~does not apply to work in national or provincial Road Reserves within the judicial area of the Council.~~

### 3.4 Work in the Public Road Reserve

- 3.4.1 Work in the public road reserves includes the ~~digging of trench~~ ~~inges~~, tunnelling, erection of signboards, erection of structures, street shaping, planting of trees in the public road reserves and any other Work that may affect motorists, cyclists, pedestrians, the road, footways, kerbing, traffic signs, traffic signals, street lighting, underground or overhead Services or any other structure or Service that is contained within the public road reserves.
- 3.4.2 The types of Work that require approval from the relevant Service ~~Agencies~~ ~~Agents~~ before a Wayleave is granted are deemed to be a provision of a new Service and will be conducted according to the procedures in Section 3.3 above. In general, such Work refers to the positioning of a new Service, excavation in the public road reserves, traffic control and Reinstatement of the roadway and pavements. Examples include inter alia:
- 3.4.2.1 Work relating to the installation or maintenance of underground or overhead Services by Council's Service ~~Agencies~~ ~~Agents~~ like Roads and Transportation, Water and Sanitation, Electricity, Land and Environmental Planning and City Planning.
- 3.4.2.2 Work relating to the installation or maintenance of underground or overhead Services done by non-Council Service ~~Agencies~~ ~~Agents~~ such as telecommunication, data cables, electricity, gas, oil and regional water supply.
- 3.4.2.3 The erection of structures that require approved building plans in terms of the National Building Regulations and Building Standards Act 103 of 1977;
- 3.4.2.4 The erection of advertising signs and structures that require approval in terms of the relevant by-laws;
- 3.4.2.5 Works in the public road reserves, such as the construction of new roads, road widening or accesses to developments, paving, bollards, garden walls, etc. undertaken by developers or private property owners;
- 3.4.2.6 The installation of new connection points for municipal Services, such as water, sewers, electricity and stormwater drainage from developments.
- 3.4.3 The types of Work for which prior wayleave approval from Service ~~Agencies~~ ~~Co-ordinators~~ ~~cannot be obtained due to the nature of theis~~ ~~can be waived~~ ~~ed~~ ~~area~~ ~~are~~ Works ~~is~~ ~~deemed~~ ~~to~~ ~~be~~ Emergency Work and must be undertaken according to the procedures set out in Section 3.17. However, the Applicant who will carry out the Works is required to contact, inform and attained approval (verbal/ written) from the Councils' Service Agents from the operations department as listed in Service Verification Record form. The Applicant is required to complete this form and attain all the required signatures prior or after he/ she is granted approval by the Internal Services Agent and return the completed form to the Service Co-ordinator to finalise the wayleave application.
- 3.4.4 The types of Work that do not include any construction or installation Work are deemed Routine.
- 3.4.5 Maintenance Work ~~and~~ must be executed according to the procedures set out in the Section 3.3 in this document.

- 3.4.6 An application shall also be made in respect of Works classified as Service-Sharing Installations which involve minimal or no excavation. Only if there is absolutely no excavation involved does it become unnecessary to appoint a Professional Engineer to be in control of the Works.

### 3.5 Wayleave

- 3.5.1 ~~All~~ Work in the public road reserves and in Municipal Lands are controlled by a Wayleave. A Wayleave is simply permission to work at a specified time in a specified area in the public road reserves according in accordance with the to approved wayleave conditions and requirements. The wayleave must not be misconstrued as permission to build or install a structures or services or to plant or to connect a service. The onus is on the wayleave applicant or wayleave holder to ensure that he/ she attains all Council required permissions and approvals prior to commencing with his/ her Works applied for in the wayleave. -
- 3.5.2 A Wayleave Application may be submitted for a small or large project that covers Work in any part of the Municipal Area, provided that the position and expected start/end dates of all Work in the public road reserves or Municipal Land are adequately described under the description of the Work to be done.
- 3.5.3 General conditions are stated on the Wayleave form approval aand may include, but are not restricted to, the following:
- 3.5.3.1 Description of Work to be done;
- 3.5.3.2 Timeframe within which the Work must be done and validity period of the approved wayleave;
- 3.5.3.3 Location of Work to be done. (Provision can be made for big projects with multiple locations. The scope of big projects must be limited to manageable portions from the Wayleave perspective. The Service Coordinator/Service Co-ordinator/Quality Control Engineer will be able to direct project managers in this regard;
- 3.5.4 Additionally, there may be Specific conditions relating to the Wayleave which will be stated on or referred to on the Wayleave. Such conditions may include:
- 3.5.4.1 Specific working conditions required in terms of the Occupational Health and Safety Act (Act no 85 of 1993);
- 3.5.4.2 Methods of Work execution in protected roads and precincts; and,
- 3.5.4.3 Reinstatement requirements.
- 3.5.4.4 A Wayleave Work Permit must be obtained before any approved Work may be done in the public road reserves.
- 3.5.5 To obtain a Wayleave, a Wayleave application form must be submitted, together with:
- 3.5.5.1 A traffic control plan showing how vehicular and pedestrian traffic will be accommodated during the execution of the Works in the public road reserves, where applicable.
- 3.5.5.2 Digital Two (2) ecopies of the design drawing/plans showing details of the proposed Work. An additional legible digital copy is also required.
- 3.5.5.3 Subject to 3.5.7 below, proof of payment of the required processing and inspection fee(-s) and the applicable deposit or submission of proof of sureties already held by the Council over the Work.
- 3.5.5.4 Proof of appointment of Professional Engineer or Technologist appointed to monitor the construction and Reinstatement and to provide a Completion

Certificate once completed.

- 3.5.5.5 Proof of valid, appropriate and sufficient public liability insurance and indemnity insurance.
- 3.5.6 Details required on the design drawing referred to in 3.5.5.2 are:
- 3.5.6.1 A clear depiction of the proposed Work.
- 3.5.6.2 Indication where Services are to be installed and the depth of the Service below the surface level of the relevant portion of the public road reserves.
- 3.5.6.3 Distance of the Service from the public road reserves boundary (i.e. the property boundary).
- 3.5.6.4 Position and extent of all structures, including underground structures such as manholes, chambers and junction boxes.
- 3.5.6.5 The location of all other Services in the public road reserves in relation to the proposed services to be installed. Services are located by obtaining information from the Service ~~Agencies~~Agents within the Council and by doing cross-cuts where required. The use of cross cuts, as explained in paragraph 3.14, is strongly recommended.
- 3.5.6.6 A Wayleave Work Permit will only be issued once all the requirements have been complied with and will be subject to any conditions specified in Section 3.3 and issued in terms of this Policy.
- 3.5.7 When the Wayleave Applicant is an Internal Council Department, then the Wayleave Applicant or Wayleave Holder is responsible and shall provide a written assurance that they will be responsible for obtaining the deposit or proof of sureties (see 3.5.5.3) and the appointment, either internally or externally, of a suitably qualified engineer to supervise the project (see 3.5.5.4) that are required to protect the Council's interests.
- 3.5.8 The application for a Wayleave must be submitted timeously to ensure that the Wayleave can be issued before the Work is programmed to start. **WORK BEING CARRIED OUT IN THE PUBLIC ROAD RESERVE RESERVE OR ON MUNICIPAL LAND WITHOUT A WAYLEAVE MUST BE REPORTED TO THE ~~SERVICE CO-ORDINATOR~~SERVICE CO-ORDINATOR AND WILL BE STOPPED BY THE COUNCIL OFFICIAL ON SITE.** A copy of the Wayleave Work Permit and other supporting documents as defined must therefore always be on site when Work is being done in the public road reserves and on Municipal Land.
- 3.5.9 The ~~Service Co-ordinator~~Service Co-ordinator will strive to limit the duration of the application review approval process to thirty (30) **working** days.
- 3.5.10 The Wayleave Holder accepts full responsibility for all costs (Refer to Section 3.10) associated with and resulting from the Work carried out in the public road reserves.
- 3.5.11 Only Work described in the Wayleave Work Permit may be executed. If the conditions on-site necessitate a deviation from the planned Work, the ~~Service Co-ordinator~~Service Co-ordinator must be informed before any work is done. These deviations may be in relation to the placement of the Service or the timing of the Works. The ~~Service Co-ordinator~~Service Co-ordinator may inform the Wayleave Holder of additional approvals that must be obtained from the Service ~~Agencies~~Agents affected by the deviation as well as further requirements in terms of drawings and specifications. Work will only be allowed to continue once the ~~Service Co-ordinator~~Service Co-ordinator is satisfied that all the additional requirements have been met.
- 3.5.12 The Wayleave Holder must complete the Work within the time specified on the Wayleave Work Permit or the approved time extension.

- 3.5.13 A Wayleave Holder who fails to complete the Work within the specified time window will be given a two (2) day notice period to either complete the Work or apply for a time extension.
- 3.5.14 If upon expiry of the notice period referred to in 3.5.12 or 3.5.13 the Wayleave Holder is still in default, the Work will be stopped, and the Wayleave Holder will be given a further specific timeframe by the Quality Control Engineer to make the site safe. If the Wayleave Holder fails to do so the site may be made safe by the Quality Control Engineer, at the expense of the Wayleave Holder.

### 3.6 Existing Services and Planned Services

- 3.6.1 The Wayleave Applicant must submit Service drawings indicating the position of all Services in the area of Work with the Wayleave application form. This information is obtained from the relevant Service [Agencies/Agents](#).
- 3.6.2 Service [Agencies/Agents](#) may require additional precautions relating to Work in the vicinity of their Services and must specify these in writing to the Wayleave Applicant [and included in the approved wayleave conditions](#).
- 3.6.3 As part of the Undertaking/Indemnity on the Wayleave application form, the Applicant has to confirm that the necessary information has been obtained from the Service [Agencies/Agents](#) and undertakes to adhere to the additional conditions laid down by the various Service [Agencies/Agents](#). The control section on the Wayleave application form, signed by the Service [Agencies/Agents](#), will serve as proof that the [Internal](#) Service [Agencies/Agents](#) approved that a Wayleave Work Permit may be issued.
- 3.6.4 The Wayleave Applicant will verify with all [Internal](#) Service [Agencies/Agents](#) whether future Work is planned for the area indicated in the Wayleave application. Such planned Work may dictate whether a Wayleave is approved and the conditions under which a Wayleave is approved. The planning horizon will depend on the planned life of the new Service as well as the Council's [five-year/five-year](#) Work plan.

### 3.7 Road Categories

- 3.7.1 All roads are classified into one of the functional categories described below. The functional category of a road determines the Backfilling and Reinstatement specifications applicable to that road.
- 3.7.2 The following definitions apply for the road categories:

Category	Road Type	Administration
1	National Roads Primary – (inter) provincial Urban Freeway/Motorways	SANRAL PGWC PGWC
2	Primary – (inter) provincial Major (inter) urban arterials	PGWC PGWC
3	(Inter) district connectors Minor (intra) urban arterials	PGWC PGWC
4	Major and minor collectors Inter neighbourhood distributors	PGWC <a href="#">Service Coordinator/Service Co-</a>

	Intra neighbourhood distributors	<a href="#">ordinator</a> (STM) <del>Service Coordinator</del> <a href="#">Service Co-ordinator</a> (STM)
5	Residential streets	<del>Service Coordinator</del> <a href="#">Service Co-ordinator</a> (STM)

3.7.3 All roads will be categorised into one of the above by the Council. For a specific road, this information can be obtained from the Quality Control Engineer.

3.7.4 Work carried out on arterials, major collectors and central business district roads will be restricted to outside the following periods, namely from 6:30 to 09:00 and 15:30 to 18:00, to ensure the free flow of traffic during peak hours. These times apply seven days a week.

### 3.8 Restricted Roads

3.8.1 Over and above the road categories defined in Section 3.7 of this Code, certain roads are further classified as restricted roads (no-dig roads).

3.8.2 Restricted roads are roads across which no digging of trenches is permitted. A road is protected if it has been designated a restricted road by the Council. Roads are designated as restricted when they are of particular strategic importance (Categories 1 to 4 in the new road asset classification) or if they pose special engineering difficulties.

3.8.3 Any road that has been newly constructed, overlaid or resurfaced will be restricted for a seven (7) year period. A list of roads that falls in this category is available from the Quality Control Engineer.

3.8.4 If a road is restricted, it will be indicated as such on the Wayleave Work Approval/Permit.

3.8.5 Restricted roads may only be crossed using trenchless methods. If trenchless methods for some reason cannot be used, special permission to excavate must be obtained from the Quality Control Engineer. These road crossings will only be allowed after hours (Monday to Fridays 6 pm – 6 am, Saturday 2 pm to Monday at 6 pm).

3.8.6 For the purpose of planning Work done by Service [Agencies/Agents](#), categories 4 and 5 may be regarded as unrestricted unless they have been newly constructed, overlaid or resurfaced and fall within the protected period and provided that the first 20m from an intersection with any other road category is considered to be restricted.

### 3.9 Protected Precincts

3.9.1 Works in protected precincts are subject to special trenching methods and care to ensure minimal damage to specialised and expensive material and furniture. The Quality Control Engineer will inform the Wayleave Applicant of the required methods and might request that a third-party contractor must be used to carry out the Work.

3.9.2 A list of protected precincts is available from the Senior Manager: Roads and Transport.

### 3.10 Costs [and Tariffs](#)

#### 3.10.1 Administration, [& Supervision](#), [Fees](#) [Non-compliance and Illegal Works Tariffs](#)

3.10.1.1 The administration and supervision fees are the tariff amounts that are

payable by the Applicant upon submission of a Wayleave application form. These fee amounts will be determined by the Council on the recommendation of the Quality Control Engineer from time to time, ~~and as~~ included in the Municipal Tariffs.

~~3.10.1.2~~ The administration and supervision fees ~~covers~~cover the Council's costs for Work done by the ~~Service Co-ordinator~~Service Co-ordinator to process the Wayleave application and for regular site inspection to ensure compliance and attending to related queries from the Wayleave Holder.

~~3.10.1.3~~ The non-compliance Tariffs will be issued to the Wayleave Holder as applicable should Wayleave Holder deviate from the conditions and requirements of the approved wayleave.

~~3.10.1.23~~3.10.1.4 The illegal Works Tariffs will be issued to any individual or organisation or Wayleave Holder as applicable should he/ she be found conducting Works in the road reserve ~~on or on~~ Municipal Land without ~~and~~ approved wayleave or permission ~~to do so.~~

### **3.10.2 Security Deposit Public Liability Insurance**

~~3.10.2.1~~ A refundable security deposit will be charged for each Wayleave being issued. Security deposits will not be charged for Work done by Internal Service ~~Agencies~~Agents (Council Departments) themselves.

~~3.10.2.2~~ The deposit amount will be based on a percentage of the value of Work to be carried out or the greatest value based on the on-site service verification, as per the Council's tariffs.

~~3.10.2.3~~ The Council will have the right to use the deposit to cover costs incurred by the ~~Service Co-ordinator~~Service Co-ordinator in relation to the Wayleave under consideration. This does not detract from the Municipality's legal remedies in enforcing this Policy or by laws.

~~3.10.2.4~~ The Council requires that responsibility remains with the the Wayleave Holder to ensure that any of its contractors or agents engaged in the implementation of the Work in the road reserve and on Municipal Land must be is in possession of an appropriate, valid and sufficient public liability insurance. It is an express condition of this approval that the Wayleave Holder indemnifies and holds the Council harmless against any claims, demands or losses incurred as a result of any work performed in terms of the Application Formas applied for and approved the and under any WW wayleave approval.

~~3.10.2.43~~3.10.2.5 Should the Wayleave Holder damage or leave any of the Council's Infrastructure Services unsafe and fail to notify the Council and rectify it timeously, the Council may rectify the damage using its own resources and materials, and the subsequent costs will be borne by the Wayleave Holder.

### **3.10.3 Reinstatement Cost**

~~3.10.3.1~~ The total cost of the permanent Reinstatement on the site of the installation in terms of the Wayleave Approval/Work Permit will be borne by the Wayleave Holder plus 10% Administration Fee.

### **3.10.4 Other Costs**

~~3.10.4.1~~ Other costs can result from any of the following:

~~3.10.4.1.1~~ Damages to existing Services;

- 3.10.4.1.2 Relocation of existing Services;
- 3.10.4.1.3 Testing of Services and Backfills;
- 3.10.4.1.4 Costs claimed by the Council's Municipal Traffic from external Service ~~Agencies~~Agents for loss in revenue due to disestablished parking bays;
- 3.10.4.1.5 Rentals (Lane rentals during construction and perpetual rental after completion of the Works); (See Tariff)
- 3.10.4.1.6 Services rendered by the ~~Service Coordinator~~Service Co-ordinator in completing Work or altering Work to conform to ~~Wayleave specifications~~Wayleave specifications; and
- 3.10.4.1.7 Claims that may result from the Work. In this case, it is expressly recorded that the Wayleave Holder shall be responsible for any shortfalls in the Security deposit and insurances in respect of any claim arising from the execution of the Works;
- 3.10.4.1.8 Any penalties or tariffs for Non-compliance and Illegal -#Works in terms of the Municipal tariffs (See Tariff) and as stated in this document.
- ~~3.10.4.1.9 Loss of income to the Council as a result of disestablished parking bays (See Tariff).~~
- 3.10.4.2 All such costs will be borne by the Wayleave Holder. An additional 10% Wayleave Administration Fee will also apply.
- 3.10.4.3 A party wishing to dispute the costs charged to him as a result of any of the above reasons will do so at their own cost.

### 3.11 Traffic Control

- 3.11.1 It is the responsibility of the Wayleave Holder working in the public road reserves to ensure that all laws regarding traffic, safety, traffic signs and barricading are complied with while executing Work.
- 3.11.2 The Wayleave Holder working in the public road reserves shall, therefore, take all necessary measures and provide all necessary facilities to ensure an adequately safe and easy passage for traffic and pedestrians through areas in which Work is in progress, or is incomplete.
- 3.11.3 The ~~Service Coordinator~~Service Co-ordinator can request that a traffic management plan be submitted Manager: Transport, Roads and Stormwater for approval. Any such Approved Traffic Management Plan shall be kept available on site.
- 3.11.4 Traffic signs and barricading shall be done according to the latest edition of the Southern African Development Community Roads Traffic Signs Manual.
- 3.11.5 The Wayleave Holder must contact the relevant traffic authority to ensure that all requirements have been met for the particular location where the Work is being done and whether points-men will be required.
- 3.11.6 The importance of adequate traffic signs and barricading is emphasised. These measures are intended to ensure the maximum safety for motorists, pedestrians and workers and also the minimum disruption of vehicles and pedestrians. Worksites must be properly barricaded and signed irrespective of how long the Work will last.

The safety precautions must be maintained for the full time that risks exist in the public road reserves due to Work being performed in the public road reserves.

### 3.12 Road Closure

- 3.12.1 The granting of a Wayleave does not give the Wayleave Holder the authority to close the road completely to traffic. Methods of construction and programmes of Work must, therefore, be determined on the basis that no road, or portion of the road, may be completely closed to traffic for any considerable period.
- 3.12.2 In exceptional circumstances, permission may be granted for the closure of a road or portion of the road to traffic. The Wayleave Holder must apply to the Council separately for approval two weeks prior to the road being closed. A road closure will be approved for a specific period only, i.e. from and to a specific time on a specific date and is only valid for that specific period. If the Work is not carried out in that period, an application for a new road closure will have to be made.

### 3.13 Lane Rental

- 3.13.1 Lane rental refers to the rental of space in the public road reserves for the storage of construction materials, site offices or the closure of lanes for a period exceeding two weeks.
- 3.13.2 Lane rental is managed by the Council's Roads and Transportation Division.
- 3.13.3 The rates for Lane Rentals are to be set by the Council and will be included in the tariffs.

### 3.14 Preliminary Works and Cross-Cuts

- 3.14.1 In respect of all preliminary Work requested by the Service [AgenciesAgents](#) and cross-cuts, the specifications from the relevant Service [AgenciesAgents](#) and in this document must be adhered to before Work will be allowed to start. Such requests include inter alia that:
- 3.14.1.1 The Municipal Traffic Department must always be notified in writing seven (7) working days in advance by the Wayleave Holder.
- 3.14.1.2 The ~~Service Coordinator~~[Service Co-ordinator](#) and the contact person of each Service [AgencyAgent](#) involved must be informed 48 hours prior to commencing with the Work by the Wayleave Holder.
- 3.14.1.3 Alternatively, notice periods specified by the Service [AgenciesAgents](#) must be adhered to.
- 3.14.1.4 The Municipal Traffic Department must be requested to remove parking meter heads where Work necessitates the temporary disestablishment of parking bays with the due agreement for compensation in loss of revenue where applicable.
- 3.14.2 The Applicant may be required to do cross cuts in the area where Work is planned. The purpose of cross cuts is to establish and confirm the position of Services in areas where the information on Services are unclear.
- 3.14.3 A cross-cut is done by excavating a trench that runs from the verge of the road up to the property boundary, perpendicular to the normal direction of Services. Excavation must always be done by hand.
- 3.14.4 The minimum depth of the cross-cut trench is 1 meter below the lowest point of the public road reserves.



- 3.14.5 A separate Wayleave Work Permit approval needs to be obtained for prior preliminary or cross-cut Work to be undertaken.
- 3.14.6 A ~~non-refundable~~ non-refundable Roadway Open Trench Fee will apply as well as outlined in the Municipal Tariffs.

### 3.15 Excavations

The Wayleave Holder shall be responsible for ensuring that:

- 3.15.1 The area that is excavated must always be kept to a minimum. The width of the trench must be uniform in length and depth; in other words, the sides must be parallel and vertical. The top of the trench must be cut with a saw to ensure smooth, uniform edges.
- 3.15.2 All excavations must comply with the statutory requirements for health and safety. The Wayleave Holder must pay specific attention to:
  - 3.15.2.1 Excavations must be executed according to the Occupational Health and Safety Act referred to in Section 5.
  - 3.15.2.2 Excavations deeper than 1.5 m must be shored or V-cut according to the Occupational Health and Safety Act.
  - 3.15.2.3 Excavations deeper than 1.5 m must be registered with the Department of Labour prior to commencement of the Work. The registration includes the scope of the Work, depth of the trench and the construction method (shoring or V-cut method according to the Occupational Health and Safety Act).
- 3.15.3 The minimum depth that any Service may be placed under a road is 800 mm measured from the level of the surfacing of the road to the top of the Service. The minimum depth at any other place in the public road reserves, e.g. on a verge, is also 800 mm measured from the level of the surfacing of the road and not from natural ground level. Services not subject to being laid at a specific grade such as water pipes and cables should not be placed at depths in excess of the 800 mm as this could interfere with future Services that has to be laid at a specific grade, such as sewers and stormwater pipes.
- 3.15.4 All excavated material and equipment must be placed and demarcated in such a way as to cause the minimum disruption to vehicles and pedestrians.
- 3.15.5 The view of motorists must at all times be kept clear of any obstructions such as excavated material, road signs or hoardings.
- 3.15.6 Safe passage must be kept open for pedestrians at all times.
- 3.15.7 Excavation areas must be clearly demarcated with warning signs that allow ample time for motorists and pedestrians to alter their routes.
- 3.15.8 The Wayleave Holder is held responsible for any damage to existing Services. Services, indicated on the drawings or on-site by representatives from the relevant Service Agencies Agents, must be opened by careful hand excavating. If the Services cannot be found, the relevant organisation must be contacted again for further instructions. Under no circumstances may a Wayleave Holder excavate with mechanical equipment before known Services have been found and marked. When found, Services must be marked and protected or supported as required by the owner. If Services need to be relocated, instructions from the owner must be

followed carefully. The Wayleave Holder will be responsible for all relocation costs. If any Service is damaged as a result of the Work, the relevant Service [AgencyAgent](#) and the [Service CoordinatorService Co-ordinator](#) must be contacted immediately.

- 3.15.9 Under no circumstances will the Council be held liable for any incorrect information provided by any external service [agencyAgent](#) or for any damages, losses and claims resulting from such incorrect information.
- 3.15.10 Adequate preventative measures must be taken to ensure that no water (e.g. due to rain) flows into the open trenches since this will result in the weakening of the structural layers of the road. Any water that is present in the trenches must be pumped out before Backfilling. Water must be pumped into the stormwater system and not into sewer manholes. Any material that has become wet must be removed from the bottom of the trench before Backfilling.
- 3.15.11 The Wayleave Holder must prevent foreign materials from entering the drains and ensure that silting does not occur either from pumping operations or as a result of rain. If any silting or other contamination does occur, the Wayleave Holder must clean the drains or request the [Service CoordinatorService Co-ordinator](#) to do it at the cost of the Wayleave Holder.
- 3.15.12 All re-usable materials such as concrete blocks, slabs, kerbs, gutters, channels and stormwater inlets must be removed with care and re-used if possible. Any surplus material must be returned to the Roads and Transportation stores. The address will be available at the [Service CoordinatorService Co-ordinator](#).
- 3.15.13 If any street furniture (e.g. street names, traffic signs, bus shelters, etc.) have to be removed, arrangements must be made with the relevant authority for the removal, storage and re-erection. The cost specified by the relevant authority will be for the Wayleave Holders account.
- 3.15.14 Where excavations are made through entrances to properties, access must be maintained by using steel plates, planks or other temporary bridges of sufficient strength that are adequately secured against movement. The occupants of the properties must be kept informed at all times of how their accesses will be affected.
- 3.15.15 The cleaning up of the construction site and the Reinstated to its previous condition is considered part of the Work and must be completed within 14 days after Reinstatement of the trench has been done. If the Wayleave Holder fails to do so, action will be taken by the Council as indicated in Sections 3.5.12 – 3.5.14.
- 3.15.16 Where a roadway is crossed, a ~~non-refundable~~[non-refundable](#) Roadway Open Trench Fee will apply as well as outlined in the Municipal Tariffs.
- 3.15.17 Where a road crossing is planned and executed the Wayleave Holder shall provide three 110mm ~~dai~~[diameter](#) sleeves and one 160mm [diameter dai](#)-sleeve.
- 3.15.18 Road crossing to be clearly mark and painted in yellow on sidewalk.
- 3.15.19 [BackfillingBackfilling](#) of road crossings: excavated material CANNOT be used to backfill road crossing trenches. The Wayleave Approval will [specify](#)[specify](#) the acceptable backfilling material. All excavated material must be removed from site before backfilling to avoid reuse.

### 3.16 Trenchless Methods

- 3.16.1 If trenchless methods are used, disruption of traffic flow and pedestrian movements can be reduced considerably or totally eliminated. However, it is crucial that the Wayleave Holder using such methods must have all the

necessary equipment and expertise to complete the Work successfully. The trenchless method can be used for all road categories but shall be used for all roads classified as "Restricted" (Refer to Sections 3.7 & 3.8).

- 3.16.1 The position of existing Services must be located accurately. If any Services are damaged, the Wayleave Holder will be responsible for all costs.
- 3.16.2 The depth to the top of any tunnel that is drilled for the installation of new Services must be at least 800 mm measured from the lowest level of the road surfacing.
- 3.16.3 Where a directional drilling is planned and executed the Wayleave Holder shall provide an additional sleeve for future municipal use.
- 3.16.4 Direction drilling to be clearly markmarked and painted in yellow on sidewalk.

### 3.17 Emergency Work

- 3.17.1 Emergency Work is defined as any Work that is required to prevent or end a dangerous situation, to prevent or end an unplanned interruption in the supply of a Service, or to avoid any substantial losses. It is important to note that a lack of proper planning of Work to be carried out will not justify Emergency Work, and such activities will be stopped by the ~~Service Co-ordinator~~Service Co-ordinator.
- 3.17.2 A categorised list of Emergency Work will be maintained by the ~~Service Coordinator~~Service Co-ordinator. It will serve as a guideline for Service ~~Agencies~~Agents as well as the ~~Service Co-ordinator~~Service Co-ordinator in determining whether Work is an Emergency.
- 3.17.3 The ~~Service Coordinator~~Service Co-ordinator will provide an emergency number for the use of Service ~~Agencies~~Agents that requires information on the position of Services in the area where Emergency Work is to be carried out.
- 3.17.4 The ~~Service Coordinator~~Service Co-ordinator must be notified in writing within one working day from commencing with Emergency Work and an Emergency Wayleave application submitted timeously. The Emergency ~~notification certificate~~Wayleave application option and process must be used and followed as state in the Wayleave application form for this purpose. ~~If the Service Co-ordinator is not notified within 24 hours from the first working day, the Work will be reinstated by the Service Coordinator, and the cost thereof will be invoiced against the Service Agency.~~ The Emergency notification document can be obtained from the ~~Service Co-ordinator~~Service Co-ordinator. ~~If the Service Co-ordinator is not notified within 24 hours from the first working day since the time the Emergency Work was discover, this work may be regarded as Illegal and penalised as applicable in the approved Council Tariffs.~~
- ~~3.17.5~~ The emergency notification must always be certified by an Authorised Agent of the Service ~~Agency~~Agent as an emergency situation that requires their immediate attention.

- 3.17.6 Emergency Work must be done in accordance with all procedures as set out in paragraph 3.15 above and specifications applicable to the type of Work as set out in the Municipality's specifications.
- 3.17.7 Backfilling must be done immediately, and full Reinstatement of the area must be done as soon as possible in accordance with the provisions of paragraph 3.19 below.
- 3.17.8 The responsibility remains with the Service [AgencyAgent](#) to ensure that their drawing information is updated according to the alterations made during the Emergency Work.

### 3.18 Routine Maintenance Work

- 3.18.1 Routine Maintenance Work is defined as all types of Work involved with maintaining the Services in the public road reserves and does not require excavation, traffic control or Reinstatement of the public road reserves as part of the Work.
- 3.18.2 A categorised list of Routine Maintenance Work will be maintained by the [Service CoordinatorService Co-ordinator](#). It will serve as a guideline for Service [AgenciesAgents](#) as well as the [Service CoordinatorService Co-ordinator](#) in determining whether Work is Routine Maintenance Work.
- 3.18.3 Such Work can include inter alia:
- 3.18.3.1 Any Work that relates to maintaining the vegetation in the road reserve through cutting planting, removing or relocating of plants.
  - 3.18.3.2 The placement of advertising material on or within structures pre-erected for that purpose.
  - 3.18.3.3 Temporary diversion of traffic for public events, i.e. sport, mass action, parades.

### 3.19 Backfilling and Reinstatement

- 3.19.1 Any trenching activity disturbs the structural integrity of a road or footway. Backfilling and Reinstatement must, therefore, be done in such a way as to ensure that the reinstated trench and its immediate surroundings do not fail structurally, thus resulting in road user discomfort and increased costs.
- 3.19.2 Backfilling refers to the replacement of the structural layers in the trench or excavation and includes the base, sub-base, selected subgrade and subgrade, but exclude the surfacing.
- 3.19.3 Reinstatement refers to replacing the bituminous surfacing or paving blocks in the case of roads, or the paving blocks, paving slabs, bituminous surfacing or grass in the case of footways and verges.
- 3.19.4 Backfilling must in all cases be done by the Wayleave Holder in accordance with the Council's specifications. The Service [AgencyAgent](#) is responsible for the maintenance of the site in a safe condition until the final Reinstatement has been done.
- ~~3.19.5~~ Permanent Reinstatement must be done by all external Service [AgenciesAgents](#) within five (5) working days. Reinstatement of the public road reserves will be done by the Council's Roads, Transportation and Stormwater Sub-Unit only for internal Council Service [AgenciesAgents](#), upon receipt of a notification from the respective Municipal Department that the Work has been completed.

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- 3.19.6 The Wayleave Holder must obtain prior written approval from the Council's Roads, Transportation and Stormwater Sub-Unit for the project specification to be used for backfilling public road reserves. The proposed specification shall be submitted to the Council's Roads, Transportation and Stormwater Sub-Unit, who shall provide written comments on the specification, or an alternative specification, within seven working days after the receipt of the request.
- 3.19.7 Permanent Backfilling and Reinstatement done by the Wayleave Holder will be subject to a guarantee period of one year based on the performance specifications described in the specifications document.
- 3.19.8 If the Reinstatement done by the Wayleave Holder fails during the ~~one year~~one-year guarantee period, the Wayleave Holder will be required to rectify the situation within 14 days of notification. If the Wayleave Holder fails to rectify it, then the Quality Control Engineer will carry out the permanent Reinstatement at the applicable rates defined by the Council and will deduct the costs from the security deposit of the Wayleave Holder.
- 3.19.9 Temporary Reinstatement must be done where the Wayleave Holder leaves the site with the view of returning to complete the Work. The Wayleave Holder must maintain this temporary Reinstatement.
- 3.19.10 The Wayleave Holder may not leave the site for more than fourteen days without permanently reinstating the site.
- 3.19.11 If a Wayleave Holder who leaves the site unattended for more than the period specified in 3.19.10, a penalty fee will be charged. The amount will be determined by the Council.

### 3.20 Certificate of Completion

- 3.20.1 On completion of the Work, the Professional Engineer appointed by the Wayleave Holder must ~~provide~~furnish the Service Co-ordinator as soon as practicable, with the Completion Certificate with information as may be required by the Council to know the exact location and condition of the Service install in/ on its land~~to the Service Coordinator within two working days~~. The Quality Control Engineer will then set up a site meeting with the Wayleave Holder to carry out an inspection and will sign off the Certificate of Completion if all requirements have been met. The 12-month guarantee period for Reinstatements by the Wayleave Holder then commences.
- 3.20.2 Completion of the Work means that all Work has been completed, the Reinstatement has been done by the Wayleave Holder and that all materials, equipment and rubble have been removed and the site is completely cleared and cleaned. Furthermore, it requires that all applicable documentation and as-built drawings as specified on the Wayleave form have been handed to the ~~Service Coordinator~~Service Co-ordinator for recording.
- 3.20.3 If Work involves more than one street link (street block), then a Completion Notice must be submitted after completion of each phase of the Work.

### 3.21 Policy Enforcement

- 3.21.1 Council reserves ~~theits~~ right to exercise its discretion in the implementation and enforcement of this Policy.
- 3.21.2 Notwithstanding any penalty or tariff or remedy expressly provided for in this Policy; the Council reserves the right to exercise any other legal remedy at its may have in

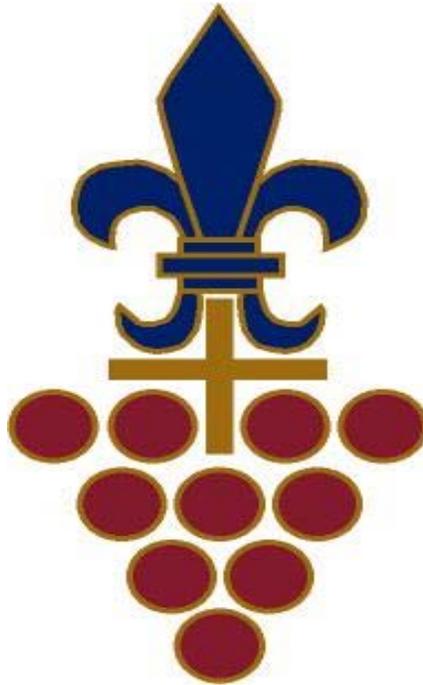
[disposal to](#) enforcing this Policy.

### 3.22 Exemption, Appeal and Revoking

- 3.22.1 The Accounting Officer may, upon written motivation by a Wayleave Applicant or Wayleave Holder or the Wayleave Service Co-ordinating Department, and after having considered any comment and advice on such motivation by other interested parties, authorise a deviation from this Policy or revoking of an approved wayleave. Such deviation or revoking shall be subject to such conditions as the Accounting Officer may stipulate in writing.
- 3.22.2 The Accounting Officer may authorise an amendment to any conditions imposed by the Council in respect of a Wayleave Approval, provided that an application for such amendment shall be referred to all interested and affected parties for comment, which comments shall be duly considered by the Accounting Officer.
- 3.22.3 Any person affected by or having an interest in the administration of this Policy shall have a right of appeal as determined in terms of [Section](#) 62 of the Local Government Municipal Systems Act in respect of any decision taken by the Council.

DRAFT REVIEW NOV 2013

# **STELLENBOSCH MUNICIPALITY**



## **WARD COMMITTEE POLICY**

**2024/2025**

**REVISED**



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## **Policy and Procedures for Ward Committees**

Compiled in terms of the Local Government: Municipal Structures Act, 117 of 1998; Local Government: Municipal Systems Act, 32 of 2000 and 2005 DPLG Guidelines

### **Preamble**

WHEREAS the Municipality is committed to encouraging the involvement of communities and community organisations in its affairs.

WHEREAS the Municipality is a municipality with an executive mayoral system combined with a ward participatory system as set out in section 9(d) of the Act.

WHEREAS the Council has resolved in terms of section 72(2) of the Act to adopt the ward participatory system.

IT IS THEREFORE RESOLVED by the Council as follows.

### **Definitions**

In this Policy and Procedures, a word or expression has the meaning assigned to it in applicable national legislation; otherwise, it has the meaning set out below:

**“the Act”** means the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998);

**“Council”** means Council of Stellenbosch Municipality or the Stellenbosch Town Council;

**“election officer”** means the person in charge of the election of ward committee members at an election meeting, which person must be an official of the Municipality or an impartial person appointed by the Municipality for this purpose;

**“Executive Mayor”** means [insert];

**“geographical area”** means a portion of the ward (e.g. a block of streets) to be served by a ward committee member or more than one ward committee member;

**“Mayoral Committee”** means [insert];

**“Municipality”** means Stellenbosch Municipality;

**“nominee”** means a person nominated in terms of clause 5 for election to a ward committee by a registered voter residing in that ward;

**“out-of-pocket allowance”** means out of pocket allowances to be paid to members of ward committees in respect of their participation in the activities of the ward committees as contemplated in clause 73(5)(c) of the Act; **“Policy and Procedures”** means this document;

**“resident”** means a resident of the ward for which the ward committee was established; and

**“Speaker”** means the Speaker of the Council.

## CHAPTER 1 ESTABLISHMENT AND ELECTION

### 1. Establishment

With effect from a date set by the Municipality, ward committees will be established for all wards.

### 2. Status of ward committees

- (1) The object of a ward committee is to enhance participatory democracy in local government.
- (2) A ward committee:
  - (a) is an advisory body;
  - (b) is a representative structure of the ward;
  - (c) is an independent committee of the community in a ward;
  - (d) is impartial and performs its functions without fear, favour or prejudice;
  - (e) is not politically orientated;
  - (f) as a representative structure of the community, is accountable to the community; and
  - (g) is an integrative umbrella body responsible for coordination of ward developmental initiatives, promotion of accountability and social cohesion.

### 3. Composition of ward committees

- (1) A ward committee will comprise of the ward councillor representing that ward in the Council and not more than 10 other persons elected in accordance with clauses 6 to 10. Gender equity and diversity of interests will be pursued by the election officer. This will be done by drawing the attention of the voters at the start of an election meeting to —the importance of:
  - (a) striving for equal representation of men and women on the ward committee; and
  - (b) having representatives for different communities within the ward on the ward committee in the case of a geographical representation system.
- (3) The Municipality must appoint ward administrators to fulfil the administrative and/or secretarial duties of a ward committee.
- (4) A ward councillor may delegate in writing the chairing of a meeting in his/her absence to a proportional representation councillor or any member of the ward committee.
- (5) A ward committee may extend a standing invitation to a maximum of two individuals who they feel will contribute to a better representivity of the ward committee, as observers to the ward committee.

- (6) The observers mentioned in sub-clause (5) above will have no voting rights during ward committee meetings.

#### 4. Decision on type of ward committee

- (1) When a new ward committee is to be established, the Municipality must determine beforehand whether the particular ward warrants a single election following the geographical representation system, taking into account the diversity of communities as well as the geography of that ward.
- (2) The administration of the Municipality, after consulting with ward councillors, must make a recommendation to the Council in respect of the type of election system to be used for each ward. The Council will decide on the type of election system to be used for each ward.
- (3) In the case of a geographical representation system, the Municipality, in consultation with the ward councillors, must determine beforehand how many ward committee members will be representing each geographical area, taking into consideration the pro-rata numbers of registered voters in each voting district.
- (4) The ward councillor, in consultation with residents, must determine the number of the geographical blocks for the ward taking into consideration the distribution of registered voters in the area.

#### 5. Nomination

- (1) Before the Municipality calls for nominations for a general election of ward committees, an information campaign must be undertaken to inform the public and councillors on all aspects of the election.
- (2) In the case of a geographical representation system, only nominations in respect of and made by a registered individual residing in the particular geographical area will be valid.
- (3) The Municipality must:
- (a) publish a call for nominations for candidates for ward committee elections in one or more of the local newspapers circulating in the Stellenbosch municipal area at least 45 days before close of nominations; and
  - (b) advertise the call for nominations on notice boards in municipal buildings and municipal libraries for a period of at least 30 days.
- (4) A nomination must be accompanied by:
- (a) a written acceptance of the nomination by the nominee in the prescribed format; and
  - (b) a copy of the ID document or ID card of both the proposer and nominee.

#### 6. Election criteria

To be elected as a member of a ward committee, a person:

- (a) must be a registered voter in the ward concerned;

- (b) may not be a member of the Council;
- (c) may not be in the full-time employment of the Municipality;
- (d) may not, on and after the date of nomination, be in arrears to the Municipality for rates and service charges for a period of more than three months;
- (e) may not be someone who, after February 1997, has been convicted of an offence and sentenced to imprisonment for a period of not less than 12 months without the option of a fine;
- (f) may not be someone of unsound mind who has been declared so by a competent court; and
- (g) may not be an insolvent or unrehabilitated insolvent.

#### 7. Election meeting

- (1) Elections will be held according to the type of election system determined by the Council for each ward in terms of clause 4 above.
- (2) On determining the election meeting venue (or venues, in the case of separate meetings), the Municipality must take into account, *inter alia*:
  - (a) the input of the ward councillors and communities concerned;
  - (b) distances for voters to travel;
  - (c) the needs of minority or vulnerable groups to be accommodated on the ward committee; and
  - (d) the existence or not of separate communities within the ward with dissimilar needs.
- (3) After the nominations have closed, the Municipality must:
  - (a) convene an election meeting for and within each ward after confirmation of the election date with the relevant ward councillor; and
  - (b) make public the date, time and place of a ward election meeting by way of official notice in local newspapers as well as loud-hailing in the relevant wards using ~~in~~ all the official languages of the province, as well as through other means of public communication determined by the Council.
- (4) Only residents who are registered voters in the ward concerned may attend and vote at the meeting. Municipal officials and members of the media may attend the meeting but may not vote at the meeting.
- (5) The ward election meeting must be chaired by the election officer.
- (6) Provision must be made for illiterate persons, where applicable.

#### 8. Election procedure

- (1) The ward councillor, if present, may welcome the voters and the candidates and must then take a seat amongst those present at the meeting and refrain from any interference with the proceedings.
- (2) The election officer will then take control of the voting process and explain

the procedure to be followed.

- (3) The nominees:
  - (a) must be introduced by the election officer; and
  - (b) may then be allocated, on an equal basis, time to address the meeting.
- (4) After the nominees for a geographical area have been introduced, the election officer will call for a vote on those nominees.
- (5) If only one person was nominated, the election officer must declare that person elected.
- (6) The election officer must declare elected the nominee who receives a majority of the votes (50% plus one) cast.
- (7) If no nominee receives a majority of the votes cast, a second vote must be taken on the three nominees that received the highest number of votes in the first vote.
- (8) If no nominee receives a majority of the votes cast in the second vote, a third vote must be taken on the two nominees that received the highest number of votes in the second vote.
- (9) If the two nominees receive exactly the same number of votes after the process in sub-clause (8) above, the election officer must determine the elected person by the draw of lots.
- (10) Once all vacancies have been filled, the election officer must indicate to those present their right to appeal, as follows:
  - (a) any such appeal must be lodged with the office of the Speaker within seven days of the election;
  - (b) appeals will be dealt with by an independent person appointed for this purpose by the Speaker and agreed to by the appellant. The findings of the independent person will be binding.
- (11) The ward councillor may at this point in time take control of the meeting to thank everybody present, congratulate the successful candidates and close the meeting, should he/she so wish.

## 9. Voting

- (1) Each community member present may cast one vote for one nominee residing in his/her geographical area.
- (2) Voting will be by ballot paper unless 75% or more of the voters decide to vote by show of hands. This may be determined for the meeting as a whole or for each geographical area separately.
- (3) Where voting is done by show of hands, the nominees for each geographical area must leave the hall for the duration of the election with respect to that geographical area. Informed by previous experiences, the Municipality is kindly advised to use secret ballot in order to avoid any disruptions and intimidation tactics we experienced in the past.
- (4) The ward councillor may vote for a nominee in his/her geographical area.

- (5) The ward councillor may not, before or during the election meeting, influence or campaign for the election of ward committee members.

### **Election (voting) process at election venues**

9.1 The elections will be conducted in accordance with the election (voting) process.

9.2 Only registered voters, whose names appear on the voters' roll of the Ward, where election of a particular Ward Committee are conducted will be eligible to participate in the elections of the particular Ward Committee.

9.3 A registered person can only vote for one organisation/sector and/ one geographical block representative during the election process of a particular Ward Committee.

9.4 A minimum of not less than 2 (two) organisations/sectors to be elected as members of a particular ward committee whilst the balance must be elected from geographical blocks.

9.5 The ratio between organisations/sectors and geographical block representation, also taking into consideration 9.4 above, will be determined by the newly elected Ward Councillor, in consultation with the appointed election officer, taking into consideration the nominations received for the particular ward, upon finalising the list of nominations.

## **CHAPTER 2**

### **TERMS OF OFFICE, VACANCIES AND DISSOLUTION**

#### **10. Term of office**

- (1) The term of office for a ward committee will run concurrently with that of the Council up to the day of the next municipal elections.
- (2) Members of a ward committee will vacate office when a new Council is declared elected.
- (3) The vacation of office by a ward councillor does not affect the term of office of the 10 members elected in accordance with clauses 5 to 9.
- (4) A ward committee member may be re-elected, subject to the above sub-clauses.

#### **11. Dissolution**

- (1) The Council may, by notice addressed to a ward committee, dissolve the ward committee when:
  - (a) it fails to meet three consecutive times as per schedule of meetings;
  - (b) a majority of members, in terms of a vote taken at a ward committee meeting, recommends to the Council that the ward committee be dissolved; or
  - (c) maladministration, fraud, corruption or any serious malpractice has occurred or is occurring in the ward committee.
- (2) The Council must give prior notice to a ward committee of the intention to dissolve the ward committee subject to a right to reply within 14 days.

#### **12. Termination of membership**

The membership of a ward committee member will be terminated if that member:

- (a) resigns in writing;
- (b) is no longer qualified, in terms of clause 6 above, to be a member of a ward committee;
- (c) is removed from office by the Speaker in terms of clause 13; or
- (d) dies.
- ~~(d)~~(e) Relocates to another ward

### 13. Removal from office

The Municipal Council may remove a member of a ward committee from office, after consideration of the Speakers recommendation to Council, based on an internal investigation by the office of the Speaker. Said internal investigation must be based on the "Audi Alteram Partem" rule. Grounds for removal as follows:  
Municipal Council, upon recommendation by the Speaker, Speaker can remove a member of a ward committee from office if that member:

- (a) fails to attend three consecutive meetings without obtaining leave of absence from the ward committee;
- (b) deliberately fails to adhere to meeting procedures or is guilty of gross misconduct during ward committee meetings;
- (c) is involved in proven and malicious activities undertaken solely to undermine the authority of the Council or the ward councillor; or



- (d) is engaged in corruption or deliberately fails to disclose a material conflict of interest.

#### 14. Filling of vacancies

- (1) The Speaker must fill the vacancy by declaring elected the person who received the second highest number of votes in the geographical area concerned during the election held in terms of clause 8.
- (2) If nobody can be declared elected in terms of sub-clause (1) above, the ward committee may, by means of an information campaign in the relevant geographical area, call for qualifying nominations from that area, consider the nominations received and by a majority vote of the members present, fill the vacancy through a process of co-option.
- (3) The intention to fill a vacancy through a process of co-option must be placed on the ward committee's agenda beforehand, and the agenda must be circulated to members at least seven days before the meeting.
- (4) The geographical area representation of the member who vacated his/her position must be taken into account when filling a vacancy.
- ~~(5)~~ A person co-opted as a ward committee member must comply with the criteria stipulated in clause 6 above.
- ~~(5)~~~~(6)~~ The ward committee vacant post will be filled within a month after the vacancy has occurred.

### CHAPTER 3

#### POWERS AND FUNCTIONS AND CONDUCT OF MEMBERS

#### 15. The role of the Speaker

The Speaker:

1. Must ensure effectiveness and functionality of ward committees and other public participation processes in terms of section 37(k) of the Municipal Structures Amendment Act (2021);
  2. Must ensure that ward committees are established within hundred and twenty (120) days after the election of municipal councils in line with The hundred and twenty (120) days are calculated from the day on which the Independent Electoral Commission (IEC) declares the results of the Local Government Elections;
  3. If the Municipality fails to establish ward committees, the Speaker must write a letter to the MEC for Local Government requesting extension. The MEC is required in terms of section 73 of the amended Structures Act to reply and indicate whether the extension has been granted or not within fourteen (14) days.
- (1) is the patron/custodian of ward committees;
  - (2) must ensure that ward participatory structures are established in line with the set guidelines and applicable legislation;
  - (3) must in collaboration with ward councillors regulate and monitor the frequency of ward committee and community report-back meetings;

- (4) must through his/her office ensure functionality of ward committees;
- (5) must ensure that the local government environment is conducive to active citizen participation in governance at local level;
- (6) must ensure ongoing training and capacity building programmes; and
- (7) must set deadlines for submission of ward committee reports.

**16. Powers and functions of ward committees**

- (1) A ward committee may make recommendations on any matter affecting its ward to the ward councillor or through the ward councillor to the Council, the Mayoral Committee or the Executive Mayor.

- (2) The following functions and powers are delegated to ward committees by the Council in terms of clause 59 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000):
- (a) to serve as an official specialised participatory structure in the Municipality;
  - (b) to create formal unbiased communication channels as well as co-operative partnerships between the community and the Council. This will be achieved by:
    - (i) advising and making recommendations to the ward councillor on matters and policy affecting the ward;
    - (ii) assisting the ward councillor in identifying challenges and needs of residents;
    - (iii) disseminating information in the ward concerning municipal affairs such as the budget, integrated development planning, performance management system (PMS), service delivery options and municipal properties;
    - (iv) receiving queries and complaints from residents concerning municipal service delivery, communicating these to the ward councillor and through him/her to the Council;
    - (v) ensuring constructive and harmonious interaction between the Municipality and community through the use and co-ordination of ward residents' meetings and -other -community development forums; and
    - (vi) interacting with other forums and organisations on matters affecting the ward; and
  - (c) to serve as a mobilising agent for community action within -the ward. This may be achieved by:
    - (i) attending to all matters that affect and benefit the community;
    - (ii) acting in the best interest of the community; and
    - (iii) ensuring the active participation of the community in:
      - (aa) service payment campaigns;
      - (bb) the integrated development planning process;
      - (cc) the Municipality's budgetary process;
      - (dd) decisions about the provision of municipal services; and
      - (eee) decisions about by-laws.
- (3) No executive powers will be delegated to ward committee members.
- (4) A ward committee majority may express dissatisfaction to the Speaker in writing on the non-performance of a ward councillor.

**17. Subcommittees**

- (1) A ward committee may establish one or more subcommittees necessary for the performance of its functions and may involve organisations more broadly.
- (2) A ward committee must:
  - (a) appoint the members of such a sub-committee;
  - (b) appoint the chairperson of such a sub-committee from amongst its members; and
  - (c) determine the function of such a sub-committee.
- (3) Meetings of the ward committee and its sub-committees may serve as a ward forum for major discussions.
- (4) Stakeholders in the ward may apply to the ward committee to participate in sub-committees that are relevant to their fields of interest and to their day-to-day functioning as a sector.

**18. Conduct of members**

A member of a ward committee:

- (a) must perform the functions of the committee in good faith and without fear, favour or prejudice;
- (b) may not use the position or privileges of a member for private gain, or to improperly benefit another person;
- (c) may not act in any other way that compromises the credibility, impartiality, independence or integrity of the committee;
- (d) must adopt the principle of accountability to the community and the Council regardless of political affiliation;
- (e) must be accessible to the community and ensure that all role players can relate to the process and the issues at hand and are able to provide their input in respect of the processes of the ward committee;
- (f) must adopt the principle of transparency to promote openness, sincerity and honesty among all the role players in a participative process and promote trust and respect for the integrity of each role player and a commitment by all to the overriding objectives of the process in the interest of the common good;
- (g) must recognise diversity with empathy for the differences associated with race, gender, religion, ethnicity, language, age, economic status and sexual orientation;
- (h) must consider all views and opinions in the process of community participation. Special effort should be made to include previously disadvantaged persons and groups, including women and youth in the activities of the ward committee; and
- (i) must provide an apology with a valid reason to the chairperson of the committee or the ward administrator if he/she cannot attend a meeting.

## CHAPTER 4

### WARD COMMITTEE MEETINGS

#### 19. Chairperson

- (1) Subject to clause 3(4) above, ward committee meetings are convened and chaired by the ward councillor.
- (2) Members of the ward committee must, well in advance of a ward committee meeting, not less than 72 hours prior to the meeting submit substantive items to be discussed to the chairperson.
- (5) The chairperson will be responsible for preparing an agenda for ward committee meetings.
- (6) The chairperson will determine when and where a ward committee meets, subject to sub-clause (5) below.
- (7) A ward committee should meet on a monthly basis, but must meet at least quarterly.

#### 20. Purpose of ward committee meeting

- (1) The purpose of ward committee meetings is:
- (a) For ~~ward committee members to raise~~, formulate and table matters affecting the ward or geographical area / sector;
  - (b) for the ward councillor to report on:
    - (i) matters decided by the Council; and
    - (ii) initiatives, information, campaigns and programmes of the Council;
  - (c) to discuss complaints received by ward committee members on municipal service delivery in the ward; and
  - (d) to formulate views and action plans on the above matters.

(2) Number of meetings

- (a) at least two ward committee meetings per quarter; and
- (b) two (2) public meetings per calendar year with one meeting during the first half of the year and the other during the second half of the year.

~~(d)~~

#### 21. Quorum and decisions

- (1) 50% plus one of the serving ward committee members must be present before a vote may be taken on any matter.
- (2) A ward committee must endeavour to adopt its decisions on the basis of consensus.
- (3) If consensus on any matter cannot be achieved, such matter may be determined by a supporting vote of at least the majority of the members with voting rights.

#### 22. Procedures

- (1) A ward committee with a supporting vote of the majority of its serving members may determine its own procedures subject to any directions of the chairperson.
- (2) Meetings of a ward committee are normally open to the public.

**23. Work programme**

A ward committee must:

- (a) submit a work programme with specific outputs for one year to the office of the Speaker or other designated political functionary in July of each year;
- (b) perform the functions as set out to achieve and indicated in the work programme:
  - (i) on its own initiative;
  - (ii) on request by the ward councillor;
  - (iii) on request by the Speaker or other designated political functionary;
  - (iv) in accordance with priorities and reasonable timeframes determined by the Speaker or other designated political functionary.

**24. Administrative support**

- (1) The Municipality must make administrative and secretarial arrangements to enable ward committees to perform their functions and exercise their powers effectively.
- (2) The Municipality may put in place conditions, such as periods of notice of meetings, in order to organise administrative and secretarial support to the ward committee.
- (3) In the case where the Municipal Manager receives correspondence from a ward committee, he/she must give feedback to the ward councillor concerned (with a copy to the Executive Mayor) on the information or action required within 14 days of receipt of the correspondence.
- (4) Ward committees are entitled by prior arrangement to the free use of venues in municipal buildings in order to hold official meetings.

**25. Budget**

- (1) Members of ward committees will be reimbursed for out-of-pocket expenses as contemplated in clause 25(2)(a) ~~(ei)~~ below.
- (2) The Municipality will annually budget for the reimbursement a stipend of R500? per month per ward committee member subject to the following: of:
  - (a) out-of-pocket expenses for members of ward committees in respect of their participation in ward committees subject to the following criteria as approved by the Council on 20 June 2012 and revised by the Council on 28 October 2015: attending of meetings as per the ward committee schedule of meetings;
  - (b) performing of functions as contemplated in clause 16 above;
  - (c) the maximum reimbursement of R 1 500.00? can be paid at the end of each quarter after verification (meaning in the first two weeks of the new quarter) to ward committee members in person and not to organisations that she or he represents (For eg, this means that payment for the quarter October – December of the particular year

will be made during the first two weeks of January of the next year).  
The amount payable is dependent on the attendance of ward meetings by the respective ward committee member. The payment will be done after the completion of the entire verification process.

- (d) that reimbursements only be paid on verification of attendance register of meetings and that reimbursements will only be electronically transferred to the bank account of the relevant ward committee member(s);
- (e) that non-attendance of ward committee meetings and/or non-performance of functions as stipulated in clause 16 above without a valid reason be reported to the Speaker;
- (f) ward committee members will only be paid for attendance of meetings after the proper verification. Failure to attend meetings will result in no payment;
- (g) that ward committee members may elect not to be reimbursed. This confirmation must be submitted in writing on a quarterly basis by the respective ward committee member who chooses not to be reimbursed.
- ~~(i) that 14 ward committee meetings, which will comprise one ward committee meeting every month and one open public meeting every semester (every six months) be identified and approved by the ward committee as paid meetings and that each serving member present at these meetings be paid an out-of-pocket allowance of R350.00.~~



per meeting (R350 x 14 = R4 900.00). Payment of out-of-pocket allowances will be made quarterly;

- ~~(i) that the reimbursement amount be paid to the ward committee members in person and not to organisations that they represent.~~
- ~~(ii) that reimbursements only be paid on verification of the attendance register of meetings attended and that reimbursements only be electronically transferred to the bank account of the relevant ward committee members; and~~
- ~~(iii) that ward committee members may elect not to be reimbursed.~~

## 26. Accountability

A ward councillor must:

- (a) ensure that full and proper records are kept of the minutes of ward committee meetings;
- (b) ensure that the ward committee's available resources are properly safeguarded and used in the most effective and efficient way;
- (c) ensure that all statutory measures applicable to the ward committee are complied with;
- (d) ensure that all recommendations and comments made by the ward committee are formalised and submitted to the office of the Speaker or other designated political functionary for presentation to the Council or conveyed timeously to the appropriate external decision-making authority;
- (e) report a view adopted by the ward committee to the Council, but may indicate his/her agreement with the view in the report;
- (f) ensure the production of a progress report on major achievements and areas of failure, with reasons, within two months after the end of the financial year;
- (g) submit the progress report to the Speaker or other designated political functionary for a review of the performance of the ward committee; and
- (h) implement any corrective measures to ensure effective and efficient performance of the ward committee as suggested by the Speaker or other designated political functionary.

## 27. Dispute resolution

The following mechanisms are recommended when disputes arise within ward committees:

- (a) every effort should be made to deal with disputes;
- (b) when a dispute arises, the ward councillor should notify the Speakers office, after which the Speaker must attempt to resolve the dispute through a process of mediation. ~~the ward councillor should appoint a person or persons, the maximum being two, to attempt to resolve the dispute through mediation;~~
- (c) if the attempt at mediation fails, the Speaker may choose to arbitrate or appoint an independent arbitrator to facilitate the process. ~~the matter should then be submitted to the ward councillor who should arbitrate, provided that the matter does not involve the ward councillor and the majority of the members of the ward committee; and~~
- (d) if the majority of the members of the ward committee remain aggrieved, the matter should be brought to the attention of Council ~~taken to the Council~~ the via office of the Speaker whereafter Council must make final resolution ~~through a channel decided upon by the Council or through the office of the Speaker or other designated political functionary. This should be avoided as far as possible.~~

**CHAPTER 5**  
**PUBLIC MEETINGS (WARD MEETINGS)**

**28. Chairperson**

- (1) Public meetings (ward meetings) are chaired by a ward councillor. A ward councillor may delegate in writing the chairing of the meeting to a proportional representation councillor or any member of the ward committee.
- (2) A ward councillor in consultation with the ward committee determine when and where the meeting will be held, subject to sub-clause (3).
- (3) A public meeting must be held at least twice per calendar year.

**29. Purpose of ward/public meetings**

Public meetings are mainly held in order to:

- (a) register the concerns and inputs of the community with regard to service delivery, general development of the community, disaster management and any other municipal concern the community may have; and
- (b) report back to the public on issues that affect it.

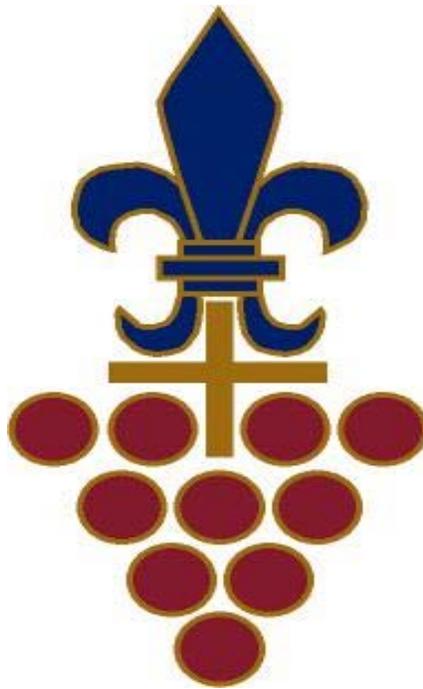
**30. Meeting arrangements**

- (1) If a ward committee decides to hold a public meeting it may publish a notice in a newspaper circulating in the area concerned, stating the time, date and place of the meeting and inviting the public to attend the meeting.
- (2) The scheduled date, time and place of the public meeting should be convenient so as to encourage the greatest number of people to attend. The venue must be:
  - (a) in a well-known place;
  - (b) easily accessible and, where possible, also disabled-friendly; and
  - (c) large enough to accommodate all people present.
- (3) When the ward committee publishes a notice, it must communicate the contents of the notice, where appropriate, by electronic media or other appropriate means of communication, such as direct mail and posters or notices in key areas such as clinics, schools, bus stops and libraries in the area concerned.

- (4) At the public meeting, a representative of the ward committee must:
  - (a) explain the meeting procedures, such as the adoption of the agenda and the time allowed for questions;
  - (b) explain the issues the ward committee has to consider, including any options open to the ward committee;
  - (c) allow members of the public attending the meeting to present their views on these issues;
  - (d) answer relevant questions;
  - (e) keep minutes of the meeting and inform the public that ward committee meeting minutes and public meeting minutes are public documents, and that the members of the community have access to these documents and may make copies at their own cost; and
  - (f) give feedback on previous issues, including reasons if there is a lack of progress.

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# **STELLENBOSCH MUNICIPALITY**



## **GRANT-IN-AID POLICY**

**2024/2025**

**UNCHANGED**



# STELLENBOSCH MUNICIPALITY

## GRANT-IN-AID POLICY

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## 1. DEFINITIONS

“**Appendix A**” means the application form for Grant-in-Aid, detailed more fully below, and provided for in clause 5.2.

“**Appendix B**” refers to the template for feedback reporting, and provided for in clause 8.2.

“**Appendix C**” refers to the memorandum of agreement (MOA), detailed more fully below, and provided for in clause 10.

“**Capacity building**” Capacity building refers to a process which enables human beings to realize their potential, build self-confidence and lead lives of dignity and fulfillment.

“**Community Based Organization (CBO)**” are nonprofit groups that work at a local level to improve life for residents. The focus is to build equality across society in all streams including, but not limited to – health care, environment, quality of education, access to technology, access to spaces and information.

“**Early Childhood Development (“ECD”) Facility**” means any place, building or premises, including a private residence, maintained or used partly or exclusively, for the reception, protection and temporary or partial care of more than six children that shall be registered, managed and maintained in terms of the Children’s Amendment Act, 41 of 2007.

“**Emerging Organisations**” are organisations which have been established within the past five years of the application in question.

“**Grant-in-aid**” means a grant-in-aid or allocation, as referred to in Section 12, 17 (3) (j) (iv) of the MFMA, made by the municipality to any organisation or body referred to in Section 67(1) and to be utilised to assist the municipality in fulfilling the Constitutional mandates including social developmental and arts and culture programmes as set out therein.

“**Local Agenda 21**” means the international program, adopted by South Africa to put sustainable development into practice.

“**Memorandum of agreement (MOA)**” means the agreement entered into between the municipality and any organisation or body which receives a Grant-in-Aid in terms of this Policy and **Appendix A**.

“**Non-governmental organisation (NGO)**” means a non-governmental organisation (NGO) that is a legally constituted non-profit organisation that operates independently from any form of government.

“**Non-profit company (NPC)**” means a company whose Memorandum of Incorporation must set out at least one object of the company and each such object must be either a public benefit object or object relating to one or more cultural or social activities, or communal or group interests as required by Item 1(1) of Schedule 1 of the Companies Act, 71 of 2008.

“**Non-profit organisation (NPO)**” means a non-profit organisation registered in terms of Section 13 of the NPO Act, 71 of 1997, established for public purpose and which income and

property thereof is not distributable to its members or office-bearers, except as reasonable compensation for services rendered.

**“Public Benefit Organisations (PBO’s)”** refers to organisations approved in terms of section 30 of the Income Tax Act, 28 of 1997 and established as

- a non-profit company which has a memorandum of incorporation as a founding document
- a trust which has a trust deed as a founding document or
- an association of persons which has a constitution as a founding document.

**“Stellenbosch Environmental Management Framework (SEMF)”** means legal and moral obligations of Stellenbosch Municipality as it relates to the environment, and provides a dynamic vision, goals and objectives, and spatial and strategic directives towards giving effect to such obligations.

**“Seriousness of discrepancies”** means that the following not exclusive matters will be taken into consideration when council exercise their prerogative to determine the level of sanction:

- The level of perceived misguidance and misrepresentation
- The level of perceived premeditation linked to the discrepancy
- The discrepancy is criminal in nature

## **2. PURPOSE, AIMS AND OBJECTIVES**

- 2.1. This policy aims to provide a framework for Grant-in-Aid to non-governmental organisations (NGOs), community-based organisations (CBOs), non-profit organisations (NPOs) or non-profit companies (NPC), Public Benefit Organisations (PBO’s) in so far as to alleviate the burden on municipal cemeteries and bodies that are used by government as an agency to serve the poor, marginalised or otherwise vulnerable as envisaged by Sections 12, 17 and 67 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003).
- 2.2. The purpose of the Grant-in-Aid Policy is to complement the goals, objectives, programmes and actions of the Stellenbosch Municipality’s Integrated Development Plan (IDP), in order to create a sustainable, credible and caring municipality by empowering and building communities and enhancing growth and sharing through partnerships. Priority ward needs as identified through Council’s IDP MUST be the guiding factor in developing these partnerships.
- 2.3. Grant-in-Aid should not duplicate services already provided for by Council or which falls within the geographical jurisdiction in which Council operates, being WC024.
- 2.4. Grant-in-Aid should improve the opportunity for Council to elicit the support of external organisations to deliver those services to communities which fall within the Council’s area of responsibility in a way that allows the Stellenbosch community and town to create an enabling environment for community development.



### 3. LEGAL FRAMEWORK

All transfers of funds in terms of this policy shall comply with the: Constitution of the Republic of South Africa, 1996 as amended (Constitution); Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) as amended (MSA); Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA); and any other applicable legislation, regulations and policies that may govern the transfer of municipal funds and that are not in contradiction to the above.

### 4. RESTRICTIONS

- 4.1. The Policy applies to all transfers of grants made by the Municipality towards support of services for the poor, marginalized or otherwise vulnerable people. Individuals may not apply for Grant-in-Aid and no payment may be made under this policy to individuals. Council may however set aside a specific amount from which the Municipal Manager, after consultation with the Executive Mayor, may, at his/her discretion, make donations to support individual, meritorious cases in order to assist and/or recognise individual excellence in whichever field. Bursaries to individuals are treated according to the Council's Bursary Policy.
- 4.2. The total expenditure on grants may not exceed 1% of the operational budget of the Municipality.
- 4.3. Grants will only be made for services rendered in the WCO24.
- 4.4. Transfers made to categories A and B
  - 4.4.1. Transfers provided for those listed in Category A below may be made to a maximum of R40 000-00 per organisation or body per annum.
  - 4.4.2. Transfers in Category B may exceed this amount where funding relates to services for homeless persons or addresses specific ward priorities identified and specified in the IDP and upon proper motivation contained in a business plan to address said issue. Consideration for grants larger than R 40 000, 00 requires audited financial statements, schedule of annual costs linked to a business plan as provided for in 6 below. The decision to grant an amount more than R 40 000,00 is solely at the discretion of council and subject to available funds.
- 4.5. Grant-in-Aid transfers/payments shall be restricted to deserving organisations and bodies serving, especially those working with the poor/aged/youth/disabled/women/children, as per the eligible categories in 6.2, provided that such organisations or bodies:
  - 4.5.1. Operate as a separate legal entity and are recognised as such by South African legislation;
  - 4.5.2. Are governed by their constitutions, have regular meetings with their membership and subscribe to sound accounting practices; and

- 4.5.3. Are located and serve communities and individuals who are most in need within the jurisdiction of the Municipality.
- 4.6. No Grant-in-Aid may be made to any political body, rate payers association or for any religious purposes.
- 4.7. No grant will be allocated, under this policy, to organisations or bodies in cases where a member of Council, an official of Stellenbosch Municipality or close relatives of said individuals receive any financial or other gain.
- 4.8. Funds may only be transferred to an organisation or body if provision has been made for the expenditure on the budget or appropriations budget.
- 4.9. An organisation or body is only entitled to one allocation per financial year, but disbursements can be made more often.

## 5. PUBLIC ADVERTISEMENT

- 5.1. The advertisements must meet the following requirements:
  - 5.1.1. The Municipal Manager must, place a public advert in local newspapers distributed in the Stellenbosch Municipal area, calling for proposals.
  - 5.1.2. This advert must be placed in time to complete all relevant processes prior to the approval of the annual draft budget or any adjustment budget in order to invite public comment on the proposed donations prior to the approval of the final or adjustment budget.
  - 5.1.3. Advertisements should clearly specify the categories for which proposals are called, the closing date for applications, who the proposal should be addressed to, and where and how to obtain the relevant documentation pertaining to such applications/proposals, including the prescribed forms.
  - 5.1.4. Advertisements must clearly specify the dates, times and venues of the compulsory briefing sessions as well as the RSVP dates for these sessions. Only organisations who responded to the advertisement by confirming their interest to attend will be accommodated in the compulsory sessions.
  - 5.1.5. Advertisements should also clearly reflect the Municipality's right not to make an award, as well as the fact that awards will not be made to organisations that have received funds in the previous year but have not submitted a final report on the projects or previous expenditure.
  - 5.1.6. The advertisement should also clearly state that final approval is reliant on the approval of the budget and that **no late submissions will be considered.**
- 5.2. Only applications made on the prescribed form, being **Appendix A**, may be considered.

- 5.3. Funds may not be transferred to any organisation or body that has not submitted a proposal in response to a public advertisement and after the attendance of a compulsory briefing session and that have not signed a Memorandum of Agreement with the Municipality.

## 6. GENERAL GUIDELINES AND CATEGORIES

### 6.1. General Guidelines

Funding of applications shall proceed on the basis listed below in response to an advertisement issued after the expiry of the relevant period associated with the specific category and after a compulsory workshop explaining the policy, application process and the required documentation has been attended by the applicants. Subject to the MOA provided for in clause 10, all funding is unrequited, provided there is compliance with said MOA. Funding of application in –

- 6.1.1. Category A will be considered on an annual basis ; and
- 6.1.2. Category B shall be considered on a three year basis subject to a monthly review at the discretion of the Municipality which may result in early termination for unsatisfactory and reckless expenditure.
- 6.1.3. Council in 6.1.1 and 6.1.2 reserve the right not to fund an organisation for two periods in succession and to cancel said funding in accordance with the MOA concluded.
- 6.1.4. Funding applications however will not be considered in the following instances:
- (i) Where a project or organisation is already receiving funds from Council in terms of Council's functions. Applicants are required to disclose other sources of funding;
  - (ii) Where in Council's opinion, an organisation receives sufficient funds from other sources to sustain its activities or the project applied for. For this purpose, organisations must submit financial statements and a budget for the ensuing financial year;
  - (iii) Where only an individual will benefit;
  - (iv) For political or ratepayers organisations/groupings or religious purposes;
  - (v) Projects outside the boundaries of the Municipality;
  - (vi) Where expenses have already been incurred,
  - (vii) Where an applicant did not attend the compulsory clarification session as advertised, and
  - (viii) Where applications were received after the due date and time for submissions.
- 6.1.5. Funding of projects and to organisations shall exclude travel costs, subsistence, accommodation, food or entertainment expenses of any kind, staff salaries, bursaries, payments in lieu of rates or other municipal charges except for where the transport and nutrition is intended for beneficiaries/participants in the projects in question. The Municipality may also exercise their discretion to allow funding to extend to the above costs on

a needs basis for the organisation or body clearly motivated for in the application.

6.1.6. Subsequent requests from applicants to cover overspending on projects will not be considered.

## 6.2. Categories Eligible for Grant-in-Aid

The following categories currently apply. Cognisance should be taken that these categories are not exhaustive. Other than the general guidelines and conditions set out above, categories now indicated may require specific criteria applicable to its projects/programmes:

### Category A

#### 6.2.1. Health

Projects/programmes include the following but are not limited to:

- (i) Public Health interventions inclusive of TB, STDs and HIV/Aids;
- (ii) Preventable lifestyle diseases e.g. drug/alcohol abuse, tobacco related illnesses; and
- (iii) Promotive and preventative services to infants, children and women.
- (iv) Counseling for mental health issues experienced in poorer communities and/or schools.

#### 6.2.2. Environment

**Purpose:** To stimulate the development of sustainable leisure, aesthetic and environmental projects within the municipal area; to increase the awareness of the environment by promoting “Greening of the City”; to promote swimming skills and water safety.

Projects/programmes include the following but are not limited to:

- (i) Voluntary rescue organisations;
- (ii) Facilities created to alleviate the burden on municipal cemeteries
- (iii) Lifesaving clubs and swimming organisations;
- (iv) Environmental groups/organisations; and
- (v) Organisations promoting community involvement as a means of sustaining leisure, aesthetic or environmental projects.
- (vi) Projects which further the Council's aims and the strategies of SEMF (Strategic Environmental Management Framework) and including but not limited to the sustainable management of:
  - o Riverine corridors;
  - o Biodiversity;
  - o Natural and built environment;
  - o Heritage resources;
  - o Quality urban spaces;
  - o Ecological conservation areas;
  - o Urban agricultural complexes;
  - o Bioregional planning;
  - o Nature area management;

- Wetlands;
- Local Agenda 21 projects

#### 6.2.3. **Solid Waste (Cleansing)**

**Purpose:** Waste Reduction and awareness. Projects/programmes include the following but are not limited to:

- (i) Waste reduction and awareness;
- (ii) Educational programmes/projects addressing litter and waste handling; and
- (iii) Waste minimisation solutions.

#### 6.2.4. **Social Development**

**Purpose:** The promotion of projects/programmes which stimulates the Stellenbosch Municipality's Integrated Development Plan (IDP) focusing especially on the needs of the most marginalised sectors in the greater Stellenbosch as identified in the ward priorities.

Projects/programmes include the following but are not limited to:

- (i) Poverty alleviation;
- (ii) Urban renewal;
- (iii) Capacity building of communities;
- (iv) Youth development;
- (v) Women and gender development;
- (vi) Early childhood development where an organization is registered with the Department of Social Development of Education as a functional ECD facility;
- (vii) Early childhood development where an organization is registered as an NPO, but **not registered with the Department of Social Development or Education** then only regarding application content that will contribute towards compliance with registration requirements. In these cases, also up to a maximum of three years by when said organization must be able to illustrate successful registration;
- (viii) Street people programmes;
- (ix) Arts and culture programmes
- (x) Facilitation of public participation processes; arts and culture programmes
- (xi) Development of disabled persons, and
- (xii) Development of elderly people

#### 6.2.5. **Sports and Recreation**

**Purpose:** To stimulate the development of sustainable Sport and Recreation infrastructure and programmes within the municipal area especially targeting disadvantaged communities; encourage creativity and self-reliance on the part of grassroots sport and recreation bodies or groups; to increase participation in sport and recreation programmes and activities.

Projects/programmes include the following but are not limited to:

- (i) Local sport and recreation clubs;
- (ii) School sport teams
- (iii) Local sport and recreation councils or associations

- (iv) Informal sport and recreation groups; and
- (v) Community and non-government organisations.

## Category B

### 6.2.6. Services for persons living on the street

**Purpose:** Provision of shelter and other services for vulnerable individuals living on the street, without homes, in the need of assistance. The Municipality aims to reduce the number of people living on the streets of Stellenbosch and as such the organisation or body's goals should align with this vision. Further the Municipality aims to reduce the socio-economic effects of poverty on the community of Stellenbosch. The organisation or body must therefore present to Council a clear business plan with a comprehensive response to the prevention, reduction, outreach and stabilisation of street people. Organisations or bodies that provide a continuum of services and that collaborate with businesses, government departments and other organisations are preferred.

Projects/programmes must include the following but are not limited to:

- (i) Provision of basic services (overnight facility, shower, morning and evening meals)
- (ii) Provision of social work services inclusive of referrals
- (iii) Provision of social relief and healthy living, trauma, mental and substance support, job rehabilitation, skills development, job creation, readiness and placement services specifically for persons on the streets
- (iv) Family re-integration services
- (v) Social support
- (vi) Community work programmes
- (vii) Facility maintenance (Infrastructure and operational equipment)

### 6.2.7. Projects aligned to the strategic objectives of the municipality as described in the IDP

**Purpose:** The promotion of projects/programmes which stimulates the Stellenbosch Municipality's Integrated Development Plan (IDP) focusing on the strategic objectives of the Municipality and identified ward priorities. The organisation must therefore present to Council not only a clear business plan detailing how they intend to address the specific issue but how they intend to partner with other organisations to achieve a unified approach to that particular challenge. Organisations or bodies that provide a continuum of services and that collaborate with businesses, government departments and other organisations are preferred.

Projects/programmes include the following strategic objectives but are not limited to:

Those listed in Category A that address specific ward priorities identified and specified in the IDP and upon proper motivation contained in a potential plan to address said issue.

- (i) Valley of Possibility
- (ii) Green and Sustainable Valley
- (iii) Dignified Living
- (iv) Safe Valley
- (v) Good Governance and Compliance

## 7. APPLICATION PROCEDURE

Applications and proposal for Grant-in-Aid must be on the prescribed form stated in 5.2 above, a copy of which is attached hereto as **Appendix A for Category A and B**. Applications must be accompanied by a covering letter on the letterhead of the organisation or body, signed by the head of the organisation or body and must include the following information.

- 7.1. The applicant's legal name and a brief description of the applicant organisation's or body's business;
- 7.2. if the applicant claims to be a non-profit organisation, the registration number and the certificate;
- 7.3. the date of establishment, details of the applicant's member founding documents, including constitution and certificates of incorporation;
- 7.4. a contact name, full street address, telephone number and an e-mail address;
- 7.5. if funding is required for a specific project, a brief description of the project what it aims to achieve, as well as the detailed budget for and duration of the project;
- 7.6. a description on how the project aligns with the needs identified in the community through the IDP process and which ward priorities will be addressed through the project;
- 7.7. if the request is for general support, the organisation's or body's overall budget must be included;
- 7.8. references, independent of the applicant and its executive;
- 7.9. most recent audited financial statements (subject to MFMA, section 67(4)) statements; or at least statements signed off by the treasurer and chairperson of the organization in the case of small emerging organizations;
- 7.10. a summary of past achievements;
- 7.11. a declaration by the head of the organization to the satisfaction of the Municipal Manager, that the organisation or body implements effective, efficient and transparent financial management and internal control mechanisms to guard against fraud, theft and financial mismanagement and has in the past complied with requirements for similar transfers of funds; and

- 7.12. notwithstanding the above requirements, the CFO after considering the merits of an application not complying with the minimum application criteria and after consulting the Municipal Manager, may for the purpose of this policy approve a deviation from the norm;
- 7.13. Applications for Category B **must** include a schedule of annual costs for a three year period, a three year business plan and audited financial statements. Note that although a Category B application is approved for a period of three years, the application **MUST** be renewed through repeated annual applications to ensure provision in the budget of subsequent financial years.

## **8. OBLIGATIONS OF THE APPLICANT**

- 8.1. The head of the organisation or body must acknowledge in writing to the Municipal Manager that the money was received in its bank account and that the amount is/will be utilised to the benefit and in accordance with the role of the organisation or body in society. The funds must be used as outlined in the application form.
- 8.2. The organisation or body shall report, if and when required but at least once a year, to the Municipal Manager regarding the activities conducted, the ward within which activities are conducted, as well as the number of people benefiting from the activities on the prescribed template (**Appendix B**).
- 8.3. The applicant must attend a compulsory workshop on the Grant-in-Aid policy and application procedure prior to submission of the application.
- 8.4. The applicant is responsible to confirm the outcome of the application after the approval of the draft budget and lodge an appeal prior to the closing date for comments on the budget if they are of the opinion that the municipality has made a mistake with the assessment of the application. Applicants cannot lodge appeals based on their own mistakes during the application process.
- 8.5. If successful with the application, the applicant must spend funds according to the approved Grant-in-Aid funding request. Should the need change over the funding period, written consent needs to be obtained from the municipality prior to spending the funds on alternative needs. Failure to spend funding on approved projects will result in the applicant being required to return the funding and/or (at the discretion of the municipality depending on the nature and seriousness of the discrepancy) the applicant being excluded from future applications for a period of up to 5 (five) years.

## **9. RIGHTS OF THE MUNICIPALITY**

- 9.1. The Municipality shall be entitled, from time-to-time, to verify and inspect the existence and activities of the organisation or body. The municipality will therefore have the right to physically visit the premises where the organisation, or the funded project, is based; to peruse the budgets and any progress reports related to the project (in contract).



- 9.2. The Municipality shall manage contracts entered into with organisations or bodies by receiving reports and doing the necessary site visits and inspections to ensure that this policy and contract are being complied with.
- 9.3. The Municipality has the right not to give a Grant-in-Aid to any or all organisations applying for grants. Having been awarded a grant previously does not give an applicant the right to receive a grant again.
- 9.4. The Municipality will run proposed donations through a public participation process before final awards are made.

#### **10. AGREEMENT**

Before any funds are transferred to an organisation an agreement (**Appendix C**) must be concluded by the Municipal Manager with the beneficiary to protect the interest of the Municipality.

#### **11. DEVIATION**

This policy constitutes the entire framework for Grant-in-Aid and no deviation will be entertained.

#### **12. COMMENCEMENT**

This Policy takes effect on the date on which it is adopted by the Council of Stellenbosch Municipality.



## APPLICATION FOR GRANT-IN-AID: 2024/25

NOTE: ATTENDANCE OF THE GRANT-IN-AID WORKSHOP IS COMPULSORY

PLEASE COMPLETE THE FOLLOWING (Incomplete applications will not be considered.)			
<b>A</b>	<b>REGISTERED NAME OF ORGANISATION</b>		
<b>B</b>	<b>DATE AND YEAR IN WHICH THE ORGANISATION WAS FOUNDED:</b> (include a brief description of the business or activities of the organization)		
<b>C</b>	<b>ADDRESS OF REGISTERED ORGANISATION</b>		
	<b>PHYSICAL ADDRESS</b>	<b>POSTAL ADDRESS</b>	
	<b>CODE:</b>		<b>CODE:</b>
<b>D</b>	<b>CONTACT DETAILS</b> (Details of the person to contact regarding this GIA application)		
	<b>NAME &amp; SURNAME:</b>		
	<b>POSITION:</b>		
	<b>TEL:</b>	( )	
	<b>MOBILE:</b>		<b>ALTERNATIVE:</b>
	<b>EMAIL ADDRESS:</b>		

<b>E REGISTRATION:</b>				
	<b>Is the organization registered as a NP/NG Organisation / NPC / PBO?</b>	<b>YES</b>		<b>NO</b>
	<b>If YES, please provide the Registration Number:</b> (Attach a copy of the registration certificate or proof of other affiliation where applicable)			
<b>F BOARD/COMMITTEE MEMBERS OF THE ORGANISATION:</b> (List ALL Board/Committee Members of the Organisation) Insert a separate page if the space is not enough).				
<b>1</b>	NAME & SURNAME:			
	POSITION:			
	ADDRESS:			
	CONTACT NUMBER:			
<b>2</b>	NAME & SURNAME:			
	POSITION:			
	ADDRESS:			
	CONTACT NUMBER:			
<b>3</b>	NAME & SURNAME:			
	POSITION:			
	ADDRESS:			
	CONTACT NUMBER:			
<b>4</b>	NAME & SURNAME:			
	POSITION:			
	ADDRESS:			
	CONTACT NUMBER:			

<b>5</b>	NAME & SURNAME:	
	POSITION:	
	ADDRESS:	
	CONTACT NUMBER:	
<b>6</b>	NAME & SURNAME:	
	POSITION:	
	ADDRESS:	
	CONTACT NUMBER:	
<b>7</b>	NAME & SURNAME:	
	POSITION:	
	ADDRESS:	
	CONTACT NUMBER:	
<b>8</b>	NAME & SURNAME:	
	POSITION:	
	ADDRESS:	
	CONTACT NUMBER:	
<b>9</b>	NAME & SURNAME:	
	POSITION:	
	ADDRESS:	
	CONTACT NUMBER:	

<b>10</b>	NAME & SURNAME:				
	POSITION:				
	ADDRESS:				
	CONTACT NUMBER:				
<b>G PREVIOUS FUNDING:</b>					
Have you successfully applied and received Stellenbosch Municipal Grant-In-Aid funding previously?					
If yes for which financial year?					
What amount was received?					
Did you submit Financial Reports for the funds received?					
Do you receive any other sources of funding? (If YES please provide details)					
<b>H CATEGORY A:</b>					
For more information refer to the Grant-In-Aid Policy for general guidelines and categories (Please categorize your application by marking the appropriate category with X)					
<b>HEALTH</b>					
<b>ENVIRONMENT</b>					
<b>SOLID WASTE</b>					
<b>SOCIAL DEVELOPMENT</b>					
<b>SPORTS &amp; RECREATION</b>					
<b>CATEGORY B:</b>					
For more information refer to the Grant-In-Aid Policy for general guidelines and categories (Please categorize your application by marking the appropriate category with X)					
<b>STREET PEOPLE SERVICES</b>					
<b>PROJECTS RELATED TO WARD PRIORITIES IN THE IDP</b> (Please specify)					
<b>I REQUEST FOR FUNDING:</b>					
Is funding required for the ensuing year?		YES		NO	
Is funding required for a specific project? (If YES attach details separately)		YES		NO	
Is funding required for general support? (If YES, attach a copy of the Organisation's Overall Budget)		YES		NO	
Budgeted amount requested					
Duration of project?					

	<b>If Category B Application</b>					
	Total amount requested for 3 year period					
	Annual amounts requested:	Year 1		Year 2		Year 3
<b>J</b>	<b>SERVICE FOCUS</b>					
	<b>Ward number/s in which services are delivered:</b>					
	<b>Which Ward Priority/ies are addressed through the service:</b> (Please provide details below)					
	<b>Describe the services for which funds are requested:</b>					
	<b>Which Municipal Strategic Goal/s is linked to the services:</b> (Please mark with a X)					
	Valley of Possibility					
	Safe Valley					
	Dignified Living					
	Good Governance and Compliance					
	Green and Sustainable Valley					
<b>K</b>	<b>THE FOLLOWING MUST BE ATTACHED TO THIS APPLICATION: (Category A and B applications)</b> (Please use this form as a check-list, to ensure that you comply to the specified requirements)					
<b>1</b>	<b>AUDITED FINANCIAL STATEMENTS</b> (A copy of the latest audited financial statements. Should the organization be classified as an emerging organization, the financial statements MUST be dated and signed by the Treasurer and Chairperson and MUST include a monthly income and expense statement for the months that the organization has been in existence or for the last 12 months)					
<b>2</b>	<b>ORGANISATIONAL CONSTITUTION</b> (A signed and dated copy of the Organisation's Constitution, as well as a signed copy of the <b>Minutes of the AGM/Special Meeting</b> , to verify the acceptance of the Constitution.)					
<b>3</b>	<b>PROJECT PROGRAMME/BUSINESS PLAN</b> (A copy of the project/program description and/or a business plan for the ensuing financial year. Please ensure that the following is included in the project/program and or business plan, by using the below mentioned bullet points as a guide). ❖ Full details of the proposal/project/business plan including objectives; ❖ The number of people who will benefit and how the project/program will contribute or enhance the strategic objectives of Stellenbosch Municipality; ❖ The project/program commencement and completion dates; ❖ Information on the total costs of the project/program budget; ❖ A breakdown of costs and an outline of any contributions by fundraising and / or own contributions; ❖ A list of all other sources of funding together with the assessments; ❖ A summary of past achievements; ❖ Reference independent of the applicant and its executive/board or committee members.					
<b>4</b>	<b>SIGNED AND STAMPED CREDITOR CONTROL FORM</b> (An original signed copy of a correctly completed Creditors Control form of the Stellenbosch Municipality or an electronic generated confirmation of bank details created through online banking)					
<b>5</b>	<b>ACCOUNT ON EXPENDITURE FOR PRECEDING FUNDING</b> (If you have received funding from Stellenbosch Municipality previously, expenditure of the funds received needs to be accounted for with this new application). Please refer to Section M for the format.					
<b>6</b>	<b>PROOF OF REGISTRATION/AFFILIATION</b> (Attach a copy of the organisation's Registration Certificate of Affiliation)					

<b>REQUIREMENTS CATEGORY B APPLICATIONS</b>	
<b>L</b>	(Please note that Category B applications <b>MUST</b> adhere to the following requirements and those listed under section K, except where indicated otherwise.)
<b>1</b>	<b>AUDITED FINANCIAL STATEMENTS</b> A copy of the latest audited financial statements must be included in the application. Category B applications <b>MUST</b> submit their latest audited financial statements. Statements signed off by the treasurer, chairperson or other delegated party will not be accepted.
<b>2</b>	<b>THREE YEAR BUSINESS PLAN</b> See the requirements for the business plan as listed under section K as guideline. NOTE: Category B applications <b>MUST</b> provide a clear proposal for a period of three years. Each year must be indicated separately and be costed per annum indicating all expenditure against the projected measurable outcomes. Outcomes must be listed to how they will be reported on and measured on a monthly basis.
<b>M FORMAT FOR FEEDBACK REPORT</b>	
<b>1</b>	Narrative report on the project including numbers reached, outcomes reached, evaluation of the project indicating successes and failures/lessons learned.
<b>2</b>	Pictures of the project/program.
<b>3</b>	Financial report on expenditure regarding previous donation separate from the annual financial statements. (Attach proof of expenditure).
<b>N THE FOLLOWING SHALL APPLY:</b>	
<b>1</b>	The allocation of Grant-In-Aid will only be considered if the application document has been <b>fully completed</b> and signed and is accompanied by the required and supporting documentation referred to therein.
<b>2</b>	An applicant who has been registered as a NPC, NGO, NPO or PBO with the necessary proof thereof, submitted together with this application.
<b>3</b>	Applicants must in their submission clearly indicate/specify and motivate what the funds will be utilized for.
<b>4</b>	The Grant-In-Aid must be exclusively utilized for the purpose defined and the successful applicant must submit the necessary undertaking to this effect.
<b>5</b>	Applicants must in their submission satisfy the Council of their ability to execute the project successfully.
<b>6</b>	Organisations who have already received financial or other assistance from the Council during the previous financial year <b>MUST</b> specify same in their application.
<b>7</b>	No funding will be considered for political groupings, ratepayers organisations or for religious purposes..
<b>8</b>	No funding will be considered where only an individual will benefit or where a member of Council or an official of Stellenbosch Municipality will receive any financial or other gain.
<b>9</b>	Projects outside the boundaries of the Council will not be considered.
<b>10</b>	Expenditure that will not be funded includes: travel costs (unless it is for the transport of beneficiaries), subsistence, accommodation, food (unless intended for the beneficiaries) or entertainment expenses of any kind, staff salaries including bonuses, bursaries and payments in lieu of rates or other municipal charges.
<b>11</b>	Subsequent requests from the applicants to cover overspending on projects will not be considered.
<b>12</b>	Successful applicants must at all times comply with the provisions of Section 67(1) of the Municipal Finance Management Act no. 56 of 2003 which inter alia stipulates that the organization or body has to:- ❖ Enter into and comply with a Memorandum of Agreement with the Municipality as well as with all reporting financial management and auditing requirements as may be contained in such an agreement. This memorandum of agreement will bind the successful applicant to deliver on what the application speaks to, but also to commit to become involved with municipal programs of the community where it functions. The Memorandum of Agreement will be made available to successful applicants for completion. ❖ Report at least once a year on the actual expenditure of the amount allocated to it. Should monthly allocations be made, monthly reports will be required.
<b>13</b>	The Council reserves the right not to give a Grant-In-Aid to any organization applying for grants. Having been awarded a grant previously does not give an applicant the right to receive a grant again.
<b>14</b>	Funding will not be considered where a project or organization is already receiving funds from Council in terms of Council's functions. Applicants are required to disclose other sources of funding, failing which such applicant will be disqualified.
<b>15</b>	Funding will not be considered where in Council's opinion, an organization received sufficient funds from other sources to sustain its activities or the project applied for. For this purpose, organisations must submit financial statements and budget for the ensuing financial year.
<b>16</b>	Organisations having received funding from Stellenbosch Municipality during the previous financial year, are required to attach to any new application, a copy of the financial statements relating to the year in which the funding was received from Council, as required in terms of Section 17 of the Non-profit Organisation Act, 1997 and Section 67(1) of the Municipal Finance Management Act, 2003 (MFMA).
<b>17</b>	Funding will not be considered where expenses have already been incurred on a project by the applicant. (The Council's Grant-In-Aid Policy must be consulted for the sake of completeness).

<b>O DECLARATION OF INTEREST:</b>	
The beneficiary declares that the following municipal employees and/or councillors have a vested interest in the business of the beneficiary. However, they do not benefit directly from this donation and were not part of the decision making process in the allocation of the donations:	
<b>Name &amp; Surname:</b>	
<b>Designation:</b>	
<b>Name &amp; Surname:</b>	
<b>Designation:</b>	
<b>P UNDERTAKING:</b>	
	<p>I/We hereby verify that the information provided in this application is true and correct and that the conditions applicable to the allocation of a Grant-in-Aid as set out above and in the GIA Policy have been read and is understood and will be complied with.</p> <p>I/We also declare that the organization implements effective, efficient and transparent financial management and internal control mechanisms to guard against fraud, theft and financial mismanagement and has in the past complied with requirements for similar transfer(s) of funds.</p> <p>Thus completed and signed at Stellenbosch on this ____ day of _____ 20 ____ .</p> <p>_____ <b>Chairperson/Authorised Representative</b></p> <p>_____ <b>Secretary/Duly Authorised Signatory</b></p>
<b>O PLEASE TAKE NOTE:</b>	
(Completed application forms, together with all the required supporting documentation must be posted to):	
	<p><b>The Director: Community and Protection Services</b> <b>P O Box 17</b> <b>Stellenbosch</b> <b>7599</b></p> <p><b>Or hand delivered to:</b></p> <p><b>The Manager: Community Development</b> <b>21 Simonsberg Road</b> <b>Stellenbosch</b> <b>7600</b></p> <p><b>The submission of applications closes at 13H00 on the closing date as per the advertisement.</b></p>













# STELLENBOSCH

STELLEN BOSCH • PN I E L • FR ANSC HHOE K

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

## MEMORANDUM OF AGREEMENT

Entered into and between

### STELLENBOSCH MUNICIPALITY

(hereafter called the "**MUNICIPALITY**")

Herein represented by **Geraldine Mettler**, in her capacity as **Municipal Manager**, being duly authorised

and

---

(hereafter called the "**BENEFICIARY**")

Herein represented by \_\_\_\_\_ in his/her capacity as \_\_\_\_\_,  
being duly authorised.

**WHEREAS** Section 67(1) of the Local Government: Municipal Finance Management Act, Act 56 of 2003 (MFMA) oblige the Accounting Officer of a **MUNICIPALITY** to satisfy himself that, before transferring funds of the **MUNICIPALITY** to an organisation or body outside any sphere of government otherwise than in compliance with a commercial or other business transaction, that such organisation or body:-

- (a) has the capacity and has agreed-
  - (i) to comply with any agreement with the **MUNICIPALITY**;
  - (ii) for the period of the agreement to comply with all reporting, financial management and auditing requirements as may be stipulated in the agreement;
  - (iii) to report at least monthly to the Accounting Officer on actual expenditure against such transfer (should transfers be done on a monthly basis); and

- (b) implements effective, efficient and transparent financial management and internal control systems to guard against fraud, theft and financial mismanagement; and
- (c) has in respect of previous similar transfers complied with all the requirements as set out above; and
- (d) give permission to site visits done by the **MUNICIPALITY**.

**WHEREAS** the **MUNICIPALITY** has approved a Grants-in-Aid Policy, in terms whereof applications are considered;

**WHEREAS** the **BENEFICIARY** has applied for a grant-in-aid as per the official grant-in-aid application form; and

**WHEREAS** the **MUNICIPALITY** has approved such application, subject to certain conditions;

**NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:**

**1. TRANSFER OF FUNDS**

1.1 The **MUNICIPALITY** hereby undertakes to transfer an all-inclusive amount of **R..... (.....)**, being a donation for the period **01 July 20... to 30 June 20...** to the **BENEFICIARY**.

1.2 Bank Account details: (The following are confirmed through a correctly completed Creditors Control Form.)

Account number : \_\_\_\_\_  
Name of financial institution : \_\_\_\_\_  
Name of account holder : \_\_\_\_\_  
Branch code : \_\_\_\_\_  
Type of account : \_\_\_\_\_

1.3 The all-inclusive amount will be transferred in equal amounts on the following dates (if applicable):

\_\_\_\_\_

**2. OBLIGATIONS OF BENEFICIARY**

2.1 The **BENEFICIARY** must acknowledge in writing to the Municipal Manager that the amount(s) was(were) received in its bank account.

2.2 The **BENEFICIARY** hereby certifies that the money will be utilised in accordance with the role of the organisation or society, to the benefit of the community and in accordance with the project(s) / programme(s) as indicated in the application form.

2.3 The **BENEFICIARY** undertakes to regularly report on a monthly basis to the Municipal Manager regarding the activities conducted, actual expenditure against such transferred funds, as well as the number of people benefiting from the activities should monthly payments be made. If not, an annual report compliant with the reporting requirements will be submitted.

2.4

**3. SPECIFIC CONDITIONS**

3.1 The parties specifically agree on the following:

That the organization will commit to active involvement in any programme run by the municipality in the area of operation of the organization when such a programme is active in the community.

**Other conditions:**

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**4. DECLARATION OF INTEREST**

The beneficiary declares that the following municipal employees and/or councillors have a vested interest in the business of the beneficiary. However, they do not benefit directly from this donation and were not part of the decision making process in the allocation of the donations: (Name and designation)

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**5. ACQUISITION OF ASSETS**

5.1 Should the **BENEFICIARY** wish to acquire any moveable or immovable assets with the money donated in terms of this Agreement, the **BENEFICIARY** hereby undertakes to:-

5.1.1 adhere to the principles as per the **MUNICIPALITY'S** Supply Chain Management Policy, and

5.1.2 take all reasonable steps to ensure that such assets are maintained and that a system of internal control of such assets is in place.

**6. RIGHTS OF THE MUNICIPALITY**

6.1 The **MUNICIPALITY** shall be entitled, from time to time, to verify the existence and to inspect the activities of the **BENEFICIARY**, having regards for its right to privacy as entrenched in terms of the Constitution of the Republic of South Africa.

6.2 The **MUNICIPALITY** shall further be entitled to peruse the budgets and any progress reports related to the project / programme as per this Agreement.

**7. FAILURE TO COMPLY**

7.1 Failure by the **BENEFICIARY** to comply with the obligations as set out in Clause 2 of this Agreement, may lead to the cancellation of this Agreement, in which case the **MUNICIPALITY** may demand that the organisation pays back any unspent funds as per this Agreement. The **MUNICIPALITY** may even, depending on the circumstances leading to the non-compliance by the **BENEFICIARY**, demand that the organisation pays back the full amount paid to the **BENEFICIARY**. Failure to comply may result in not considering applications for grants from the **BENEFICIARY** for a period of 5 years.

**8. INDEMNIFICATION**

8.1 The **BENEFICIARY** hereby acknowledges that it receives the grant voluntarily and that it shall keep the **MUNICIPALITY** indemnified at all times against any loss, cost, damage, injury or liability suffered by the **MUNICIPALITY** resulting from any action, proceeding or claim made by any person (including themselves) against the **MUNICIPALITY** caused directly or indirectly by the use/spending of the grant.



**9. DISPUTE RESOLUTION**

9.1 Any dispute arising from this Agreement shall be mediated between the Parties by a mutually agreed upon and suitably skilled mediator. Should the mediator be unsuccessful and the Parties fail to reach agreement, the dispute may be referred by the aggrieved Party to the arbitration of a single arbitrator, to be agreed upon between the Parties, or failing agreement, to be nominated on the application of any Party, by the President for the time being of the South African Association of Arbitrators. The decision of the single arbitrator shall be final and binding on the Parties.

**10. NOTICES AND DOMICILIA**

10.1 The parties choose as their *domicilia citandi et executandi* their respective addresses as set out in this clause for all purposes arising out of or in connection with the agreement at which addresses all processes and notices arising out of or in connection with this Agreement, its breach or termination, may validly be served upon or delivered to the Parties.

10.2 For purposes of this Agreement the Parties' respective addresses shall be:

**10.2.1 The MUNICIPALITY:**

Town House  
Plein Street  
Stellenbosch  
7600

**10.2.2 The BENEFICIARY:**

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or at such other address of which the Party concerned may notify the other(s) in writing provided that no street address mentioned in this sub-clause shall be changed to a post office box or poste restante.

10.3 Any notice given in terms of this Agreement shall be in writing and shall-

10.3.1 if delivered by hand be deemed to have been duly received by the addressee on the date of delivery;

10.3.2 if posted by prepaid registered post be deemed to have been received by the addressee on the 8<sup>th</sup> (eighth) day following the date of such posting;

10.3.3 if transmitted by facsimile/ electronic mail be deemed to have been received by the addressee on the day following the date of dispatch;

10.4 Notwithstanding anything to the contrary contained or implied in this Agreement, a written notice or communication actually received by one of the Parties from another, including by way of facsimile transmission/ electronic mail, shall be adequate written notice or communication to such party.

**11. ENTIRE AGREEMENT**

This Agreement, including the **Grant-in-Aid policy and application form**, reflects the entire Agreement between the Parties and no variation, amendment or addendum shall be of any force and effect between the Parties unless contained in writing, signed and agreed on by both Parties.

Signed at Stellenbosch on this \_\_\_\_\_ day of \_\_\_\_\_ 20....

.....  
for the **MUNICIPALITY**

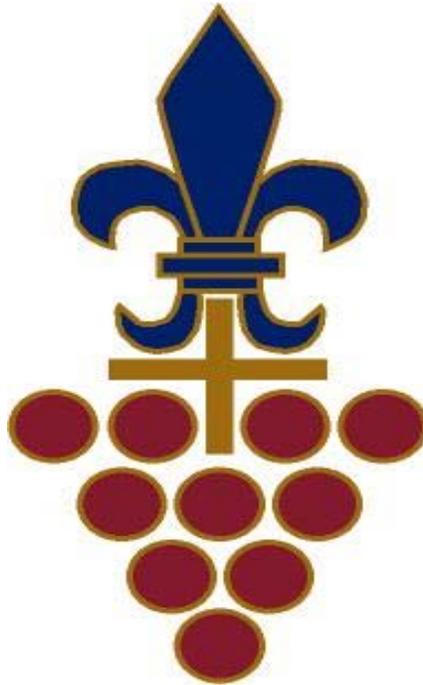
WITNESS: 1. ....  
2. ....

Signed at Stellenbosch on this \_\_\_\_\_ day of \_\_\_\_\_ 20....

.....  
for the **BENEFICIARY**

WITNESS: 1. ....  
2. ....

# **STELLENBOSCH MUNICIPALITY**



## **INFRASTRUCTURE UNBUNDLING OF ASSETS POLICY**

**2024/2025**

**UNCHANGED**

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## 1 Introduction

This policy is intended to provide a framework for the unbundling of completed infrastructure services capital projects and financial asset year-end processes within the requirements of sections 60, 62, 63, 78, and 79 of the Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA), and the South African Standards of Generally Recognised Accounting Practices (GRAP) as well as to promote good financial management practices.

It is the responsibility of the accounting officer to maintain a system of internal control over assets, including an accurate, valid, and complete asset register, and to ensure that appropriate accounting principles are applied to all assets.

This policy applies to all officials within the Stellenbosch Local Municipality who utilise and/or manage any type of infrastructure assets.

The Municipal Council of Stellenbosch have adopted an Asset Management Policy to regulate the effective management of all council's assets and wants to lay down broad guidelines for consistent, effective and efficient asset management principles of Stellenbosch Municipality

The Municipality of Stellenbosch have agreed to adopt an Infrastructure Unbundling Policy that will guide the Municipality with the effective, complete, and accurate capitalisation of their assets and complying with year-end processes relating to assets.

## 2 Definitions

In this Policy, unless the context indicates otherwise.

An **asset** means a resource:

- a) controlled by Stellenbosch Municipality;
- b) as a result of a past event;
- c) it is probable that future economic benefits or service potential associated with the assets will flow to the municipality;

**Infrastructure assets** are defined as assets that usually display some or all of the following characteristics:

- a) they are part of a system or network;
- b) they are specialised in nature and do not have alternative uses;
- c) they are immovable; and
- d) they may be subject to constraints on disposal.
- e) examples are road networks, sewer systems, water networks etc.

**Capitalisation of assets** means the recording of assets in the Fixed Asset Register. Assets may only be recorded in the Fixed Asset Register once the recognition criteria is complied with

in accordance with GRAP. That means the cost of an item shall be recognised as an asset if, and only if: It is probable that future economic benefits or service potential associated with the item will flow to the municipality; and the cost or fair value of the item can be measured reliably.

**Cost** means the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognized in accordance with specific requirements of other Standards of Generally Recognized Accounting Practices (GRAP). Elements of cost are the following:

- a) The purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;
- b) Any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management; and
- c) The initial estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

**Current Replacement Cost (CRC)** is the cost of replacing the service potential of an existing asset, by reference to some measure of capacity, with an appropriate modern equivalent asset. GRAP 17 defines CRC as the cost the entity would incur to acquire the asset on the reporting date.

**Depreciation** means the systematic allocation of the depreciable amount of an asset over its useful life.

**Directly Attributable Costs are:**

- a) cost of employee benefits arising directly from the construction or acquisition of an item;
- b) cost of site preparation;
- c) initial delivery and handling cost;
- d) cost of testing whether the asset is functioning properly, after deducting the net proceeds from selling any items produced while bringing the asset to that location and condition; and
- e) professional fees.

**Expected Useful Life (EUL)** is a measure of the estimated life of an asset or component, such as time, number of cycles, distance intervals, production units, etc.

**Fixed Asset Register** means a register for recording all municipal-owned and controlled assets in accordance with GRAP accounting standards.

**Generally Recognised Accounting Practice (GRAP)** are accounting standards issued by the Accounting Standards Board (ASB) in terms of section 89 of the Public Finance Management Act (PFMA).

**Impairment** means a determined loss in 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.

**Estimated Remaining Useful Life (ERUL)** is the period remaining over which economic benefits or service potential can be derived from an asset.

**Useful life** means the period over which an asset is expected to be available for use by the municipality.

**Work-in Progress Register (WIP)** the list of projects still under construction and not available for use at reporting date.

### 3 Purpose

The purpose of this policy is to ensure that all assets are classified and capitalised using the GRAP accounting standards and are recorded accurately on the **FAR (Fixed Asset Register)**.

### 4 Objectives

The objectives of the policy are stipulated as follows:

- Specifying Council's practice regarding accounting for assets. To establish a framework for the accounting treatment of assets, including proper recognition, measurement, disposal and impairment thereof to assist officials in understanding their legal and managerial responsibilities with regard to key asset functions such as:
  - efficiently unbundling the assets from the project value to tangible assets;
  - acknowledge when an asset is available for use and ready for recognition in the FAR;
  - asset valuation principles in accordance with GRAP and Directive 7;
  - establishing and maintaining asset registers.

### 5 Statutory and Regulatory Framework

This policy aligns with the Municipality of Stellenbosch Asset Management Policy.

This policy must comply with the accounting standards specified by the Accounting Standards Board. The relevant approved and effective accounting standards include:

- GRAP 1 Presentation of Financial Statements;
- GRAP 3 Accounting Policies, Changes in Accounting Estimates and Errors;
- GRAP 12 Inventory;
- GRAP 13 Leases;
- GRAP 17 Property, plant, or equipment;
- GRAP 16 Investment property;
- GRAP 19 Provisions, Contingent Liabilities and Contingent Assets;
- GRAP 31 Intangibles;
- GRAP 103 Heritage Assets;
- GRAP 27 Agriculture;
- GRAP 21 Impairment of Non-cash generating assets;
- GRAP 26 Impairment of Cash-generating assets;
- GRAP 110 Living and Non-living Resources.

## 6 Responsibilities & Accountability

The purpose of this section is to prescribe the responsibilities of the various functionaries within Stellenbosch Municipality.

### **The Accounting Officer (Municipal Manager)**

The Accounting Officer (Municipal Manager) or his duly delegated representative is responsible to ensure implementation and compliance with the responsibilities prescribed in section 63 of the MFMA.

- The municipality has and maintains a management, accounting and information system that accounts for the assets of the municipality which includes the addition of new assets, and the disposal of old assets.

### **Asset Managers/ Directors**

The manager referred to in Section 56 of the Municipal Systems Act is someone reporting directly to the Municipal Manager and has the functional accountabilities for the physical management of a particular set of assets in order to achieve the municipality's strategic objectives relevant to their directorate.

Asset managers should:



- ensure that a complete asset verification of all inventory and asset items is performed annually;
- ensure that the Work-in Progress register (WIP) is up to date;
- ensure all new assets are categorised correctly and are added to the updated AR;
- ensure that all obsolete, damaged, and unused assets, supported by relevant asset and condemnation forms, are handed in at the Asset Management Department without delay.

#### **Infrastructure Services Departments:**

The head of the various engineering departments are responsible for:

- Ensure that departmental officials read and acknowledge the Unbundling Policy and know the processes to follow.
- Updating the WIP register when projects have been completed in a specific financial year.
- Providing project-related information for the categorisation of the assets.
- Assist in the annual ERUL assessment of assets.
- Identify any potentially impaired assets on an annual basis and report them to the Asset Management Department.
- Ensure that complete asset verification of infrastructure asset items is performed on a five (5) year rolling basis or as prescribed by the relevant managing department, i.e. all infrastructure assets are verified over a five (5) year period.

## 7 Asset Capitalisation

As stated in the Asset Management Policy 2021 - 2022;

*“Stellenbosch Municipality does not capitalize an asset based on a capitalization cost threshold but recognizes an asset when it complies with the definition of an asset as stipulated in GRAP 17 and the cost of the asset to the municipality can be measured reliably.*

*Where an asset is acquired at no cost, or for a nominal cost, its cost is its fair value as at the date of acquisition (GRAP 17.22).*

*Assets will only be capitalized in the asset register on completion or finalization of the project.”*

#### **Asset Capitalisation Procedures:**

- i) The status of all the ongoing municipal projects within the jurisdiction of the municipality need to be updated accordingly on the FAR and WIP register at the end of each financial year:

- Completed projects: Projects that have been signed off as completed and the assets are available for use.
  - Work-in progress: Projects that are still on-going in the next financial year and not completed in the current financial year.
- ii) Capitalise completed projects as per the GRAP standards
- i. New assets: Assets that have previously not been captured on the FAR. Replacements or renewals: Assets capitalised on the FAR to replace existing old and damaged assets on the FAR. The asset that is replaced will have to be derecognised (removed from the FAR).
- An asset categorisation (according to the GRAP asset classifications and CIDMS asset hierarchy) should be present.
  - The asset value as per project cost and apportionment during the unbundling process should be available. If the asset cost is not available, as the case might be with some donated assets, the fair value as at the date of the handover, will be recognised as the asset value.
  - Each asset component should have an Expected Useful Life (EUL) allocated to it. All new assets should have a EUL equal to their Estimated Remaining Useful Life (ERUL). In the case of a donated asset, the EUL and ERUL may differ if the donated asset was used before the transfer.
  - The acquisition date will be the date when the project was completed and became available for use. In the case of a donated asset, the handover date will be recorded as the take-on date on the FAR.
  - The asset GIS ID needs to be assigned to each of the new assets before adding it to the FAR. Asset location information should be populated in the FAR for proper control and maintenance of the assets.
- ii. Upgraded assets: Assets that are on the FAR but have been upgraded/ improved:
- Using the previously assigned GIS ID to get the correct location.
  - The new asset value associated with the upgrade should be linked to the existing asset.
  - In the case of upgrading an existing component, the acquisition date and ERUL of the existing component need to be assigned to the upgraded component. The ERUL of the improved component should be reviewed for an increase in ERUL.
  - In the case of upgrading an existing asset but with a new component, the steps as for a new asset should be followed.

- iii) The total of all asset additions in the FAR capitalised within a financial year should align with the total project cost transferred out of the WIP register at the reporting date.

### Asset Classification

Assets must be classified according to the GRAP accounting standards and the CIDMS hierarchy. The municipality's hierarchy should be approved by Council and recorded in the Asset Management Policy. [Figure 1](#) below depicts the asset hierarchy as per CIDMS.

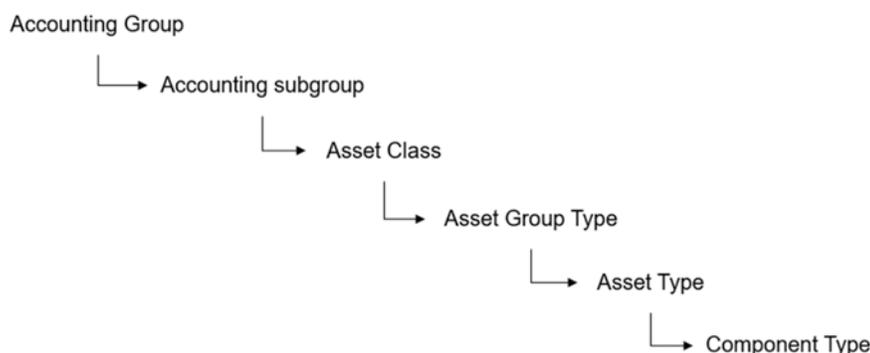


Figure 1 – CIDMS Asset Hierarchy

### Asset Value

The value of the asset accounts for the cost of the asset including all associated costs such as preliminary & general costs, site clearance, excavation costs, material costs, and transport costs.

Where the acquisition cost of an asset is not available and the date on which control was handed over is also not available, the acquisition cost is measured using the deemed cost at the date the municipality adopted the Standards of GRAP in accordance with Directive 7. The deemed cost is determined as the fair value of the asset at the measurement date.

When an asset is donated to the municipality and the actual asset cost is not available, the asset will be recorded in the FAR at fair value on the date of donation.

## 8 Depreciation

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 shall be depreciated separately.

A significant part of an item of property, plant, and equipment may have a useful life and a depreciation method that are the same as the useful life and depreciation method of another significant part of that same item. Such parts may be grouped in determining the depreciation charge.

A variety of depreciation methods can be used to allocate the depreciable amount of an asset on a systematic basis over its useful life. These methods include the straight-line method, the

diminishing balance method, and the production unit method. The straight-line depreciation results in a constant charge over the useful life if the asset's residual value does not change.

The straight-line depreciation method is used to allocate the depreciable amount of infrastructure assets over their useful lives on a systematic basis.

## 9 Asset Impairments

Impairments are defined as “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”.

According to the Municipal Finance Management Act (MFMA) and GRAP, assets should be reviewed for impairments on an annual basis. There are two impairment accounting standards to be used by local government. If an asset is used with the objective to generate a commercial return, the Standard on Impairments of Cash-generating assets, GRAP 26, will be applicable. Local government assets are usually used to render a service rather than generating a commercial return. In the case of service delivery assets, the Standard on Impairment of Non-cash generating (GRAP 21) assets was applied for the testing of impairments.

Recoverable amount is the amount that the municipality expects to recover from the future use of an asset, including its residual value on disposal.

The recoverable service amount or recoverable amount is the higher of an asset's fair value less the cost to sell and its value in use.

The recoverable amount of individual assets, or groups of identical assets, is determined separately and the carrying amount is reduced to the recoverable amount on an individual asset, or group of identical assets, basis. However, there may be circumstances when it may not be possible to assess the recoverable amount of an asset on this basis, for example when all of the plant and equipment in a sewerage purification work is used for the same purpose. In such circumstances, the carrying amount of each of the related assets is reduced in proportion to the overall decline in recoverable amounts of the smallest grouping of assets for which it is possible to make an assessment of recoverable amounts.

The following may be indicators that an asset is impaired, such assets should be tested for an impairment:

- a) The item has been damaged;
- b) The item has become technologically obsolete;
- c) The item remains idle for a considerable period of either prior to it being put into use or during its useful life;

The detail on external and internal impairment indicators is indicated in GRAP 21.23.

### Reversal of an Impairment Loss

The same procedures as for the identification of impaired assets are followed to assess whether there is an indication that an impairment may have decreased or eliminated. If so, the difference between the recoverable amount and the carrying amount should be debited to the

asset's carrying amount. Therefore, the asset's value will increase to be equal to the recoverable amount.

The ERUL of the asset should be reviewed when a reversal of impairment occurs.

The increased carrying amount due to reversal should not be more than what the depreciated historical cost would have been if the impairment had not been recognised.

Reversal of an impairment loss is recognised as income in the Statement of Financial Performance.

Depreciation must be adjusted for the reviewed ERUL of the asset.

## 10 Asset Derecognitions

The carrying amount of an asset shall be derecognised:

- a) on disposal (including disposal through a non-exchange transaction); or
- b) 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 asset shall be included in the surplus or deficit when the item is derecognised.

In terms of Section 14 of the MFMA the municipality may not dispose of any capital asset required to provide a minimum level of basic municipal services.

A municipality may dispose of any other capital asset, provided that:

- a) the Council, in a meeting open to the public, has first determined that the asset is not required to provide a minimum level of basic municipal services; and
- b) the Council has considered the fair market value of the asset and the economic and community value to be received in exchange for the asset.

The decision that a specific asset is not needed to provide the minimum level of basic municipal services, may not be reversed by the municipality after that asset had been sold, transferred, or otherwise disposed of.

## 11 Estimated Remaining Useful Life (ERUL) Assessment

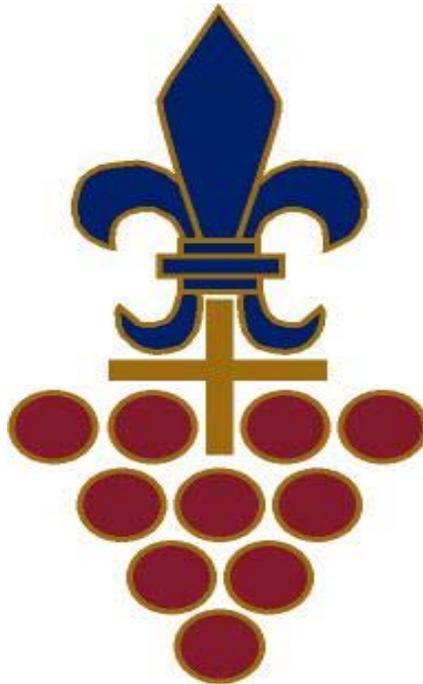
An ERUL assessment has to be conducted annually on assets that have an ERUL of 2 years or less to identify assets that have to be disposed of, impaired, and adjusted. Departments should also review the ERUL of any asset where indicators exist that there might be an increase or decrease in the life cycle of the asset. The ERUL might increase in the case of an asset upgrade or if an event occurred that affects the life cycle of the asset in a positive manner. Any event/ factor that affects the life cycle of an asset in a negative manner should be recorded, for the asset's ERUL to be review.

### **Procedure during an ERUL review:**

- The Fixed Asset Register is to be reviewed annually and assets with an ERUL of 2 years or less need to be identified;
- The list of identified assets is to be discussed with all engineering department heads to determine the status of the assets;
  - a. Vandalised assets to be included on the impairment list;
  - b. Assets that are no longer in a working condition to be added to the disposed of list;

Assets that are still in working condition are to be noted and the ERUL is to be adjusted adequately.

# **STELLENBOSCH MUNICIPALITY**



## **ASSET MANAGEMENT POLICY**

**2024/2025**

**UNCHANGED**



# STELLENBOSCH MUNICIPALITY

## ASSET MANAGEMENT POLICY

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## 1. PREAMBLE

- Section 63 of the Municipal Finance Management Act Number 56 of 2003 governs Asset and Liability Management and states the following:

### **Asset and liability management**

**63.** (1) The accounting officer of a municipality is responsible for the management 10  
of—

- (a) the assets of the municipality, including the safeguarding and the maintenance of those assets; and
- (b) the liabilities of the municipality.

(2) The accounting officer must for the purposes of subsection (1) take all reasonable 15  
steps to ensure—

- (a) that the municipality has and maintains a management, accounting and information system that accounts for the assets and liabilities of the municipality;
- (b) that the municipality's assets and liabilities are valued in accordance with 20  
standards of generally recognised accounting practice; and
- (c) that the municipality has and maintains a system of internal control of assets and liabilities, including an asset and liabilities register, as may be prescribed.

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

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

## 2. DEFINITIONS

In this Policy, unless the context indicates otherwise

An **asset** means a resource

- a) controlled by Stellenbosch Municipality
- b) as a result of a past event
- c) it is probable that future economic benefits or service potential associated with the assets will flow to the municipality

**Property, Plant and Equipment (PPE)** refers to tangible, identifiable assets that:

- a) are held for-
  - i. use in the production or supply of goods or services
  - ii. rental, or
  - iii. administrative purposes, and
  - iv. are expected to be used for more than one year.

**PPE** should be classified according to the following definition groups:

- a) **Infrastructure assets** which are defined as assets that usually display some or all of the following characteristics:
  - i. they are part of a system or network,
  - ii. they are specialised in nature and do not have alternative uses
  - iii. they are immovable, and
  - iv. they may be subject to constraints on disposal
  - v. examples are road networks, sewer systems, water networks etc.
- b) **Community assets** which are defined as assets that contributes to the communities' well-being. Community assets are disclosed in accordance with its nature.
- c) **Heritage assets** which are defined as cultural significant resources.
- d) **Investment Properties** are defined as properties (land or buildings) that are acquired for economic and capital gains or held by Stellenbosch Municipality as finance lease to earn rentals. Examples are office parks and undeveloped land acquired for the purpose of resale in future years.
- e) **Other assets** which are defined as assets utilised in normal operations.
- f) **Intangible assets** which are defined as being assets without physical

substance.

g) **Biological assets** are assets acquired for agricultural purposes.

**Capitalization of assets** means the recording of assets in the Fixed Asset Register with its historical financial cost in accordance with GRAP.

**Carrying amount** means the amount at which an asset is recognized after deducting any accumulated depreciation and accumulated impairment losses.

**Classification of assets** means the grouping of assets of a similar nature of functionality in an entities operation that is shown as a single item for the purpose of disclosure in the financial statements.

**Cost** means the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognized in accordance with specific requirements of other Standards of Generally Recognized Accounting Practices (GRAP).

**Contributed assets** means items received by the municipality as a donation.

**Depreciation** means the systematic allocation of the depreciable amount of an asset over its useful life.

**Depreciable amount** means the cost of an asset, or other amount substituted for the cost less its residual value.

**Fair value** means the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

**Fixed Asset Register** means a register for recording assets in accordance with GRAP

**Impairment of an asset**

- An impairment loss of cash - generating assets is the amount by which the carrying amount of an asset exceeds its recoverable amount.
- An impairment loss of non - cash generating assets is the amount by which the carrying amount of an asset exceeds its recoverable service amount.

**Recoverable amount** means the amount that the municipality expects to recover from the future use of an asset, including the residual value on disposal.

**Residual value** means the estimated amount that Stellenbosch municipality would currently obtain from disposal of the asset, after deducting the estimated cost of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

**Useful life** means the period over which an asset is expected to be available for use by the municipality.

**Contributed Assets** means items received by the Stellenbosch Municipality in the form of a donation.

### 3. ACRONYMS

PPE:	Property, Plant and Equipment
AMC Form:	Asset Movement Capture Form
MFMA:	Municipal Finance Management Act
GRAP:	General Accepted Accounting Practice
DIR:	Departmental Inventory Register
SCM:	Supply Chain Management
FAR:	Fixed Asset Register
NARC:	New asset receipt capture form
AT:	Asset transfer form

### 4. AIM

This policy will lay down broad guidelines for consistent, effective and efficient asset management principles of Stellenbosch Municipality

### 5. OBJECTIVES

- Specifying Council's practice regarding accounting for assets
- Ensure consistency in accounting treatment.
- To assist officials in understanding their legal and managerial responsibilities with regard to key asset functions such as:
  - safeguarding of assets,

- maintaining assets,
- establishing and maintaining a management, accounting and information system
- that accounts for the assets of the municipality.
- asset valuation principles in accordance with GRAP.
- establishing and maintaining systems of internal controls over assets.
- establishing and maintaining asset registers.
- clarifying responsibilities and accountabilities for the asset management process.

## **6. STATUTORY AND REGULATORY FRAMEWORK**

This policy must comply with all relevant legislative requirements including:

- The Constitution of the Republic of South Africa, 1996
- Municipal Structures Act, 1998
- Municipal Systems Act, 2000
- Division of Revenue Act (enacted annually)
- Municipal Finance Management Act of 2003

Also, this policy must comply with the standards specified by the Accounting Standards Board. The relevant currently recognized accounting standards include:

- GRAP 17 Property, plant or equipment
- GRAP 16 Investment property
- GRAP 31 Intangibles
- GRAP 103 Heritage Assets
- GRAP 27 Agriculture
- GRAP 21 & 26 Impairment
- GRAP 12 Inventories

## **7. RESPONSIBILITIES AND ACCOUNTABILITIES**

The purpose of this section is to prescribe the responsibilities of the various functionaries within Stellenbosch Municipality.

### **7.1 The Accounting Officer (Municipal Manager)**

The Accounting Officer (Municipal Manager) or his/ her duly delegated

representative is responsible to ensure implementation and compliance with the responsibilities prescribed in section 63 of the MFMA.

- The municipality has and maintains a management, accounting and information system that accounts for the assets of the municipality;
- The municipality's assets are valued in accordance with standards of generally recognized accounting practice;
- The municipality has and maintains a system of internal control of assets, including an asset register; and
- The senior managers and their teams comply with this policy.
- In consultation with the asset managers, he approves the temporary or permanent transfer of a movable asset between departments as determined in the "Delegation of Authority to officials of the Stellenbosch Municipality".

## **7.2 The Chief Financial Officer (Director: Finance)**

The Chief Financial Officer is responsible to the Municipal Manager to ensure that the financial investment in the municipality's assets is safeguarded and maintained.

The Chief Financial Officer must take reasonable steps to ensure that:

- i. Appropriate systems of financial management and internal control are established and carried out diligently;
- ii. The financial and other resources of the municipality are utilized effectively, efficiently, economically and transparently;
- iii. Any unauthorized, irregular or fruitless or wasteful expenditure and losses resulting from criminal or negligent conduct are prevented;
- iv. The systems, processes and registers required to substantiate the financial values of the municipality's assets are maintained at standards sufficient to satisfy the requirements of the Auditor-General.
- v. Financial processes are established and maintained to ensure that the municipality's financial resources are optimally utilized through an appropriate asset plan, budgeting, purchasing, maintenance and disposal decisions.
- vi. The managers and asset champions are appropriately advised on the exercise of their powers and duties pertaining to the financial administration of assets;
- vii. The policy and supporting procedures or guidelines are established, maintained and effectively communicated;
- viii. The Chief Financial Officer may delegate or otherwise assign

responsibility for performing the functions but he/she will remain accountable for ensuring these activities are performed.

### 7.3 Managers/ Directors

- a) The manager referred to in Section 56 of the municipal systems act being someone reporting directly to the Municipal Manager and has the functional accountabilities for the physical management of a particular set of assets in order to achieve the municipalities strategic objectives relevant to their directorate.
- b) Directors shall be directly responsible for the physical safeguarding of any fixed asset controlled or used by the directorate in question. In exercising this responsibility, directors shall adhere to the stipulations of this policy as well as any other written directives issued by the municipal manager to the directorate in question, or generally to all directorates, in regard to the control of or safeguarding of the municipality's fixed assets.

#### Managers should:

- i. ensure that employees in their departments adhere to the approved Asset Management Policy;
- ii. ensure that all assets are procured in terms of the SCM Policy;
- iii. ensure that council are properly informed about any contributed (donated) assets and that approval from council is obtained timeously
- iv. ensure that the contributed asset is recorded on the NARC form and communicated with the Financial Asset Management Department.
- v. ensure that employees with delegated authority have been nominated to implement and maintain physical control over assets in their departments. Although authority has been delegated, responsibility remains with the respective Managers of the departments and overall accountability with the Directors of relevant directorates;
- vi. ensure that the termination of service asset verification form for staff, is duly completed and submitted to the Strategic and Corporate Services Directorate;
- vii. ensure that assets are properly maintained in accordance with their respective asset maintenance policy;
- viii. ensure that, where applicable, all their movable assets as reflected on the Fixed Asset Register are barcoded to exercise control;
- ix. ensure that the Financial Asset Management Section is notified via the AT form within 10 working days of any changes in the status of assets

- under the department's control;
- x. ensure that transfers between departments within directorates are administered internally;
- xi. ensure that a complete asset verification of all inventory and asset items is performed annually;
- xii. ensure that all obsolete, damaged and unused assets, supported by relevant asset and condemnation forms, are handed in at the Financial Asset Management Department without delay;
- xiii. be responsible for maintaining and managing their own DIR;
- xiv. ensure that all assets are safeguarded against loss/theft and that they are adequately insured; and
- xv. ensure that location changes are made timeously and location/room information are updated and reported on the relevant form to the Asset Management Section regularly.

#### **7.4 Asset Champions**

Asset Champions are senior officials appointed by the Financial Asset Manager in the different Directorates.

##### The Asset Champion must:

- i. Assist the Financial Asset Manager/ Director in performing his/her functions and duties.
- ii. Ensure that all new assets (purchased or donated) are recorded on the NARC form.
- iii. Ensure that the NARC forms are completed in full and send with copies of the relevant documentation to the asset control department within 7 working days after receipt of the assets.
- iv. Ensures that all their movable assets, where applicable, are barcoded.
- v. Ensure that asset listings are verified and kept up to date in collaboration with the Finance Directorate.
- vi. Assist the Financial Asset Department with the annual verification of movable assets by making sure that the assets, as per asset listing, are at the correct locations, that these locations are accessible when the verification of assets takes place and provides a full report on any missing assets to the Financial Asset Manager.
- vii. Notify the Financial Asset Department when he/she identifies obsolete



and redundant assets so that these assets can be moved to the Write-off Store.

- viii. Report all changes affecting asset listing sheets to the Director: Finance and the Manager: Financial Asset Management within 7 days of occurrence.

The following require the written recommendation of the Financial Asset Manager and approval of Municipal Manager on the prescribed form:

- a) The temporary or permanent transfer of all movable assets between departments.
- b) The writing off or disposal of obsolete or redundant assets.

### **7.5 Financial Services Directorate: Financial Asset Management**

- i. Is the asset registrar of the municipality and shall ensure that a complete, accurate and up to date asset register is maintained that conforms to the GRAP specifications.
- ii. Ensures that physical asset verification is performed annually by all departments to verify the assets on the asset register. The results of this verification must be reported to the Municipal Manager and Council.
- iii. Will perform reconciliations between the asset register and the General Ledger on a monthly basis.
- iv. Ensures adequate bar codes and equipment to exercise the function relating to asset control is available at all times.
- v. Will ensure that all audit queries are resolved in a timely manner.
- vi. Dispose of asset in accordance with the SCM policy
- vii. Handles the administrative functions with regards to the transfers received.

### **7.6 The responsibility of the Budget and Costing**

- i. Ensure that a clear description is provided with each project and the appropriate funding source is identified.
- ii. Release capital funds only after receiving written authority and a clear and concise description of the item to be purchased.
- iii. Ensure that any changes in the capital budget, with regards to funds transferred or project description changes are communicated to the Financial Asset Management department.

## **7.7 The Strategic and Corporate Services Directorate**

The Strategic and Corporate Services directorate shall ensure that no monies are paid out to the staff on termination of their service prior to receiving the relevant asset resignation form signed off by the relevant directorate- refer to Termination of Service Asset Confirmation form.

## **8. SAFEGUARDING OF ASSETS**

### **Custody and Security**

- i. All barcoded assets shall be tracked by physical location through the Fixed Asset Register.
- ii. A physical asset verification process shall be performed every year and all directorates will be verified simultaneously.
- iii. The coordination of the process and verification of the assets will rest with the Financial Asset Management Section and all directorates are responsible to see that the assets under their control are available during the verification process.

### **Communication**

- i. Directorates are responsible to report any stolen or damage property to the Financial Asset Management Section.
- ii. All changes must be accurately recorded on the AT forms and reported to the Financial Asset Management Section within 10 working days.
- iii. Any discrepancies between the Fixed Asset Register and the physical inventory must be reconciled and motivated by the relevant directorates.

## **9. PROCEDURE WITH REGARD TO CONTRIBUTED ASSETS**

### **Governance**

- i. The authority to endorse and approve acceptance of assets contributed to the Stellenbosch Municipality vests with Council as such assets have an impact on future operational costs.
- ii. A report including the fair value/cost price of the contributed asset as well as the financial implications of acceptance of the contributed asset must be submitted to Council, so that acceptance of the asset can be confirmed.

## Procedures

- i. Once Council has approved the donation, the departments must:
- ii. Notify the Financial Services Directorate of any assets contributed, by submitting the Council approved report including the cost/fair value of the contributed asset so that the asset can be recorded and capitalized at the appropriate value.

## 10. FINANCIAL MANAGEMENT

### Pre-Acquisition Planning

Before a capital project is included in the draft municipal budget for approval, the Manager/ Director must prove that they have considered:

- The projected acquisition and implementation cost over all the financial years until the project is operational;
- The future operational costs and revenue on the project, including tax and tariff implications;
- The financial sustainability of the project over its economic life span including revenue generation and subsidization requirements;
- The physical and financial stewardship of the asset through all stages in its economic life span including acquisition, installation, maintenance, operations, disposal and rehabilitation; and
- The inclusion of the capital project in the Integrated Development Plans and future budgets.

The Chief Financial Officer is accountable to ensure that the Managers/ Directors receive all reasonable assistance, guidance and explanation to enable them to achieve their planning requirements.

### Approval to acquire Property, Plant and Equipment:

Funds can only be invested with a capital project if:

- The funds have been appropriated in the capital budget;
- The project, including the total cost and funding sources, has been approved by the Council;
- The Director: Finance confirms that funding is available for that specific project; The Supply Chain Management prescripts/procedures have been adhered to.
- Any contract that will impose financial obligations more than two years beyond

the budget year is appropriately disclosed.

### **The funding sources of Assets:**

Within the municipality's ongoing financial, legislative or administrative capacity, the Chief Financial Officer will establish and maintain the funding strategies that optimize the municipality's ability to achieve its Strategic Objectives as stated in the Integrated Development Plan.

Four main sources of finance are utilized to acquire Property Plant and Equipment for the municipality, namely:

- The Accumulated Surplus/Deficit (Capital Replacement Reserve)
- The External Financing Fund (EFF).
- Grants, Subsidies and Public
- Contributions. Fair value

The sources of finance that may be utilized to finance assets are utilized in accordance with the provisions of S19 of the Municipal Finance Management Act.

#### **a) Accumulated Surplus/Deficit (The Capital Replacement Reserve)**

The Council must annually approve the basis and the amounts for which contributions should be appropriated to the Accumulated Surplus/Deficit in conjunction with the availability of funds and the requirements of the capital program for that financial year.

The funds in the Accumulated Surplus/Deficit are accumulated by: An annual contribution from revenue

The cash backed profit on the sale/disposal of assets

When an amount is advanced to a borrowing service to finance the acquisition of an asset, the money must be transferred to the Accumulated Surplus created for the purpose of acquiring a specific asset and the accumulated funds in the Accumulated Surplus/Deficit must be reduced by the amount of the advance.

The balance of the accumulated funds in the Accumulated Surplus/Deficit will therefore represent the amount that is available to finance assets in future periods. This balance must be cash backed at all times.

The balance in the Accumulated Surplus is transferred to the income statement over the estimated life of assets financed by the Accumulated

Surplus/Deficit to offset the depreciation charge included in the income statement relating to fixed assets.

#### **b) The External Financing Fund (EFF)**

When loans are obtained from external sources, they must be paid into the EFF. The corresponding cash should be invested until utilized for the purpose of acquiring assets. When the external loan is utilized to finance assets in a service entity it should be recorded in an “advances” account in the EFF.

Where a loan has a fixed period the instalments should be calculated to determine the cash that should be set aside in the EFF. This is done so that there will be sufficient money to repay the loan when it matures as well as any interest charges as they occur.

When the loan is an annuity loan, the cash required to be paid into the EFF should be based on the actual loan repayments. Once the money has been received by the EFF, the cash would be used to repay the loan.

When the EFF is consolidated with the various services, the “advances made” account in the EFF will contra with the “advances received” account in the various service entities.

#### **Loan finance option**

A municipality should ensure that a loan satisfies the requirements of legislation on incurring debt. In particular, municipalities should ensure that long-term debt is:

- Incurred only for the purposes of capital expenditure for the purpose of achieving the objectives stated in section 152 of the Constitution (MFMA S46);
- incurred in line with its capital budget (MFMA S19 and S46(2));
- Is incurred only after the anticipated debt repayment schedule has been submitted to council (MFMA S46(3)(b)(i));
- Included in the liabilities register and
- Satisfies the other requirements of sections 19, 46 and 63 of the MFMA, the MSA and the Constitution.

#### **c) Grants, Subsidies and Public Contributions (Capital Receipts)**

Unutilized conditional grants are reflected on the Balance Sheet as a Creditor called Creditor (Unspent and Receipts). They represent unspent government grants, subsidies and contributions from the public. This creditor always has

to be backed by cash.

The following provisions are set for the creation and utilization of this creditor:

- The cash which backs up the creditor is invested until it is utilized.
- Interest earned on the investment is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the creditor. If it is the council's interest it is recognized as interest earned in the income statement.
- Whenever an asset is purchased out of the unutilized conditional grant an amount equal to the cost price of the asset purchased is transferred from the Unutilized Capital Receipts into the income statement as revenue. Thereafter an equal amount is transferred on the statement of changes in equity to a reserve called an Accumulated Surplus/Deficit (Future Depreciation Reserve). This reserve is equal to the remaining depreciable value (book value) of assets purchased out of the Unutilized Capital Receipts. The Future Depreciation Reserve is used to offset depreciation charged on assets purchased out of the Unutilized Capital Receipts to avoid double taxation of the consumers.
- If a profit is made on the sale of assets previously purchased out of Unutilized Capital Receipts the profit on these assets sold is reflected in the notes to the income statement and is then treated in accordance with Council policy.

The acquisition of assets will not be funded over a period longer than the useful life of that asset.

### **Disposal of assets**

- The municipality may not transfer ownership as a result of a sale or other transaction or otherwise permanently dispose of an asset needed to provide the minimum level of basic municipal services, unless such asset is obsolete or surplus to requirements or beyond a state of good repair or being replaced and provided that the delivery of the minimum level of basic municipal services must not be compromised as a result of the disposal of the asset.
- The decision that a specific asset is not needed to provide the minimum level of basic municipal services, may not be reversed by the municipality after that asset had been sold, transferred or otherwise disposed of.
- The disposal of an item of property, plant or equipment must be fair, equitable, transparent, competitive and cost effective and comply with a prescribed regulatory framework for municipal supply chain management and the Supply Chain Management Policy of the municipality.
- The transfer of assets to another municipality, municipal entity, national department or provincial department is excluded from these provisions,

provided such transfer is being done in accordance with a prescribed regulatory framework. Directors shall report in writing to the Director: Finance on 31 May of each financial year on all fixed assets controlled or used by the directorate concerned which such Director wishes to alienate by public auction or public tender. The Director: Finance shall thereafter consolidate the requests received from the various directorates, and shall promptly report such consolidated information to the council or the Municipal Manager of the municipality, as the case may be, recommending the process of alienation to be adopted.

- Once the fixed assets are alienated, the Director: Finance shall de-recognize the asset from the accounting records and the fixed asset register.

### **Loss, theft, destruction or impairment of fixed assets**

The different directorates shall ensure that any incident of loss, theft, destruction, or material impairment of any fixed asset controlled or used by the directorate in question is promptly reported in writing to the Director: Financial Services, to the internal auditor, and in cases of suspected theft or malicious damage, also to the South African Police Service.

## **11. ACCOUNTING FOR ASSETS**

### **Capitalization of Assets**

Stellenbosch Municipality does not capitalize an asset based on a capitalization cost threshold, but recognizes an asset when it complies with the definition of an asset as stipulated in GRAP 17 and the cost of the asset to the municipality can be measured reliably.

Where an asset is acquired at no cost, or for a nominal cost, its cost is its fair value as at the date of acquisition (GRAP 17.22).

Assets will only be capitalized in the asset register on completion or finalization of the project.

### **Multi Year projects**

Projects to be completed over more than one financial year will be initially disclosed in the asset register and financial statements as “Work in Progress” thereafter only on completion the asset will be capitalized and depreciated.

Assets will be recorded in the asset register continuously on completion thereof and bar-coded with an aluminium label where appropriate for identification.

Only expenses incurred in the enhancement of a fixed asset (in the form of improved or increased services or benefits flowing from the use of such asset) or in the material extension of the useful operating life of a fixed asset shall be capitalized (GRAP 17.19-.20):

- Parts of some items of property, plant and equipment may require replacement at regular intervals. For example, a road may need resurfacing every few years, a furnace may require relining after a specified number of hours use, or aircraft interiors such as seats and galleys may require replacement several times during the life of the airframe. Items of property, plant and equipment may also be required to make a less frequently recurring replacement, such as replacing the interior walls of a building, or to make a non-recurring replacement. Under the recognition principle in an entity recognizes in the carrying amount of an item property, plant and equipment the cost replacing part of such an item when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognized in accordance with the de-recognition provision of this Standard (GRAP 17.19).
- A condition of continuing to operate an item of property, plant and equipment (for example, an aircraft) may be performing regular major inspections for faults regardless of whether parts of the item are replaced. When each major inspection is performed, its cost is recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognized. This occurs regardless of whether the cost of the previous inspection was identified in the transaction in which the item was acquired or constructed. If necessary, the estimated cost of a future similar inspection may be used as an indication of what the cost of the existing inspection component was when the item was acquired or constructed (GRAP 17.20)

Computer software will be capitalized and classified as intangible assets.

## **MAINTENANCE**

### **Maintenance Strategy**

Each directorate must develop a maintenance strategy that will ensure that the assets of Stellenbosch Municipality are maintained at an adequate operational level or standard by ensuring that all statutory, technical and operational objectives are achieved. This strategy must ensure that tangible assets under the custody and control of the relevant directors are properly maintained and repaired so that their



possible maximum useful lives are realised.

### **Rehabilitation/Enhancements/Renewals of Capital Assets**

Expenditure to rehabilitate, enhance or renew an existing capital asset (including separately depreciable parts) can be recognised as capital if:

- That expenditure satisfies the recognition criteria.
- That expenditure is enhancing the service provision of that capital asset beyond its original expectation (i.e., not maintenance) and either that expenditure:
  - Increases the useful life of that capital asset (beyond its original life).
  - Increases that capital asset capacity (beyond its original capacity).
  - Increases the performance of the capital asset (beyond the original performance).
  - Increases the functionality of that capital asset.
- Reduces the future ownership costs of that capital asset significantly; or
- Increases the size of the asset or changes its shape.

The following points are important to note:

- Approval through the budget process for these improvements may require a business case.
- It must be probable that the expenditure will lead to the level of benefits expected.
- The expenditure to restore the functionality of the capital asset to its original level is a maintenance/refurbishment expense and not a capital expense. Maintenance/ refurbishment will not be capitalised to the capital asset.

The rehabilitated or renewed separately depreciable part will be derecognised and the replacement will be recognised. Where the separately identifiable asset is rehabilitated or renewed, the amount incurred will be added to the carrying value of the asset.

Renewals have the same meaning and treatment as rehabilitation/enhancements and are different from refurbishment, which is seen as maintenance.

### **Directorates Responsibilities**

Each Directorate is responsible for ensuring:

- i. That all tangible assets under their control are maintained in a good working condition. The directorates must take adequate care that the working environments for the various assets are appropriate and suitable for such types of tangible assets.
- ii. That their assets are not misused or used for personal use or benefit.

- iii. That repair and maintenance costs incurred is reviewed and properly controlled.
- iv. The development of a maintenance program according to their operating budget resources. The program must provide a schedule of the repairs and maintenance to be done. The program must also consist of planned and unplanned repairs and maintenance to be performed.
- v. The following matrix will assist in distinguishing capital expenditure from maintenance expenditure:

CAPITAL EXPENDITURE	MAINTENANCE
<ul style="list-style-type: none"> <li>• Acquiring a new asset</li> </ul>	<ul style="list-style-type: none"> <li>• Restoring an asset so that it can continue to be used for its intended purpose</li> </ul>
<ul style="list-style-type: none"> <li>• Replacing an existing asset</li> </ul>	<ul style="list-style-type: none"> <li>• Maintaining an asset so that it can used for the period for which it was initially intended</li> </ul>
<ul style="list-style-type: none"> <li>• Enhancing an existing asset so that its use is expanded</li> </ul>	
<ul style="list-style-type: none"> <li>• Further developing an existing asset so that its original useful life is extended</li> </ul>	

When assets are capitalized a distinction should be made on whether the new asset is purchased to replace an existing asset or whether it is a total new asset that is purchased.

### Assets held under leases

- **Finance leases** are leases, which in effect transfer all risks and rewards associated with the ownership of an asset from the lessor to the lessee. Assets held under finance leases are capitalized by the municipality and reflected as such in the fixed asset register. It will be capitalized at its leased value at commencement of the lease, which will be the price stated in the lease agreement. The asset is then depreciated over its expected useful life.
- **Operating leases** are those leases which do not fall within the scope of the above definition. Operating lease rentals are expensed as they become due. Assets held under operating leases are not accounted for in the asset registers of the municipality.

## **INVESTMENT PROPERTY**

- An item shall be recognised as investment property if it meets the definition. Investment property is recorded at cost.
- Disclosable value measured at recognition:
  - Initially at acquisition cost plus transaction cost, or nominal value
  - Where acquired at no cost or nominal value, fair value at acquisition is deemed to be cost for disclosure
  - If held under a lease and classified as Investment Property, is the lower of fair value and the present value of the minimum lease payments
- Cost value is determined according to the requirements of the GRAP standard on Investment Property.
- Assets classified as Investment Property shall be re-defined once such assets usage changes

### **Cost Model**

Investment property is, subsequent to initial measurement, carried at cost less accumulated depreciation and any accumulated impairment losses

Depreciation is provided to write down the cost, less estimated residual value by equal instalments over the useful life of the property, which is as follows:

<b>Item</b>	<b>Useful life</b>
Property – buildings	30-99 years
Property – land	indefinite

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in surplus or deficit in the period of retirement or disposal.

Compensation from third parties for investment property that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable

### **Depreciation**

- Depreciation will be done in accordance with the GRAP frame work
- The depreciable amount of an item of property, plant or equipment should be allocated on a systematic basis over its useful life.
- Stellenbosch Municipality's depreciation method will be the straight-line method for all assets of the Council unless otherwise agreed to in writing by the Director: Financial Services.
- Depreciation shall be calculated from the day the fixed asset is available for use (commissioning date) (GRAP 17.65).
- If the cost of land includes the cost of site dismantlement, removal and restoration, the portion of the land asset is depreciated over the period of benefits or service potential obtained by incurring those costs. In some cases, the land itself may have a limited useful life, in which case it is depreciated in a manner that reflects the benefits or service potential to be derived from it (GRAP 17.69).

### **Review of residual value and useful life**

- The municipality should assess whether there is any indication that the expected useful life of the asset has changed based on whether the condition of the asset has improved or declined. This is based on any condition assessments undertaken by the entity on its assets during the reporting period. Paragraph .60(f) of GRAP 17 should not be read as requiring a condition assessment at each reporting date. Condition assessments will be undertaken by entities on selected or identified assets as part of its on-going asset management. Instead, any information available from any condition assessments undertaken during the reporting period should be used to assess whether the useful life of particular assets should be changed.
- All movable assets with a useful life of two years or less will be reviewed on an annual basis to ensure adherence to GRAP 1757 (c) if no other indicators are present or detected during the year under review.
- If the review indicates that a change has taken place and expectations differ from previous estimates, the changes should be accounted for as a change in the accounting estimate in accordance with the Standard of GRAP on Accounting Policies, Changes in Accounting Estimates and Errors.
- The remaining useful life of capital assets should be reviewed annually and, if expectations are significantly different from previous estimates, the depreciation charge for the current and future periods should be adjusted.
- This review should be done by the asset manager in conjunction with the impairment review.
- The review of useful life is a check to see if there is any evidence to suggest that expected life should be changed.
- The Table of Useful Lives is provided in the MFMA Local Government Capital

Asset Management Guideline (Refer to Annexure A). These should be used as a guide to the minimum useful lives only because actual asset lives experienced greatly exceed those recommended lives.

- The residual value of an asset may increase to an amount equal to or greater than the asset's carrying amount. If it does, the asset's depreciation charge is zero unless and until its residual value subsequently decreases to an amount below the asset's carrying amount (GRAP 17.65).

### **Impairment of assets**

The accounting treatment relating to impairment losses is outlined as follows in GRAP 17:

- The carrying amount (Book value) of an item or a group of identical items of property, plant and equipment should be reviewed periodically in order to assess whether or not the recoverable amount has declined below the carrying amount.
- Recoverable amount is the higher of a cash – generating asset's net selling price and its value in use.
- When such a decline has occurred, the carrying amount should be reduced to the recoverable amount. The amount of the reduction should be recognized as an expense immediately.
- The recoverable amount of individual assets, or groups of identical assets, is determined separately and the carrying amount reduced to recoverable amount on an individual asset, or group of identical assets, basis.
- However, there may be circumstances when it may not be possible to assess the recoverable amount of an asset on this basis, for example when all of the plant and equipment in a sewerage purification work is used for the same purpose. In such circumstances, the carrying amount of each of the related assets is reduced in proportion to the overall decline in recoverable amount of the smallest grouping of assets for which it is possible to make an assessment of recoverable amount.

The following may be indicators that an item of PPE has become impaired:

- The asset has been damaged.
- The asset has become technologically obsolete.
- The asset remains idle for a considerable period either prior to it being put into use or during its useful life.
- Land is purchased at market value and is to be utilized for subsidized housing developments, where the subsidy is less than the purchase price.

**Procedure to identify, budget and account for impairment losses:**

- The following needs to be done to ensure that impairment losses that are identified by the above indicators are budgeted for during the operating budget cycle and are accounted for in the next financial year. The following steps will have to be performed during the operating budget cycle:

**Financial Services Directorate - Financial Asset Management Section shall issue a memo to all directorates requesting them to identify assets that:**

- Are in a state of damage at the start of the operating budget cycle;
- Are technologically obsolete at the start of the operating budget cycle; This can be facilitated if directorates require that Financial Services Directorate – Financial Asset Management - section to supply them with a Fixed Asset Register printout pertaining to major assets showing the remaining useful lives of assets. The directorates can then assess and indicate cases where the assessed remaining useful life is shorter than the remaining useful life on the printout.
- Have remained idle for a considerable period either prior to them being put into uses at the start of the operating budget cycle or during their useful life;
- Are subject to impairment losses because the subsidies to be received in exchange for assets are less than the carrying amounts. An example of this is Land that is purchased at market value and is to be utilized for subsidized housing developments;
  - The recoverable amounts of these assets need to be calculated by calculating the Net selling Price per asset as defined above.
  - The impairment loss per asset needs to be calculated as the difference between the Net selling price and the book value of the asset.
  - The impairment loss needs to be budgeted for.
  - The following steps will have to be performed regularly during the year to account for impairment losses:

**Directorates will identify and inform Financial Services Directorate – Financial Asset Management section of assets that:**

- Are in a state of damage at year-end,
- Are technologically obsolete at year-end. This can be facilitated if directorates require Finance Directorate – Financial Asset Management section to supply them with a Fixed Asset Register printout pertaining to major assets showing

the remaining useful lives of assets. The directorates can then assess and indicate cases where the assessed remaining useful life is shorter than the remaining useful life on the printout.

- c) Have remained idle for a considerable period either prior to them being put into uses at year-end or during their useful life
- d) Are subject to impairment losses because the subsidies to be received in exchange for assets are less than the carrying amounts. An example of this is Land that is purchased at market value and is to be utilized for subsidized housing developments. The recoverable amounts of these assets need to be calculated by calculating the Net selling Price per asset as defined above.

The impairment loss per asset needs to be calculated as the difference between the Net selling price and the book value of the asset.

The impairment loss needs to be accounted for by identifying the relevant funding source.

### **Disclosure requirements relating to impairment losses:**

All material impairment losses need to be disclosed in the notes to the income statement as a separately disclosed item. They are normally disclosed as part of the note on the amounts that are included in the calculation of the Net Surplus or Deficit for the year.

## **DISPOSAL AND RETIREMENTS**

### **Governance**

Section 14 and 90 of the MFMA governs the disposal of assets. This section provides inter alia:

- The council may not dispose of assets that are utilized to provide minimum level of basic municipal services.
- Assets other than those utilized to provide minimum level of basic service may be disposed of subject to Council approval.
- An item of property, plant or equipment should be eliminated from the Statement of Financial Position, on disposal or when the asset is permanently withdrawn from use and no future economic benefits or potential service delivery is expected from its disposal, in accordance with GRAP 17.
- Gains or losses arising from the retirement or disposal of an item of property,

plant or equipment should be determined as the difference between the actual or estimated net disposal proceeds and the carrying amount of the asset and should be recognized as revenue or expense in the Statement of Financial Performance.

### **Procedures**

- a) Any items declared obsolete or damaged will be handed in to the Finance department – Financial Asset Management department for safekeeping.
- b) No items will be received by the Financial Services Directorate, Financial Asset Management section without a completed AT form and attached condemnation forms, counter signed by Finance Directorate – Financial Asset Management section, describing the status of the item and the reason for writing-off the item.
- c) Directorates must ensure that assets are disposed of in terms of the SCM policy.
- d) It is the responsibility of each directorate to ensure that all such assets to be disposed of are delivered to and received at the Finance Directorate – Financial Asset Management section.
- e) Approval for the disposal of assets is considered by the Municipal Manager only after a recommendation has been obtained from the following persons:
  - i. Vehicles and Plant – Manager: Financial Asset Management and applicable Directorate;
  - ii. Computers - Information Technology Manager.
  - iii. Other Items – Directors/ Managers within the different directorates.
- f) After the approval of the Municipal Manager has been obtained, any vehicle written off must be deregistered immediately.
- g) All asset items lost, stolen or damaged must be reported to the Financial Services Directorate – Insurance section as well as Finance Directorate – Financial Asset Management section by completing the AT form.
- h) All asset items lost or stolen also need to be reported to the SAPS by the relevant department.

An item of property, plant and equipment should be eliminated from the balance sheet on disposal or when the asset is permanently withdrawn from use and no future economic benefits or potential service delivery is expected from when it is disposed of.

Gains and losses arising from the retirement or disposal of an item of property, plant



and equipment should be determined as the difference between the actual or estimated net disposal proceeds and the carrying amount of the asset and should be recognized as revenue or expense in the Statement of Financial Performance.

The accounting treatment relating to the profit or loss on the sale of property, plant & equipment is outlined in GRAP 17. The following is a summary of the relevant aspects:

Profits and losses, which are disclosed in total in the financial statements, are *calculated by use of the following formula: -*

<i>Proceeds</i>	Sales value, trade-in value or proceeds received from insurance if the asset was damaged or stolen.
<i>Less: Carrying value</i>	Cost, or if valued, revaluation amount, less accumulated depreciation up to the date of sale or when asset can no longer be used for its intended purpose.
<i>Equals PROFIT or</i>	If proceeds greater than carrying value, or
<i>Equals LOSS</i>	If proceeds less than carrying value.

## 12. INTERNAL CONTROL OVER ASSETS

- Establishment and Management of the Financial Asset Register:

The Chief Financial Officer will establish and maintain the Asset Register containing key financial data on each item of Property, Plant or Equipment that satisfies the criterion for recognition as per the accounting standards.

Each Asset Manager is responsible to ensure that sufficient controls exist to substantiate the quantity, value, location and condition of all assets in the asset register.

Each Asset Manager must appoint an Asset Champion in each Directorate/Section which will be responsible to ensure that the asset listings are verified and kept up to date in collaboration with the Directorate: Finance Services.

- Contents of the Fixed Asset Register

The fixed asset register shall be maintained in the format determined by the Director: Financial Services, which format shall comply with the requirements of generally recognized accounting practice (GRAP) and any other accounting requirements which may be prescribe Directors under whose control any fixed asset falls shall promptly provide Director: Financial Services in writing with any information required to compile the fixed asset change which may occur in respect of such information. Contents of the Financial Asset Register:

The details included in the Asset Register will include:

- The depreciation methods used
- The useful live
- Depreciation charge
- The carrying amount
- The accumulated depreciation
- Additions
- Disposals and transfers
- Date of acquisition
- Date of disposal (if relevant)
- Asset description
- Historical cost of the asset
- Asset classification
- Asset ID
- Residual value

### **Internal Controls over the Financial Asset Registers**

- Controls around their asset register should be sufficient to provide an accurate, reliable and up to date account of assets under their control to the standards specified by the Chief Financial Officer and required by the Auditor-General.
- Controls around the asset registers should be sufficient to provide Directors with an accurate, reliable and up to date account of assets under their control to the standards specified by the Director: Finance and required by relevant legislation.

These controls will include the physical management and recording of all acquisition, assignments, transfers, losses and disposals of assigned assets as well as regular asset counts and systems audits to confirm the adequacy of controls.

### **Identification of fixed assets:**

The Municipal Manager shall ensure that the municipality maintains a fixed asset identification system which shall be operated in conjunction with its computerized fixed asset register.

### **Transfers, Reallocation or Reassignment of Property, Plant or Equipment**

- a) An Asset Manager retains management accountability and control for a particular asset until another Asset Manager in writing does accept responsibility for that asset, and the Chief Financial Officer endorses the transfer.
- b) The Asset Manager must advise the Chief Financial Officer on the prescribed form whenever an asset is permanently or temporarily reallocated or reassigned from one location to another.
- c) The form must be completed and signed by both the sender and receiver
- d) The Manager: Financial Asset Management will appropriately amend the Asset Register with all approved transfers.
- e) Assets must solely and exclusively be used for the purpose of the
- f) Council's business.

### **Verification of fixed assets**

- a) Financial Services Directorate: Financial Asset Management Section shall at least once during every financial year undertake a comprehensive verification of all fixed assets controlled or used by the directorate concerned.
- b) Finance Directorate: Financial Asset Management Section shall promptly and fully report in writing to the Director: Financial Services in the format

determined by the Director: Financial Services, all relevant results of such fixed asset verification, provided that each such asset verification shall be undertaken and completed as closely as possible to the end of each financial year, and that the resultant report shall be submitted to the Director: Financial Services not later than 30 June of the year in question.

### **Asset listings**

- a) The Chief Financial Officer must submit within six months after each financial year, asset listings of capitalised assets to all Asset Managers.
- b) At all times these asset listings should indicate the assets in particular location and should be easily accessible.
- c) When employees get appointed or resign from any specific post the relevant asset listings must be verified and accordingly endorsed by the Asset Champion for the specific workplace.
- d) All changes on asset listing sheets must be reported in writing to the Director: Financial Services within 7 days of when change took place.

## **13. FINANCIAL DISCLOSURE**

Assets must be disclosed in respect of each class of property, plant and equipment, in accordance with Generally Recognized Accounting Practice.

## **14. CLASSIFICATION OF ASSETS**

Any asset recognized as an asset under this policy will be classified according to categories as per the Fixed Asset Register. All fixed assets should be classified under the following headings in the Asset Register:

### **Property, plant and equipment:**

**Computer Equipment**

**Furniture and office equipment**

**Infrastructure: Electricity**

**Infrastructure: Network and Communication**

**Infrastructure: Roads, pavements, bridges**

**Infrastructure: Storm water**

**Infrastructure: Waste Management****Infrastructure: Waste Water Management****Infrastructure: Water****Machinery and Equipment****Transport Assets****Other Assets**

Other Assets shall be recorded under the following main categories;

- Operational Buildings: Municipal Offices
- Housing: Social Housing

**Heritage Assets**

A Heritage Asset is an asset that has historical, cultural or national importance and needs to be preserved. The following is a list of some typical heritage assets encountered in the municipal environment:

- Archaeological sites;
- Conservation areas;
- Historical buildings or other historical structures (such as war memorials);
- Historical sites (for example, historical battle site or site of a historical settlement);
- Museum exhibits;
- Public statues; and
- Works of art (which will include paintings and sculptures).

**Intangibles Assets**

- Computer Software
- Databases

**Community Assets**

*Community Assets* shall be recorded under the following main categories;

- Recreational Facilities;

- Sporting Facilities; and
- Other Facilities.

### **Land and Buildings**

Land and buildings shall be treated using the cost model.

Land shall be accounted for at cost and shall not be depreciated. Land on which infrastructure and community assets are located shall be identified as land and buildings and not disclosed together with the infrastructure and community assets. Land not registered in the name of the municipality but controlled by the municipality by virtue of owner-occupied buildings thereon, shall be recognised at cost.

Buildings shall be accounted at cost, less any accumulated depreciation and any accumulated impairment losses.

## Investment property

The classification of an investment property is based on management's judgement; the following criteria will be applied to distinguish investment properties from owner-occupied property or property held for resale:

<b>Investment property</b>	<b>PPE</b>	<b>Non-current assets held for sale</b>
the asset generates its own cash flows in the form of rentals (on a commercial basis)	rental income earned is below market value, and the asset is held for service delivery rather than to generate a commercial return	land and other properties held for sale within the next 12 months, if the criteria in GRAP 100 are met
the asset is held for capital appreciation	the asset is held to achieve service delivery objectives rather than to earn rental or for capital appreciation	
investment property that is being redeveloped for continued use as an investment property	property that is being constructed or developed for future use as investment property (until the asset meets the definition of investment property it is accounted for as PPE)	
Land held for an undetermined use	owner occupied-property such as office buildings and residential buildings occupied by staff members (assets used by employees, irrespective of whether or not the employees pay rent at market rates, are owner-occupied)	

The judgement of the Management of Stellenbosch Municipality is that the following classes of Municipal Property will be classified as Investment Property:

- Land held for long-term capital appreciation rather than for short-term sale in

the ordinary course of operations which council intends to sell at a beneficial time in the future.

- Land held for a currently undetermined future use.
- A building owned by the municipality (or held by the municipality under a finance lease) and leased out under one or more operating leases on a commercial basis.
- A building that is currently vacant but is held to be leased out under one or more operating leases on a commercial basis to external parties.

## **ANNUAL REVIEW ON THE POLICY**

This policy will be reviewed and updated annually or whenever legislative or accounting standards amendments significantly change the requirements pertaining to asset management in general and the administration of property, plant and equipment at a sooner event.

## **GENERAL**

This policy does not overrule the requirement to comply with other policies like supply chain management, tendering or budget policies. The Chief Financial Officer will provide guidance or recommend an amendment to this policy to comply with the essence and understanding of the policies, regulations or legislation being conflicted.

## **COMMENCEMENT**

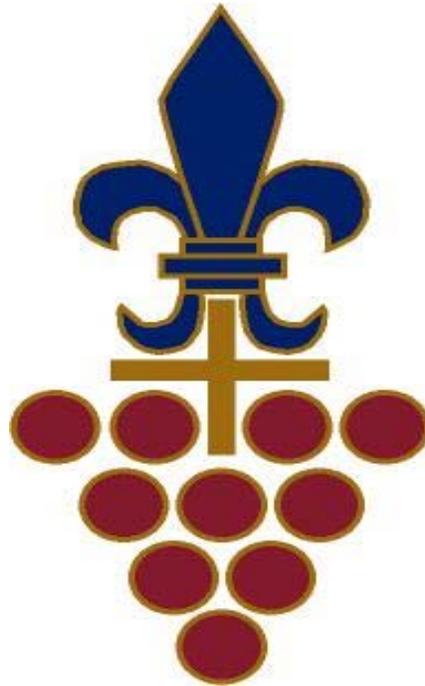
**01 July 2023**



**Asset Transfer form**



# **STELLENBOSCH MUNICIPALITY**



## **BORROWING, FUNDS AND RESERVES POLICY**

**2024/2025**

**UNCHANGED**



# STELLENBOSCH MUNICIPALITY

## BORROWING, FUNDS AND RESERVES POLICY

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## 1. INTRODUCTION

The documented **Borrowing, Funds and Reserves Policy**, sets out the framework for the prudent use of Borrowing, Funds and Reserves available to the Municipality.

This Policy should be implemented in conjunction with the approved **Liquidity Policy**. The Liquidity Policy sets out the prudent level of cash to be maintained by the Municipality as one of several factors to ensure long term financial sustainability. It is however of equal importance to protect, maintain and extend the infrastructure of the Municipality to ensure the continued provision of services at an acceptable standard.

This policy is implemented to provide guidance on the appropriation of capital funding resources on a sustainable basis in the longer term.

## 2. BACKGROUND AND APPROACH

With reference to the applicable legislation as referred to in paragraph 3 below. Legislation exists and prescribes the framework of a Borrowing as well as Funds and Reserves Policy and these factors will all be addressed in this Policy.

Although legislation provides guidance as to the broader framework to ensure financial management of resources to ensure the Council meets all of its obligations timeously, it is not prescriptive with regards to quantifying not only the prudent level of Borrowing, Funds and Reserves but more so the optimal level hereof.

Therefore, in this Policy cognisance has been taken of the legislative guidelines whilst more prescriptive guidelines are set for the optimal management and monitoring of resources to the Municipality's avail based on sound financial practices.

## 3. LEGISLATIVE REQUIREMENTS

The legislative framework governing borrowings, funds and reserves are:

1.1. Local Government Municipal Finance Management Act, Act 56 of 2003 (MFMA) must be complied with; and

1.1.1. MFMA Circular 71 stipulates the following guidelines regarding borrowing:

**Capital Cost (Interest Paid and Redemption) as a % of Total Operating Expenditure**

(Capital Cost (Interest Paid and Redemption) / Total Operating Expenditure) x100

Criteria: 6% - 8%

**Debt (Total Borrowings) / Revenue**

(Overdraft + Current Finance Lease Obligation + Non Finance Lease Obligation + Short Term Borrowings + Long Term Borrowings) / Total Operating Revenue

Criteria: Maximum 45%

1.2. Local Government Municipal Budget and Reporting Regulation, Regulation 393, published under Government Gazette 32141, 17 April 2009.

**4. FUNDING POLICY**

The Local Government Municipal Budget and Reporting Regulation, Regulation 393, published under Government Gazette 32141, 17 April 2009 stipulates:

8. (1) *Each municipality must have a funding and reserves policy which must set out the assumptions and methodology for estimating –*
- (a) *projected billings, collections and all direct revenues;*
  - (b) *the provision for revenue that will not be collected;*
  - (c) *the funds the municipality can expect to receive from investments;*
  - (d) *the dividends the municipality can expect to receive from municipal entities;*
  - (e) *the proceeds the municipality can expect to receive from transfer or disposal of assets;*
  - (f) *the municipality's borrowing requirements;*
  - (g) *the funds to be set aside in reserves.*

In terms of Section 18 and 19 of the MFMA an **annual budget** may only be funded from:

***Cash backed accumulated funds from previous years' surpluses not committed for other purposes:***

Transfers from the accumulated surplus to fund operating expenditure will only be allowed for specific once-off projects with no recurring operating expenditure resulting thereof.

***Borrowed funds, but only for capital projects:***

Actual capital expenditure may only be incurred on a capital project if the funding for the project has been appropriated in the Capital Budget but has also been secured from the financial source that is not committed for another purpose.

***Realistically anticipated revenues to be collected:***

Realistic anticipated revenue projections must take into account projected revenue for the current year based on actual collection levels in previous financial years.

**4.1. OPERATING BUDGET**

The Operating Budget should be cash funded. The Operating Budget is funded from the following main sources of revenue:

- a) Property Rates;
- b) Service Charges;
- c) Government Grants and Subsidies;
- d) Rental of facilities and Equipment;
- e) Other revenue, fines, interest received etc.;

The following guiding principles apply when compiling the Operating Budget:

- a) Growth parameters must be realistic taking into account the current economic conditions;
- b) Tariff adjustments must be in line with the following approved policies: ***Tariff Policy and Indigent Policy***;
- c) Revenue from Government Grants and Subsidies must be in line with allocations gazette in the Division of Revenue Act and provincial gazettes. Transfers of a conditional nature must be appropriated only as prescribed and should not be used to fund the Operating Budget;
- d) Revenue from public contributions, donations or any other grants may only be included in the Budget if there is acceptable documentation that guarantees the funds and if the transfers are unconditional of nature;

- e) Provision for revenue that will not be collected is made against the expenditure item provision for bad debt and based on actual collection levels for the previous financial year and the reasonably projected annual non-payment rate;
- f) Interest received from actual Long-term and or Short-term Investments are based on the amount reasonably expected to be earned on cash amounts available during the year according to the expected interest rate trends. The actual amount allocated for interest on investments is contributed to the Capital Replacement Reserve;
- g) A detailed salary budget is compiled on an annual basis. All funded positions are budgeted for in total as well as new and/or funded vacant positions. As a guiding principle the salary budget should not constitute more than 35% of annual Operating Expenditure;
- h) Depreciation charges are fully budgeted for according to the Asset Register.
- i) The annual cash flow requirement for the repayment of borrowings must fully be taken into consideration with the setting of tariffs;
- j) Sufficient provision must be made for the maintenance of existing infrastructure based on affordable levels. The maintenance budgets are normally lower than the recommended levels as a guiding principal repair and maintenance should constitute between 5% and 8% of total operating expenditure and should annually be increased incrementally until the required targets are achieved.
- k) Individual expenditure line items are to be revised each year when compiling the budget to ensure proper control over expenditure.

#### **4.2. CAPITAL BUDGET**

The capital budget provides funding for the municipality's capital programme based on the needs and objectives as identified by the community through the Integrated Development Plan and provides for the eradication of infrastructural backlogs, renewal and upgrading of existing infrastructure, new developments and enlargement of bulk infrastructure.

The capital budget is limited by the availability and access to the following main sources of funding:

- a) Accumulated cash backed internal reserves such as the Capital Replacement Reserve;
- b) External borrowings;
- c) Government Grants and Subsidies;
- d) Public Donations and Contributions.



The following guiding principles apply when considering sources of funding for the capital budget:

**a) Government Grants and Subsidies:**

- a. Only Government Gazetted allocations or transfers as reflected in the Division of Revenue Act or allocations as per Provincial Gazettes may be used to fund projects;
- b. The conditions of the specific grant must be taken into consideration when allocated to a specific project.

**b) Public Donations and Contributions:**

- a. In the case of public contributions, donations and/or other grants, such capital projects may only be included in the annual budget if the funding has been received by the municipality already.

**c) External Borrowing:**

- a. The borrowing requirements as contained in the **Borrowing Policy** in paragraph 6 are used as a basis to determine the affordability of external loans over the Medium Term Income and Expenditure Framework. The ratios to be considered to take up additional borrowings are as follows, unless in contravention with any loan covenants:
  - i. Estimated long-term credit rating of BBB and higher;
  - ii. Total Long-term Debt to Total Operating Revenue (excluding conditional grants and transfers) not to exceed 45%;

Capital Cost (Interest Paid and Redemption) as a % of Total Operating Expenditure not to exceed the norm between 6 -8 %

**d) Cash backed Reserves**

- a. Allocations to capital projects from cash backed internal reserves will be based on the available funding for each ring-fenced reserve according to the conditions of each reserve. With reference to Paragraph 5, **Reserves Policy**.

All capital projects have an effect on future operating budget therefore the following additional cost factors should be considered before approval:

- a) Personnel cost to staff new facilities once operational;

- b) Contracted services, that is, security, cleaning etc.;
- c) General expenditure such as services cost, stationery, telephones, material etc.;
- d) Other capital requirements to the operate facility such as vehicles, plant and equipment, furniture and office equipment etc.;
- e) Costs to maintain the assets;
- f) Interest and redemption in the case of borrowings;
- g) Depreciation charges;
- h) Revenue generation as the additional expenses incurred may be offset by additional revenue generated to determine the real impact on tariffs.

## 5. RESERVES POLICY

All reserves are “ring fenced” as internal reserves within the accumulated surplus, except for provisions as allowed by the General Recognized Accounting Practices (GRAP):

- a) Housing Development Fund;

The municipality endeavours to effectively utilise and maintain the **Capital Replacement Reserve** for the funding of capital replacement and renewal for future financial years. This reserve needs to be cash backed. This will provide the Municipality with a more balanced capital funding approach in the longer term thereby reducing the risk of reaching its maximum gearing ability or depleting its free cash.

This Reserve can be generated as follows from the Operating Budget; the following methodology needs to be read in conjunction with the **Liquidity Policy**:

### a) Cash generated from Operating Activities:

- a. The Municipality has maintained a strong ability to generate surplus operational cash flow which it has used to fund most of its capital spending in the past;
- b. In the past depreciation charges could be considered sufficiently cash backed based on the cash surplus generated prior to capital spending. However, going forward should capital spending increase sharply it will result simultaneously with Depreciation charges increasing sharply which may therefore in future not be fully supported by cash.
- c. Depreciation is a method to generate future cash. Therefore, it is prudent to annually measure the cash coverage for depreciation charges until it is fully funded from cash through tariff setting.

- d. As at year end it is to be determined whether the Municipality meets its **Minimum Liquidity Criteria** as stipulated in the **Liquidity Policy**, excess cash in addition to this prescribed level is to be calculated and appropriated to the Capital Replacement Reserve and no more than 80% of the balance of the Capital Replacement Reserve as at year end should be allocated to the following year's capital budget unless sufficient recommendations are made to Council to substantiate such a decision.

## 6. BORROWING POLICY

It is required that the Municipality comply with the guidelines of Chapter 6 of the MFMA with regards to Debt Disclosure as detailed in Sections 46, 47, 48 and 49. This section should be read in conjunction with point c) under paragraph 4.2. on page 6. External borrowings may only be incurred for approved capital programmes and may under no circumstances be allocated to fund the Operating Budget.

Municipal infrastructure has a long-term economic life and it is appropriate to fund assets of this nature with long term external borrowing. The economic life of assets should be equal to or longer than the tenure of the external borrowing.

The following needs to be taken into consideration when accessing external borrowing:

### a) Types of loan financing

- a. Annuity Loans enable the Municipality to provide for the redemption of loans on an amortising basis which is generally the most cost effective method of financing often referred to as vanilla funding;
- b. Bullet Redemption Loans are attractive as interest on the loan is serviced with the capital redemption only taking place at the end of the tenure of the loan. However, this method is more costly as interest is paid on the full debt throughout the term as the Capital does not reduce. This type of loan also requires an annual contribution to a sinking fund, which in essence then mimics the traits of an annuity loan although at a higher cost. The use of such structure warrants a detailed motivation based on the benefits to the implementation of the capital project;
- c. Sculpted Repayment Loans offer a combination of the above two types, as loans are sculpted according to the potential cash flows to be generated from

the capital project in future. For example, the following can be included in a sculpted loan:

- i. A capital grace period in the first years of the development of the capital project;
- ii. An incremental annual increase in the repayment in relation to the projected growth in revenue from the project.

**b) Interest Rate Risk Management**

- a. The impact of interest and capital redemption payments on both the current and forecasted property rates and service charges through tariffs taking into consideration the current and future capacity of the consumer to pay therefore;
- b. Likely movement in interest rates for variable rate borrowings. There are benefits to be yielded from borrowing on a variable rate if rates are projected to decrease in future, however it is prudent for the Municipality to enter into fixed interest rate loans to accurately budget for expenses incurred.

**c) Tenure of Borrowing**

- a. The tenure of external borrowings should where possible match the economic useful life of the asset.

**d) Security**

- a. Unless sufficient motivation is provided and other than for the provision of a sinking fund for the redemption of a bullet loan, the provision of any security against external borrowings, should be specifically motivated by the CFO for approval.

**e) Loan Covenants**

- a. The Municipality is to maintain a Loan Covenants Register detailing the covenants entered into with each active loan agreement until date of maturity thereof;

- b. Compliance with all loan covenants are to be monitored and reported on semi-annually to ensure that the Municipality does not breach any covenants;
- c. Should a default be triggered based on non-compliance with loan covenants, the Municipality is to alert Council and send the related Financial Institutions a written commitment to address the matter within a reasonable timeframe.

**f) Level of gearing**

- a. As stipulated in point c) under paragraph 4.2. on page 6, gearing is not only limited by the level of debt against the Total Operating Income (excluding conditional grants) but also limited by other operational factors including compliance with the stipulations of the approved **Liquidity Policy**.

## **7. CORPORATE GOVERNANCE (OVERSIGHT)**

Compliance with the various stipulations as documented in this Borrowing, Funds and Reserves Policy need to be monitored by the Chief Financial Officer and reported on to the Municipal Manager on a monthly basis and to the Finance/Audit Committee on a quarterly basis.

Where compliance has been breached the Chief Financial Officer must present an action plan to correct the non-compliance. The Finance Committee must monitor the successful implementation of the corrective action plans and report progress to Council.

## **8. TRANSITIONAL ARRANGEMENT**

Upon adoption of this policy by the Council, the Municipal Manager in conjunction with the Chief Financial Officer must determine the current performance levels of the Municipality against this Policy and present a plan of action towards achieving and maintaining the stipulation as set out in this policy thereby utilising a more blended funding mix for capital infrastructure investment.

The Council must approve an appropriate timeframe within which the Municipality must achieve the approved stipulations as set out in this Policy. The period between the date of the policy adoption by Council and the target date for compliance shall be known as the Transitional Period.

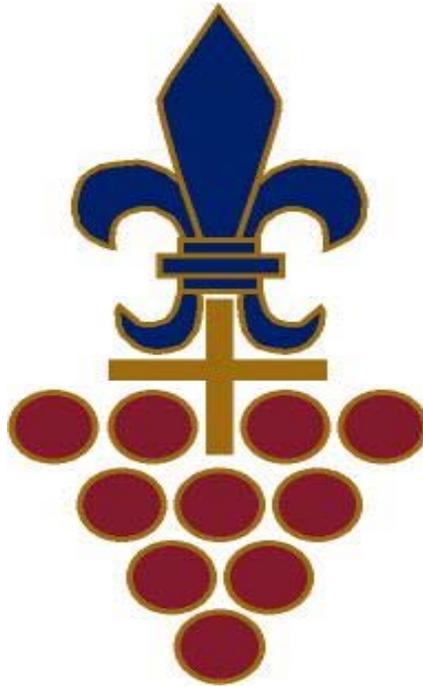
The Finance Committee must report progress during the approved Transitional Period to the Council.

## **9. POLICY MANAGEMENT**

The *Borrowing, Funds and Reserves Policy* forms part of the Municipality's overall financial objectives and therefore forms part of approved Budget Policies. The policy must be reviewed at least annually during the budget revision and presented to Council for approval.

The policy is effective from the date it is approved by Council.

# **STELLENBOSCH MUNICIPALITY**



## **BUDGET IMPLEMENTATION AND MONITORING POLICY**

**2024/2025**

**UNCHANGED**



# STELLENBOSCH MUNICIPALITY

## BUDGET IMPLEMENTATION AND MONITORING POLICY

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## **1. PREAMBLE**

In the spirit of the Municipal Finance Management Act, (No.56 of 2003) “ to modernize budget and financial management practices by placing local government finances on a sustainable footing in order to maximize the capacity of municipalities to deliver services to all residents customers, users and investors” and,

Whereas chapter 4 of the Municipal Finance Management Act, (No 56 of 2003) determines that a municipality may, except where otherwise provided in the Act, incur expenditure only in terms of an approved budget; and within the limits of the amounts appropriated for the different votes in an approved budget,

Therefore the Stellenbosch Municipality revised its Budget Policy to give effect to the Budget and Reporting Regulations as set out in this policy.

## **2. OBJECTIVES OF POLICY**

The objective of the budget policy is to:

- a) The policy sets out the budgeting principles which Stellenbosch Municipality will follow in preparing each annual budget or adjustments budget). The policy aims to give effect to the requirements and stipulations of the Municipal Finance Management Act in terms of the planning, preparation and approval of the annual budgets.
- b) The policy shall apply to all the relevant parties within the Stellenbosch Municipality that are involved throughout the budget process.
- c) A Budget Steering Committee will be established to guide the budget process.

### **3. BUDGET PRINCIPLES**

#### **3.1 Capital Budgets**

The capital budget refers to the allocations made to specific infrastructural projects and the purchase of equipment and other forms of assets, as classified per the Stellenbosch Asset Management Policy.

##### **3.1.1 Basis of Calculation**

- a) The current three year MTREF budget, including two future planning years in terms of the 5 year IDP, is the departure point in preparing the subsequent annual capital budget.
- b) The annual capital budget shall be based on realistically anticipated revenue (capital loans to be taken up will be deemed to be part of this), which should be equal to the anticipated capital expenditure in order to result in a balanced budget.
- c) The impact of the capital budget on the current and future operating budgets in terms of finance charges to be incurred on external loans, depreciation of fixed assets, maintenance of fixed assets and any other operating expenditure to be incurred resulting directly from the capital expenditure, should be carefully analysed when the annual capital budget is being compiled.
- d) In addition, the council shall consider the likely impact of such operational expenses- net of any revenues expected to be generated by such item- on future property rates and service tariffs.

### **3.1.2 Financing**

#### **Own Financing Sources**

The Council shall establish a Capital Replacement Reserve (CRR) for the purpose of financing capital projects and the acquisition of capital assets. Such reserve shall be established from the following:

- a) unappropriated cash-backed surpluses to the extent that such surpluses are not required for operational purposes;
- b) further amounts appropriated as contributions in each annual or adjustments budget; and
- c) net gains on the sale of fixed assets in terms of the fixed asset management and accounting policy.

#### **Other Finance Sources**

The Ad- Hoc capital budget shall be financed from external sources such as the following:

- a) Grants and subsidies as allocated in the annual Division of Revenue of Act;
- b) Grants and subsidies as allocated by Provincial Government;
- c) External Loans;
- d) Private Contributions;
- e) Contributions from the Capital Development Fund (developer's contributions);  
and
- f) Any other financing source secured by the local authority.

### **3.1.3 Process and responsible parties**

The process to be followed in the compilation of the capital budget is as follows:

- a. The current 3 year MTREF budget is the departure point in preparing the subsequent annual capital budget.

- b. The CFO, in conjunction with the Senior Manager: Financial Management Services and the Manager: Budget & Costing and after consultation with the Budget Steering Committee sets the reasonable growth level of the capital budget to be financed out of own and external sources and determines affordability.
- c. The draft capital budget is compiled based on the projects that emanated out of the engagements with the different stakeholders.
- d. The CFO, together with the Senior Manager: Financial Management Services, engage with the Directors and the Senior Managers in order to determine the priorities for a particular financial year and to determine the ranking of projects based on these priorities.
- e. The draft capital budget is submitted to the Budget Steering Committee for perusal and suggestions.
- f. The draft capital budget is tabled in Council at least 90 days (31 March) before the start of the new financial year.
- g. After the draft budget is tabled in Council, it is advertised for public comment for a period of 30 days.
- h. Once the comments from the public have been received, noted and considered, any amendments and the final budget are tabled in Council for final approval, at least 30 days (31 May) before the start of the financial year.

### **3.1.4 Implementation**

The process to be followed in the compilation of the capital budget is as follows:

- a) After the budget has been approved, the service delivery and budget implementation plan (SDBIP) should be compiled.
- b) The SDBIP must be tabled to the Mayor within 28 days after aforementioned approval.
- c) Each director has to indicate the intended spending patterns of both their capital and operating budgets. (Cash flows)

- d) These listed cash flows are consolidated into the Service Delivery and Budget Implementation Plan of the organisation.
- e) The SDBIP will be monitored on a monthly basis
- f) Each directorate can use their respective vote numbers as indicated on the capital budget

## 3.2 Operational Budget

The operational budget refers to the funds that would be raised in the delivery of basic services, grants & subsidies and any other municipal services rendered. These funds are in turn used to cover the expenses incurred in the day to day running of the organization.

### 3.2.1 Basis of Calculation

- a) A zero based approach is used by budget holders in preparing the annual operating budget, depending on the type of revenue or expenditure.
- b) The annual operating budget shall be based on realistically anticipated revenue, which should at least be equal to the anticipated cash operating expenditure in order to result in a balanced budget.
- c) An income based approach shall be used where the realistically anticipated revenue would firstly be projected. The level of operating expenditure will then be based on the projected revenue, thus resulting in a balanced budget.

### 3.2.2 Financing

The operating budget shall be financed from the following sources:

**Agency Services** - Compensation received by the municipality for cost to provide the agency service should be recognised as receipts and not set-off against the expenditure. This compensation maybe in the form of commission, agency fees, contract fees, etc.

**Interest, Dividend and Rent on Land** - Consist of the income associated with ownership of interest bearing financial instruments, such as bank deposits, loans extended to others, and bills and bonds issued by others. Dividends come in the form of receipts from shares and distribution of profits to the owner. Rent on land is the receipts due to ownership of land.

**Operational Revenue** - Operational revenue refers to all other income not elsewhere classified such as administrative fees, bad debts recovered, breakages, commission, discounts and early settlements, etc.

**Rental from Fixed Assets** - Operating lease income received by the municipality from external use. Distinction is made between rental income based on market related versus non-market related rates.

**Sales of Goods and Rendering of Services** - This category consist of sales and services rendered provided that the municipality produced or partially produced the good or service.

**Service Charges** - This group of accounts provides for the basic services delivered by municipalities.

**Licences or Permits** - Granting of licences or permits associated with a regulatory function by government. Fees recognised under this category must result from a principle agreement. If the municipality act as an agent on behalf of provincial or national government the transaction need to be treated accordingly. Judgment need to be applied in deciding whether the "licence or permits" need to be classified as exchange or non-exchange revenue.

**Fines, Penalties and Forfeits** - This item consists of all compulsory receipts imposed by a court or quasi-judicial body. Out-of-court settlements are also included in this category. As with taxes, this item consists of unrequited, compulsory transactions. Thus, the recipient municipality does not provide anything in return for these receipts.

**Property Rates** - Property Rates means a municipal rate on property envisaged in section 229 (1)(a) of the Constitution read with the Municipal Property Rate Act 6 of 2004 as amended by the Municipal Property Rates Amendment Act, 2014. Rateable property means property on which a municipality may in terms of section 8 levy a rate and excludes impermissible rates as per section 17 of the Act.

**Transfers and Subsidies** - This category provides for of all unrequited, voluntary receipts from other parties. Thus an entry should be made under this item when the municipality does not provide anything of similar value directly in return for the transfer from the other party and the transfer is voluntary. {GRAP 23: Transfers are inflows of future economic benefits or service potential from nonexchange transactions, other than taxes.} This group of accounts provide for "operational and capital transfers and subsidies" received "in-kind or in monetary value".

**Interest, Dividend and Rent on Land** - Consist of the income associated with ownership non-exchange transactions.

### 3.2.3 Process

- a. The CFO, in conjunction with the Senior Manager: Financial Management Services and the Manager: Budget & Costing, and after consultation with the Budget Steering Committee, sets the reasonable growth level of the operational budget based on the current financial performance and the prevailing industry growth levels. (i.e. CPI).
- b. After the income has been determined, an acceptable growth level for the operating expenditure is determined and the draft operating budget is discussed with the relevant Directors for their perusal and amendments.
- c. The draft operating budget is compiled based on the submissions from the engagements with the different stakeholders.

- d. The draft operating budget serves before the Budget Steering Committee for perusal and suggestions.
- e. The draft operating budget is tabled in Council at least 90 days (31 March) before the start of the new financial year.
- f. The draft SDBIP is tabled in Council at least 90 days (31 March) before the start of the new financial year.
- g. After the draft budget is tabled in Council, it is advertised for public comment for a period of 30 days.
- h. Once the comments from the public have been received, noted and considered, the final budget (inclusive of any amendments) is tabled in Council for adoption, at least 30 days (31 May) before the start of the financial year.
- i. Sect 25(1) of the Municipal Finance Management Act (56 of 2003) states that “if a municipal council fails to approve an annual budget, including revenue raising measures necessary to give effect to the budget, the Council must reconsider the budget and again vote on the budget, or on an amended version thereof, within 7 days of the Council meeting that failed to approve the budget.”

### **3.2.4 Implementation**

- a) After the budget has been approved, the service delivery and budget implementation plan (SDBIP) is compiled.
- b) The SDBIP must be tabled to the Mayor within 28 days after aforementioned approval.
- c) Each director has to indicate the intended spending patterns of both their capital and operating budgets. (Cash flows)



- d) These listed cash flows are consolidated into the Service Delivery and Budget Implementation Plan of the organisation.
- e) The SDBIP will be monitored on a monthly basis.
- f) Each directorate can use their respective vote numbers as indicated on the operating budget.

### **3.2.5 Adjustments Budgets**

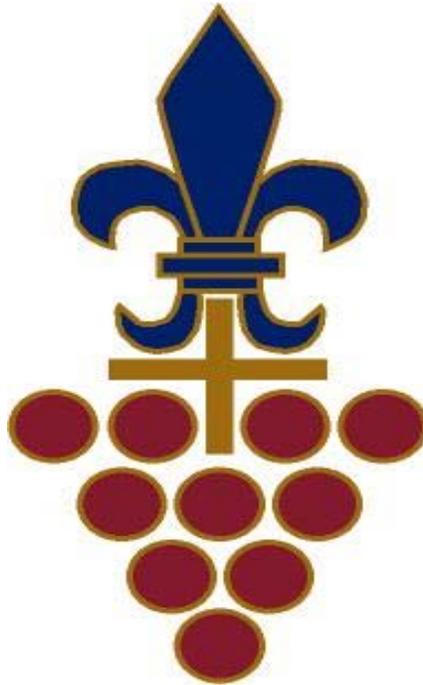
- (a) Each adjustments budget shall reflect realistic excess, however nominal, of current revenues over expenses.
- (b) The Chief Financial Officer shall ensure that the adjustments budgets comply with the requirements of the National Treasury, reflect the budget priorities determined by the executive mayor, are aligned with the IDP, and comply with all budget-related policies, and shall make recommendations to the executive mayor on the revision of the IDP and the budget-related policies where these are indicated.
- (c) Council may revise its annual budget by means of an adjustments budget as regulated.
- (d) The Accounting Officer must promptly adjust its budgeted revenues and expenses if a material under-collection of revenues arises or is apparent.
- (e) The Accounting Officer shall appropriate additional revenues, which have become available but only to revise or accelerate spending programmes already budgeted for or any areas of critical importance identified by Council in compliance with Item 2 of Section 10.
- (f) The Council shall in such adjustments budget, and within the prescribed framework, confirm unforeseen and unavoidable expenses on the recommendation of the Executive Mayor.

- (g) Only the Executive mayor shall table an adjustment budget. Adjustments budget shall be done once as part of the mid-year budget performance assessment.
- (h) An adjustments budget must contain all of the following:
  - I. an explanation of how the adjustments affect the approved annual budget
  - II. appropriate motivations for material adjustments; and
  - III. an explanation of the impact of any increased spending on the current and future annual budgets.
- (i) Any unappropriated surplus from previous financial years, even if fully cash-backed, may not be used to balance any adjustments budget, but may be appropriated to the municipality's capital replacement reserve.
- (j) Municipal taxes and tariffs may not be increased during a financial year except if required in terms of a financial recovery plan and or per National Treasury Regulations.
- (k) Unauthorised expenses may be authorised in an adjustments budget.

#### **4. REVIEW OF POLICY**

- (a) This policy shall be reviewed on an annual basis to ensure that it is in line with the municipality's strategic objectives, good governance, prudent expenditure management and with relevant legislation.

# **STELLENBOSCH MUNICIPALITY**



## **POOL VEHICLE POLICY**

**2024/2025**

**UNCHANGED**



# STELLENBOSCH MUNICIPALITY

## POOL VEHICLE POLICY

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## **Purpose**

To ensure the proper procedure of booking and utilization of a pool vehicle.

## **Utilization of Pool Vehicles**

No person, other than a municipal official in possession of a valid driver's licence may drive a Pool Vehicle and no person other than an official may be transported in a Pool Vehicle, provided that the CFO, Municipal Manager or a director may in exceptional circumstances authorise that other passengers may be transported in such Pool Vehicle.

Municipal officials that receive car allowance are NOT allowed to use any pool vehicle.

## **Section 1: Responsibilities of Drivers**

The full cooperation of all employees concerned is required to always ensure that the municipal transport system functions efficiently. All drivers are expected to accept and exercise the responsibilities associated with the operation of vehicles.

### **1.1 Usage**

1.1.1 Municipal transport is provided strictly for official services only and is not to be used for private purpose

1.1.2 When a municipal vehicle is to be used, the driver must ensure that a copy of the Trip Authorization Form (provided by fleet management) duly authorized and signed, is held in the vehicle.

1.1.3 All municipal vehicles must be issued with a Daily Logbook. The driver is required to record all his/her daily trips in the logbook. The Daily Logbook must be submitted to the Fleet management Department upon returning the vehicle.

1.1.4 Municipal fuel cards may be used only for the purposes of refuelling of municipal vehicles and is not to be used for private purposes.

## **1.2 Public Image**

All municipal vehicles shall be driven in a SAFE and COURTEOUS manner, which will promote the municipality's PUBLIC IMAGE. Municipal drivers are constantly in public view; their behaviour shapes the public concept of municipal efficiency in general.

## **1.3 Careful handling**

Municipal vehicles shall at all times be driven and handled with proper care and attention, to obtain the best mechanical service and avoid infringements of the law. Any evidence of neglect, rough handling or reckless driving must be reported to Fleet management Services and will result in disciplinary action.

## **1.4 Inspection**

- 1.4.1 Pre-drive inspection of vehicles are to be carried out by Fleet management officer daily, as required in terms of the pool vehicle policy.
- 1.4.2 Fleet management officer must always ensure that the vehicle is in a roadworthy condition.
- 1.4.3 The last user of a vehicle will be held responsible for any unreported damage/defects/loss. The fleet management officer must thoroughly inspect a vehicle after each trip. Any damage/defects found by the Fleet management officer must be reported to the fleet Manager immediately and an appropriate action must be taken by management. A vehicle must not be driven prior to all damages/ defects being attended to.
- 1.4.4 All municipal vehicles must be inspected periodically by the Fleet management officer of Stellenbosch Municipality to ensure that a proper state of cleanliness, repair and efficiency is being maintained. All instances of poor upkeep of municipal vehicles must be investigated and disciplinary action taken. All costs incurred in repairing the vehicle are to be recovered from the driver/person responsible for the vehicle.

## **1.5 Pre- and Post-Driver Activities**

1.5.1 Before a vehicle is driven, the fleet management officer must ensure that the following activities have been carried out:

### **Pre-trip activities**

- a) Carry out an inspection of the vehicle.
- b) Record all damages to the vehicle observed during the pre-inspection.
- c) Both fleet management and line department signs the findings of the pre-inspection
- d) Check whether the logbook details is the same as the km's on the odometer
- e) Give the driver the trip authorisation form and make sure that it is signed.
- f) Ensure that the details of the trip to be undertaken are entered in the Logbook.

### **Post-trip activities**

- a) Cross check the odometer reading, distance covered and time in the daily Logbook.
- b) Inspect the vehicle thoroughly.
- c) Report to fleet manager any damage to the vehicle.
- d) Confirm whether fuel was purchased and hand over the fuel slip to fleet management.
- e) Check whether all information is correctly recorded in the logbook.

1.5.2 Every trip undertaken by the driver must appear as a separate entry in the Logbook.

1.5.3 Inspection Forms and Logbook entries must be checked by fleet management officer every day. All instances of irregular/unauthorized use of motor vehicles must be investigated by Fleet management services and disciplinary action be taken where necessary.

## **1.6 Safety**

All employees must be fully aware that it is a criminal offence to disobey the general safety instructions issued by their employer. Persons guilty of failing to observe safety instructions are liable not only to disciplinary action in terms of the Municipality's Conditions of Service, but also to prosecution by the Department of Labour.

## **1.7 Rules**

Failure to observe the rules contained herein and any additional instructions issued by Fleet management will render the offending employee liable to disciplinary action.

## **1.8 Driver Competency**

The Traffic Management Section will perform a Competency Test to every municipal employee who requires to operate a municipal vehicle. The employee must pass the test to receive a certificate authorizing them to operate a municipal vehicle.

## **Section 2: Determining the need for vehicles**

2.1 The Managers of departments are responsible for determining the number and types of vehicle(s) that will be required for a booking and will communicate that to fleet management via email, it is the responsibility of fleet management to determine which vehicles will be available.

2.2 A vehicle must be booked from fleet management 24 hours before the trip.



### **Section 3: Issue of Vehicles**

#### **3.1 Exclusive use of vehicles**

3.1.1 There will be no exclusive use of a pool vehicle.

#### **3.2 Pool Vehicles**

3.2.1 Authorization is to be obtained from each manager of Department prior to an employee taking possession of a vehicle.

3.2.2 A daily trip authorization form is to be completed and approved by the Director or senior manager of Department prior to the employee taking possession of a vehicle.

3.2.3 Vehicle keys are to be issued to the employee by fleet management officer and stored by fleet management at the close of business each day.

3.2.4 A physical inspection of the vehicle is to be conducted by fleet management officer subsequent to the vehicle being returned by the employee as stated in 1.4

3.2.5 A register is to be maintained by fleet management, which details the following information daily:

- a) Name of employee
- b) Travel destination for the day
- c) Mileage for the day
- d) Time of transfer of vehicle to employee
- e) Name of fleet management Officer that issued the vehicle
- f) Time of return of vehicle keys.

3.2.6 Unless prior arrangements have been made with fleet management, employees who fail to return vehicles at the close of business each day, will be subject to disciplinary action.

3.2.7 No employee shall take a pool vehicle home overnight.

## **Section 4: Proper use of Municipal vehicles**

The following rules must be observed:

- 4.1 The most economical vehicle suitable for the purpose must be used.
- 4.2 The vehicle shall only be driven by an appropriate licensed and duly authorized employee on official duty.
- 4.3 The driver must be licensed in terms of National Road Traffic Act for the particular class of vehicle under his/her control.
- 4.4 No person shall move, drive, or operate any municipal vehicle unless he/she is fully authorized to do so. The unauthorized use of a vehicle will render the person concerned liable for prosecution in a court of law, over and above any internal disciplinary action.
- 4.5 Passengers, inclusive of municipal staff, are not permitted to ride on or inside any municipal vehicle except for the execution of municipal duties. All passengers must sign an indemnity prior to being transported in a municipal vehicle.
- 4.6 The driver shall not deviate any vehicle from the shortest route to the destination to serve the private interest of the driver or his/her passengers, or in connection with the conveyance, loading or unloading of private property or goods.
- 4.7 The driver shall not utilize any municipal vehicle for private purpose.
- 4.8 The driver of any vehicle shall not deviate to any unauthorized routes or destinations and shall not enter any unauthorized premises or areas.
- 4.9 Drivers are expected to route their vehicles so as to secure maximum operating efficiency at minimum expenses.
- 4.10 Logbooks with specific details must be kept up to date and inspected by fleet management officer every day. Any deviation must be investigated and, when necessary, reported to fleet manager for further investigation, so that disciplinary action can be taken against infringing members.
- 4.11 The fleet manager must report all deviations and actions taken to the Chief Financial Officer monthly.

## **Section 5: Vehicle Keys**

- 5.1 Employees in charge of vehicles must always ensure that the ignition, door lock, fuel cap, gear lock and other keys of the vehicle in use are suitably safeguarded against loss or theft.
- 5.2 In the event of a vehicle's keys being lost or mislaid, the driver must not attempt to open the locking system of the vehicle but must obtain assistance from fleet management services.
- 5.3 A thorough investigation must be conducted by Fleet management to establish the causes for vehicle keys being lost. Where it is found that the loss of keys is due to negligence on the part of the driver, all costs to recover/replace the keys must be recovered from the driver.

- 5.4 At no time shall a driver leave his/her vehicle unattended without first switching off the engine and removing the ignition key, engaging the gear-lock, and removing the key.

## **Section 6: Damage, Losses, and Theft**

Damage, losses, and theft, other than those arising from accidents, are dealt with under this section.

- 6.1 An employee who takes over a municipal vehicle must ensure that damage or loss is immediately brought to the notice of Fleet Management in writing. Unless he/she complies with this instruction, he /she will be deemed to have received the vehicle in good order.
- 6.2 Any person found unlawfully removing fuel from a municipal vehicle or engaged in an unauthorized removal or exchange of any component on a municipal vehicle will be subjected to the strictest discipline, as prescribed in the prevailing Conditions of Service.
- 6.3 In the event of losses, thefts and hijacking, the employee operating the vehicle must immediately report the matter to Fleet Management for further investigation and follow up
- 6.4 In the event of a hijacking or armed robbery, Law Enforcement must be contacted immediately
- 6.5 Any pool vehicle may be subjected to a search by fleet management officer.

## **Section 7: Garaging and parking of municipal transport**

### **7.1 Overnight parking**

- Vehicles must be parked at designated municipal premises.
- Under no circumstances should municipal vehicles be parked outside designated premises without the authorization of Fleet Management services.

### **7.2 Reserved areas**

No pool vehicle is allowed to park on reserved areas or the area for visiting personnel.

## **Section 8: Mechanical Appreciation**

- 8.1 Whilst a municipal pool vehicle is in operation, the driver shall regularly check the warning lights, indicators, and gauges. Immediate action must be taken should anything untoward being noticed, to prevent damage or further damage to the vehicle or its components.
- 8.2 Where there is an indication of excessive engine heat or lack of oil pressure, the engine shall be switched off immediately and the vehicle not driven further under its own power until the matter has been rectified.

- 8.3 The “revving” up of engines is detrimental, especially at the cold starting-up stage. Until normal operating temperatures are achieved, high speed engine operation must be avoided.
- 8.4 Where a vehicle is subjected to extended periods of waiting in dense traffic, the neutral gear position must be selected and the hand brake applied, to avoid unnecessary wear on the clutch components.
- 8.5 Travelling with a foot on the clutch pedal must be avoided, as this causes premature failure of the clutch assembly and release bearing.
- 8.6 A smooth balance must be maintained between the clutch and accelerator pedal to avoid damage to the vehicle’s drive train.

## **Section 9: Safe Driving**

### **9.1 Traffic Regulations**

Traffic fines arising from neglect on the part of the driver will not be paid by the Municipality. The driver will be held personally responsible and will not receive any financial assistance from the Municipality.

### **9.2 Speed Limits**

Apart from the necessity of observing the speed limits laid down by the government and local authorities, municipal motor vehicles must not be driven at speeds that may endanger the lives of occupants and other road users. Speed must be adjusted to suit weather conditions, road conditions and the vehicle being used.

## **Section 10: Speedometers, Odometers and Hour-meters**

- 10.1 It is important that odometers and hour-meters always reflect the true elapsed distance and times. Any defect in a speedometer, odometer or hour-meter should be rectified as soon as possible.
- 10.2 No person shall disconnect the speedometer of a municipal vehicle. Where a speedometer is fitted to a vehicle, the National Road Traffic Act requires it to be in good working order.
- 10.3 Speedometers and hour-meters should not be tampered with.

## **Section 11: Care of Tyres**

## 11.1 Tyre pressures

Fleet management officer must ensure that the inflation of tyres is in accordance with the pressures recommended by the manufacturer of the vehicle. Incorrect inflation, particularly under inflation, is the greatest single factor contributing to undue wear, overheating and premature failure of tyres. Any deviation from specified pressures will have adverse effects on steering, braking, road holding and safety.

## 11.2 Precautionary measures

11.2.1 The checking and correction of tyre pressures should be performed in cold tyres only.

11.2.2 Scuffing or running into kerbs and running over projections should be avoided.

11.2.3 Mechanical defects that cause uneven tyre wear should be rectified immediately.

11.2.4 Regular inspections should be held for tread wear, cuts, bruises and stones wedged between dual wheels. Tread depth at any point across the entire breadth of the tread and circumference of the tyre must not be allowed to be less than 1 mm. A tyre that does not meet this requirement must be replaced immediately.

11.2.5 Dust caps on tyre valves must be replaced.

11.2.6 Sudden or fierce braking, unnecessary acceleration and fast cornering should be avoided.

11.2.7 Dumping sites are always littered with sharp projections, which cause an ongoing puncture problem. Special care must be taken to avoid sharp obstacles.

11.2.8 The removal of any imbedded foreign objects will deflate the tyre, therefore must be reported to Fleet Management Services, and not be removed by the driver.

11.2.9 The abusive or negligent treatment of tyres should be avoided as tyre damage caused through abuse or negligence will be for the account of the driver.

## Section 12: Fuel and Oil

### 12.1 Supply

Where employees are in charge of municipal pool vehicles require fuel and/or oil, they shall obtain supplies from the nearest designated supply point. Drivers are to ensure that the fleet number, odometer reading and quantity of fuel supplied are entered correctly on the appropriate forms. Tanks are to be filled to a constant level.

12.1.1 The Fleet management officer is responsible for checking the engine oil and water on every occasion before it is booked or that the vehicle is refuelled.

### 12.2 Fuel saving

Some factors that have a major bearing on fuel economy are set out below for the guidance of all concerned:

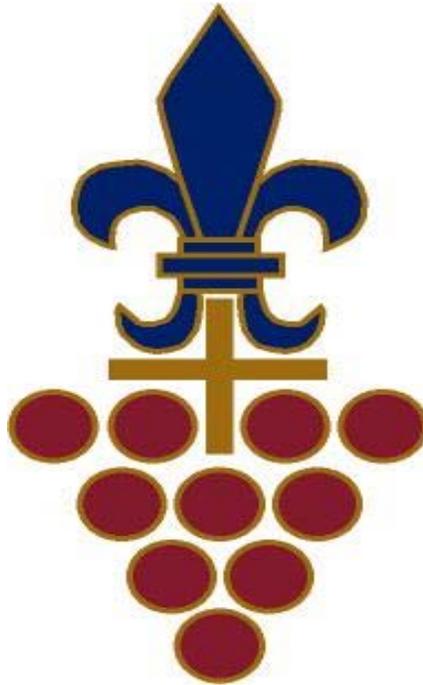
- 12.2.1 Wastage due to the overfilling of the fuel tank must be avoided and vehicles must, wherever possible, be parked on level ground and in the shade.
- 12.2.2 Vehicles must at all times be driven in the gear ratio appropriate to the road conditions.
- 12.2.3 Road speeds must be kept as constant as possible.
- 12.2.4 Acceleration and braking must be executed smoothly and gently. The most uneconomical use of fuel occurs during acceleration and with the engine idling in a stationary vehicle.
- 12.2.5 Any strong smell of fuel must be investigated immediately, especially if noted while the vehicle is in motion. Besides causing wastage, petrol leakage is highly dangerous.
- 12.2.6 The driver should not allow the engine of any vehicle or machine to run unnecessarily.

### **Section 13: Servicing and repair of municipal motor vehicles**

- 13.1 All motor vehicles shall be serviced and repaired in accordance with the policies and procedures as laid down by Stellenbosch municipality and the relevant service provider.
- 13.2 Fleet management officer in charge of pool vehicles shall be responsible for ensuring that service arrangements are strictly adhered to.
- 13.4 Timeous servicing arrangements - When a vehicle needs to be serviced, Fleet management officer must arrange for the vehicle to be serviced through Wesbank. Servicing is not to be delayed due to the non-availability of a substitute vehicle.



# **STELLENBOSCH MUNICIPALITY**



## **COST CONTAINMENT POLICY**

**2024/2025**

**UNCHANGED**





# STELLENBOSCH MUNICIPALITY

## COST CONTAINMENT POLICY

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1. **DEFINITIONS**

“*Act*” means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);

“*Consultant*” means a professional person, individual partnership, corporation, or a company appointed to provide technical and specialist advice or to assist with a design and implementation of projects or to assist the municipality to achieve its objectives of local government in terms of section 152 of the Constitution;

“*Cost containment*” means the measures implemented to curtail spending in terms of this policy;

“*Credit Card*” means a card issued by a financial services provider, which creates a revolving account and grants a line of credit to the cardholder;

“*Debit Card*” means a card issued by a financial services provider allowing the cardholder to transfer money electronically from any bank account held by the Municipality when making a purchase;

“*Municipality*” means Stellenbosch Local Municipality;

“*Persons in the employ of the municipality*” means any employee of the municipality whether employed on a permanent or temporary basis and any public office bearer serving on the Council;

“*Procurement Documentation*” means any documentation used for the procurement of consultants, whether it is documentation used for tenders or formal quotations;

2. **PURPOSE**

The purpose of the policy is to regulate spending and to implement cost containment measures at Stellenbosch Local Municipality.

3. **OBJECTIVES OF THE POLICY**

3.1 The objectives of this policy are to:

3.1.1 To ensure that the resources of the municipality are used effectively, efficiently and economically;

3.1.2 To implement cost containment measures.

4. **SCOPE OF THE POLICY**

4.1 This policy will apply to all:

4.1.1 Councillors'; and

4.1.2 Municipal employees.

4.2 In the event of any conflict between a provision of this policy and any other policy of council, the provision of this policy shall apply.

5. **LEGISLATIVE FRAMEWORK**

5.1 This policy must be read in conjunction with the -

5.1.1 The Municipal Finance Management Act,

5.1.2 MFMA Circular 97, published on 31 July 2019;

5.1.3 Municipal Cost Containment Regulations, 2019; and

5.1.4 Travelling and subsistence policy.

6. **POLICY PRINCIPLES**

6.1 This policy will apply to the procurement of the following goods and/or services:

- 6.1.1 Use of consultants
- 6.1.2 Vehicles used for political office-bearers
- 6.1.3 Travel and subsistence
- 6.1.4 Domestic accommodation
- 6.1.5 Credit cards
- 6.1.6 Sponsorships, events and catering
- 6.1.7 Communication
- 6.1.8 Conferences, meetings and study tours
- 6.1.9 Any other related expenditure items

7 **USE OF CONSULTANTS**

7.1 Consultants may only be appointed after an assessment of the needs and requirements has been conducted to support the requirement of the use of consultants.

7.2 The assessment referred to in 7.1 must confirm that the municipality does not have requisite skills or resources in its full time employ to perform the function that the consultant will carry out.

7.3 Procurement documentation for the appointment of consultants must include a clause that remuneration rates will be subject to negotiation and will not exceed the applicable rates stated below:

- 7.3.1 Rates determined in the “Guideline on fees for audits undertaken on behalf of the Auditor-General of South Africa” issued by the South African Institute of Chartered Accountants;
- 7.3.2 Rates set out in the “Guide on Hourly Fee Rates for Consultants” issued by the Department of Public Service and Administration;
- 7.3.3 Rates prescribed by the body regulating the profession of the consultant.

- 7.4 When negotiating cost effective rates for international consultants, the Accounting officer may take into account the relevant international and market determined rates.
- 7.5 When consultants are appointed the following should be included in the Service Level Agreements:
  - 7.5.1 Consultants should be appointed on a time and cost basis that has specific start and end dates;
  - 7.5.2 Consultants should be appointed on an output-specific basis, with specified deliverables and the associated remuneration;
  - 7.5.3 Ensure that cost ceilings are included to specify the contract price as well travel and subsistence disbursements and whether the contract price is inclusive or exclusive of travel and subsistence;
  - 7.5.4 A clause ensuring that skills transfer is done by the consultant to the relevant Municipal officials. This requirement must also be specified in Procurement Documentation.
  - 7.5.5 All engagements with consultants should be undertaken in accordance with the municipality's supply chain management policy and Supply Chain Regulations.
- 7.6 The travel and subsistence costs of consultants must be in accordance with the national travel policy issued by the National Department of Transport as updated periodically.
- 7.7 Consultancy reduction plans should be developed to reduce the reliance on consultants.
- 7.8 All contracts with consultants must include a retention fee or a penalty clause for poor performance.
- 7.9 The specifications and performance of the service provider must be used as a monitoring tool for the work that is to be undertaken and performance must be appropriately recorded and monitored.

**8. VEHICLES USED FOR POLITICAL OFFICE-BEARERS**

- 8.1 Should the approved capital budget of the municipality include the purchase of vehicles for official use by political office bearers, the threshold limit for such vehicle purchases may not exceed seven hundred thousand rand (R700 000) or 70% (VAT inclusive) of the total annual remuneration package for the different grades, whichever is greater.
- 8.2 The procurement of vehicles must be undertaken using the national government transversal mechanism unless it can be procured at a lower cost through other procurement mechanisms.
- 8.3 Before deciding on the procurement of a vehicle as contemplated in 8.2, the chief financial officer must provide the council with information relating to the following criteria which must be considered:
- 8.3.1 Status of current vehicles;
  - 8.3.2 Affordability, including options of purchasing vs. renting;
  - 8.3.3 Extent of service delivery backlogs;
  - 8.3.4 Terrain for effective usage of vehicle; and
  - 8.3.5 Any other policy of council.
- 8.4 If the rental option is preferred, the Accounting officer must review the costs incurred on a quarterly basis to ensure that value for money is obtained.
- 8.5 Regardless of their usage, vehicles for official use by public office bearers may only be replaced after completion of 120 000 kilometres.
- 8.6 Notwithstanding 8.5, a municipality may replace vehicles for official use by public office bearers before the completion of 120 000 kilometres only in instances where the vehicle experiences serious mechanical problems and is in a poor condition, and subject to obtaining a detailed mechanical report by the vehicle manufacturer or approved dealer.

9 **TRAVEL, SUBSISTENCE AND ACCOMMODATION**

**Air Travel**

- 9.1 The Accounting officer in respect of all officials or political office bearers and the Executive mayor in respect of the Accounting officer may only approve the purchase of economy class tickets for air travel.

**International Travel**

- 9.2 International travel for any official or political office bearer can only be approved by the municipal council in a council meeting open to the public with a supporting vote of the majority of the members of the municipal council present.

- 9.3 The report to council for approval of international travel must include:

9.3.1 A motivation why the international travel is seen as critical and fully setting out the anticipated benefit that the municipality will derive from attending the event, meeting or function;

9.3.2 If international travel to the destination or event was previously undertaken, state what benefits if any derived from the previous attendance;

9.3.3 The full cost of the international travel including travel allowances to be paid; and

9.3.4 The proposed officials and political office bearers, not exceeding three, to travel and why they have been identified.

- 9.4 The following events will not be considered critical to justify international travel whether the full cost of the travel is paid by another institution or not:

9.4.1 Attendance of international sporting events;

9.4.2 Attendance of international social events;

9.4.3 Attendance of international party-political events;

9.4.4 The opening of another country's parliament or any other country's government's celebration events.

- 9.5 The accounting officer or delegated official must ensure that requirements for international travel by officials or political office bearers are not inserted into bid documents, whether it is for inspection of products at source of construction/assembly or for any other reason.

**Domestic Accommodation**

- 9.6 Overnight accommodation may only be booked where the return trip exceeds 500 kilometres.
- 9.7 Notwithstanding the provision in paragraph 9.6 overnight accommodation, where the return trip is 500 kilometres or less, may be booked where in the view of the accounting officer or delegated official the limitation may be impractical and any of the following instances are present:
- 9.7.1 The road or any other conditions could jeopardise the safety, health and security of officials or political office bearers;
  - 9.7.2 The trips are to be undertaken over a number of consecutive days provided that a return trip is in excess of 200 kilometres;
  - 9.7.3 The starting time of the meeting or event would require the official or councillor to leave his/her place of residence before 05:00 in order to be punctual; and
  - 9.7.4 Overnight accommodation is cheaper than the travelling expenses payable under council policy on travel and subsistence.
- 9.8 Any request for overnight accommodation in compliance with paragraph 9.6 or 9.7 must be motivated on a prescribed form and approved by the municipal manager or delegated official prior to the arrangement for overnight stay;
- 9.9 The written approval in terms of paragraph 9.8 must be filed with the relevant supply chain documents for the accommodation booking; and
- 9.10 A copy of such written approval in terms of paragraph 9.8 must also accompany the request for travel and subsistence.



10. **CREDIT CARDS**

- 10.1 The accounting officer must ensure that no credit card or debit card linked to a bank account of the municipality is issued to any official or public office-bearer.
- 10.2 Where officials or public office bearers must incur expenditure in relation to approved official municipal activities, such officials and public office bearers may use their personal bank cards or cash, and may request reimbursement from the municipality in accordance with approved policies and processes.

11. **SPONSORSHIPS, EVENTS & CATERING**

- 11.1 The municipality may not incur catering expenses for meetings that are only attended by persons in the employ of the municipality, unless prior written approval is obtained from the accounting officer.
- 11.2 Catering expenses may be incurred by the accounting officer for the following, if they exceed five (5) hours:
  - 11.2.1 Hosting of meetings;
  - 11.2.2 Conferences;
  - 11.2.3 Workshops;
  - 11.2.4 Courses;
  - 11.2.5 Forums;
  - 11.2.6 Recruitment interviews; and
  - 11.2.7 Council proceedings
- 11.3 Entertainment allowances of officials may not exceed two thousand rand (R2 000.00) per person per financial year, unless otherwise approved by the accounting officer.
- 11.4 Expenses may not be incurred on alcoholic beverages.

11.5 The regulations require *inter alia* that the accounting officer must ensure that social events are not financed from the municipality's budget however, this provision is not intended to impede on the constitutional obligation of the municipality as particularly set out in section 152, 153, 195(1)(h) and Schedule 4 Part B of the Constitution to promote and cultivate social development, economic development, good human-resource management and local tourism.

□

11.6 Social events exclude the following events linked to the strategic objectives of the municipality:

11.6.1 Economic development events;

11.6.2 Cultural festivals;

11.6.3 Local tourism festivals;

11.6.4 Youth, aged, disable and other vulnerable persons developmental events;

11.6.5 Civic honours events;

11.6.6 Staff recognition or achievement awards and functions;

11.6.7 Town centennial or other significant municipal commemorating events;

11.6.8 Opening of facilities and buildings;

11.6.9 Strategic planning sessions;

11.6.10 Non-recreational team building events; and

11.6.11 Non-recreational staff wellness functions.

11.7 Expenditure may not be incurred on corporate branded items like clothing or goods for personal use of officials, other than uniforms, office supplies and tools of trade, unless the costs thereto are recovered from the affected officials or is an integral part of the business model of a specific project or drive.

11.8 The accounting officer must ensure that any sporting events, and expenditure directly or indirectly related to sporting events such as travel and accommodation cost, sporting gear and sporting regalia are not financed from the budget of the municipality or by any suppliers or sponsors. This provision does not prohibit the municipality to incur

expenditure on municipal sport facilities as per its constitutional function.

- 11.9 The accounting officer or delegated official may incur expenditure not exceeding the limits for petty cash as per the municipal Petty Cash Policy for one transaction usage, to host farewell functions in recognition of officials who retire after serving the municipality for ten or more years or retire on grounds of ill health.

## 12 **COMMUNICATION**

- 12.1 Stellenbosch Municipality may, if matters are not required to be notified through the media to the local community in terms of section 21 of the Municipal Systems Act or any other applicable legislation, advertise municipal related events on its website instead of advertising in magazines or newspapers.
- 12.2 The accounting officer must ensure that allowances to officials for private calls and data costs are limited to the amounts as determined in Council's Cellular Telephone Policy or any other applicable policy that regulates cellular calls and data cost.
- 12.3 Newspaper and other related publications for the use of officials and political office bearers must be discontinued on expiry of existing contracts; unless, authorised by the accounting officer for officials and by the executive mayor for political office bearers that it is required for professional purposes.
- 12.4 Stellenbosch Municipality may participate in the transversal term contract arranged by the National Treasury for the acquisition of mobile communication services provided that the municipality cannot procure it at cheaper rates.

## 13 **CONFERENCES, MEETINGS & STUDY TOURS**

- 13.1 Cost containment measures with regards to conferences, meetings and study tours are dealt with in the approved Travel and Subsistence Policy.

14 **OTHER RELATED EXPENDITURE ITEMS**

- 14.1 All commodities, services and products covered by a transversal contract by the National Treasury must be procured through that transversal contract before approaching the market, in order to benefit from savings and lower prices or rates that have already been negotiated.
- 14.2 Municipal resources may not be used to fund elections, campaign activities, including the provision of food, clothing and other inducements as part of, or during the election periods.
- 14.3 Procurement of elaborate and expensive office furniture must be avoided.
- 14.4 If considered a requirement, only the services of the South African Police Service may be used to conduct security threat assessments of political office bearers and key officials. A report must be submitted to the Office of the Speaker.

15 **ENFORCEMENT PROCEDURES**

- 15.1 Failure to implement or comply with this policy may result in any official of the municipality or political office bearer that has authorized or incurred any expenditure contrary to those stipulated herein being held liable for financial misconduct or a financial offence in the case of political office bearers as defined in Chapter 15 of the Act read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014.

16 **DISCLOSURES OF COST CONTAINMENT MEASURES**

- 16.1 Cost containment measures applied by the municipality must be included in the municipal in-year budget report and annual cost savings must be disclosed in the annual report.

16.2 The measures implemented and aggregate amounts saved per quarter, together with the regular reports on reprioritization of cost savings, on the implementation of the cost containment measures must be submitted to the municipal council for review and resolution. The municipal council can refer such reports to an appropriate council committee for further recommendations and actions.

16.3 Such reports must be copied to the National Treasury and relevant provincial treasuries within seven calendar days after the report is submitted to municipal council.

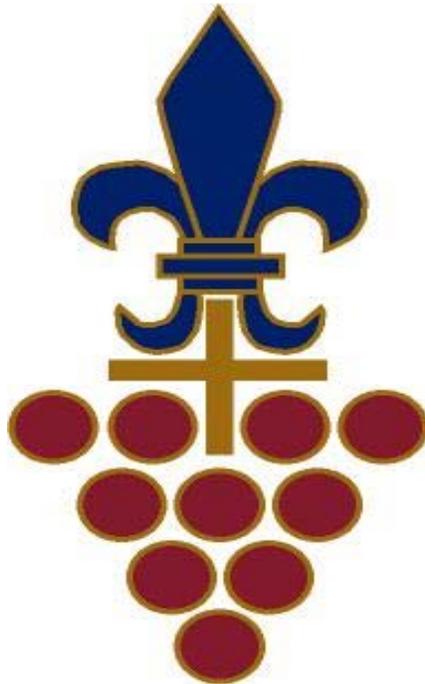
17 **REVIEW PROCESS**

17.1 This policy is a budget related policy and will be reviewed at least annually or when required by way of a council resolution, or when an update is issued by National Treasury.

18 **SHORT TITLE AND IMPLEMENTATION**

19.1 This policy is called the Cost Containment Policy and takes effect on 1 October 2019.

# **STELLENBOSCH MUNICIPALITY**



## **LIQUIDITY POLICY**

**2024/2025**

**UNCHANGED**



# STELLENBOSCH MUNICIPALITY

## LIQUIDITY POLICY

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## 1. INTRODUCTION

The documented Liquidity Policy sets out the minimum risk management measures that Stellenbosch Municipality has to implement and adhere to in order to ensure that its current and future liquidity position is managed in a prudent manner.

Liquidity is the amount of cash and / or “near cash” (which refers to assets or security that can easily and quickly be converted to cash), available to be utilized to meet obligations and / or pay commitments. The marketability or ability to buy or sell an asset without incurring unacceptable large losses thus determines the liquidity of an asset or defines it as near cash.

This Policy is implemented to provide guidance on the minimum liquidity level that Stellenbosch Municipality has to maintain in order to comply with required legislative and / or National Treasury directives and within the overall financial management objectives as approved/reviewed by the Council from time to time.

## 2. BACKGROUND AND APPROACH

Various policies and procedures exist that direct the way in which the business of Stellenbosch Municipality is or should be conducted in a prudent manner. Generally these policies and procedures flow from the prescription made in Legislation i.e. the Municipal Finance Management Act (“MFMA”) and/or directives issued by a national department such as National Treasury.

Guidelines provided by National Treasury indicate that an acceptable level of cash resources needs to be available for working capital requirements (see below).

It is for this reason that the need to have an official Liquidity Policy was identified.

## 3. LEGISLATIVE REQUIREMENTS

3.1. The MFMA circular 71 stipulates the following two prescribed ratios to manage liquidity:

**Cash/Cost Coverage Ratio (Excluding Unspent Conditional Grants) is calculated as:**

$$\frac{((\text{Cash and Cash Equivalents} - \text{Unspent Conditional Grants} - \text{Overdraft}) + \text{Short Term Investment})}{\text{Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)}}$$

Criteria: 1 – 3 times



## **Current Ratio Current Assets / Current Liabilities**

Criteria: 1.5 - 2:1

The above guidelines are noted but the proposed policy is more conservative to ensure that the municipality secures its strong financial position thereby providing comfort to investors.

## **4. LIQUIDITY POLICY**

This policy provides guidance on the determination of the minimum liquidity requirement and the calculation of the liquidity available of Stellenbosch Municipality from time to time (see **Annexure 1**).

***Notwithstanding the requirements as reflected in this policy, Stellenbosch Municipality should ensure that its Current Assets (excluding debtors older than 90 days) cover all of its Current Liabilities at least two times.***

The policy encapsulates certain key aspects and considerations which have been outlined below:

### **4.1. KEY COMPONENTS OF MINIMUM LIQUIDITY REQUIRED:**

The following constitutes the key elements to take into consideration when determining the liquidity requirement of Stellenbosch Municipality:

- 4.1.1. To comply with statutory requirements it is proposed that the following funds, reserves and provisions be fully covered by unencumbered cash and investments:
  - 4.1.1.1. *All earmarked or conditional grant transfers from spheres of Government or from Public Contributions made to Stellenbosch Municipality that have not yet been utilized;*
  - 4.1.1.2. *All commitments resulting from the legally entrenched rights and benefits employees have, with specific reference to the Council's short term commitment to staff retirement benefits and medical fund claims payable;*
  - 4.1.1.3. *All funds not yet been utilized in relation to agency services provided on behalf of Provincial or National Government should also be treated as earmarked funds;*
  - 4.1.1.4. *All reserves stated by Stellenbosch Municipality on its Statement of Financial Position that have been established for the purposes of making provisions for a defined purpose.*

- 4.1.2. Cognisance also needs to be taken of the external loan commitments and the servicing of capital and interest on these loans. Therefore provision should be made that Stellenbosch Municipality can meet its external loan/financial commitments together with the normal operational expenditure, as well as its liabilities to staff.
- 4.1.3. All investments ceded as security against long term loans need to be excluded from total cash and investment balances for calculation of the minimum liquidity level required.
- 4.1.4. In addition, a level of cash available for normal operational expenditure needs to be held in cash to ensure that, notwithstanding fluctuations in the monthly income levels of Stellenbosch Municipality, Stellenbosch Municipality will be in a position to meet its financial requirements. In this respect, the average monthly operational expenditure needs to be used as a guide of the minimum buffer required. One month's operational expenditure excluding debt impairments, depreciation and other non-cash expenses should be available for liquidity cover.
- 4.1.5. The "golden rule" should be to ensure that Stellenbosch Local Municipality will have adequate liquid assets (those that can be made into cash within 24 hours, weekly or monthly as the requirement might be) to meet its short term financial commitments.

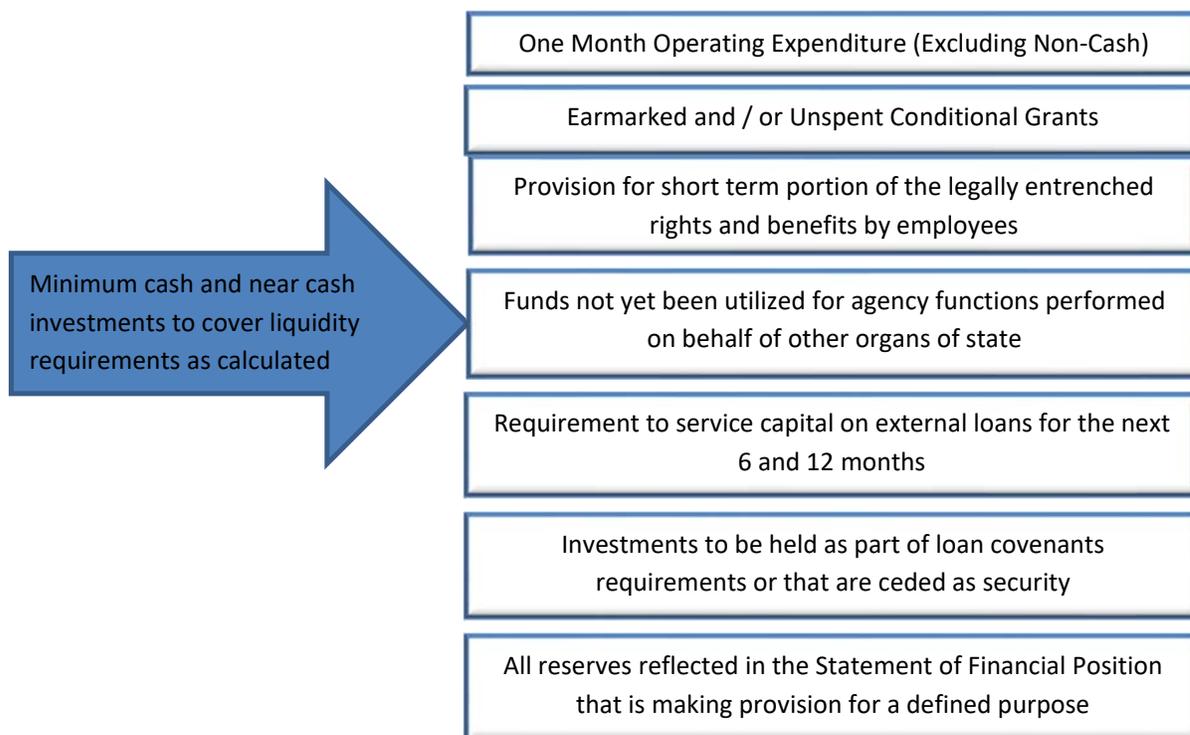
## **4.2. CALCULATION OF AVAILABLE LIQUIDITY**

The amount of liquidity available should be determined from time-to-time. The following, should be regarded as cash and or near cash in calculating the available liquidity:

- 4.2.1. *All cash held in a bank account or invested with a money market fund;*
- 4.2.2. *95% of the value of all NCD's or other tradable instruments issued by a bank that are not already ceded;*
- 4.2.3. *90% of the market value of all listed bonds on the JSE in which Stellenbosch Municipality is allowed to invest in;*
- 4.2.4. *Consumer debtors aged current to 60 days;*
- 4.2.5. *Amount of unspent conditional grants and public contributions excluded from own funds held in bank accounts;*
- 4.2.6. *Funds provided to Council for expenditure on activities executed on behalf of other spheres of Government (Provincial and / or National) as part of an agency function, excluded from own funds held in bank accounts;*
- 4.2.7. *Funds ring-fenced for cash backed reserves that are excluded from own funds held in bank accounts;*
- 4.2.8. *Cash amounts that need to be held by Council resulting from loan covenants' that are part of the conditions of loans extended, but not ceded outright to lenders;*

4.2.9. *The undrawn portion of unconditional bank overdraft facility or liquidity facility available to Stellenbosch Municipality.*

**The aforementioned in paragraphs 4.1. and 4.2. can schematically be reflected as follows:**



#### **4.3. IMPLEMENTATION AND MONITORING OF COMPLIANCE WITH LIQUIDITY POLICY:**

Once the policy is approved, the CFO is to be tasked to ensure that the required cash has to be maintained to continue meeting the requirements as set out in this policy.

Firstly, the minimum required liquidity level should be calculated based on audited annual financial statements. This level of liquidity required needs to be specifically budgeted for and on a quarterly basis be reported to the Finance Committee and / or other Committees as might be stipulated by Council as well as to Council.

Notwithstanding National Treasury's three months operational expenditure guideline and the one month operational expenditure buffer proposed as a minimum by the liquidity policy, it is recommended that Council set a target of one month's operational expenditure liquidity buffer to be achieved at the end of the transitional period (reference paragraph 6).

The cash provisions made to repay external loan commitments, if specifically earmarked, should also be added to this minimum working capital liquidity, to prevent

fluctuations in the working capital reserve that could put the minimum level of liquidity levels under pressure.

## **5. CORPORATE GOVERNANCE (OVERSIGHT)**

Compliance with this policy will be monitored by the Chief Financial Officer. The Chief Financial Officer must present the liquidity compliance reports to the Finance Committee and the Audit Committee of the municipality.

Where compliance has been breached the Chief Financial Officer must present an action plan to correct the non-compliance. The Finance Committee must monitor the successful implementation of the corrective action plans and report progress to Council.

## **6. POLICY MANAGEMENT**

The Liquidity Policy forms part of Stellenbosch Municipality overall financial objectives and therefore forms part of approved Budget Policies. The policy must be reviewed at least annually during the budget revision and presented to Council for approval.

The policy is effective from the date it is approved by Council.

**ANNEXURE 1**Liquidity Requirement as per Liquidity Policy

Financial Year End: \_\_\_\_\_

***Liquidity Requirement Calculation [as stipulated in Paragraph 4.1.]***

All earmarked and/or conditional grants received but not yet utilised	
Value of legally entrenched short term rights and benefits of employees related to Medical benefits & Retirement benefits	
Funds held for agency services not yet performed	
Reserve funds reflected in Statement of Financial Position that are assumed to be held in cash	
Capital redemption and interest payments on external loans not reflected as part of normal operational expenditure	
Onemonth operational expenditure excluding non-cash items	
Commitments resulting from contracts concluded as part of Capex Programme, not reflected in operational budget	
<b>TOTAL LIQUIDITY REQUIREMENT</b>	

***Actual available liquidity held [reference paragraph 4.2.]***

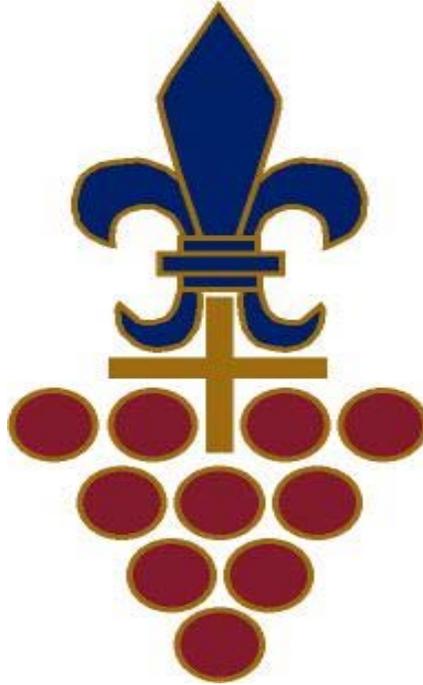
Bank Balance at e.g.:	
- ABSA, FNB, Standard Bank, Nedbank, Investec, Money Market	
<b>Bank balance sub total</b>	
95% of all other term investments with Banks	
90% of Market value of all Bonds on the JSE that are held	
Consumer debtors (current – 60 days)	
Other reserves held in cash not reflected in bank balances mentioned above for e.g.:	
- Unspent conditional grants	
- Payments received for agency functions not yet performed	
- The cash value of reserves held	
- Cash deposits held as part of loan covenants or ceded	
- Undrawn bank overdraft facility or committed liquidity lines available	
<b>TOTAL LIQUIDITY AVAILABLE</b>	

**LIQUIDITY SURPLUS (SHORT FALL)****SURPLUS TO BE APPROPRIATED TO CAPITAL REPLACEMENT RESERVE**

(See Borrowing, Funds and Reserves Policy)

**Liquidity ratio:****Current Asset/Current Liabilities**

# **STELLENBOSCH MUNICIPALITY**



## **VIREMENTATION POLICY**

**2024/2025**

**UNCHANGED**



# STELLENBOSCH MUNICIPALITY

## VIREMENT POLICY

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**1. Preamble**

Cognisance taken of the need that may arise to transfer within approved votes due to the change in circumstances and priorities.

**2. Definitions**

**"Approved budget,"** means an annual budget-

- a) approved by a municipal council, or
- b) includes such an annual budget as revised by an adjustments budget in terms of section 28 of the MFMA;

**"Budget transfer"** means transfer of funding within a vote subject to limitations.

**"Capital budget"** means a financial plan catering for large and long-term sums for investment in property, plant and machinery, over a period greater than the period considered under an operating budget.

**"Chief Financial Officer"** means a person designated in terms of section 80(2) (a) of the MFMA;

**"Delegation"**, in relation to a duty, includes an instruction or request to perform or to assist in performing the duty;

**"Financial year"** means a twelve months period commencing on 1 July and ending on 30 June each year

**"Municipal council"** or "council" means the council of a municipality referred to in section 18 of the Municipal Structures Act;

**"Municipality"**-

- a) when referred to as a corporate body, means a municipality as described in section 2 of the Municipal Systems Act; or
- b) when referred to as a geographic area, means a municipal area determined in terms of the Local Government: Municipal Demarcation Act, 1998 (Act No. 27 of 1998);

**"Official"**, means-

- a) an employee of a municipality or municipal entity;



- b) a person seconded to a municipality or municipal entity to work as a member of the staff of the municipality or municipal entity; or
- c) a person contracted by a municipality or municipal entity to work as a member of the staff of the municipality or municipal entity otherwise than as an employee;

**"Operating budget"** An operating budget is the annual budget of an activity stated in terms of Budget Classification Code, functional/sub-functional categories and cost accounts. It contains estimates of the total value of resources required for the performance of the operations in terms of revenue and expenditure including reimbursable work or services for others;

**"Overspending"-**

- a) means causing the operational or capital expenditure incurred by the municipality during a financial year to exceed the total amount appropriated in that year's budget for its operational or capital expenditure, as the case may be;
- b) in relation to a vote, means causing expenditure under the vote to exceed the amount appropriated for that vote; or
- c) in relation to expenditure under section 26 of the MFMA, means causing expenditure under that section to exceed the limits allowed in subsection (5) of this section;

**"Virement"** refer to the definition of budget transfer

**"Vote"** means-

- a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the
- b) municipality; and
- c) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.

### **3. Legislative Framework**

Paragraph 4.6 of Circular 51 of the MFMA states that:

“The MFMA and the Municipal Budget and Reporting Regulations seek to move municipalities away from the traditional approach of appropriating/approving budgets by line item. The aim is to give the heads of municipal departments and programmes greater flexibility in managing their budgets. To further facilitate this, each municipality must put in place a council approved virements policy, which should provide clear guidance to managers of when they may shift funds between items, projects, programmes and votes.”

### **4. Objective of Policy**

This policy shall give effect to the requirements and stipulations of the Municipal Finance Management Act and Municipal Budget and Reporting Framework in terms of the Approved budget.

The policy sets out the virement principles and processes which Stellenbosch Municipality will follow during a financial year.

These virements will represent a flexible mechanism to effect budgetary amendments within a municipal financial year.

The policy shall apply to all staff and councillors of the Stellenbosch Municipality that are involved in budget implementation.

### **5. Virement Clarification**

Virement is the process of transferring budgeted funds from one line item number to another, with the recommendation of the relevant Director to the CFO or delegated finance official, to enable the Budget Office to effect the adjustments.

### **6. Virement Procedure**

- a) All virement proposals must be completed on the appropriate documentation and forwarded to the relevant Finance Officer for checking and implementation. (See annexure 1 and 2)

- b) All virements must be signed and supported by the relevant Director of the directorate within which the vote is allocated. (Section 79 MFMA)
- c) Projected cash flows in the SDBIP should be attached to all virement request and be adjusted in line with the virement.
- d) Relevant corroborating documentation must be attached on the virement form to support the transfer.
- e) All documentation must be in order and approved before any expenditure can be committed and incurred.
- f) All virements must be motivated and need to be approved by the CFO or a delegated official after the Director of the department has recommended said transfer. The latter requires that such application reaches the office of the CFO prior to incurring expenditure.
- g) The turnaround time for processing of virements are 72 hours, only if the virement request meets all the necessary requirements.
- h) No virements will be considered if it equates to facilitating fiscal dumping.

## **7. Virement Restrictions**

- a) Virements are not permitted in relation to the revenue side of the budget.
- b) No virements of funds across votes (directorates) will be accommodated during the year; unless within the adjustments budget.
- c) Virements from the capital budget to the operating budget are not permitted.
- d) Virements will not result in adding 'new' projects to the Capital Budget.
- e) Virements of conditional grant funds to purposes outside of that specified in the relevant conditional grant framework will not be permitted.
- f) The budget savings from the following line items (necessary adjustments) may only be considered and transferred by the CFO:

- (i) Employee Related Cost
  - (ii) Remuneration of councillors
  - (iii) Depreciation and asset impairment
  - (iv) Finance Charges (Interest on Loan)
  - (v) Municipal Services Consumption (Water, Electricity, Refuse and Sewerage)
  - (vi) Bulk Purchases (Water and Electricity)
  - (vii) Transfers and subsidies paid
- g) An approved virement does not give expenditure authority outside of what is allowed by Council's Supply Chain Management Policy.

## **8. General Principle**

Virements will only be approved if they facilitate and promote sound risk and financial management.

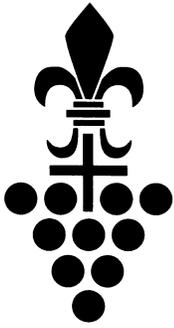
## **9. Accountability**

Accountability to ensure that the virement application forms are completed in accordance with Council's virement policy and are not in conflict with the directorate's strategic objectives manifests with the head of the relevant directorate.

## **10. Annexures**

Annexure 1: Virement Form (Capital and Operating)

Annexure 2: New Creation of Unique Key form



TYPE	
CAPITAL	
OPERATING	

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**BUDGET VIREMENT FORM**

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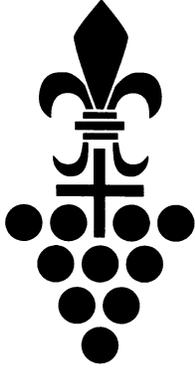
**TO: FINANCIAL MANAGEMENT SERVICES****FROM:****DATE:**

---

**The following transfers are requested, as per motivation provided.**

From Unique Key :	Amount:
Unique Key Description:	
Project Name:	
Funding:	
To Unique Key :	Amount:
Unique Key Description:	
Project Name:	
Funding:	

- 1. Why are additional funds requested ?**
- 2. Is it part of the legislative mandate of the municipality?**  
Yes/ No
- 3. Which measures will be implemented to ensure expenditure are managed within the approved budget?**
- 4. Where funds would be transferred from?**
- 5. Reasons why funds are not needed from the transferring Unique Key?**



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**Requested by**

Name :

Designation :

Telephone Number :

**Supported: Director**

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**FOR OFFICAL USE**

**BUDGET AND COSTING**

FUNDS AVAILABLE ON UNIQUE KEY : YES NO  
 CASHFLOW ATTACHED : YES NO  
 SUPPORTING DOCUMENTS : YES NO N/A

**VERIFIED BY** : NAME: \_\_\_\_\_  
 SIGNATURE: \_\_\_\_\_  
 DATE: \_\_\_\_\_

COMMENTS: \_\_\_\_\_

**RECOMMEND:**

RECOMMENDED BY MANAGER: BUDGET & COSTING : \_\_\_\_\_  
 DATE : \_\_\_\_\_

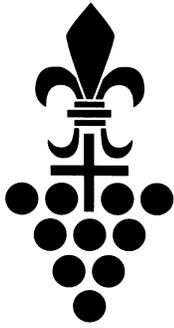
COMMENTS: \_\_\_\_\_

**APPROVAL**

APPROVED BY CHIEF FINANCIAL OFFICER/ : \_\_\_\_\_  
 DELEGATED OFFICIAL  
 DATE : \_\_\_\_\_

COMMENTS: \_\_\_\_\_

**PROCESSED BY** : NAME: \_\_\_\_\_  
 SIGNATURE: \_\_\_\_\_  
 DATE: \_\_\_\_\_



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**CREATION OF UNIQUE KEY FORM**

**TO:           MANAGER: BUDGET OFFICE**

**FROM:**

**DATE:**

**The following information is required:**

Directorate :
Department/Section :
OV Code :
Type of Unique Key :
Description of Unique Key :
Project :
Funding :

**Detail and motivation for new line item:**

**Requested by:**

Name :

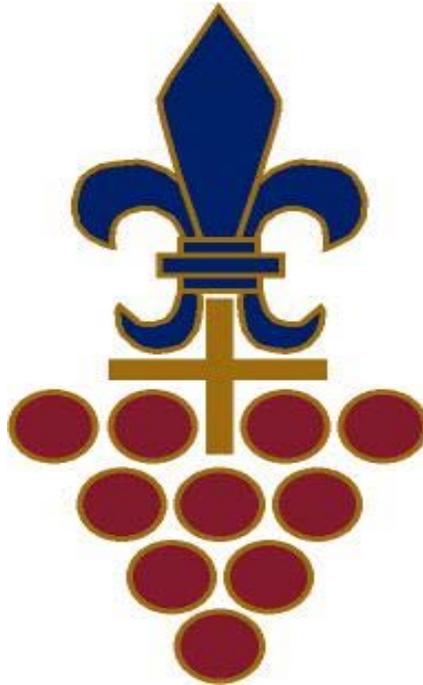
Designation :

Telephone Number :

**Supported: Director**



# **STELLENBOSCH MUNICIPALITY**



## **PETTY CASH POLICY**

**2024/2025**

**UNCHANGED**



# STELLENBOSCH MUNICIPALITY

## PETTY CASH POLICY

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## 1. INTRODUCTION

The accounting officer of a municipality is responsible for the management of the expenditure of the municipality in an effective and controlled manner. Therefore the Stellenbosch Municipality adopts the following petty cash policy.

## 2. REGULATORY FRAMEWORK

- a) The Municipal Finance Management Act (56 of 2003);
- b) Section 15 of the Municipal Supply Chain Regulations;
- c) Treasury regulations in terms of Section 13(1) of the Act;
- d) MFMA Circular 97 (Cost Containment Measures);
- e) Cost Containment Policy;
- f) Municipal Cost Containment Regulations, 2019; and
- g) Any subsequent MFMA Circulars relevant to Petty Cash or Cost Containment in general that may be issued By National Treasury from time to time.

## 3. OBJECTIVES

Compliance with the regulatory framework in terms of the relevant legislation is required.

## 4. RESPONSIBILITY AND ACCOUNTABILITY

The key responsibilities in terms of the MFMA (Section 65) are:

Accounting Officer (Municipal Manager)-

- (1) The accounting officer of a municipality is responsible for the management of the expenditure of the municipality.
- (2) The accounting officer must for the purpose of subsection (1) take all reasonable steps to ensure—
  - (a) That the municipality has and maintains an effective system of expenditure control, including procedures for the approval, authorisation, withdrawal and payment of funds;
  - (b) That the municipality has and maintains a management, accounting and information system which—

- (i) recognises expenditure when it is incurred;
  - (ii) accounts for creditors of the municipality; and
  - (iii) accounts for payments made by the municipality;
- (c) that the municipality has and maintains a system of internal control in respect of creditors and payments;
- (d) that payments by the municipality are made—
- (i) directly to the person to whom it is due unless agreed otherwise for reasons as may be prescribed; and
  - (ii) either electronically or by way of non-transferable cheques, provided that cash payments and payments by way of cash cheques may be made for exceptional reasons only, and only up to a prescribed limit;

The Municipal Manager delegates authority to the Chief Financial Officer to ensure compliance and adherence to the principles established by this policy.

## **5. PETTY CASH FRAMEWORK**

### **5.1 General Policy**

- a. The use of petty cash floats is strictly confined to individual cash purchases of:
- i) up to a maximum of R500, where the petty cash floats in other departments are used to make purchases,
  - ii) up to a maximum of R2 000, when claimed from the Financial Services Petty Cash Float.

All Petty Cash expenditure must be in compliance with this Policy, the Municipal Cost Containment Regulations 2019, Cost Containment Policy and MFMA Circular 97 (Cost Containment Measures).

- i) The municipality may not incur catering expenses for meetings that are only attended by persons in the employ of the municipality, unless prior written approval is obtained from the accounting officer.
- ii) Catering expenses may be incurred by the accounting officer for the following, provided they exceed five (5) hours in duration:
  - Hosting of meetings
  - Conferences

- Workshops
  - Courses
  - Forums
  - Recruitment interviews
  - Council proceedings
- iii) Expenses may not be incurred on alcoholic beverages.
- iv) The accounting officer must ensure that expenses are not incurred on social events. This provision is not intended to impede the constitutional obligation of the municipality, therefor the following events are excluded:
- Economic development events
  - Cultural festivals
  - Local tourism festivals
  - Youth, aged, disabled and other vulnerable persons development events
  - Civic honours events
  - Staff recognition or achievement awards and functions
  - Town centennial or other significant municipal commemorating events
  - Opening of facilities and buildings
  - Strategic planning sessions
  - Non-recreational team building events
  - Non-recreational staff wellness functions.
- v) Expenditure may not be incurred on corporate branded items like clothing or goods for personal use by officials, other than uniforms, office supplies and tools of trade, unless the costs thereto are recovered from the affected officials or is an integral part of the business model of a specific project or drive.
- vi) The accounting officer must ensure that any sporting events, and expenditure directly related to sporting events such as travel and accommodation cost, sporting gear and sporting regalia are not financed from the budget of the municipality or by suppliers or sponsors. This provision does not apply to sporting events that are held in terms of the municipality's constitutional function.

The accounting officer may incur expenditure not exceeding the limits of this Policy for one transaction usage, to host farewell functions in recognition of officials who retire after serving the municipality for ten or more years or retire due to ill health.

Under no circumstances may Petty Cash be abused for purposes of avoiding Supply Chain Management procedures. It is not acceptable for one receipt or a number of receipts, in respect of the same event, which have been obtained by the same person, to be split over multiple cash purchase claims.

- d. The Directorate making use of Petty Cash for smaller purchases is responsible for ensuring that sufficient budget is available on the relevant votes.
- e. A petty cash float is not to be used for any of the following:
  - i) loans to any person whatsoever;
  - ii) payment of personal remuneration to any employee whatsoever, whether for fees, salaries, wages, travel allowance as part of remuneration, honorarium or other reason; or
  - iii) Purchase of capital items.
  - iv) Any item or service that does not fall within the ambit of the Cost Containment Policy and –Regulations.
- f. Examples of permissible Petty Cash Expenditure may include, but is not limited to:
  - i) Toll Fees
  - ii) Parking Fees
  - iii) Postage
  - iv) PDP and Licence fees
  - v) Keys
  - vi) Car Wash
  - vii) Fire Arm Licencing
- g. Should there be any uncertainty, the relevant Director may exercise discretion and approve a requisition for Petty Cash, or in the case of an own Petty Cash Float, approve such expenditure provided that all such approvals remain within the confines of the Cost Containment Policy and –Regulations..  
  
Other cash floats may also be established for the purpose of providing change, for a cash register, or any other purpose approved by the Chief Financial Officer. Use of such floats is restricted to the purpose for which they were established.
- i. The Chief Financial Officer may approve the use of petty cash for specific use, based on practical reasons or cost-benefit reasons. Such an authority will be done on a case by case basis for the purposes of considering merit.
- j. The CFO may determine and approve the maximum amount to be held in any individual petty cash float.

**5.2 Purchases through Petty Cash Float – Supply Chain Management Office**

- a. Purchases from SCM database suppliers shall be allowed in the following instance, provided that a monthly submission are made to the CFO of all purchases and the respective director confirming the enforcement of rotation of suppliers:
  - i) When the amount of the individual purchase / event is less than R250.00, irrespective of it being an emergency or not.
- b. Purchases from SCM database suppliers are NOT allowed for capital items or fuel.
- c. Petty claims will be dealt with on a first come, first serve basis and it is subject to the monetary limit of the petty cash.

**5.3 Establishing and Operating a Petty Cash Float**

- a. To establish a new petty cash float or increase an existing advance, a written application is to be made to the Chief Financial Officer by the relevant Department, motivating the need for such petty cash float.
- b. The total value of the advance requested will be an amount which would normally necessitate reimbursement approximately once a fortnight. This level of advances keeps to a minimum the overall cash in the buildings on municipal property and ensures regular inclusion of information regarding expenditure in financial reports and for budget control purposes.
- c. A request for the establishment of an advance will indicate the name and status of senior administrative or clerical staff to be held responsible for the operation of the petty cash float. The staff member's specimen signature must also be submitted by the Department to the Chief Financial Officer, together with the application documentation.
- d. The application will indicate the security arrangement in place to ensure safe custody of funds in the office. The minimal security arrangement that will be acceptable is that the float will be kept in a locked box which will be kept in a locked filing cabinet or safe. If an advance is approved, the Accountant: Creditors will advise the Department accordingly and request that the responsible staff member collect the advance. This establishing advance will be charged to a "Petty Cash Advances - ...Name/Dept..." in the General Ledger and not against any expenditure votes. A register of advances is thus maintained per Ledger Account for the purpose of accounting for all petty cash floats.

#### 5.4 Security of Petty Cash Floats

- a. The cash on hand and used petty cash vouchers are to be kept in a locked box for which there should be two keys. One key is to be retained by the officer (on their person) normally responsible for the petty cash and the other to be kept in a sealed envelope in the office safe or other secure place, to be used only in an emergency.
- b. The locked petty cash box must be kept in a secure place when not in use and should be removed and returned by the responsible staff member only. At no stage should staff other than the responsible administrative/clerical staff member have access to the storage place of the petty cash box.
- c. Under no circumstance are keys to be left in the lock to the petty cash box, cabinet or safe.
- d. If the responsible officer is either going on leave or is leaving the Municipality's employment, the petty cash float is to be reconciled and signed by the departing- as well as replacement staff members, to indicate their agreement as to its balance. The replacement staff specimen signature must also be submitted to the Chief Financial Officer.

#### 5.5 Completing a Cash Purchase Claim Form

- a. Petty cash stationery is available from the Expenditure Section (Financial Services). The form consists of two parts:
  - (i) Cash Purchase Claim page
  - (ii) Cash Purchase Record page
  - (iii) Receipt for cash advance (Only when appropriate, refer paragraph on Advances).
- b. All details entered on the Cash Purchase Claim appear on the Cash Purchase record page.
- c. The Cash Purchase Claim must be completed as follows:
  - (i) description and cost of the goods/services purchased
  - (ii) purchaser's signature
  - (iii) vote number to be charged
  - (iv) Signature of the Officer in Charge of Petty Cash.



- d. Original receipts or other valid documentation as required must be attached as proof of payment, with the signature of an appropriate financial delegate on this documentation. A financial delegate cannot authorise a cash purchase claim where she or he is the purchaser.

## 5.6 Sub-Advances to staff members

- a. If it is necessary to make an initial sub-advance to a staff member for various needs, a receipt for cash advance must be completed. The receipt for Cash Advance Form must be completed as follows:
  - (i) description and *estimated* cost of the goods/services purchased
  - (ii) purchaser's signature
  - (iii) vote number to be charged
  - (iv) Signature of the Officer in Charge of Petty Cash.
- b. On completion of the purchase, the recording-, documentation- and authorization requirements will be as stated in the above paragraph: Completing a Cash Purchase Claim Form.

All such sub-advances will be accounted for within 24 hours, by submitting original receipts and other applicable documentation required, attached as proof of payment (with the approval signature on the documentation). Where this cannot be achieved, the buyer will be liable to pay back the advance without any delay or the money will be deducted on his/her next salary irrespective of consent being given or noted. Not more than one advance will be made to any one person at a time.

## 5.7 Out-of-Pocket Payments

- a. Where a staff member has made purchases from their own funds and now seeks reimbursement from the petty cash, supporting documentation must be provided to substantiate the claim.
- b. The supporting documentation is to be attached to the Claim.
- c. The recording-, documentation- and authorization requirements will be as stated in the above paragraph (**Completing a Cash Purchase Claim Form**).

## 5.8 Reimbursement of Petty Cash Floats

- a. A petty cash float is operated on the basis that expenditure from the float is periodically reimbursed. Such reimbursement-
  - (i) returns the cash level of the petty cash float to its original level and
  - (ii) Charges the expenditure which has been made, to the correct expenditure vote.
- b. Accordingly, at any point of time, the sum of the cash on hand, i.e. remaining unspent, plus the cash advances for un-finalised purchases, plus the completed cash purchase claim forms, will equal the level of the petty cash advanced to the Department.
- c. Completed Cash Purchase Claim forms, with attached cash register slips, etc., must be taken by the officer in charge of the Petty Cash in a Directorate/Department, to the ~~Assistant~~ Accountant: Accounts Payable for reimbursement, after the Summary Claim Cover Page and attached documentation have been authorised by a financial delegate at least once in 14 days. Reimbursement of claims where supporting documentation is missing will not be entertained.
- d. The prescribed Summary Cash Purchase Claim form as well as other relevant forms attached to it must be completed in full.
- e. The most recently completed Cash Purchase Claim form must record the reconciliation of the petty cash float. The Accountant: Accounts Payable will refuse reimbursement of claims where this is not supplied.
- f. A petty cash float must never be reimbursed with funds derived from any other source whatsoever.

## 5.9 Shortages

- a. Any shortages in respect of a petty cash float must be paid in immediately.
- b. Where a petty cash float is stolen the incident must be reported promptly to the Chief Financial Officer in the required format, after which same needs to be reported to the South African Police Services and a case number provided to the Accountant: Accounts Payable.

**5.10 Procedure applicable when a Petty Cash Float is repaid/cancelled**

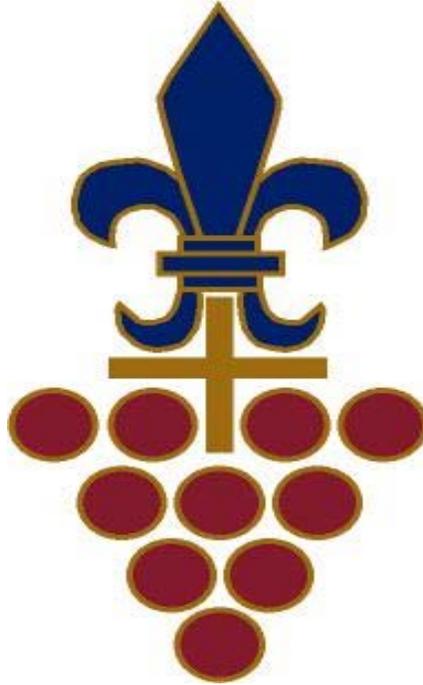
When an advance is no longer required, a statement in a form of a memorandum is to be completed and signed by the Head of the relevant Department and submitted to the Accountant: Accounts Payable, with the balance of cash on hand and completed and authorized Cash Purchase Claim forms. The most recently completed Cash Purchase Claim form will record the reconciliation of the petty cash float, where after a cheque will be issued to the relevant person to effect completion of the transaction..

The Cashier will issue a receipt to the affected department.

**5.11 Financial year-end procedures**

Reconciled petty cash registers (cash slips attached), accompanied with the cash balance must be returned to the Senior Accountant: Expenditure a week before the financial year end.

# **STELLENBOSCH MUNICIPALITY**



## **SUPPLY CHAIN MANAGEMENT POLICY**

**2024/2025**

**UNCHANGED**



# STELLENBOSCH MUNICIPALITY

## SUPPLY CHAIN MANAGEMENT POLICY

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## Definitions

- 1.1. In this Policy, unless the context otherwise indicates, a word or expression to which a meaning has been assigned in the Act has the same meaning as in the Act, and
- 1.1.1. **“Act”** means the Municipal Finance Management Act, No. 56 of 2003;
- 1.1.2. **“Bid”** means a written offer in a prescribed or stipulated form in response to an invitation by the municipality for the provision of goods, services or construction works through price quotations, advertised competitive bidding process or proposals;
- 1.1.3. **“Bidder”** means any person submitting a competitive bid or a quotation;
- 1.1.4. **“Closing time”** means the time and day specified in the bid documents for the receipt of bids;
- 1.1.5. **“Competitive bidding process”** means a competitive bidding process referred to in paragraph 12(1)(b)(i) of this Policy;
- 1.1.6. **“Competitive bid”** means a bid in terms of a competitive bidding process;
- 1.1.7. **“Contract”** means the agreement which is concluded when the municipality accepts, in writing, a competitive bid or quotation submitted by a supplier;
- 1.1.8. **“Contract manager”** means an official of the Municipality who is responsible for the planning for the planning and execution of a transaction involving the procurement of goods, services or works;
- 1.1.9. **“Contractor”** means any person or entity whose competitive bid or quotation has been accepted by the municipality;
- 1.1.10. **“Delegated authority”** means any person or committee delegated with authority by the municipality in terms of the provisions of the Municipal Finance Management Act;
- 1.1.11. **“Department”** means a section within a specific directorate in terms of the municipal organigram;
- 1.1.12. **“Electronic format”** means a bid submitted by a bidder via email or made available through a cloud storage services;
- 1.1.13. **“Emergency dispensation”** means emergency as referred to in paragraph 36(1)(a)(i) of this policy under which one or more of the following is in existence that warrants an emergency dispensation;
- (a) The possibility of human injury or death;
  - (b) The prevalence of human suffering or deprivation of rights;
  - (c) The possibility of damage to property, or suffering and death of livestock and animals;
  - (d) The interruption of essential services, including transportation and communication facilities or support services critical to the effective functioning of the municipality as a whole;
  - (e) The possibility of serious damage occurring to the natural environment;

- (f) The possibility that failure to take necessary action may result in the municipality not being able to render an essential community service;
  - (g) The possibility that the security of the state could be compromised; or
  - (h) The prevailing situation, or imminent danger, should be of such a scale and nature that it could not readily be alleviated by interim measures, in order to allow time for the formal procurement process. Emergency dispensation shall not be granted in respect of circumstances other than those contemplated above.
- 1.1.14. **“Final award”**, in relation to bids or quotations submitted for a contract, means the final decision on which a bid or quote is accepted;
- 1.1.15. **“Formal written price quotation”** means quotations referred to in paragraph 12 (1) (d) of this Policy;
- 1.1.16. **“Green procurement”** means the procurement of environmentally friendly products and services;
- 1.1.17. **“in the service of the state”** means to be –
- (a) A member of –
    - (i) Any municipal council;
    - (ii) Any provincial legislature; or
    - (iii) The National Assembly or the National Council of Provinces;
  - (b) A member of the board of directors of any municipal entity;
  - (c) An official of any municipality or municipal entity;
  - (d) An employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the public Finance Management Act, 1999 (Act No.1 of 1999);
  - (e) A member of the accounting authority of any national or provincial public entity; or
  - (f) An employee of Parliament or a provincial legislature;
- 1.1.18. **“Long term contract”** means a contract with a duration period exceeding one year and does not have the same meaning as contracts of a long term nature referred to in paragraph 22(1)(b)(vi) of this policy;
- 1.1.19. **“Long term nature contract”** means a contract as defined by section 33(1) of the Municipal Finance Management Act imposing financial obligations on the Municipality beyond the first three years covered in the approved annual budget;
- 1.1.20. **“List of accredited prospective providers”** means the list of accredited prospective providers in terms of Central Supplier Database (CSD) of National Treasury;
- 1.1.21. **“Other applicable legislation”** means any other legislation applicable to municipal supply chain management, including but not limited to the following –

- (a) The Preferential Procurement Policy Framework Act;
  - (b) The Broad-Based Black Economic Empowerment Act; ~~and~~
  - (c) The Construction Industry Development Board Act;
  - (d) The Local Government: Municipal Systems Act;
  - (e) The Competition Act; and
  - (f) The Promotion of Administrative Justice Act.
- 1.1.22. **“Policy”** means the Supply Chain Management Policy of Stellenbosch municipality as amended from time to time;
- 1.1.23. **“Parent municipality”** has the meaning assigned to it in section 1 of the Municipal Systems Act;
- 1.1.24. **“Petty Cash”**, means the procurement of goods and services through the supply chain management requisition and order system by means of one written quotation below a determined amount in relation with the Petty Cash Policy;
- 1.1.25. **“Single source”**: refers to when the competition exist in the market, but from a selected few suppliers due to technical capabilities and abilities comply with the requirements of the municipality;
- 1.1.26. **“Sole Supplier”**: It refers in instances where there is no competition and only one service provider exist in the market, with sole distribution rights and/or patent rights or manufacturer;
- 1.1.27. **“Strip and quote”**: When the repairs and maintenance on our machines, vehicles are done by one supplier and/or strip-and-quote, for example a municipal vehicle that needs repairs enters the workshop, however to do the repairs, the vehicle has to be send to a supplier that determines what repairs should be done;
- 1.1.28. **“Supplier database”** means the list of accredited prospective providers which the municipality or municipal entity must keep in terms of the Regulation 14 of the Supply Chain Management Regulations;
- 1.1.29. **“Treasury guidelines”** means any guidelines on supply chain management issued by the Minister in terms of section 168 of the Act;
- 1.1.30. **“Trust”** means the agreement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person;
- 1.1.31. **“Trustee”** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person;
- 1.1.32. **“The Act”** means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);
- 1.1.33. **“The Regulations”** means the Local Government: Municipal Finance Management Act, 2003, Municipal Supply Chain Management Regulations published by Government Notice 868 of 2005;

- 1.1.34. **“The PPPF Regulations”** means Preferential Procurement Policy Regulations, 2017 Published under Government Notice R32 in Government Gazette 40553 of 20 January 2017; and
- 1.1.35. **“Unconditional Award”** means final awards made by the BAC/Accounting officer of which any appeals lodged by aggrieved service providers must be referred to the court of law

## CHAPTER 1

**IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY****2. SUPPLY CHAIN MANAGEMENT POLICY**

- (1) All officials and other role players in the supply chain management system of the Stellenbosch Municipality must implement this Policy in a way that –
  - (a) Gives effect to –
    - (i) Section 217 of the Constitution; and
    - (ii) Part 1 of Chapter 11 and other applicable provisions of the Act;
  - (b) Is fair, equitable, transparent, competitive and cost effective;
  - (c) Complies with –
    - (i) The Regulations; and
    - (ii) Any minimum norms and standards that may be prescribed in terms of section 168 of the Act;
  - (d) Is consistent with other applicable legislation;
  - (e) Does not undermine the objective for uniformity in supply chain management systems between organs of state in all spheres; and
  - (f) Is consistent with national economic policy concerning the promotion of investments and doing business with the public sector.
- (2) The municipal entity must, in addition to complying with subparagraph (1), apply this Policy, to the extent determined by the parent municipality, in a way that is consistent with the supply chain management policy of the parent municipality.
- (3) This Policy applies when the Stellenbosch Municipality –
  - (a) Procures goods or services;
  - (b) Disposes goods no longer needed;
  - (c) Selects contractors to provide assistance in the provision of municipal services otherwise than in circumstances where Chapter 8 of the Municipal Systems Act applies; or
  - (d) Selects external mechanisms referred to in section 80(1)(b) of the Municipal Systems Act for the provision of municipal services in circumstances contemplated in section 83 of that Act.

- (4) This Policy, except where provided otherwise, does not apply in respect of the procurement of goods and services contemplated in section 110(2) of the Act, including –
- (a) Water from the Department of Water Affairs or a public entity, another municipality or a municipal entity; and
  - (b) Electricity from Eskom or another public entity, another municipality or a municipal entity.

### **3. AMENDMENT OF THE SUPPLY CHAIN MANAGEMENT POLICY**

- (1) The Accounting Officer must –
- (a) At least annually review the implementation of this Policy; and
  - (b) When the Accounting Officer considers it necessary, submit proposals for the amendment of this Policy to the Stellenbosch Council.
- (2) If the Accounting Officer submits proposed amendments to the Stellenbosch Council that differs from the model policy issued by the National Treasury, the Accounting Officer must -
- (a) Ensure that such proposed amendments comply with the Regulations; and
  - (b) Report any deviation from the model policy to the National Treasury and the relevant provincial treasury.
- (3) When amending this supply chain management policy, the need for uniformity in supply chain practices, procedures and forms between organs of state in all spheres, particularly to promote accessibility of supply chain management systems for small businesses must be taken into account.

### **4. DELEGATION OF SUPPLY CHAIN MANAGEMENT POWERS AND DUTIES**

- (1) The Stellenbosch Council hereby delegates all powers and duties to the Accounting Officer, which are necessary to enable the Accounting Officer –
- (a) To discharge the supply chain management responsibilities conferred on Accounting Officers in terms of –
    - (i) Chapter 8 or 10 of the Act; and
    - (ii) This Policy;
  - (b) To maximize administrative and operational efficiency in the implementation of this Policy;
  - (c) To enforce reasonable cost-effective measures for the prevention of fraud, corruption, favouritism and unfair and irregular practices in the implementation of this Policy; and

- (d) To comply with his or her responsibilities in terms of section 115 and other applicable provisions of the Act.
- (2) Sections 79 and 106 of the Act apply to the sub-delegation of powers and duties delegated to an Accounting Officer in terms of subparagraph (1).
- (3) The Accounting Officer may not sub-delegate any supply chain management powers or duties to a person who is not an official of Stellenbosch Municipality or to a committee, which is not exclusively composed of officials of the Stellenbosch Municipality.
- (4) This paragraph may not be read as permitting an official, to whom the power to make final awards has been delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 26 of this Policy.

## **5. SUB-DELEGATIONS**

- (1) The Accounting Officer may in terms of section 79 or 106 of the Act sub-delegate any supply chain management powers and duties, including those delegated to the Accounting Officer in terms of this Policy, but any such sub-delegation must be consistent with subparagraph (2) of this paragraph and paragraph 4 of this Policy.
- (2) The power to make a final award –
  - (a) Above R 10 million (VAT included) may not be sub-delegated by the Accounting Officer;
  - (b) Above R 200,000 (VAT included), but not exceeding R 10 million (VAT included), may be sub-delegated but only to –
    - (i) The Bid Adjudication Committee of which the Chief Financial Officer or a senior manager is a member; or
    - (ii) Accounting Officer of the municipality, after due consideration of all facts was done; and
  - (c) Below R 200,000 (VAT included) to be disposed by delegated official according approved delegatory power and functions issued by Accounting Officer.
- (3) The Bid Adjudication Committee to which the power to make final awards has been sub-delegated in accordance with subparagraph (2) must within five days of the end of each month submit to the official referred to in subparagraph (4) a written report containing particulars of each final award made by such official or committee during that month, including –
  - (a) The amount of the award;

- (b) The name of the person to whom the award was made; and
  - (c) The reason why the award was made to that person.
- (4) A written report referred to in subparagraph (3) must be submitted –
- (a) To the Accounting Officer, in the case of an award by –
    - (i) The Bid Adjudication Committee of which the Chief Financial Officer or a senior manager is a member; or
    - (b) To the Chief Financial Officer or the senior manager responsible for the relevant bid, in the case of an award by –
      - (i) The Bid Adjudication Committee of which the Chief Financial Officer or a senior manager is not a member.
- (5) Subparagraphs (3) and (4) of this policy do not apply to procurements out of petty cash.
- (6) This paragraph may not be interpreted as permitting an official to whom the power to make final awards has been sub-delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 26 of this Policy.
- (7) No supply chain management decision-making powers may be delegated to an advisor or consultant.

## **6. OVERSIGHT ROLE OF COUNCIL**

- (1) The Stellenbosch Council reserves its right to maintain oversight over the implementation of this Policy.
- (2) For the purposes of such oversight the Accounting Officer must –
- (i) Within 30 days of the end of each financial year, submit a report on the implementation of this Policy and the supply chain management policy of any municipal entity under the sole or shared control of the municipality, to the council of the municipality; and
  - (ii) Whenever there are serious and material problems in the implementation of this Policy, immediately submit a report to Council.
- (3) 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.
- (4) The reports must be made public in accordance with section 21A of the Municipal Systems Act.



**7. SUPPLY CHAIN MANAGEMENT UNIT**

- (1) A supply chain management unit is hereby established to implement this Policy.
- (2) The supply chain management unit operates under the direct supervision of the Chief Financial Officer or an official to whom this duty has been delegated in terms of section 82 of the Act.

**8. TRAINING OF SUPPLY CHAIN MANAGEMENT OFFICIALS**

- (1) The training of officials involved in implementing this Policy should be in accordance with any Treasury guidelines on supply chain management training.

## CHAPTER 2

## SUPPLY CHAIN MANAGEMENT SYSTEM

**9. FORMAT OF SUPPLY CHAIN MANAGEMENT SYSTEM**

(1) This Policy provides systems for –

- (i) Demand management;
- (ii) Acquisition management;
- (iii) Logistics management;
- (iv) Disposal management;
- (v) Risk management; and
- (vi) Performance management.

**PART 1: DEMAND MANAGEMENT****10. SYSTEM OF DEMAND MANAGEMENT**

- (1) The Accounting Officer must establish and implement an appropriate demand management system in order to ensure that the resources required by Stellenbosch Municipality support its operational commitments and its strategic goals outlined in the Integrated Development Plan.
- (2) The demand management system must –
  - (a) Include timely planning and management processes to ensure that all goods and services required by Stellenbosch Municipality are quantified, budgeted for and timely and effectively delivered at the right locations and at the critical delivery dates, and are of the appropriate quality and quantity at a fair cost;
  - (b) Take into account any benefits of economies of scale that may be derived in the case of acquisitions of a repetitive nature;
  - (c) Provide for the compilation of the required specifications to ensure that its needs are met; and
  - (d) To undertake appropriate industry analysis and research to ensure that innovations and technological benefits are maximized.
- (3) Green procurement must be incorporated as far as reasonably possible for all specifications of goods, services and construction works.
- (4) In the development of bid specifications, innovative mechanisms should be explored to render the service or product more resource and energy efficient.

**PART 2: ACQUISITION MANAGEMENT****11. SYSTEM OF ACQUISITION MANAGEMENT**

- (1) The Accounting Officer must implement the system of acquisition management set out in this Part in order to ensure –
  - (a) That goods and services are procured by Stellenbosch Municipality in accordance with authorised processes only;
  - (b) That expenditure on goods and services is incurred in terms of an approved budget in terms of section 15 of the Act;
  - (c) That the threshold values for the different procurement processes are complied with;
  - (d) That bid documentation, evaluation and adjudication criteria, and general conditions of a contract, are in accordance with any applicable legislation; and
  - (e) That any Treasury guidelines on acquisition management are properly taken into account.
- (2) Unless otherwise indicated in the bid documents, the Municipality shall not be liable for any expenses incurred by prospective bidders in the preparation and / or submission of a bid or quotation.

**12. RANGE OF PROCUREMENT PROCESSES**

- (1) Goods and / or services may only be procured by way of –
  - (a) Cash purchases administered by the Expenditure Division up to a transaction value as defined in Council's Petty Cash Policy;
  - (b) Removed
  - (c) formal written price quotations for procurement of a transaction value over R2000 up to R300 000 (VAT included).
  - (d) a competitive bidding process for procurement above a transaction value of R300 000 (VAT included).
- (2) The Accounting Officer may, in writing-
  - (a) Lower, but not increase, the different threshold values specified in subparagraph (1); or
  - (b) Direct that –
    - (i) Removed
    - (ii) Formal written price quotations be obtained for any specific procurement of a transaction value lower than R 10,000; or
    - (iii) A competitive bidding process be followed for any specific procurement of a transaction value lower than R 300,000.

- (3) Goods or services may not deliberately be split into parts or items of a lesser value merely to avoid complying with the requirements of the policy. When determining transaction values, a requirement for goods or services consisting of different parts or items must as far as possible be treated and dealt with as a single transaction.

### **13. GENERAL PRECONDITIONS FOR CONSIDERATION OF WRITTEN QUOTATIONS OR BIDS**

- (1) A written quotation or bid may not be considered unless the provider who submitted the quotation or bid –
- (a) Has furnished that provider's –
    - (i) Full name;
    - (ii) Identification number or company or other registration number; and
    - (iii) Tax reference number and VAT registration number, if any;
  - (b) Has authorised the Stellenbosch Municipality to obtain a tax clearance by means of the Tax Compliance Status Pin from, from the South African Revenue Services and Central Supplier Database Number (CSD) that the provider's tax matters are in order; and
  - (c) Has indicated –
    - (i) Whether he or she is in the service of the state, or has been in the service of the state in the previous twelve months;
    - (ii) If the provider is not a natural person, whether any of its directors, managers, principal shareholders or stakeholder is in the service of the state, or has been in the service of the state in the previous twelve months; or
    - (iii) Whether a spouse, child or parent of the provider or of a director, manager, shareholder or stakeholder referred to in sub-paragraph (ii) is in the service of the state, or has been in the service of the state in the previous twelve months.

### **14. LISTS OF ACCREDITED PROSPECTIVE PROVIDERS**

- (1) The Accounting Officer must –
- (a) Keep a list of accredited prospective providers of goods and services that must be used for the procurement requirements through formal written price quotations;
  - (b) At least once a year through newspapers commonly circulating locally, the website and any other appropriate ways, invite prospective providers of goods or services to apply for evaluation and listing as accredited prospective providers;
  - (c) Specify the listing criteria for accredited prospective providers as stated within the database registration forms; and
  - (d) Disallow the listing of any prospective provider whose name appears on the National Treasury's database as a person prohibited from doing business with the public sector.

- (2) The list must be updated at least quarterly to include any additional prospective providers and any new commodities or types of services. Prospective providers must be allowed to submit applications for listing at any time.
- (3) The list must be compiled per commodity and per type of service.

#### **15. PETTY CASH PURCHASES**

- (1) The Accounting Officer must establish the conditions for the procurement of goods by means of cash purchases and petty cash purchases referred to in paragraph 12(1)(a) and (b) of this Policy, which must include conditions –
  - (a) determining the terms on which a manager may delegate responsibility for cash purchases and petty cash purchases to an official reporting to the manager;
  - (b) limiting the maximum number of cash purchases and petty cash purchases or the maximum amounts per month for each manager;
  - (c) excluding any types of expenditure from cash purchases and petty cash purchases, where this is considered necessary;
  - (d) requiring a monthly reconciliation report from each manager to the Chief Financial Officer, including –
    - (i) the total amount of cash purchases and petty cash purchases for that month; and
    - (ii) receipts and appropriate documents for each purchase; and
  - (e) any other conditions determined by the Chief Financial Officer.
- (2) Cash purchases will be dealt with in terms of the Petty Cash Policy of Council.
- (3) Petty cash purchases will be dealt with in terms of the Supply Chain Management Policy of Council.

#### **16. WRITTEN OR VERBAL QUOTATIONS**

Removed

#### **17. FORMAL WRITTEN PRICE QUOTATIONS**

- (1) The conditions for the procurement of goods or services through formal written price quotations are as follows: -
  - (a) Quotations must be obtained in writing from at least three different providers whose names appear on the list of accredited prospective providers of the Stellenbosch Municipality. Quotations may be obtained from providers who are not listed, provided that such providers meet the listing criteria set out in paragraph 13 of this Policy;
  - (b) Where no suitable providers are available from the list of accredited prospective providers, quotations may be obtained from other possible

providers not registered on the municipal supplier database;

- (c) If it is not possible to obtain at least three quotations, the reasons must be recorded and approved by the Chief Financial Officer or an official designated by the Chief Financial Officer;
  - (d) The Accounting Officer must record the names of the potential providers and their written quotations; and
  - (e) For the obtaining of quotations for services, Stellenbosch Municipality will utilize their notice boards.
- (2) A designated official referred to in subparagraph (1)(c) must within three days of the end of each month report to the Chief Financial Officer on any approvals given during that month by that official in terms of that subparagraph.

## **18. PROCEDURES FOR PROCURING GOODS OR SERVICES THROUGH FORMAL WRITTEN PRICE QUOTATIONS**

- (1) The procedure for the procurement of goods or services through formal written price quotations is as follows –
- (a) When using the list of accredited prospective providers the Accounting Officer must promote on-going competition amongst providers by inviting providers to submit quotations on a rotation basis;
  - (b) Where no suitable providers are available from the list of accredited prospective providers, quotations may be obtained from other possible providers not registered on the municipal supplier database;
    - i. All requirements in excess of R 30,000 (VAT included) that are to be procured by means of formal written price quotations must, in addition to the requirements of paragraph 17, be advertised for at least seven days on the website and an official notice board of the Stellenbosch Municipality;
  - (c) The accounting officer must take all reasonable steps to ensure that the procurement of goods and services through formal written quotations are not abused;
  - (d) The Accounting Officer or Chief Financial Officer must on a monthly basis be notified in writing of all formal written price quotations accepted by an official acting in terms of a sub-delegation;
  - (e) Offers received must be evaluated on a comparative basis taking into account unconditional discounts;
  - (f) Acceptable offers, which are subject to the preference points system (PPPFA and associated regulations), must be awarded to the bidder who scored the highest points; and
  - (g) Stellenbosch Municipality will maintain a proper record keeping system.

## **19. COMPETITIVE BIDS**

- (1) Goods or services above a transaction value of R 300,000 (VAT included) and long term contracts may only be procured through a competitive bidding process, subject to paragraph 11(2) of this Policy.
- (2) No requirement for goods or services above an estimated transaction value of R 300,000 (VAT included), may deliberately be split into parts or items of lesser value merely for the sake of procuring the goods or services otherwise than through a competitive bidding process.

## **20. PROCESS FOR COMPETITIVE BIDDING**

- (1) The procedures for the following stages of a competitive bidding process are as follows:-
  - (a) Compilation of bidding documentation as detailed in paragraph 21;
  - (b) Public invitation of bids as detailed in paragraph 22;
  - (c) Site meetings or briefing sessions as detailed in paragraph 22;
  - (d) Handling of bids submitted in response to public invitation as detailed in paragraph 23;
  - (e) Evaluation of bids as detailed in paragraph 28;
  - (f) Award of contracts as detailed in paragraph 29;
  - (g) Administration of contracts;
  - (h) After approval of a bid, the Accounting Officer and the bidder must enter into a written agreement;
  - (i) Proper record keeping; and
  - (j) Original / legal copies of written contracts agreements must be kept in a secure place for reference purposes.

## **21. BID DOCUMENTATION FOR COMPETITIVE BIDS**

- (1) The criteria to which bid documentation for a competitive bidding process must comply, must –
  - (a) Take into account –
    - (i) The general conditions of contract and any special conditions of contract, if specified;
    - (ii) Any Treasury guidelines on bid documentation; and
    - (iii) The requirements of the Construction Industry Development Board, in the case of a bid relating to construction, upgrading or refurbishment of buildings or infrastructure;
  - (b) Include the preference points system to be used, goals as contemplated in the Preferential Procurement Regulations and evaluation and adjudication



criteria, including any criteria required by other applicable legislation;

- (c) Compel bidders to declare any conflict of interest they may have in the transaction for which the bid is submitted;
- (d) If the value of the transaction is expected to exceed R 10 million (VAT included), require bidders to furnish –
  - (i) If the bidder is required by law to prepare annual financial statements (AFS) for auditing, their audited AFS –
    - (aa) For the past three years; or
    - (bb) Since their establishment if established during the past three years;
  - (ii) A certificate signed by the bidder certifying that the bidder has no undisputed commitments for municipal services towards a municipality or other service provider in respect of which payment is overdue for more than 30 days;
  - (iii) Particulars of any contracts awarded to the bidder by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract;
  - (iv) A statement indicating whether any portion of the goods or services are expected to be sourced from outside the Republic, and if so, what portion and whether any portion of payment from the municipality or municipal entity is expected to be transferred out of the Republic; and
- (e) Stipulate that disputes must be settled by means of mutual consultation, mediation, adjudication (with or without legal representation), or, when unsuccessful, in a South African court of law;
- (f) The period for which bids are to remain valid and binding must be indicated in the bid documents; and
- (g) A provision for the termination of the contract in the case of non- or under-performance and objections and complaints must be included in the bid documentation.

## **22. PUBLIC INVITATION FOR COMPETITIVE BIDS**

- (1) The procedure for the invitation of competitive bids is as follows –
  - (a) Any invitation to prospective providers to submit bids must be by means of a public advertisement in a newspaper commonly circulating locally, the website of the Stellenbosch Municipality or any other appropriate ways (which may include an advertisement in the Government Tender Bulletin); and
  - (b) The information contained in a public advertisement, must at least include
    - (i) The closure date for the submission of bids, which may not be less than 30 days in the case of transactions over R10 million (VAT included), or which are of a long term nature, or 14 days in any other case, from the

date on which the advertisement is placed in a newspaper, subject to subparagraph (2) of this policy; and

- (ii) A statement that bids may only be submitted on the bid documentation provided by the Stellenbosch Municipality
  - (iii) Contact details for further enquiries.
- (2) The Accounting Officer may determine a closure date for the submission of bids which is less than the 30 or 14 days requirement, but only if such shorter period can be justified on the grounds of urgency or emergency or any exceptional case where it is impractical or impossible to follow the official procurement process.
  - (3) Bids submitted must be sealed and must clearly indicate the bid number on the outside of the envelope for which the bid is being submitted.
  - (4) Where bids are requested by the Municipality in electronic format, such bids must be supplemented by sealed hard copies.
  - (5) The municipality may require bidders to submit section(s) of their bid in electronic format, but only after the bid closing date. If the electronic copy differs from the original hard copy, the original hard copy will be binding.

### **23. PROCEDURE FOR HANDLING, OPENING AND RECORDING OF COMPETITIVE BIDS AND FORMAL WRITTEN PRICE QUOTATIONS IN EXCESS OF R 30,000**

- (1) The procedures for the handling, opening and recording of bids are as follows
  - (a) Bids –
    - (i) Must be opened only in public;
    - (ii) must be opened at the same time and as soon as possible after the period for the submission of bids has expired; and
    - (iii) Received after the closing time should not be considered and returned unopened immediately; and
  - (b) Any bidder or member of the public has the right to request that the names of the bidders who submitted bids in time must be read out and, if practical, also each bidder's total bidding price;
  - (c) No information, except the provisions in subparagraph (b), relating to the bid should be disclosed to bidders or other persons until the successful bidder is notified of the award;
  - (d) The Accounting Officer must –
    - (i) Record in a register all bids received in time;
    - (ii) Make the register available for public inspection; and
    - (iii) Publish the entries in the register and the bid results on the website.
  - (e) The bidder shall choose a *domicilium citandi et executandi* in the Republic and unless notice of the change thereof has duly been given in writing, it shall be the address stated in the bid.

- (f) Opening of bid procedures –
- (i) At the specified closing time on the closing date the applicable bid box shall be closed;
  - (ii) The bid box shall be opened in public as soon as practical after the closing time by at least two officials from the Supply Chain Management Unit and the Security Officer on duty;
  - (iii) It is the responsibility of the bidder to ensure that their bid is placed in the correct bid box. The municipality will not on its own initiative redirect any bid if it is placed in an incorrect bid box before the closing time of submissions.
  - (iv) Immediately after the opening of the bid box all bids shall be opened in public;
  - (v) At the official opening of the bids, the bids shall in all cases be read out in terms of the name of the bidder and, if practical, the amount of the bid;
  - (vi) As soon as a bid or technical proposal has been opened the bid / proposal shall be stamped with the official stamps, and endorsed with the opening officials' signatures;
  - (viii) The name of the bidder, and where possible, the bid sum shall be recorded in a bid opening record kept for that purpose; and The responsible officials who opened the bidding documentation received shall forthwith place their signatures on the bid opening record (register) and shall ensure that the bid opening record, indicating at least the bid price of each bidder, the BBBEE status level contribution of each bidder and where applicable the local content percentages of the goods offered are made available for public inspection and are published on the municipality's website.
- (g) Site Inspections / clarification meeting –
- (i) Site inspections / clarifications meeting, where applicable, will be compulsory.
  - (ii) If site inspections / clarification meeting are to be held, full details must be included in the bid notice. Service providers that are late for the commencement of the site inspection/clarification meeting will be disqualified.
  - (iii) Minutes of all site inspection/clarification meetings must be kept for record purposes
  - (iv) Any proposed Addendums to the advertised bid document must be tabled at the Bid Specification Committee Meeting for consideration and approval.
- (h) Bid validity periods
- (i) The validity period is calculated from the bid closure date and bids shall remain in force and binding for a period of six (6) months as indicated in the invitation to bid and the bid documents, subject to any other applicable legislation and instructions from the National Treasury

for specific types of procurement.

- (ii) The period of validity may be extended by the SCM Department, provided that the original bid validity period has not expired and that all bidders are given an opportunity to extend such period.
- (iii) Any such extension shall be agreed to by a bidder in writing.

Bidders who fail to respond to such a request before the validity of their bid expires, or who decline such a request shall not be considered further in the bid evaluation process.

- (iv) All bidders who indicated the acceptance of the extension of the bid validity period, bids will be considered for evaluation purposes.
- (v) If the validity of all bids expired without it being awarded within the bid validity period, including any extensions thereof allowable in terms of applicable legislation, the bid must be cancelled and published in the same media in which the original bid invitation appeared.
- (vi) All bidders must be notified in writing of the cancellation of a bid.

(i) Samples

- (i) The call for samples should be limited to where samples are called for in the bid documents, samples (marked with the bid and item number as well as the bidder's name and address) shall be delivered separately (to the bid) to the addressee mentioned in the bid documents by no later than the closing time of the bid.
- (ii) Bids may not be included in parcels containing samples.
- (iii) If samples are not submitted as required in the bid documents, then the part of the bid for which no sample is provided shall be declared invalid.
- (iv) Samples shall be supplied by a bidder at his / her own expense and risk. Stellenbosch Municipality shall not be obliged to pay for such samples or compensate for the loss thereof, unless otherwise specified in the bid documents, and shall reserve the right to return such samples or to dispose of them at its own discretion.
- (v) If a bid is accepted for the supply of goods according to a sample submitted by the bidder, that sample will become the contract sample. All goods/materials supplied shall comply in all respects to that contract sample.

(j) Bid Sum

- (i) A bid will not necessarily be invalidated if the amount in words and the amount in figures do not correspond, in which case the amount in words shall be read out at the bid opening.

## 24. NEGOTIATIONS WITH PREFERRED BIDDERS

- (1) The Accounting Officer may negotiate the final terms of a contract with bidders identified through a competitive bidding process as preferred bidders, provided that such negotiation –
  - (a) Does not allow any preferred bidder a second or unfair opportunity;
  - (b) Is not to the detriment of any other bidder; and
  - (c) Does not lead to a higher price than the bid as submitted.
- (2) Minutes of such negotiations must be kept for record purposes.

## **25. TWO-STAGE BIDDING PROCESS**

- (1) A two-stage bidding process is allowed for –
  - (a) Large complex projects;
  - (b) Projects where it may be undesirable to prepare complete detailed technical specifications; or
  - (c) Long term projects with a duration period exceeding three years.
- (2) In the first stage technical proposals on conceptual design or performance specifications should be invited, subject to technical as well as commercial clarifications and adjustments.
- (3) In the second stage final technical proposals and priced bids should be invited.

## **26. COMMITTEE SYSTEM FOR COMPETITIVE BIDS**

- (1) A committee system for competitive bids is hereby established, consisting of the following committees for each procurement or cluster of procurements as the Accounting Officer may determine as issued within the directive and stating the terms of reference of each bid committee –
  - (a) A Bid Specifications Committee;
  - (b) A Bid Evaluation Committee; and
  - (c) A Bid Adjudication Committee.
- (2) The Accounting Officer appoints the members of each committee, taking into account section 117 of the Act; and
- (3) The committee system must be consistent with –
  - (a) Paragraph 27, 28 and 29 of this Policy;
  - (b) Any other applicable legislation; and
  - (c) The Accounting Officer may apply the committee system to formal written price quotations.

## **27. BID SPECIFICATIONS COMMITTEES**

- (1) A Bid Specifications Committee must compile the specifications for each procurement of goods or services by the Stellenbosch Municipality.
- (2) Specifications –
  - (a) Must be drafted in an unbiased manner to allow all potential suppliers to offer their goods or services;
  - (b) Must take account of any accepted standards such as those issued by Standards South Africa, the International Standards Organisation, or an authority accredited or recognised by the South African National Accreditation System with which the equipment or material or workmanship should comply;
  - (c) Must, where possible, be described in terms of performance required rather than in terms of descriptive characteristics for design;
  - (d) May not create trade barriers in contract requirements in the forms of specifications, plans, drawings, designs, testing and test methods, packaging, marking or labelling of conformity certification;
  - (e) May not make reference to any particular trade mark, name, patent, design, type, specific origin or producer unless there is no other sufficiently precise or intelligible way of describing the characteristics of the work, in which case such reference must be accompanied by the word “equivalent”;
  - (f) Must indicate the preference points system set out in the Preferential Procurement Regulations 2017;
  - (g) Must be approved by the Accounting Officer prior to publication of the invitation for bids in terms of paragraph 22 of this Policy; and
  - (h) The Accounting Officer may sub-delegate the requirements in sub-paragraph 2(g) above to the Chairperson of the Bid Specifications Committee.
- (3) A Bid Specifications Committee must be composed of one or more officials of the Stellenbosch Municipality preferably the manager responsible for the function involved, and may, when appropriate, include external and / or internal specialist advisors.
- (4) No person, advisor or corporate entity involved with the Bid Specifications Committee, or director of such a corporate entity, may bid for any resulting contracts.

## **28. BID EVALUATION COMMITTEES**

- (1) A Bid Evaluation Committee must –
  - (a) Evaluate bids in accordance with –
    - (i) The specifications for a specific procurement; and
    - (ii) The points system set out in terms of paragraph 27(2)(f);
  - (b) Evaluate each bidder’s ability to execute the contract;

- (c) Check in respect of the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears; and
  - (d) Submit to the adjudication committee a report and recommendations regarding the award of the bid or any other related matter.
- (2) A Bid Evaluation Committee must as far as possible be composed of
- (a) Officials from departments requiring the goods or services; and
  - (b) At least one supply chain management practitioner of the Stellenbosch Municipality.
- (3) The relevant user department's official shall carry out a preliminary evaluation of all valid bids received and shall submit a bid evaluation report to the Bid Evaluation Committee for consideration.
- (4) Any evaluation of a bid shall consider the bids received and shall note for inclusion in the evaluation report, a bidder –
- (a) Whose bid does not comply with the provisions of paragraph 38 of this Policy;
  - (b) Whose bid does not comply with the provisions of paragraph 13 of this Policy;
  - (c) Whose bid is not in compliance with the specification;
  - (d) Whose bid is not in compliance with the terms and conditions of the bid documentation;
  - (e) Who is not registered and verified on the municipality's supplier database within seven days of the closing time for bids. In this regard bid documentation shall state that the responsibility for registration and verification rests solely with the bidder;
  - (f) Who, in the case of construction works acquisitions, does not comply with the requirements of the Construction Industry Development Board Act regarding registration of contractors. Verification of compliance with this requirement shall be by means of Stellenbosch Municipality's Supplier Database;
  - (g) Whose tax status are non-compliant and cannot be verified with the South African Revenue Services (SARS) certifying that the taxes of the bidder are in order or that suitable arrangements have been made with SARS; and
  - (h) Who fails to comply with any applicable Bargaining Council agreement.
- (5) Bids shall be evaluated according to the following as applicable –
- (i) Bid price (corrected if applicable and brought to a comparative level where necessary);
  - (ii) The unit rates and prices;
  - (iii) The bidder's ability to fulfil its obligations in terms of the bid documents;
  - (iv) Any qualifications to the bid;
  - (v) The bid ranking obtained in respect of Preferential Procurement as required

by Stellenbosch Municipality's Preferential Procurement Policy;

- (vi) The financial standing of the bidder, including its ability to furnish the required institutional guarantee, where applicable; and
  - (vii) Any other criteria specified in the bid documents.
- (6) The Bid Evaluation Committee shall check in respect of the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears.
  - (7) The evaluation of bids on an equitable basis may be considered during the evaluation process.
  - (8) Additional information or clarification of bids may be called for if required.
  - (9) Alternative bids may be considered, provided that a bid free of qualifications and strictly in accordance with the bid documents is also submitted. Stellenbosch Municipality shall not be bound to consider alternative bids. The alternative offer is to be submitted with the main offer together with a schedule that compares the specifications of the bid documents with the alternative offer.
  - (10) If a bidder requests in writing, after the closing of bids, that his/her bid be withdrawn, then such a request may be considered and reported in the bid evaluation report.
  - (11) If, after bids have been brought to a comparative level, two or more scores equal total adjudication points, regulation 11(5) of the Preferential Procurement Regulations of 2017 will apply.
  - (12) If two or more bids are equal in all respects after applying regulation 11(5), the Bid Evaluation Committee shall draw lots to decide on the recommendation for award.
  - (13) All disclosures of conflict of interest shall be considered by the Bid Evaluation Committee and if the conflict of interest is of a material nature, this shall be reported to the Bid Adjudication Committee.
  - (14) The relevant User Department in consultation with the SCM Unit may, before the bid is considered by the Bid Evaluation Committee, provide a reasonable opportunity to a bidder who made an innocent error and / or omission in their bid document, to correct the innocent error and / or omission, provided that such opportunity will not unduly prejudice any of the other bidders.
  - (15) In an event as described in sub-paragraph 14, bidders shall be afforded a minimum of two (2) working days up to a maximum of five (5) working days (in consultation with the relevant User Department or the Manager: Supply Chain Management) from time of notification to correct such innocent errors and / or omissions. If no response is received from such bidders at the deadline the bid may be deemed to be non-responsive.

## **29. BID ADJUDICATION COMMITTEES**

- (1) A Bid Adjudication Committee must –
  - (a) Consider the report and recommendations of the Bid Evaluation Committee; and



- (b) Either –
  - (i) Depending on its delegations, make a final award or a recommendation to the Accounting Officer to make the final award; or
  - (ii) Make another recommendation to the Accounting Officer how to proceed with the relevant procurement.
- (2) A Bid Adjudication Committee must consist of at least four senior managers of the Stellenbosch Municipality, which must include –
  - (a) The Chief Financial Officer or, if the Chief Financial Officer is not available, another manager in the budget and treasury office reporting directly to the Chief Financial Officer and designated by the Chief Financial Officer;  
Financial Officer;
  - (b) At least one senior supply chain management practitioner who is an official of the Stellenbosch Municipality; and
  - (c) A technical expert in the relevant field who is an official, if such an expert exists.
- (3) The Accounting Officer must appoint the chairperson of the committee. If the chairperson is absent from a meeting, the members of the committee who are present must elect one of them to preside at the meeting.
- (4) Neither a member of a Bid Evaluation Committee, nor an advisor or person assisting the evaluation committee, may be a member of a Bid Adjudication Committee.
  - (a) If the Bid Adjudication Committee decides to award a bid other than the one recommended by the Bid Evaluation Committee, the Bid Adjudication Committee must prior to awarding the bid–
    - (i) Check in respect of the preferred bidder whether that bidder's municipal rates and taxes and municipal service charges are not in arrears; and
    - (ii) Notify the Accounting Officer.
  - (b) The Accounting Officer may –
    - (i) After due consideration of the reasons for the deviation, ratify or reject the decision of the Bid Adjudication Committee referred to in paragraph (a); and
    - (ii) If the decision of the Bid Adjudication Committee is rejected, refer the decision of the adjudication committee back to that committee for reconsideration.
- (6) The Accounting Officer may at any stage of a bidding process, refer any recommendation made by the evaluation committee or the adjudication committee back to that committee for reconsideration of the recommendation.
- (7) The Accounting Officer must comply with section 114 of the Act within 10 working

days

### **30. PROCUREMENT OF BANKING SERVICES**

- (1) A contract for banking services –
  - (a) Must be procured through competitive bids;
  - (b) Must be consistent with section 7 or 85 of the Act; and
  - (c) May not be for a period of more than five years at a time.
- (2) The process for procuring a contract for banking services must commence at least nine months before the end of an existing contract.
- (3) The closure date for the submission of bids may not be less than 60 days from the date on which the advertisement is placed in a newspaper in terms of paragraph 22(1). Bids must be restricted to banks registered in terms of the Banks Act, 1990 (Act No. 94 of 1990).

### **31. PROCUREMENT OF IT RELATED GOODS OR SERVICES**

- (1) The Accounting Officer may request the State Information Technology Agency (SITA) to assist with the acquisition of IT related goods or services through a competitive bidding process.
- (2) Both parties must enter into a written agreement to regulate the services rendered by and the payments to be made to SITA.
- (3) The Accounting Officer must notify SITA together with a motivation of the IT needs if –
  - (a) The transaction value of IT related goods or services required in any financial year will exceed R 50 million (VAT included); or
  - (b) The transaction value of a contract to be procured whether for one or more years exceeds R 50 million (VAT included).
- (4) If SITA's comments on the submission and the Stellenbosch Municipality disagree with such comments, the comments and the reasons for rejecting or not following such comments must be submitted to the council, the National Treasury, the relevant provincial treasury and the Auditor General.

### **32. PROCUREMENT OF GOODS AND SERVICES UNDER CONTRACTS SECURED BY OTHER ORGANS OF STATE**

- (1) The Accounting Officer may procure goods or services under a contract secured by another organ of state, but only if –
  - (a) The contract has been secured by that other organ of state by means of a competitive bidding process applicable to that organ of state;
  - (b) There is no reason to believe that such contract was not validly procured;
  - (c) There are demonstrable discounts or benefits to do so; and

- (d) That other organ of state and the provider has consented to such procurement in writing.
- (2) Subparagraphs (1)(c) and (d) do not apply if –
- (a) A municipal entity procures goods or services through a contract secured by its parent municipality; or
  - (b) A municipality procures goods or services through a contract secured by a municipal entity of which it is the parent municipality.
- (3) If paragraph (1) is complied with, Stellenbosch Municipality must request at least the following documents from the relevant organ of state and service provider as referred to under subparagraph (1)(d) –
- (a) A written declaration confirming –
    - (i) That the organ of state followed a competitive bidding process applicable to it;
    - (ii) That the organ of state has no reason to believe that the contract was not validly procured by itself;
    - (iii) That the organ of state evaluated the bid in terms of price and  
 BBBEE and if applicable, in terms of functionality or quality, and concluded that the bid(s) that were accepted were in all aspects the best compliant and respective bid(s); and
    - (iv) That the organ of state gives formal written permission to  
 Stellenbosch Municipality to procure goods and / or services from the approved bid(s) as accepted by the organ of state;
  - (b) Agenda and minutes of the organ of state's Bid Evaluation Committee at which the specific bid was evaluated;
  - (c) Agenda and minutes of the organ of state's Bid Adjudication Committee at which the bid was awarded or the approval of the Accounting Officer of that organ of state who approved the bid;
  - (d) A copy of the successful bidder(s) bid submissions; and
  - (e) Written consent from the service provider.
- (4) If Stellenbosch Municipality should enter into a contract secured by other organs of state, it shall enter into a contract with the successful bidder(s) on the same terms and conditions as accepted by the relevant organ of state.
- (5) Contracts entered into by Stellenbosch Municipality under paragraph (4) shall not be deemed to be a deviation from the official procurement processes.
- (6) The Accounting Officer shall report to Council on a monthly basis all contracts entered into in terms of paragraph (4) above.

### **33. PROCUREMENT OF GOODS NECESSITATING SPECIAL SAFETY ARRANGEMENTS**

- (1) The acquisition and storage of goods in bulk (other than water), which necessitate special safety arrangements, including gasses and fuel, should be avoided wherever

possible.

- (2) Where the storage of goods in bulk is justified, such justification must be based on sound reasons, including the total cost of ownership, cost advantages and environmental impact and must be approved by the Accounting Officer.

#### **34. PROUDLY SA CAMPAIGN**

- (1) Stellenbosch Municipality supports the Proudly SA Campaign to the extent that, all things being equal, preference is given to procuring local goods and services from –
  - (a) Firstly: Suppliers and businesses within the municipality or district;
  - (b) Secondly: Suppliers and businesses within the relevant province; and
  - (c) Thirdly: Suppliers and businesses within the Republic.

#### **35. APPOINTMENT OF CONSULTANTS**

- (1) The Accounting Officer may procure consulting services provided that any Treasury guidelines in respect of consulting services, Construction Industry Development Board guidelines and Council's Cost-Containment Policy in respect of services related to the built environment and construction works are taken into account when such procurements are made.
- (2) Consultancy services must be procured through competitive bids if –
  - (a) The value of the contract exceeds R 300,000 (VAT included); or
  - (b) The duration period of the contract exceeds one year.
- (3) In addition to any requirements prescribed by this policy for competitive bids, bidders must furnish particulars of –
  - (a) All consultancy services provided to an organ of state in the last five years; and
  - (b) Any similar consultancy services provided to an organ of state in the last five years.
- (4) The Accounting Officer must ensure that copyright in any document produced, and the patent rights or ownership in any plant, machinery, thing, system or process designed or devised, by a consultant in the course of the consultancy service is vested in the Stellenbosch Municipality.
- (5) Where the estimated value of fees is less than R 300,000 and the duration of the appointment is less than one year, any National Treasury and, where applicable, Construction Industry Development Board guidelines in respect of consulting services are taken into account.

#### **36. DEVIATION FROM AND RATIFICATION OF MINOR BREACHES OF PROCUREMENT PROCESSES**

- (1) The Accounting Officer may –

- (a) Dispense with the official procurement processes established by this Policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only –
    - (i) In an emergency (as per definition);
    - (ii) If such goods or services are produced or available from a single source or sole provider only (as per definition);
    - (iii) For the acquisition of special works of art or historical objects where specifications are difficult to compile;
    - (iv) Acquisition of animals for zoos and/or nature and game reserves; or
    - (v) In any other exceptional case where it is impractical or impossible to follow the official procurement processes; and
  - (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.
- (2) The Accounting Officer must record the reasons for any deviations in terms of subparagraphs (1)(a) and (b) of this policy and report them to the next meeting of the council and include as a note to the annual financial statements.
  - (3) Subparagraph (2) does not apply to the procurement of goods and services contemplated in paragraph 11(2) of this policy.

### **37. UNSOLICITED BIDS**

- (1) In accordance with section 113 of the Act there is no obligation to consider unsolicited bids received outside a normal bidding process.
- (2) The Accounting Officer may decide in terms of section 113(2) of the Act to consider an unsolicited bid, only if –
  - (a) The product or service offered in terms of the bid is a demonstrably or proven unique innovative concept;
  - (b) The product or service will be exceptionally beneficial to, or have exceptional cost advantages;
  - (c) The person who made the bid is the sole provider of the product or service; and
  - (d) The reasons for not going through the normal bidding processes are found to be sound by the Accounting Officer.
- (3) If the Accounting Officer decides to consider an unsolicited bid that complies with subparagraph (2) of this policy, the decision must be made public in accordance with section 21A of the Municipal Systems Act, together with –
  - (a) Reasons as to why the bid should not be open to other competitors;
  - (b) An explanation of the potential benefits if the unsolicited bid were accepted; and

- (c) An invitation to the public or other potential suppliers to submit their comments within 30 days of the notice.
- (4) The Accounting Officer must submit all written comments received pursuant to subparagraph (3), including any responses from the unsolicited bidder, to the National Treasury and the relevant provincial treasury for comment.
- (5) The adjudication committee must consider the unsolicited bid and may award the bid or make a recommendation to the Accounting Officer, depending on its delegations.
- (6) A meeting of the adjudication committee to consider an unsolicited bid must be open to the public.
- (7) When considering the matter, the adjudication committee must take into account –
  - (a) Any comments submitted by the public; and
  - (b) Any written comments and recommendations of the National Treasury or the relevant provincial treasury.
- (8) If any recommendations of the National Treasury or provincial treasury are rejected or not followed, the Accounting Officer must submit to the Auditor General, the relevant provincial treasury and the National Treasury the reasons for rejecting or not following those recommendations.
- (9) Such submission must be made within seven days after the decision on the award of the unsolicited bid is taken, but no contract committing the

Stellenbosch Municipality to the bid may be entered into or signed within 30 days of the submission.

### **38. COMBATING OF ABUSE OF SUPPLY CHAIN MANAGEMENT SYSTEM**

- (1) The Accounting Officer must –
  - (a) Take all reasonable steps to prevent abuse of the supply chain management system;
  - (b) Investigate any allegations against an official or other role player of fraud, corruption, favouritism, unfair or irregular practices or failure to comply with this Policy, and when justified –
    - (i) Take appropriate steps against such official or other role player; or
    - (ii) Report any alleged criminal conduct to the South African Police Service;
  - (c) Check the National Treasury's database prior to awarding any contract to ensure that no recommended bidder, or any of its directors, is listed as a person prohibited from doing business with the public sector;
  - (d) Reject any bid from a bidder –
    - (i) If any municipal rates and taxes or municipal service charges owed by that bidder or any of its directors to the Stellenbosch Municipality or to any other municipality or municipal entity, are in arrears for more than three months; or

- (ii) Who during the last five years has failed to perform satisfactorily on a previous contract with the Stellenbosch Municipality or any other organ of state after written notice was given to that bidder that performance was unsatisfactory;
- (e) Reject a recommendation for the award of a contract if the recommended bidder or any of its directors, or trust or its trustees has committed a corrupt or fraudulent act in competing for the particular contract;
- (f) Cancel a contract awarded to a person if –
  - (i) The person committed any corrupt or fraudulent act during the bidding process or the execution of the contract; or
  - (ii) An official or other role player committed any corrupt or fraudulent act during the bidding process or the execution of the contract that benefited that person; and
- (g) Reject the bid of any bidder if that bidder or any of its directors –
  - (i) Has abused the supply chain management system of the Stellenbosch Municipality or has committed any improper conduct in relation to such system;
  - (ii) Has been convicted for fraud or corruption during the past five years;
  - (iii) Has wilfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
  - (iv) Has been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- (2) The Accounting Officer must inform the National Treasury and relevant provincial treasury in writing of any actions taken in terms of subparagraphs (1)(b)(ii), (e) or (f) of this Policy.

### **PART 3: LOGISTICS, DISPOSAL, RISK AND PERFORMANCE MANAGEMENT**

#### **39. LOGISTICS MANAGEMENT**

- (1) The Accounting Officer must establish and implement an effective system of logistics management, which must include –
  - (a) The monitoring of spending patterns on types or classes of goods and services incorporating, where practical, the coding of items to ensure that each item has a unique number;
  - (b) The setting of inventory levels that includes minimum and maximum levels and lead times wherever goods are placed in stock;
  - (c) The placing of manual or electronic orders for all acquisitions other than those from petty cash;

- (d) Before payment is approved, certification by the responsible officer that the goods and services are received or rendered on time and is in accordance with the order, the general conditions of contract and specifications where applicable and that the price charged is as quoted in terms of a contract;
- (e) Appropriate standards of internal control and warehouse management to ensure that goods placed in stores are secure and only used for the purpose for which they were purchased;
- (f) Regular checking to ensure that all assets including official vehicles are properly managed, appropriately maintained and only used for official purposes; and
- (g) Monitoring and review of the supply vendor performance to ensure compliance with specifications and contract conditions for particular goods or services.

#### **40. DISPOSAL MANAGEMENT**

- (1) A supply chain management policy must provide for an effective system of disposal management for the disposal or letting of assets, including unserviceable, redundant or obsolete assets, subject to sections 14 and 90 of the Act
- (2) A supply chain management policy must specify the ways in which assets may be disposed of, including –
  - (a) Transferring the asset to another organ of state in terms of a provision of the Act enabling the transfer of assets;
  - (b) Transferring the asset to another organ of state at market related value or, when appropriate, free of charge;
  - (c) Selling the asset; and
  - (d) Destroying the asset.
- (3) The Accounting Officer must ensure that –
  - (a) Immovable property is sold only at market related prices except when the public interest or the plight of the poor demands otherwise;
  - (b) 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, except when the public interest or the plight of the poor demands otherwise;
  - (c) 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;
  - (d) Immovable property is let at market related rates except when the public interest or the plight of the poor demands otherwise;
  - (e) All fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed;



- (f) Where assets are traded in for other assets, the highest possible trade-in price is negotiated; and
  - (g) 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.
- (4) All matters relating to the alienation of movable and immovable assets shall be dealt with in terms of Council's Asset Transfer Policy and the Asset Transfer Regulations, 2008 and Council's adopted Immovable Assets Policy.
  - (5) Notwithstanding the provisions of paragraph 3 hereof, the following statutory powers of Stellenbosch Council in respect of the alienation of immovable property, are reserved to be exercised by Council –
    - (a) To decide on reasonable grounds that an asset is not needed to provide the minimum level of basic municipal services; and
    - (b) To considered the fair market value of the asset and the economic and community value to be received in exchange for the asset, and
  - (6) Notwithstanding sub-paragraph (3)(b) & (g) above, the Accounting Officer must determine the most advantageous way for the disposal or letting of movable capital assets, i.e. written price quotations, competitive bidding, or auction, except when public interest or the plight of the poor demands otherwise.
  - (7) The Accounting Officer is hereby authorized to dispose of movable capital assets:
  - (8)
    - (a) Up to a value of R 2 000 000.00
    - (b) Up to a value of R1 000 000.00 (CFO and BAC Members)

#### **41. RISK MANAGEMENT**

- (1) The criteria for an effective risk management strategy within supply chain management system, should include the identification, consideration and avoidance of potential risks.
- (2) Risk management should include –
  - (a) The identification of risks on a case-by-case basis;
  - (b) The allocation of risks to the party best suited to manage such risks;
  - (c) Acceptance of the cost of the risk where the cost of transferring the risk is greater than that of retaining it;
  - (d) The management of risks in a pro-active manner and the provision of adequate cover for residual risks; and
  - (e) The assignment of relative risks to the contracting parties through clear and unambiguous contract documentation.

#### **42. PERFORMANCE MANAGEMENT**

- (1) The Accounting Officer must establish and implement an internal monitoring system in order to determine, on the basis of a retrospective analysis, whether the authorised supply chain management processes were followed and whether the objectives of this Policy were achieved. The retrospective analysis will link to the regulatory reports and submissions on the implementation of the supply chain management policy to the delegated authorities as prescribed in terms of supply chain management regulations and the delegation system of council, as amended from time to time.

**PART 4: OTHER MATTERS****43. PROHIBITION ON AWARDS TO PERSONS WHOSE TAX MATTERS ARE NOT IN ORDER**

- (1) No award above R 30,000 (including VAT) may be made in terms of this Policy to a person whose tax matters have not been declared by the South African Revenue Service to be in order.
- (2) Before making an award to a person the Accounting Officer must first check with SARS whether that person's tax matters are in order.
- (3) If SARS does not respond within 7 days such person's tax matters may for purposes of subparagraph (1) be presumed to be in order.
- (4) Where the recommended bidder is not tax compliant on the date of award, the bidder should be notified of the non-compliant status and be requested to submit written proof of tax compliance from SARS within 7 working days from the date of award. The proof of tax compliance submitted by the bidder must be verified by the Municipality. The Municipality will reject a bid submitted by the bidder if such bidder fails to provide proof of tax compliance within the timeframe as set out in this sub-paragraph.

**44. PROHIBITION ON AWARDS TO PERSONS IN THE SERVICE OF THE STATE**

- (1) Irrespective of the procurement process followed, no award may be made to a person in terms of this Policy –
  - (a) Who is in the service of the state;
  - (b) If that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state; or
  - (c) A person who is an advisor or consultant contracted with the Stellenbosch Municipality.

**45. AWARDS TO CLOSE FAMILY MEMBERS OF PERSONS IN THE SERVICE OF THE STATE**

- (1) The Accounting Officer must ensure that the notes to the annual financial statements disclose particulars of any award of more than R 2,000 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.

**46. ETHICAL STANDARDS**

- (1) A code of ethical standards as set out in [subparagraph (2) / the “National Treasury’s code of conduct for supply chain management practitioners and other role players involved in supply chain management, which also include all other municipal officials not involved in supply chain management system”] is hereby established for municipal officials and other role players in the supply chain management system of the Stellenbosch Municipality in order to promote-
  - (a) Mutual trust and respect; and
  - (b) An environment where business can be conducted with integrity and in a fair and reasonable manner.
  
- (2) A municipal official or other role player involved in the implementation of this Policy–
  - (a) Must treat all providers and potential providers equitably;
  - (b) May not use his or her position for private gain or to improperly benefit another person;
  - (c) May not accept any reward, gift, favour, hospitality or other benefit directly or indirectly, including to any close family member, partner or associate of that person, of a value more than R 350;
  - (d) Notwithstanding subparagraph (2)(c), must declare to the Accounting Officer details of any reward, gift, favour, hospitality or other benefit promised, offered or granted to that person or to any close family member, partner or associate of that person;
  - (e) Must declare to the Accounting Officer details of any private or business interest which that person, or any close family member, partner or associate, may have in any proposed procurement or disposal process of, or in any award of a contract by, the Stellenbosch Municipality;
  - (f) Must immediately withdraw from participating in any manner whatsoever in a procurement or disposal process or in the award of a contract in which that person, or any close family member, partner or associate, has any private or business interest;
  - (g) Must be scrupulous in his or her use of property belonging to Stellenbosch Municipality;
  - (h) Must assist the Accounting Officer in combating fraud, corruption, favouritism and unfair and irregular practices in the supply chain management system; and
    - (i) Must report to the Accounting Officer any alleged irregular conduct in the supply chain management system which that person may become aware of, including –
      - (i) Any alleged fraud, corruption, favouritism or unfair conduct;
      - (ii) Any alleged contravention of paragraph 47(1) of this Policy; or
      - (iii) Any alleged breach of this code of ethical standards.
  
- (3) Declarations in terms of subparagraphs (2)(d) and (e) –

- (a) Must be recorded in a register, which the Accounting Officer must keep for this purpose; and
  - (b) By the Accounting Officer must be made to the Executive Mayor of the municipality who must ensure that such declarations are recorded in the register.
- (4) The National Treasury's code of conduct and Schedule 2 of the Systems Act must be adhered to by supply chain management practitioners and other role players involved in supply chain management.
- (5) A breach of the code of ethics must be dealt with as follows –
- (a) In the case of an employee, in terms of the disciplinary procedures of the Stellenbosch Municipality envisaged in section 67(1)(h) of the Municipal Systems Act;
  - (b) In the case a role player who is not an employee, through other appropriate means in recognition of the severity of the breach;
  - (c) In all cases, financial misconduct must be dealt with in terms of chapter 15 of the Act; and
  - (d) All cases of non-compliance to this Policy should be reported to the Accounting Officer.

#### **47. INDUCEMENTS, REWARDS, GIFTS AND FAVOURS TO MUNICIPALITIES, OFFICIALS AND OTHER ROLE PLAYERS**

- (1) No person who is a provider or prospective provider of goods or services, or a recipient or prospective recipient of goods disposed or to be disposed of may either directly or through a representative or intermediary promise, offer or grant –
- (a) Any inducement or reward to the Stellenbosch Municipality for or in connection with the award of a contract; or
  - (b) Any reward, gift, favour or hospitality to –
    - (i) Any official; or
    - (ii) Any other role player involved in the implementation of this Policy.
- (2) The Accounting Officer must promptly report any alleged contravention of subparagraph (1) to the National Treasury for considering whether the offending person, and any representative or intermediary 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.
- (3) Subparagraph (1) does not apply to gifts less than R 350 in value.

#### **48. SPONSORSHIPS**

- (1) The Accounting Officer must promptly disclose to the National Treasury and the relevant provincial treasury any sponsorship promised, offered or granted, whether directly or through a representative or intermediary, by any person who is –
  - (a) A provider or prospective provider of goods or services; or
  - (b) A recipient or prospective recipient of goods disposed or to be disposed.

#### **49. OBJECTIONS AND COMPLAINTS**

- (1) 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.

#### **50. RESOLUTION OF DISPUTES, OBJECTIONS, COMPLAINTS AND QUERIES**

- (1) The Accounting Officer may, if deem so, appoint an independent and impartial person, not directly involved in the supply chain management processes –
  - (a) To assist in the resolution of disputes between the Stellenbosch Municipality and other persons regarding –
    - (i) Any decisions or actions taken in the implementation of the supply chain management system; or
    - (ii) Any matter arising from a contract awarded in the course of the supply chain management system; or
  - (b) To deal with objections, complaints or queries regarding any such decisions or actions or any matters arising from such contract.
- (2) The Accounting Officer, or another official designated by the Accounting Officer, is responsible for assisting the appointed person to perform his or her functions effectively.
- (3) The person appointed should, if appointed –
  - (a) Strive to resolve promptly all disputes, objections, complaints or queries received; and
  - (b) Submit monthly reports to the Accounting Officer on all disputes, objections, complaints or queries received, attended to or resolved.
- (4) A dispute, objection, complaint or query may be referred to the relevant provincial treasury if –
  - (a) The dispute, objection, complaint or query is not resolved within 60 days; or
  - (b) No response is forthcoming within 60 days.
- (5) If the provincial treasury does not or cannot resolve the matter, the dispute, objection, complaint or query may be referred to the National Treasury for resolution.
- (6) This paragraph must not be read as affecting a person's rights to approach a court at

any time.

#### **51. CONTRACTS PROVIDING FOR COMPENSATION BASED ON TURNOVER**

- (1) If a service provider acts on behalf of a Stellenbosch Municipality to provide any service or act as a collector of fees, service charges or taxes and the compensation payable to the service provider is fixed as an agreed percentage of turnover for the service or the amount collected, the contract between the service provider and the Stellenbosch Municipality must stipulate
  - (a) A cap on the compensation payable to the service provider; and
  - (b) That such compensation must be performance based.

#### **52. CONTRACTS HAVING BUDGETARY IMPLICATIONS BEYOND THREE FINANCIAL YEARS**

- (1) Stellenbosch Municipality may not enter into any contract that will impose financial obligations beyond the three years covered in the annual budget for that financial year, unless the requirements of Section 33 of the Act have been fully complied with.

#### **53. INCREASE / EXTENSION IN APPROVED CONTRACT SUM / PERIOD**

- (1) Any increase and / or extension in the approved contract sum that may become necessary as a result of exceptional circumstances during the contract period must be approved by the appropriate bid committees prior to implementation.
- (2) Contracts may be expanded or varied by not more than 20% of the original contract value for construction related goods, services and/or infrastructure projects and 15% for all other goods and/or services.
- (3) Any expansion or variation in excess of these thresholds as stated under subparagraph (2) must be dealt with in terms of the provisions of section 116(3) of the Act which will be regarded as an amendment of a contract.
- (4) Where community participation has been a part of the project, the community must be advised of the proposed increase and be invited to provide written comment within a minimum period of seven (7) days.

#### **54. RIGHT OF APPEAL**

- (1) In terms of Section 62 of the Municipal Systems Act (Act 32 of 2000 as amended), a person whose rights are affected by a decision taken by the Municipality, in terms of a delegated authority, in the implementation of its supply chain management system, may appeal against that decision by giving written notice of the appeal and reasons to the Municipal Manager within 21 days of the date of the notification of the decision.
- (2) Notification of the decision in terms of sub-paragraph 55(1) of this policy must state that any appeal must be submitted in writing to the Municipal Manager and must at least contain the following information:
  - (a) The reasons and / or grounds for the appeal;

- (b) The way in which the appellants rights have been affected; and
  - (c) The remedy sought by the appellant.
- (3) No award, where a competitive bidding process was followed, shall be formally implemented until a ruling has been made on any appeal/s received. The Municipal Manager may however grant approval for the implementation of bid awards prior to the conclusion of the appeal process in respect of bids which in his / her opinion are deemed as urgent.
- (4) The Appeal Authority will provide the service provider with copies of the Bid Committee minutes applicable to the specific tender on request within the 21 days period, of the service provider to enable him/her to motivate his/her appeal. Should the service provider request other documentation a PAIA application should be submitted.
- (5) The appeal authority must consider the appeal and confirm, vary or revoke the decision, but no such variation or revocation of a decision may detract from any rights that may have accrued as a result of the decision.

## **55. NOTIFICATION OF BID DECISIONS**

- (1) The successful and unsuccessful bidders shall be notified in writing by the Supply Chain Management once a bid has been accepted.
- (2) The bidders shall, in addition, be advised of the 21 day appeal period in terms of section 62 of the Municipal Systems Act and be notified that no rights will accrue to him / her until the bid is formally accepted in writing.
- (3) Once the 21 day appeal period has lapsed and a decision has been made by the appeal authority, the appellant and the service provider who the tender was initially awarded will be notified in writing of the outcome thereof by the Supply Chain Management.
- (4) Every notification of decision shall be faxed or sent via electronic mail and ordinary mail to the address chosen by the bidder, with a copy of proof of transmission kept for record purposes, or shall be delivered by hand, in which case acknowledgement of receipt must be signed and dated on a copy of such notification to be kept for record purposes.

## **56. UNSUCCESSFUL BIDDER DEBRIEFING**

- (1) The Municipality will offer an unsuccessful bidder debriefing service to unsuccessful bidders upon request.
- (2) During the debriefing unsuccessful bidders will be informed of how their proposal scored against required criteria and obtain comments from the evaluation team on their bid.
- (3) The debriefing should be a positive and constructive experience that explains how bidders can improve future submissions.
- (4) The debriefing is an opportunity for unsuccessful bidders to –
  - (a) Learn more about the procurement and evaluation process in an informal setting;



- (b) Find out how their proposal scored against the required criteria;
  - (c) Hear the overall comments from the evaluation team on their bid; and
  - (d) Gather information on how future submissions may be improved.
- (5) The debriefing is not part of the Supply Chain complaint or appeal process in terms of paragraph 49 or 55 of this Policy.
  - (6) The debriefing is not a legal proceeding and no legal representation is permitted at the debriefing session.
  - (7) At the debriefing session the unsuccessful bid is not compared to other bids, nor will information be provided to the unsuccessful bidder about other bids.
  - (8) In scheduling a bidder's debriefings session upon the request of the unsuccessful bidder, the municipality must –
    - (a) Confirm the date and time of the debriefing session in writing;
    - (b) Conduct separate debriefings with each unsuccessful bidder;
    - (c) Ensure that proper minutes are kept of each debriefing session; and
    - (d) Retain all correspondence and documentation relevant to the debriefing session as part of the procurement documentation.
  - (9) In conducting bidders' debriefings, the municipality may –
    - (a) Provide a general overview of the evaluation process set out in the bid documents;
    - (b) Discuss the strengths and weaknesses of the bidder's submission in relation to the specific evaluation criteria and the bidders evaluated score;
    - (c) Provide suggestions on how the supplier may improve future submissions; and
    - (d) Address specific questions and issues raised by the supplier in relation to their submission.

## **57. THE SUSPENSION OF SERVICE PROVIDERS FOR POOR PERFORMANCE AND OTHER BREACHES**

- (1) Any failure to fulfil the deliverables in line with the contract or service levels constitutes a material breach or poor performance which will result in the termination of the contract and/or sanctions will be imposed in the form of suspension from the database.
- (2) Such sanctions will have variation in the periods of suspension based on the gravity of the breach.
- (3) The municipality must consider imposing following sanctions, subject to sub-clause (2) above:
  - a) 6 months for non-declarations of relative/spouse within the municipality;

- b) 12 months for misleading information provided to the municipality; and
- c) 24 months for certain or above a certain threshold value based.
- d) All the above will be applicable based on the gravity of the poor performance and will be analysed on a case by case basis co-ordinated by the Contract Management Section.

## 58. CONDONATION OF POLICY CONTRAVENTIONS

- (1) Council may condone a contravention in terms of this Policy, provided that such contravention is also not a contravention of the Act or the Municipal Supply Chain Management Regulations, 2005
- (2) Any expenditure relating to such condonation by Council in terms of this Policy, will not constitute irregular expenditure as contemplated under section 1 of the Act.
- (3) Contraventions of the Act relating to supply chain management or the Municipal Supply Chain Management Regulations, 2005 must be dealt with in terms of section 32 and section 170 of the Act.

## 59. GENERAL

**Depending on the ability of Stellenbosch Municipality to implement the content of the Framework for Infrastructure Delivery and Procurement Management, only those parts that are practically implementable will be applied. The proper assessments will be done accordingly.**

## 60. CANCELLATION OF TENDERS

The municipality may, prior to the award of a tender, cancel the tender if:

- 1) Due to changed circumstances, there is no longer a need for the goods or services requested; or
- 2) Funds are no longer available to cover the total envisaged expenditure; or
- 3) No acceptable tenders are received. [If all bids received are rejected, the municipality must review the reasons justifying the rejection and consider making revisions to the specific conditions of contract, design and specifications, scope of the contract, or a combination of these, before inviting new bids]; or
- 4) Due to material irregularities in the tender process. If there are material irregularities that are committed during the tender process such that it renders the entire process unfair, the municipality may cancel the tender process and start afresh.

## 61. NEGOTIATING A FAIR MARKET RELATED PRICE

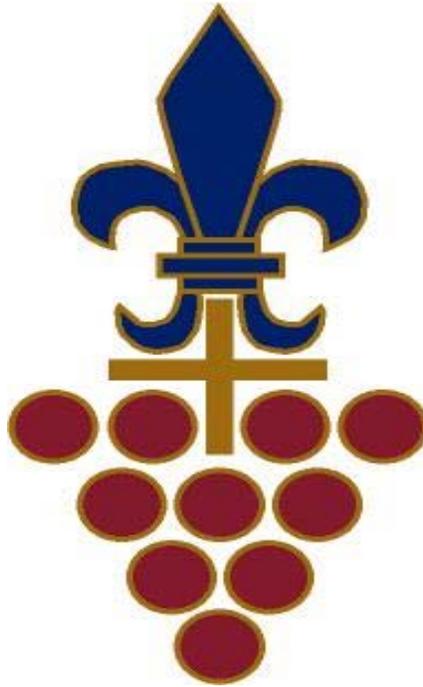
- 1) Tender documents must include a condition stating clearly that the award of the tender may be subject to price negotiation with the preferred tenderers.

- 2) The Bid Evaluation Committee may indicate in its report to the Bid Adjudication Committee that based on the evaluation the prices offered are above market related prices after factoring the premium to be paid in terms of the 80/20 or 90/10 preference point system and the findings of an objective market analysis conducted.
- 3) When the Bid Adjudication Committee considers the Evaluation report it must express itself on whether it agrees or disagrees with the Bid Evaluation Committee; if it disagrees, the decision must be recorded and reasons provided as part of the Bid Adjudication Committee report.
- 4) Where the Bid Adjudication Committee agrees with the BEC or on its own assessment is of the view that the tenderer is charging prices higher than the fair market price, the Bid Adjudication Committee may request from the AO/AA or delegated authority to subject the tender to price negotiations with the three preferred tenderers scoring the highest points (from first highest to third highest) before award is made.
- 5) Upon approval to negotiate, the AO/AA or delegated authority must appoint a cross functional negotiation team, with one member appointed to be team leader.
- 6) The negotiating team leader must ensure that all members of the negotiating team are clear on the negotiation strategy and desired outcomes.
- 7) Negotiations must be fair and objective and may not be used to unfairly prejudice the highest scoring / preferred tenderer or any other tenderer.
- 8) Members of the negotiating team must behave ethically at all material times during and after negotiations, may not divulge any information related to negotiations to third parties without prior consent from the accounting officer/ authority.
- 9) All negotiations must be officially closed with a decision communicated and agreed between parties before moving to negotiate with the next preferred tenderer.
- 10) Negotiating;
  - (a) May not allow any preferred tenderer a second or unfair opportunity
  - (b) Is not to the detriment of any other tenderer
  - (c) Does not lead to higher price than the bid as submitted.

## 62 SHORT TITLE

- (1) This policy is called the Stellenbosch Municipality Supply Chain Management Policy.

# **STELLENBOSCH MUNICIPALITY**

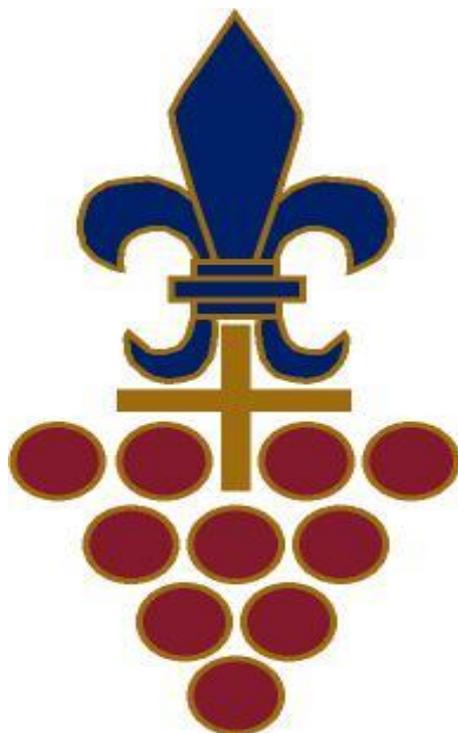


## **PREFERENTIAL PROCUREMENT POLICY**

**2024/2025**

**UNCHANGED**

# STELLENBOSCH MUNICIPALITY



## PREFERENTIAL PROCUREMENT POLICY

**2023/2024**

**Version 2**



# STELLENBOSCH MUNICIPALITY

## PREFERENTIAL PROCUREMENT POLICY

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## 1. Definitions

In this policy, unless the context indicates otherwise, any word or expression to which a meaning has been assigned in the Act must bear the meaning so assigned—

**"Acceptable Tender"** mean any tender which, in all respects, complies with the specification and conditions of tender as set out in tender document

**"Black designated groups"** has the meaning assigned to it in the codes of good practice issued in terms of section 9 (1) of the BBEEA.

**"Black people"** has the meaning assigned to it in section 1 of the BBEEA.

**"Designated group"** means black designated groups, black people, women, people with disabilities; or small enterprises which are enterprises, owned, managed, and controlled by previously disadvantaged persons and which is overcoming business impediments arising from the legacy of apartheid.

**"Disability"** means in respect of a person, a permanent means, in respect of a person, a permanent impairment of a physical, intellectual, or sensory function, which results in restricted, or lack of, ability to perform an activity in the manner, or within the range, considered normal for a human being.

**"EME"** means

- (1) exempted micro enterprise in terms of a code of good practice on black economic empowerment issued in terms of a code of good practice on black economic empowerment issued in terms of section 9(1) of the BBEEA.
- (2) an entity with an annual turnover of R10 000 00.000 (ten million Rand) or less

**"Historically disadvantaged individual (HDI)" means a South African citizen –**

- (1) who, due to the apartheid policy that had been in place, had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act No 110 of 1983); and / or
- (2) who is a female; and / or
- (3) who has a disability:

Provided that a person who obtained South African citizenship on or after the coming to effect of the Interim Constitution, is deemed not to be an HDI.

**"highest acceptable tender"** means a tender that complies with all specifications and conditions of tender and that has the highest price compared to other tenders;

**"lowest acceptable tender"** means a tender that complies with all specifications and conditions of tender and that has lowest price compared to other tenders;

**"Locality"** means the local suppliers and/or service providers that business offices are within the Municipal area.

**"Large Enterprises"** is a company with an annual turnover in excess of R50 million.

**“Market Analysis”** means a technique used to identify market characteristics for specific goods or services

**“Municipal Area”** means the Stellenbosch Municipality Municipal area (WC024)

**“National Treasury”** has the meaning assigned to it in section 1 of the Public Finance Management Act, 1999 (Act No. 1 of 1999);

**“Objective Criteria”** for the purpose of section of 2(1)f of the procurement Act must be criteria other than the additional to criteria relating to equity ownership by HDI's or whether or not a bidder was located in a particular province or municipal area

**“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;

**“Proof of B-BBEE status level of contributor”** means the B-BBEE status level certificate issued by an authorized body or person

- 1) a sworn affidavit as prescribed by the B-BBEE Codes of Good Practice; or
- 2) any other requirement prescribed in terms of the Broad-Based Black Economic Empowerment Act.

**“Qualifying Small Enterprise (QSE)”** is a company with a turnover between R10 million and R50 million

**“Rand value”** means the total estimated value of a contract in Rand, calculated at the time of the tender invitation;

**“Region”** means the district and/or Cape Winelands District Municipality.

**“Rural area”** means-

- 1) a separately populated area in which people farm or depend on natural resources, including villages and small towns that are dispersed through the area; or
- 2) an area including a large settlement which depends on migratory labour and remittances and government social grants for survival and may have a traditional land tenure system.

**“Specific goals”** means specific goals as contemplated in section 2(1)(d) of the Act which may include contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender and disability including the implementation of programmes of the Reconstruction and Development Programme as published in Government Gazette No. 16085 dated 23 November 1994;

**“SMME”** means small, medium and micro enterprises namely Exempted Micro Enterprises and Qualifying Small Enterprises

**“Tender”** means a written offer in the form determined by a Municipality in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;



**“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions;

**“The Act”** means the Preferential Procurement Policy Act, 2000 (Act No. 5 of 2000).

**“Youth”** has the meaning assigned to it in section 1 of the National Youth Development Agency Act, 2008 (Act No. 54 of 2008).

## 2. Introduction

The Constitution of the Republic of South Africa, 1996, provides in sections 152(1)(c) and 152(2) that local government must promote social and economic development and that the municipality must strive within its financial and administrative capacity, to achieve the objects set out in subsection 152(1).

The Constitution provides in section 217 that an organ of state must contract for goods or services in accordance with a procurement system which is fair, equitable, transparent, competitive, and cost effective and to implement a policy to grant preferences within a framework prescribed by National Legislation.

The Broad-Based Black Economic Empowerment Act, 2003 requires: “ (1) Every organ of state and public entity must apply any relevant code of good practice issued in terms of this Act in (b) developing and implementing a preferential procurement policy

The Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000)- [PPPFA] was promulgated by the Minister in response to the Constitutional provision and allow for a Municipality to develop a preferential procurement policy and to implement such policy within the PPPFA framework.

Section 2 (1) (d) (i) and (ii) of the Preferential Procurement Policy Framework Act, 2000 refers to specific goals which may include:

- (i) contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender or disability;
- (ii) implementing the programmes of the Reconstruction and Development Programme (RDP) as published in *Government Gazette* 16085 dated 23 November 1994.

The RDP (1994), as basis for development in South Africa, was meant to provide a holistic, integrated, coherent socio-economic policy that is aimed at mobilising people and resources to work towards the upliftment of the material and social conditions of local communities to build sustainable livelihoods for these communities.

In terms of Section 2 (1)(d)(ii), the following activities may be regarded as a contribution towards achieving the goals of the RDP, in addition to the awarding of preference points in favour of HDIs (published in Government Gazette No. 16085 dated 23 November 1994):

- (i) The promotion of South African owned enterprises;
- (ii) The promotion of export orientated production to create jobs;
- (iii) The promotion of SMMEs;
- (iv) The creation of new jobs or the intensification of labour absorption;
- (v) The promotion of enterprises located in a specific province for work to be done or services to be rendered in that province;
- (vi) The promotion of enterprises located in a specific region for work to be done or services to be rendered in that region;
- (vii) The promotion of enterprises located in a specific municipal area for work to be done or services to be rendered in that municipal area;
- (viii) The promotion of enterprises located in rural areas;
- (ix) The empowerment of the work force by standardising the level of skill and knowledge of workers;
- (x) The development of human resources, including by assisting in tertiary and other advanced training programmes, in line with key indicators such as percentage of wage bill spent on education and training and improvement of management skills; and
- (xi) The upliftment of communities through, but not limited to, housing, transport, schools, infrastructure donations, and charity organisations.

### 3. Purpose, and Objectives

- a) The purpose of this policy is to:
  - i) Provide for categories of preference in awarding of bids;
  - ii) Provide for the advancement of persons or categories of persons disadvantaged by unfair discrimination; and
  - iii) Clarify the mechanisms how the above items in par 1.1 (a) (i) and (ii) will be implemented.
- b) Objectives
  - a) Promote Black-Based Black Economic Empowerment (B-BBEE) - enterprises providing services and goods.
  - b) Promote Small Medium and Micro Enterprises (SMME's), Joint Ventures, Consortiums, and partnerships in the municipal area.
  - c) Implement recognised best procurement practises through effective planning, strategic purchasing, and contract management.

The policy rests upon certain core principles of behaviour as set out in the Constitution and ratified by the Constitutional Certification Judgements. In this context, the policy will be applied in accordance with a system, which is fair, equitable, transparent, competitive, and cost-effective in terms of Section 217 of the Constitution.

This policy strives to ensure that the objectives for uniformity in the supply chain management systems between Municipalities/Municipal entities, is not undermined and that consistency with the SCM and LED policies in line with sections 152(1)(c) and 152(2).

#### 4. Application of preference point system

- 4.1 The Municipality will, in the tender documents, stipulate —
- the preference point system applicable; and
  - any specific goal as envisaged in section 2(1)(d) and (e) of the Preferential Procurement Act.
- 4.2 If it is unclear whether the 80/20 or 90/10 preference point system applies—
- an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or; or
  - any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system..

#### 5. 80/20 preference point system for acquisition of goods or services with Rand value equal to or below R50 million

- 5.1 The following formula must be used to calculate the points out of 80 for price in respect of a tender with a Rand value equal to or below R50 million, inclusive of all applicable taxes:

$$P_s = 80 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where-

$P_s$  = Points scored for price of tender under consideration;

$P_t$  = Price of tender under consideration; and

$P_{\min}$  = Price of lowest acceptable tender.

- 5.2 A maximum of 20 points may be awarded to a tenderer for the specified goals for the tender.
- 5.3 The points scored for the specific goal must be added to the points scored for the price and the total must be rounded off to the nearest two decimal places.
- 5.4 Subject to section 2(1)(f) of the Act, the contract must be awarded to the tendering scoring the highest points.

**6. 90/10 preference point system for acquisition of goods or services with Rand value above R50 million**

- 6.1 The following formula must be used to calculate the points out 90 for price in respect of a tender with a Rand value above R50 million, inclusive of all applicable taxes:

$$P_s = 90 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where-

$P_s$  = Points scored for price of tender under consideration;

$P_t$  = Price of tender under consideration; and

$P_{\min}$  = Price of lowest acceptable tender.

- 6.2 A maximum of 10 points may be awarded to a tenderer for the specified goals for the tender.
- 6.3 The points scored for the specific goal must be added to the points scored for price and the total must be rounded off to the nearest two decimal places..
- 6.4 Subject to section 2(1)(f) of the Act, the contract must be awarded to the tenderer scoring the highest points.

**7. 80/20 preference points system for tenders to for income-generating contracts with Rand value equal to or below R50 million**

- 7.1 The following formula must be used to calculate the points for price in respect of an invitation for tender for income-generating contracts, with a Rand value equal to or below R50 million, inclusive of all applicable taxes:

$$P_s = 80 \left( 1 + \frac{P_t - P_{\max}}{P_{\max}} \right)$$

Where-

$P_s$  = Points scored for price of tender under consideration;

$P_t$  = Price of tender under consideration; and

$P_{max}$  = Price of highest acceptable tender.

- 7.2 A maximum of 20 points may be awarded to a tenderer for the specific goal specified for the tender.
- 7.3 The points scored for the specific goal must be added to the points scored for price and the total must be rounded off to the nearest two decimal places.
- 7.4 Subject to section 2(1)(f) of the Act, the contract must be awarded to the tenderer scoring the highest points.

**8. 90/10 preference point system for tenders for income-generating contracts with Rand value above R50 million**

- 8.1 The following formula must be used to calculate the points for price in respect of a tender for income-generating contracts, with a Rand value above R50 million inclusive of all applicable taxes:

$$P_s = 90 \left( 1 + \frac{P_t - P_{max}}{P_{max}} \right)$$

Where-

$P_s$  = Points scored for price of tender under consideration;

$P_t$  = Price of tender under consideration; and

$P_{max}$  = Price of highest acceptable tender.

- 8.2 A maximum of 10 points may be awarded to a tenderer for the specific goal specified for the tender.
- 8.3 The points scored for the specific goal must be added to the points scored for price and the total must be rounded off to the nearest two decimal places.
- 8.4 Subject to section 2(1)(f) of the Act, the contract must be awarded to the tenderer scoring the highest points.

**9. Specified contract participation goals**

- 9.1 The tendering conditions will stipulate the specific goals, as contemplated in section 2(1)(d)(ii) of the Preferential Procurement Act, be attained.
- 9.2 A maximum of 20 points (80/20 preference points system) or 10 (90/10 preference points system), must be allocated for specific goals. These goals are:

(a) contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender or disability;

(b) Promotion of enterprises located in the municipal area (WCO24)

9.3 Regarding par 9.2 (a) at least 50% of the 20/10 points must be allocated to promote this goal and points will be allocated in terms of the BBEE scorecard as follows.

<b>B-BBEE Status Level of Contributor</b>	<b>Number of Points for 80/20 Preference Points System</b>	<b>Number of Points for 90/10 Preference Points System</b>
1	20	10
2	18	9
3	16	8
4	12	5
5	8	4
6	6	3
7	4	2
8	2	1
Non-compliant contributor	0	0

9.4 A tenderer must submit proof of its BBEE status level contributor.

9.5 A tenderer failing to submit proof of BBEE status level of contributor –

9.5.1 may only score in terms of the 80/90-point formula for price; and

9.5.2 scores 0 points out of 10/5 BBEE status level of contributor, which is in line with section 2 (1) (d) (i) of the Act, where the supplier or service provider did not provide proof thereof.

9.6 Regarding par 9.2(b) a maximum of 50% of the 20/10 points must be allocated to promote this goal. Maximum points will be allocated as follows.

<b>Locality of supplier</b>	<b>Number of Points for 80/20 Preference Points System</b>	<b>Number of Points for 90/10 Preference Points System</b>
Within the boundaries of the municipality	10	5
Outside of the boundaries of the municipality	0	0

**The maximum will be proportionately adjusted depending on the number of points allocated for this goal. E.G., 40% will equate to 8/4 points.**

9.7 The policy should not include Pre-qualification goals.

9.8 Any specific goal for which a point may be awarded, must be clearly specified in the invitation to submit a tender.

- 9.9 A tenderer failing to submit proof of required evidence to claim preferences for other specified goals, which is in line with section 2 (1) (d) (ii) of the Act.
- (i) may only score in terms of the 80/90-point formula for price; and
  - (ii) scores 0 points out of 10/5 of the relevant specific goals where the supplier or service provider did not stipulate.
- 9.10 The preference points scored by a tenderer must be added to the points scored for price.
- 9.11 The points scored must be rounded off to the nearest two decimal places.
- 9.12 The contract must be awarded to the tenderer scoring the highest procurement points.

## **10 Application of Specified contract participation goals in Various thresholds**

- 10.1 The preference point scoring system will be applicable for all procurement as per the Preferential Procurement Regulations of November 2022.
- 10.2 If the specific goal of locality is identified for a specific procurement, the delegated official/committee must approve the specific goal (locality), and the point scoring must be specifically indicated in the invitation to tender and scored accordingly.
- 10.3 If the specific goal of locality is not identified for a specific procurement, the maximum points for the specified goals for the tender must be allocated to BBBEE points.

## **11. Criteria for breaking deadlock in scoring**

- 11.1 If two or more tenderers score an equal total number of points, the contract must be awarded to the tenderer that scored the highest points for specific goals.
- 11.2 If two or more tenderers score an equal total number of points, the objective criteria in addition to those contemplated in paragraphs (d) and (e) justify the award to the tenderer that scored the highest points in terms in accordance with section 2(1)(f) of the Act.
- 11.3 If two or more tenderers score equal total points in all respects, the award must be decided by the drawing of lots.

## **12. Award of contracts to tenderers not scoring highest points**

- 12.1 A contract may be awarded to a tenderer that did not score the highest points only in accordance with section 2(1)(f) of the Act.

**13. Remedies**

- 13.1 If a Municipality is of the view that a tenderer submitted false information regarding a specific goal, it must—
- a) inform the tenderer; accordingly, and
  - b) give the tenderer an opportunity to make representations within 14 days as to why the tender may not be disqualified or, if the tender has already been awarded to the tenderer, the contract should not be terminated in whole or in part—
- 13.2 After considering the representations referred to in par 13 (1)(b), the Municipality may—
- (a) if it concludes that such false information was submitted by the tenderer—
    - (i) disqualify the tenderer or terminate the contract in whole or in part; and
    - (ii) if applicable, claim damages from the tenderer;

**14. Performance Management**

The specific goals achieved through the application of the Preferential Procurement Framework Act, 2000 will be monitored in terms of the elements embedded in the Supply Chain Management Policy.

**15. Reporting**

The Accounting Officer must align its reporting requirements to the Council as per SCM Regulation 6 to also report on progress with the implementation of this Policy

**16. Repeal of regulations**

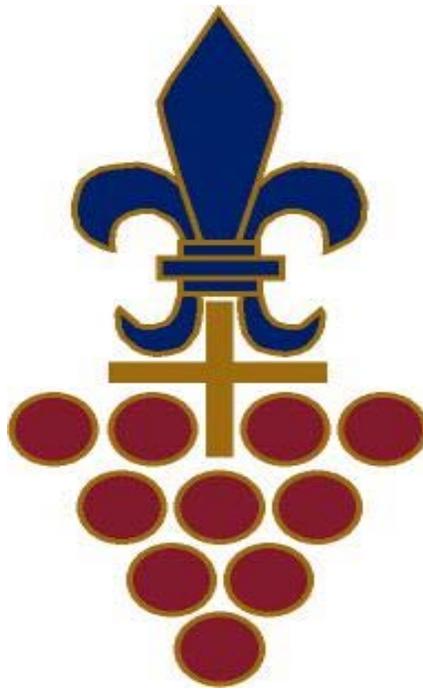
- 16.1 Subject to this regulation, the Preferential Procurement Regulations, 2017 published in Government No. 40553 of 20 January 2017, are hereby repealed with effect from the date referred to in subsection 17.
- 16.2 Any tender advertised before the date referred to in subsection 17 must be dealt with in terms of the Preferential Procurement Regulations, 2017.

**17. Short title and commencement**

This Policy is called the Stellenbosch Preferential Procurement Policy, 2022/23 and take effect once approved by council



# **STELLENBOSCH MUNICIPALITY**



## **INVENTORY MANAGEMENT**

**2024/2025**

**UNCHANGED**



# STELLENBOSCH MUNICIPALITY

## INVENTORY MANAGEMENT POLICY

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**1. DEFINITIONS**

1.1 In this Policy, unless the context indicates otherwise, the following definitions are applied:

**“Accounting Officer”** means the Municipal Manager for the Municipality as contemplated in section 60 of the Local Government: Municipal Finance Management Act, 56 of 2003

**“CFO”** means the Chief Financial Officer designated in terms of section 80(2) (a) of the Local Government: Municipal Finance Management Act, 56 of 2003

**“Cost”** shall comprise costs of purchase, costs conversion and other costs incurred in bringing the inventories to their present location and condition

**“Delegated authority”** means the official who is given the authority for relevant functions in terms of the municipality’s written delegations;

**“Good received note”** means a document which is used to acknowledge the receipt of goods in good condition and correct quantities

**“Inventories”** are assets:  
 In the form of material or supplies to be consumed in the production process,  
 In the form of materials or supplies to be consumed or distributed in the rendering of services  
 Held for sale or distribution in the ordinary course of operations,  
 or  
 In the process of production for sale or distribution

**“Municipality”** shall mean the Stellenbosch Municipality;

**“Net Realisable”** Is the estimated selling price in the ordinary course of operations less the estimated costs of completion and estimated costs necessary to make the sale exchange or distribution.

<b><i>“Obsolete inventory”</i></b>	means items that have expired, are redundant or damaged;
<b><i>“Re-order level”</i></b>	means the level of inventory at which inventory is re-ordered;
<b><i>“Requisition form”</i></b>	means a written request to supply specified inventory;
<b><i>“Store”</i></b>	means a place where inventory is stored and reserved for future use, or a source from which supplies may be drawn;
<b><i>“Inventory Controller”</i></b>	means an official responsible for the requisition, receipt, issue, recording, safeguarding of inventory and cost-effective and efficient management of inventory.
<b><i>“Stock Issue Register”</i></b>	means a document which is used to authorize the removal or issue of stock items from stores.

## **2. OBJECTIVE OF THE POLICY**

2.1 The policy aims to achieve the following objectives which are to:-

- a) Provide guidelines that employees of the Municipality must follow in the management and control of inventory, including safeguarding and disposal of inventory.
- b) Procure inventory in line with the established procurement principles contained in the Municipality's Supply Chain Management Policy.
- c) Eliminate any potential misuse of inventory and possible theft.

## **3. SCOPE**

3.1 This policy applies to Stellenbosch Municipality's inventory received by the Inventory Controller and issued to users.

3.2 This policy specifically excludes:

- a) Pharmaceutical inventory, livestock and face value forms; and
- b) Equipment and other assets not defined as inventory;

## **4. LEGAL FRAMEWORK**

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

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

### **4.2 In terms of GRAP 12:**

4.2.1 Inventories shall be recognized as an asset if, and only if,

- a) it is probable that future economic benefits or service potential associated with the item will flow to the entity ,and
- b) the cost of the inventories can be measured reliably.

### **4.3 MEASUREMENT AT RECOGNITION**

4.3.1 Inventories that qualify for recognition as assets shall initially be measured at cost,

4.3.2 Where inventories are acquired at no cost, or for nominal consideration, their costs shall be their fair value as at the date of acquisition.

#### **4.4 MEASUREMENT AFTER RECOGNITION**

4.4.1 Inventories shall be measured at the lower of cost and net realization value, except where paragraph .18 of GRAP 12 applies.

4.4.2 Inventories shall be measured at the lower of cost and current replacement cost where they are held for:

- a) distribution at no charge or for a nominal charge ,or
- b) consumption in the production process of goods to be distributed at no charge or for a nominal charge.

#### **4.5 RECOGNITION AS AN EXPENSE**

4.5.1 When inventories are sold, exchanged or distributed, the carrying amount of those inventories shall be recognized as an expense in the period in which the related revenue is recognized. If there is no related revenue, the expense is recognized when the goods are distributed, or related service is rendered. The amount of any write-down of inventories to net realizable value and all losses of inventories shall be recognized as an expense in the period the write-down or loss occurs. The amount of any reversal of any writes –down of inventories arising from an increase in net realizable value, shall be recognized as a reduction in the amount of inventories recognized as an expense in the period in which the reversal occurs.

4.5.2 Some inventories may be allocated to other assets accounts, for example, inventory used as a component of self-constructed property, plant or equipment. Inventories allocated to other assets in this way are recognized as an expense during the useful life of that asset.

### **5. INVENTORY PROCEDURES**

5.1 The procedures for inventory must be followed to ensure that:

- a) Inventory is safeguarded at all times;
- b) There are accurate records of quantities on hand at all times;
- c) Optimum inventory levels are maintained to meet the needs of users;
- d) Only authorised issues of inventory are made to users; and
- e) Items placed in store are secured and only used for the purpose for which they were purchased.

## **5.2 APPOINTMENT OF RESPONSIBLE OFFICIALS**

- 5.2.1 The CFO must appoint, in writing, officials to perform the duties of an Inventory Controller in terms of this Policy.
- 5.2.2 Adequate segregation of duties between the requisition, receipt, recording, storage and safekeeping of inventory and the management and control thereof must be maintained to avoid the potential occurrence of errors and fraud.

## **5.3 ORDERING OF INVENTORY**

Standard Supply Chain Management procedures as per approved Supply Chain Management policy are to be implemented.

## **5.4 RECEIPT OF INVENTORY**

All inventory must be received by the completion of a goods received note and processed on the financial management system.

## **5.5 STORAGE OF INVENTORY**

- 5.5.1 Inventory must be stored in a secured, exclusive use area, under lock and key, furthermore the inventory must be insured in terms of the Risk Management Policy of the municipality.
- 5.5.2 The area must be used exclusively for the storage of inventory, with limited authorised access only.
- 5.5.3 Inventory must be positioned to facilitate efficient handling and checking.
- 5.5.4 All items must be stored separately, with proper segregation.
- 5.5.5 Inventory must be clearly labeled for easy identification. Inventory tag/bin cards or inventory labels may be used to identify each item and to aid in the physical verification of the items.
- 5.5.6 Where practically possible, all items of the same type and reference must be stored together as per the description on the inventory records.
- 5.5.7 Items with limited shelf life must be rotated on a first in first out basis, in accordance with paragraph .35 of GRAP, to reduce the occurrence of expired or obsolete stocks.
- 5.5.8 Due diligence and care must be exercised to prevent damage of, or deterioration of inventory.

- 5.5.9 Due regard must be given to any safety standards which may apply to the storage of certain inventories.
- 5.5.10 Steps must be taken to ensure safe custody of items, including precautions against loss or theft.
- 5.5.11 The Inventory Controller or Delegated Official responsible for the custody and care of inventory must ensure that in his/her absence such items, where applicable, are securely stored.
- 5.5.12 The responsibility for the custody of the storeroom keys must be allocated by the delegated authority to an official who is accountable for its use.
- 5.5.13 No unauthorised persons/officials shall obtain entry to premises, buildings or containers where inventory is kept, unless accompanied by the responsible official.
- 5.5.14 Whenever a change in the Inventory Controller occurs, an inventory count must be conducted.
- 5.5.15 An independent official shall be nominated in writing by the delegated authority to assist the official handing and taking over with the checking of the inventory and any discrepancies.
- 5.5.16 Should the above not be complied with, the official taking over shall be liable for any discrepancies.
- 5.5.17 A handing-over certificate as prescribed by the CFO, must be completed by the handing and taking over officials and a copy retained for record purposes.
- 5.5.18 The following fire protection precautions must be adhered to:
- a) Inventories of an inflammable or dangerous nature shall be stored and handled in such a manner that persons or property are not endangered and in compliance with the requirements of any local authority;
  - b) The area must be clearly signposted; and
  - c) Fire extinguishing equipment must be placed in the area where inventories are held and must be serviced regularly.

## **5.6 ISSUE OF INVENTORY**

- 5.6.1 Only the Inventory Controller is authorised to issue inventory from the storeroom.
- 5.6.2 Inventory must only be issued in terms of the approved requisition form of the Municipality.
- 5.6.3 All requisition forms must be ruled off immediately below the last item to prevent items being added once the requisition is authorised by the responsibility manager.



- 5.6.4 The Inventory Controller must prepare the Stock Issue Register once stock items to be issued have been picked up from the shelves
- 5.6.5 The official receiving the inventory must acknowledge the receipt of stock items requested, by signing the Stock Issue Register prepared by the Inventory Controller.
- 5.6.6 Inventories must be issued and used for official purposes only.

## **5.7 OBSOLETE INVENTORY**

- 5.7.1 The preparatory work for the disposal of obsolete inventory must be undertaken by the Inventory Controller and verified by the Assets Accountant.
- 5.7.2 The Accounting Officer or delegated authority must convene a Disposal Committee for the disposal of obsolete inventory.
- 5.7.3 The Disposal Committee should consist of at least three officials, one of whom must act as the chairperson.
- 5.7.4 The delegated authority may approve the write-off of inventory, if satisfied that: -
  - a) The inventory has expired and is redundant;
  - b) The inventory is of a specialised nature and has become outdated due to the introduction of upgraded and more effective products;
  - c) The inventory cannot be used for the purpose for which it was originally intended; or
  - d) The inventory has been damaged and is rendered useless.
- 5.7.5 All disposed of items must be updated in the inventory records/register/database for the purposes of proper management and control.

## **5.8 INVENTORY COUNT**

- 5.8.1 Items may be subject to an inventory count on a quarterly basis.
- 5.8.2 Where the quantity of inventory is too large for the count to be completed on a single occasion, inventory counts may be carried out on a rotational basis with a full inventory count at the end of each financial year.
- 5.8.3 All approved Municipal procedures and processes must be complied with during the inventory count.

- 5.8.4 The Inventory Controller must submit a report to the CFO after investigating any discrepancies between the inventory records/register/database, bin/tag cards or inventory labels and the physical inventory.
- 5.8.5 The CFO must submit a report with the findings to the Accounting Officer, in order to have the matter reported to the Council of the Municipality for the write-off of any inventories losses, or the write –up of surpluses.
- 5.8.6 The appropriate disciplinary action must be instituted when applicable.
- 5.8.7 The inventory record, register, database or system must be updated accordingly.

## **6. INVENTORY RECORDS**

- 6.1. An inventory record/register/database must be maintained for all inventory items, either manually and / or electronically.
- 6.2 All relevant information must be included for the proper management and control of all inventory items. It is recommended that details include but are not limited to:
  - a) Order number/date;
  - b) Item description;
  - c) Quantity and value of stock on hand;
  - d) Quantity and value of stock received;
  - e) Quantity and value of stock issued;
  - f) Re-order level;
  - g) Optimum inventory level;
  - h) Quantity and value of obsolete stock; and
  - i) Opening/closing balance.
- 6.3 An inventory register/database must be printed monthly and the hard copy filed in a chronological order to maintain a proper audit trail.

## **7. REPORTING**

- 7.1 A report must be submitted at least quarterly to the Chief Financial Officer and/or the Assets Manager detailing the following:
  - a) Any inventory shortages or surpluses and the reasons for such;
  - b) Any inventory deficits proposed to be written-off; and
  - c) Any obsolete inventory items.

- 7.2 Inventories purchased during the financial year must be disclosed at cost or net realizable value in the disclosure notes of the Financial Statements of the Municipality.
- 7.3 In terms of GRAP the financial statements shall disclose:
- a) the accounting policies adopted in measuring inventories, including the cost formula used,
  - b) the total carrying amount of inventories and the carrying amount in classifications appropriate to the entity,
  - c) the carrying amount of inventories carried at fair value less costs to sell,
  - d) the amount of inventories recognized as an expense during the period,
  - e) the amount of any write-down of inventories recognized as an expense in the period in accordance with paragraph .43,
  - f) the amount of any reversal of any write-down that is recognized as a reduction in the amount of inventories recognized as an expense in the period in accordance with paragraph .43,
  - g) the circumstances or events that led to the reversal of a write-down of inventories in accordance with paragraph .43, and
  - h) the carrying amount of inventories pledged as security for liabilities.

## 8. CLASSIFICATION OF INVENTORY

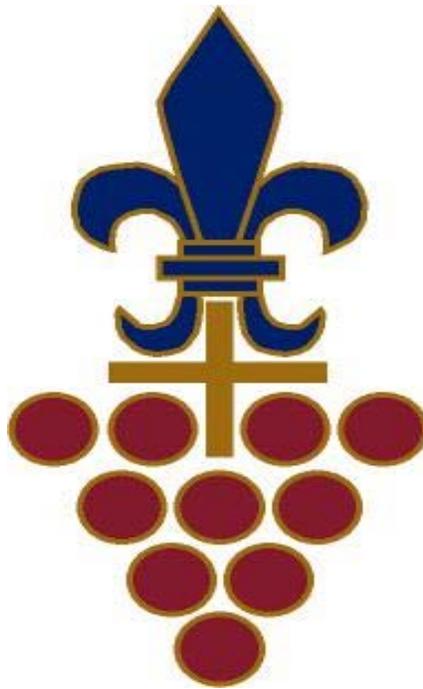
As per National Treasury Standard Chart of Accounts, inventory shall be classified as follows:

<b>Inventory Categories</b>	<b>Consumable Categories</b>
Ammunition & Security Supplies	Consumable Supplies (level 4)
Clothing Material & Accessories	Agricultural Supplies (level 5)
Farming & Gardening Supplies	Gifts & Awards
Fuel, Oil & Gas	Fuel Supplies
Crockery & Linen	Media Collections
Learning & Teaching Support Material	Building & Construction
Assets for Distribution	Contraceptives
Materials & Supplies	First Aid Kit
Medical Supplies	Laboratories
Medicines	Security Accessories
Military Stores	Bags & Accessories
Laboratory Chemicals & Supplies	Stationary

## 9. POLICY ADOPTION

This policy has been reviewed and approved by the Council of Stellenbosch Municipality and is applicable with effect from 1 July 2023.

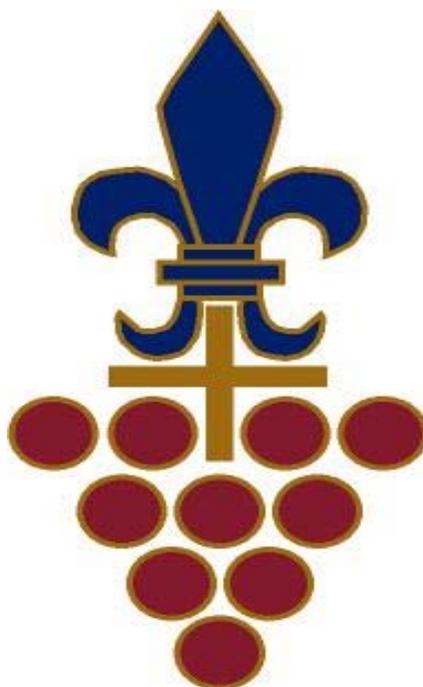
# **STELLENBOSCH MUNICIPALITY**



## **CREDIT CONTROL AND DEBT COLLECTION BY-LAW 2024/2025**

**UNCHANGED**

# STELLENBOSCH MUNICIPALITY



## **CREDIT CONTROL AND DEBT COLLECTION BY-LAW**

Effective from 01 July 2023

**PREAMBLE**

To give effect to the Municipality's Credit Control and Debt Collection Policy and/or

to regulate its implementation and enforcement in the Stellenbosch Municipal Area (WC024) in terms of section 156(2) of the Constitution of the Republic of South Africa (Act 108 of 1996) and sections 96 and 98 of the Municipal Systems Act (Act 32 of 2000);

to provide for the collection of all monies due and payable to the Municipality; and

to provide for matters incidental thereto.



# STELLENBOSCH MUNICIPALITY

## CREDIT CONTROL AND DEBT COLLECTION BY-LAW

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## 1. Definitions

- (1) In this By-law, any word or expression to which a meaning has been assigned in the Local Government: Municipal Systems Act, 32 of 2000, has that meaning, unless the context, indicates otherwise-

**"account"** means a municipal account rendered specifying an amount or amounts payable for assessment rates, metered services, municipal charges, levies, fees, fines, taxes or any other amount or amounts payable arising from any other liability or obligation due to the Municipality;

**"arrangement"** means a written agreement entered into between the Council and the debtor in terms of which specific repayment parameters are agreed to;

**"arrears"** means any amount due and payable to the Municipality and not paid by the due date;

**"Council"** means the Municipal Council of Stellenbosch Municipality as referred to in section 157 of the Constitution;

**"Credit Control and Debt Collection Policy"** means the Credit Control and Debt Collection Policy adopted by the Council in terms of Section 96 of the Local Government: Municipal Systems Act, 32 of 2000;

**"customer"** means any occupier of any premises to which the Municipality has agreed to supply or is actually supplying services, or if no occupier can be identified or located, the owner of the premises and includes any debtor of the Municipality;

**"day/days"** means calendar days, inclusive of Saturdays, Sundays and public holidays;

**"debtor"** means any person owing money to the Municipality;

**"due date"** in relation to-

- (a) *When paying an annual account, that account shall be paid and received by the Municipality in full not later than the date as specified on the account, and*
- (b) *when paying a monthly account, that account shall be paid and received by the Municipality in full not later than the date as specified on the account.*

Should such day fall on a Saturday, Sunday, or public holiday the due date shall be the next working day.

**"Electricity By-law"** means the Stellenbosch Municipality: Electricity Supply By-law as promulgated in the *Provincial Gazette*;

**"estimated consumption"** means the deemed consumption of a customer, that was not measured for the specific period, but estimated by taking into account factors that are considered relevant by the Municipality and which may include consumption data for a specific time in its possession and where applicable, having made due allowance where possible for seasonal or other variations which may affect consumption;

**"immovable property"** includes-

- (a) an undivided share in immovable property, and
- (b) any right in immovable property.

**"Indigent Policy"** means the Indigent Policy adopted by the Council of the Municipality;

**"interest"** means a charge levied on all arrear monies as stipulated in the Municipality's Credit Control and Debt Collection Policy;

**"month"** means a calendar month;

**"monthly average consumption"** means the monthly average consumption in respect of that property calculated on the basis of consumption over the preceding twelve months taking seasonal variances and exceptional circumstances into consideration;

**"Municipality"** means Stellenbosch Municipality (WC024);

**"Municipal Manager"** means the person appointed as such in terms of section 54A of the Local Government: Municipal Systems Act, 32 of 2000;

**"municipal pay point"** means those payment facilities set out in the Credit Control and Debt Collection Policy;

**"municipal service"** means a "municipal service" as defined in the Systems Act;

**"occupier"** means any person who occupies any premises or part thereof without regard to the title under which the person occupies, and includes -

- (a) any person in actual occupation of those premises;
- (b) any person legally entitled to occupy those premises;
- (c) in the case of those premises being subdivided and let to lodgers or various tenants, the person receiving the rent payable by such lodgers or tenants whether on the person's own account or as agent for any person entitled thereto or interested therein;
- (d) any person having the charge or management of those premises, and includes the agent of any such person when the person is absent from the Republic of South Africa or his or her whereabouts are unknown; or
- (e) the owner of those premises.

**"official"** means an "official" as defined in section 1 of the Local Government: Municipal Finance Management Act, 56 of 2003;

**"owner"** means:

- (a) a person in whom the legal title to a premises is vested;
- (b) in a case where the person in whom the legal title is vested is insolvent or dead, or is under any form of legal disability whatsoever, the person in whom the administration of and control of such premises is vested as curator, trustee, assignee, executor, administrator, judicial manager, liquidator or other legal representative, as the case may be;
- (c) in the case where the Municipality is unable to determine the identity of the person in whom the legal title is vested, the person who is entitled to the benefit of such premises or a building thereon;
- (d) in the case of premises for which a Municipal lease has been entered into, whether the lease is registered or not, the lessee thereof;
- (e) the occupier of immovable property occupied under a service servitude or right analogous thereto
- (f) in relation to -
  - (i) a piece of land delineated on a sectional plan registered in terms of the Sectional Titles Act, 1986, and without restricting the above, the developer or the body corporate in respect of the common property; or
  - (ii) a section or unit as defined in the Sectional Titles Act, the person in whose name such section or unit is registered under a sectional title deed and includes the lawfully appointed agent of such a person;
  - (iii) a right as contemplated in section 25 or 27 of the Sectional Titles Act, the holder of such right.
- (g) any legal person including, but not limited to -
  - (i) a company registered in terms of the Companies Act, 71 of 2008 noting the transitional arrangements as per Schedule 5 of said Act, Trust *inter vivos*, Trust *mortis causa*, a close corporation registered in terms of the Close Corporations Act, 69 of 1984, a voluntary association;
  - (ii) any Department of State;
  - (iii) any Council or Board established in terms of any legislation applicable to the Republic of South Africa; and
  - (iv) any Embassy or other foreign entity; and
- (h) a lessee of municipal property who will be deemed to be the owner for the purposes of rendering a municipal account;
- (i) Upon any contradiction of this definition to the definition of "owner" as per section 1 of the Rates Act, the Rates Act definition of "owner" shall prevail.

**"paid by the due date"** means actual receipt of the funds paid in the bank account of the Municipality before or on the due date and **"payable by the due date"** shall have a corresponding meaning;

**"person"** means natural and juristic persons, including any state department and

statutory bodies;

**"premises"** includes 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, 8 of 1997 or in terms of the Deed Registry Act, 47 of 1937; or
- (b) a sectional plan registered in terms of the Sectional Titles Act, 95 of 1986, which is situated within the area of jurisdiction of the Municipality;

and includes any other land and any building or structure above or below the surface of any land;

**"rates"** means the rate imposed on property by the Municipality; including but not limited to the municipal property rate envisaged in section 229(1) of the Constitution of the Republic of South Africa, 108 of 1996;

**"Rates Act"** refers to the Local Government: Municipal Property Rates Act, 2004.

**"Rates Policy"** means the Rates Policy adopted by the Council in terms of section 3 of the Local Government: Municipal Property Rates Act 6 of 2004 and as amended from time to time;

**"responsible person"** means any person other than the owner of an immovable property who is legally responsible for the payment of municipal service charges;

**"service charges"** means the fees levied by the Municipality in terms of its Tariff Policy for any municipal services rendered and includes any penalties, interest or surcharges levied or imposed;

**"service delivery agreement"** means an agreement between the Municipality and an institution or persons provided for in section 76(b) of the Local Government: Municipal Systems Act, 32 of 2000;

**"sundry debtor accounts"** means accounts raised for miscellaneous charges for services provided by the Municipality or charges that were raised against a person as a result of an action by a person and which was raised in terms of the Municipality's policies, By-laws and decisions;

**"Systems Act"** refers to the Local Government: Municipal Systems Act, 2000.

**"tariff"** means any rate, tax, duty and levy or fee which may be imposed by the Municipality for services provided either by itself or in terms of a service delivery agreement;

**"Tariff Policy"** means a Tariff Policy adopted by the Council in terms of section 74 of the Local Government: Municipal Systems Act 32 of 2000;

**"user"** means the owner or occupier of a property in respect of which municipal services are being rendered;

**"working day"** means a calendar day excluding Saturdays, Sundays and public holidays,

- (2) The headings and titles in this By-law are for reference purposes only and shall not affect the construction thereof.
- (3) In this By-law, a word or expression derived from a word or expression defined in subsection (1) has a corresponding meaning unless the context indicates that another meaning is intended.

## **2. Duty to collect debt**

All debt owing to the Municipality must be collected in accordance with this By-law and the Credit Control and Debt Collection Policy.

## **3. Applications for provisions of municipal services and service agreements**

- (1) All applications for the provision of Municipal services in respect of any immovable property shall be made by the owner of the said immovable property in writing and on the prescribed form.
- (2) The owner of an immovable property in respect of which application for the provision of municipal services has been made, shall prior to the date on which the services are required to be connected, enter into a written agreement with the Municipality on the prescribed form.
- (3) The written agreement referred to in subsection (2) shall, amongst others, make provision for the following:
  - (a) an undertaking by the owner/tenant that he or she will be liable for collection costs including administration fees, interests, disconnection and reconnection costs, and any other legal costs occasioned by his or her failure to settle accounts by the due date;
  - (b) an acknowledgement by the owner/tenant that accounts will become due and payable by the due date notwithstanding the fact that the owner did not receive the account; and
  - (c) that the onus will be on the owner/tenant to ensure that he or she is in possession of an account before the due date.
- (4) The Municipality may, upon the written request of the owner of an immovable property, enter into a written agreement with both the owner and occupier of the immovable property in respect of which application for the provision of municipal services has been made. The agreement shall be on the prescribed form.
- (5) The Municipality shall cause a reading of the applicable credit-meters to be taken on the working day preceding the date of occupation of the property so as to facilitate the correctness of the prior and new owner's accounts.

- (6) The Municipality may require owners or occupiers of immovable properties in respect of which municipal services are being rendered, to enter into written agreements with the Municipality in accordance with the form referred to in subsection (2).

#### **4. Deposits and guarantees**

- (1) An applicant for the provision of municipal services may be required to pay a consumer deposit prior to the provision of any municipal services. Payment of the applicable consumer deposit will be the primary means to cover said contract obligation. Any deviation from the payment of the consumer deposit will be directed by the sole discretion and due consideration/approval of an accountant or more senior official in the Municipality's Revenue Department.
- (2) The Municipality may, in its sole discretion, and upon written notice to the owner of a property and after the conclusion of the agreement referred to in section 3(2) and subject to subsection (3), either increase or decrease the deposit payable. Deposits/Bank guarantees may be increased by an amount up to three times or more of a monthly average consumption as determined by the Municipality.
- (3) The Municipality shall before any decision to increase the deposit, give an owner or responsible person notice of any intention to increase the minimum deposit payable by the owner or responsible person, and shall, in the aforesaid notice, state full reasons for the envisaged increase and allow the owner or responsible person an opportunity to make written representations in this regard.
- (4) On termination of the supply of services the amount of such deposit, less any payments due to the Municipality, may be refunded.
- (5) The Municipality may, in its sole discretion accept a bank guarantee in lieu of a deposit .

#### **5. Accounts and billing**

- (1) The Municipality shall provide every person who is liable for municipal charges, fees levies, property rates or taxes, with an account in respect of such municipal charges, fees levies, property rates or taxes.
- (2) Accounts will be rendered on a monthly basis in cycles of approximately 30 (thirty) days.
- (3) All accounts rendered by the Municipality shall be payable before or on the due date as indicated on the account.
- (4) Any amount which remains due and payable after the due date shall attract interest as more fully set out in section 11.
- (5) Payments shall be deemed to be late unless received on or before the due date.
- (6) Electronic payments or payments made through agents must be received and reflected in the municipal bank account on or before the due date.

- (7) All accounts shall be payable by the due date regardless of the fact that the person responsible for the payment of the account has not received it and the onus shall be on such person to make the necessary inquiries to obtain a copy of the account before the due date.

## **6. Restriction or disconnection of supply of services**

- (1) The Municipality may restrict or disconnect the supply of any municipal service in any manner including but not limited to blocking the purchase of electricity on the prepayment system and/or restricting or disconnecting the supply of water if a user of any such service:
  - (a) fails to make full payment on the due date or fails to make an acceptable arrangement for the repayment of any amount due in respect of an account rendered;
  - (b) fails to comply with an arrangement;
  - (c) is placed under provisional sequestration, liquidation or judicial management, or commits an act of insolvency in terms of the Insolvency Act 24 of 1936 or any other applicable law but fails conditions of same;
  - (d) becomes subject to an order granted in terms of section 74 of the Magistrates Court Act, 32 of 1944 but fails adherence thereto.
- (2) The Municipality shall, before limiting or discontinuing any municipal services to any premises or user ensure that a fair and equitable procedure is followed, and the Municipality shall provide reasonable notice of its intention to limit or discontinue services and grant the affected person an opportunity to make written representations.
- (3) The right to restrict, disconnect or terminate a service pertains to all municipal services and shall not be limited, in the case of arrears, by the fact that payment may have been made in respect of any specific municipal service or the fact that the person who entered into an agreement for the supply of services with the Municipality and the owner are different persons, as the case may be.
- (4) After disconnection for non-payment of an account the prescribed fees may be required for payment before reconnection is effected.

## **7. Measurement of metered municipal services**

- (1) Refer to the Stellenbosch Municipality: Electricity Supply By-law for the purposes of determining the criteria or provisions of any matter related to electricity.
- (2) Refer to the Stellenbosch Municipality: Water Services By-law for the purposes of determining the criteria or provisions of any matter related to water.

## **8. Payments and settlement of amounts due**

- (1) Payments on accounts rendered may be effected at/via approved municipal payment facilities.

- (2) The Municipality may at its discretion, designate certain payment methods which will be acceptable to the Municipality.
- (3) Any payments made to the Municipality will be allocated by the Municipality entirely within its discretion; provided that any part payment on an account shall be allocated firstly to reduce any penalty charges which may have accrued on the account.
- (4) The Municipality will appropriate payments received in respect of any municipal services provided by the Municipality in accordance with the Credit Control and Debt Collection Policy.
- (5) Where the amount due and payable to the Municipality has not been paid in full, any lesser amount tendered to and accepted by any municipal official, shall not be deemed to be in final settlement of such an amount unless the Municipality in writing consents to or confirms that such amount is accepted in full and final settlement of a debt.
- (6) The acceptance of a lesser payment in full and final settlement shall be in terms of the Irrecoverable Debt Policy.

#### **9. Procedures for and matters relating to the recovery of debt**

- (1) Annual rates and service charges are levied during July of each year and the annual account shall be paid in full not later than the date specified on the account.
- (2) Rates and service charges which are paid on a monthly basis shall be paid in full not later than the date specified on the account.
- (3) Accounts rendered by the Municipality in respect of electricity and water shall be paid in full not later than the date specified on the account.
- (4) Interest on arrears may accrue on all amounts not paid by the due date and where applicable, not received and reflected in the Municipality's bank account on the due date.
- (5) In the event of an account not paid in full by the due date, the Municipality shall take the necessary steps including any legal action to collect the arrears in accordance with the debt recovery procedures prescribed in terms of the Credit Control and Debt Collection Policy.
- (6) When the Municipality restricts or disconnects the supply of any municipal services in any manner including but not limited to blocking the purchase of electricity on the prepayment system and/or restricting or disconnecting the supply of water in respect of an account which has not been paid by the due date, this shall be done with due regard for any mandatory minimum levels of supply of municipal services.
- (7) Any additional charges or costs incurred by or on behalf of the Municipality with regard to the recovery of debt as outlined in this By-law and the Credit Control and Debt Collection Policy including but not limited to legal and administration costs shall be debited to the account of the defaulting debtor. The latter charges may include a revisit of deposits paid.
- (8) Owners who concluded arrangements to settle their annual rates accounts on a monthly



basis shall ensure regular payments..

- (9) The Municipality may recover outstanding rates after the due date as provided for in sections 28 and 29 of the Local Government: Municipal Property Rates Act, 6 of 2004.
- (10) The Municipal Manager may, in order to recover debt, institute the necessary proceedings in a competent court and attach a debtor's movable and immovable property.
- (11) In the event that a juristic person including but not limited to a company, close corporation, trust or body corporate in terms of the Sectional Titles Act, 95 of 1986 is liable for the payment of any arrear rates and service charges to the Municipality, the liability of such entity is extended to its directors, members and trustees, as the case may, jointly and severally in their personal capacity.
- (12) The Municipality may notwithstanding the above and upon good cause shown, allow any defaulting owner or occupier of a property, to enter into a written agreement for the payment of the outstanding balance by way of instalments, on such terms and conditions as determined by the Credit Control and Debt Collection Policy and when such an agreement has been entered into, all actions against the defaulting owner or occupier of a property in terms of the Credit Control and Debt Collection Policy and in respect of such outstanding balance shall be suspended provided that the terms of this written agreement is strictly complied with.

#### **10. Rates clearance certificates**

- (1) Applications for the issuing of certificates required for the transfer of immovable property in terms of section 118 of the Local Government: Municipal Systems Act, 32 of 2000 must be lodged with the Municipality in the prescribed manner.
- (2) The certificate mentioned in subsection (1) will only be issued if all amounts that became due in connection with that property for municipal service fees, surcharges on fees, property rates and other municipal taxes, levies, and duties during the 2 (two) years preceding the date of application for the certificate have been fully paid, irrespective of whether such amounts have been accumulated by the owner or not.
- (3) Nothing in this section precludes the subsequent collection by the Municipality of any amounts owed to it in respect of such immovable property at the time of transfer.

#### **11. Interest**

- (1) The Municipality may charge and recover interest in respect of any arrears, as prescribed in this By-law and the Credit Control and Debt Collection Policy.
- (2) No interest shall be charged on any outstanding amounts in respect of which an arrangement has been made as envisaged in section 9(8) provided that the debtor complies with the terms of the arrangement.
- (3) For the purposes of this section the interest shall be calculated for each month for which such arrears remain unpaid, and a portion of a month shall be deemed to be a full month.

## 12. Consolidation of accounts

- (1) The Municipality may-
  - (a) consolidate any separate accounts of a debtor;
  - (b) credit a payment by a debtor against any account of that debtor;
  - (c) implement any of the measures provided for in this By-law and the Credit Control and Debt Collection Policy, in relation to any arrears on any of the accounts of such debtor.
- (2) The provisions of subsection (1) do not apply where there is a dispute between the Municipality and the debtor referred to in that subsection concerning any specific amount claimed by the Municipality from such debtor.

## 13. Agreements with employers

- (1) The Municipal Manager may -
  - (a) with the consent of a debtor enter into a written agreement with that person's employer to deduct from the salary or wages of that debtor:
    - (i) any outstanding amounts due by the debtor to the Municipality; or
    - (ii) such regular monthly amounts as may be agreed; and
  - (b) provide special incentives for –
    - (i) employers to enter into such agreements; and
    - (ii) debtors to consent to such agreements.

## 14. Indigents

An indigent consumer shall be dealt with as prescribed in the Indigent Policy and if required and after reasonable alternatives have been exhausted, processes in terms of the Credit Control and Debt Collection Policy will be implemented.

## 15. Right of access to premises

- (1) A duly authorised representative of the Municipality shall for any purpose related to the implementation or enforcement of this By-law, at all reasonable times or in an emergency at any time, have access to and enter any premises, request information and carry out any inspection and examination as he or she may deem necessary, and for purposes of reading, installing or repairing any meter or service connection for reticulation, or to disconnect, stop or restrict the provision of any service.
- (2) If the Municipality considers it necessary that work needs to be performed to enable an official to perform a function referred to in subsection (1) properly and effectively, it may:
  - (a) by written notice require the owner or occupier of the premises at his own expense to do specific work within a specified period; or
  - (b) if in its opinion the situation is a matter of urgency, without prior notice do such work

or cause it to be done at the expense of the owner.

- (3) If the work referred to in subsection (2) above is carried out for the sole purpose of establishing whether a contravention of this By-law has been committed and no such contravention has taken place, the Municipality shall bear the expenditure connected therewith together with the expense of restoring the premises to its former condition provided that in the event that it is established that a contravention of this By-law has taken place the owner or occupier shall, in addition to the loss or damage referred to in section 18(2), also be liable for the expenditure connected therewith.

## **16. Process for grievances and queries**

- (1) An aggrieved person may lodge a grievance or query regarding service charges to the Municipality in writing and which may be on a prescribed form.
- (2) The aggrieved person shall clearly state the basis of his or her dissatisfaction and the desired outcome.
- (3) The lodging of a grievance or query shall not relieve the aggrieved person of the responsibility to settle the account, provided that the Municipal Manager may, on application in writing and in his or her sole discretion, direct that interim payments may be made pending the finalisation of the grievance or query.
- (4) The Municipality shall respond to such grievance or query in writing within 30 (thirty) days from the date of the lodgement of the grievance or query.

## **17. Appeal**

- (1) A person aggrieved by any decision taken in terms of this By-law and in terms of a power or duty delegated or sub-delegated, may appeal against such decision in terms of section 62 of the Local Government: Municipal Systems Act, 32 of 2000 by giving written notice of the appeal and the reasons to the Municipal Manager within 21 (twenty-one) days of the date of the notification of the decision.
- (2) The Municipal Manager shall consider the appeal and confirm, vary, or revoke the decision.
- (3) The Municipal Manager must commence with an appeal within 6 (six) weeks and decide the appeal within a reasonable period.

## **18. Offences**

- (1) Any person who
  - (a) fails to give the access required by an official in terms of this By-law;
  - (b) obstructs or hinders an official in the exercise of his or her powers or performance of functions or duties under this By-law;
  - (c) uses or interferes with Municipal equipment or consumption of services supplied;

- (d) tampers or breaks any seal on a meter or on any equipment belonging to the Municipality, or for any reason as determined by the Municipal Manager causes a meter not to properly register the service used;
- (e) fails or refuses to give an official such information as he or she may reasonably require for the purpose of exercising his or her powers or functions under these By-laws or provides the Municipality or such an official with false or misleading information knowing it to be false or misleading;
- (f) fails to comply with the terms of a notice served upon him or her in terms of this By-law;
- (g) contravenes or fails to comply with any provision of this By-law -

shall be guilty of an offence and be liable upon conviction to a fine or imprisonment or both such a fine and imprisonment and, in addition, may be charged for usage, as estimated by the Municipality.

- (2) Every person committing a contravention or breach of the provisions of this By-law shall also be liable to compensate the Municipality for any expenditure incurred and any loss or damage suffered or sustained by the Municipality in consequence of such breach.

## **19. Notices and documents**

- (1) A notice or document issued by the Municipality in terms of this By-law, shall be deemed to be duly issued if signed by an official duly authorised by the Council.
- (2) If a notice is to be served on a person in terms of this By-law, such service shall be effected by:
  - (a) delivering the notice to such person personally or to the duly authorised agent of such person or:
  - (b) by delivering the notice at such person's residence or place of employment to a person apparently not less than 16 (sixteen) years of age and apparently residing or employed there;
  - (c) if such person has nominated an address for legal purposes, by delivering the notice to such an address; or
  - (d) by registered or certified post addressed to such person's last known address;
  - (e) in the case of a body corporate, by delivering it to the registered office or the premises of such a body corporate; or
  - (f) if service cannot be effected in terms of the aforesaid subsections, by affixing it to the principal door of entry to the premises, or displaying it on a conspicuous place on the premises to which it relates.

## **20. Authentication of documents**

- (1) Every order, notice or other document requiring authentication by the Council shall be sufficiently authenticated, if signed by the Municipal Manager or by a duly authorised official of the Municipality;

- (2) Delivery of a copy of the document shall be deemed to be delivery of the original.

## **21. Certificate of indebtedness**

- (1) A certificate under the hand of the Municipal Manager certifying the amount due and payable to the Municipality shall be binding upon the debtor; shall be *prima facie* proof of the amount of the debtor's indebtedness and shall be valid as a liquid document against the debtor in any competent court for the purpose of obtaining provisional sentence or judgment against the debtor in respect thereof.
- (2) Should the debtor at any time in defence of any action based on this By-law allege that there is no reason or cause for the debtor's obligations to the Municipality or that errors have been made in the calculation of the amount claimed, then the onus of proving such a defence will rest on the debtor.

## **22. Conflict of By-laws**

- (1) The provisions of the Electricity Supply By-law and Water Services By-law in force immediately before the commencement of this By-law continue in force regarding the application of service tariff matters and insofar as they are not inconsistent with the provisions of this By-law.
- (2) Subject to subsection (1), in the event of any conflict between this By-law and any other By-law of the Municipality, this By-law will prevail.

## **23. Partial invalidity**

In the event of any one or more of the provisions of this By-law being declared invalid by a final and unappealable order, decree or judgment of any court after being found to be inconsistent with any provision of the Constitution of the Republic of South Africa, 108 of 1996, such inconsistency or invalidity shall not affect the remaining provisions of this By-law and this By-law shall be construed as if such provisions had not been inserted.

## **24. Repeal of By-laws**

The provisions of any By-laws relating to credit control debt collection by the Municipality are hereby repealed insofar as they relate to matters provided for in this By-law.

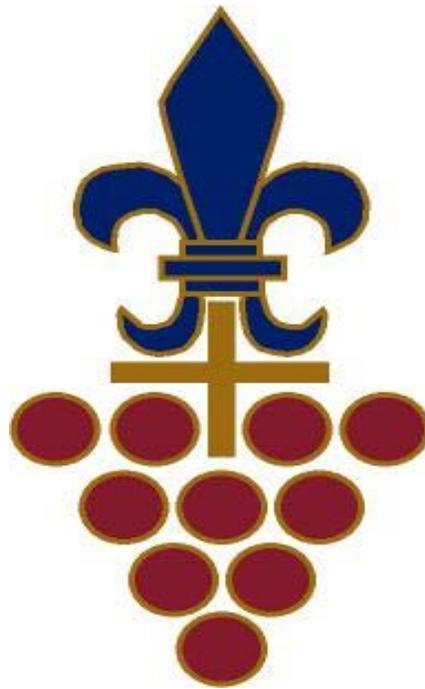
## **25. Application**

This By-law shall be binding on all persons who own and/or occupy immovable property or any premises within the area of jurisdiction of the Municipality, or to whom a Municipal account is rendered.

## **26. Short title**

This By-law is called the Stellenbosch Municipality: Credit Control and Debt Collection By-law.

# **STELLENBOSCH MUNICIPALITY**

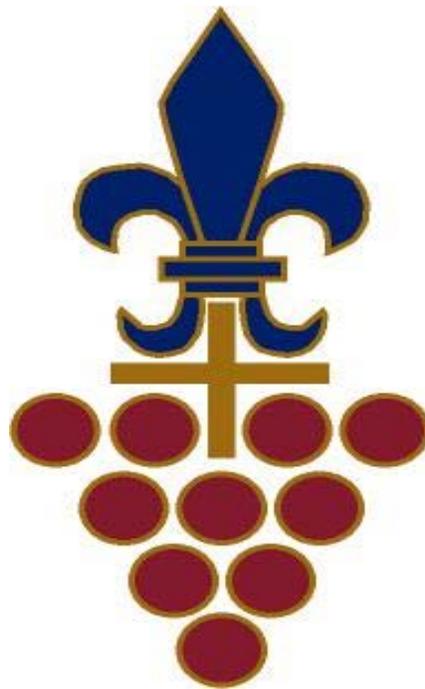


**SPECIAL RATING AREA BY-LAW**

**2024/2025**

**UNCHANGED**

# STELLENBOSCH MUNICIPALITY



## SPECIAL RATING AREA BY-LAW

Effective from 01 July 2021



# STELLENBOSCH MUNICIPALITY

## SPECIAL RATING AREA BY-LAW

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**To provide for the establishment of special rating areas; to provide for additional rates; and to provide for matters incidental thereto.**

BE IT ENACTED by Stellenbosch Municipality as follows:-

## **CHAPTER 1**

### **ESTABLISHMENT OF SPECIAL RATING AREAS**

#### **1. DEFINITIONS**

In this By-law words or expressions shall bear the meaning assigned to them and, unless context otherwise indicates.

In addition to the definitions contained in the Property Rates Act, the following definitions apply for the purpose of the application of this By-law.

**“additional rate”** means an additional rate contemplated in sections 19(1)(d) and 22(1)(b) of the Property Rates Act in section 12(2) of this By-Law;

**“applicant”** means any owner who makes an application for the determination of a special rating area in accordance with provisions of Chapter 1 of this By-Law, or if a management body is established in terms of section 10 of this By-Law any reference to **“the Applicant”** means the management body;

**“CFO”** means the Chief Financial Officer of Stellenbosch Municipality, or his or her nominee.

**“Council”** means Council of Stellenbosch Municipality;

**“implementation plan”** means an Implementation Plan as contemplated in section 6 of this By-Law;

**“limited special rating area”** means a limited special rating area approved by the Council in terms of section 9 of this By-Law;

**“majority”** means the majority of properties represented by the members of the local community in the proposed special rating area who will be liable for paying the additional rate;

**“management body”** means the management body of a special rating area to be established in accordance with the provision of section 10 of this By-Law;

**“motivation report”** means a motivation report as contemplated in section 6 of this By-Law;

**“owner”** has the meaning assigned to it in section 1 of the Property Rates Act;

“**Policy**” means the Policy for the determination of special rating areas named the Special Rating Area Policy of the Stellenbosch Municipality;

“**Property Rates Act**” means the Local Government: Municipal Property Rates Act, 2004 (Act No.6 of 2004);

“**rateable property**” has the meaning assigned to it in section 1 of the Property Rates Act;

“**special rating area**” means a special rating area approved by the Council in accordance with the provisions of section 22 of the Property Rates Act and section 8 of this By-Law.

## 2. INTERPRETATION

In the event of any conflict with the Afrikaans or isiXhosa texts the English text prevails.

## 3. DETERMINATION OF SPECIAL RATING AREAS

Stellenbosch Municipality may by resolution of the Council determine special rating areas.

## 4. APPLICATION

- (1) Any owner located within the area of jurisdiction of Stellenbosch Municipality and who owns property within the proposed special rating area, may lodge an application to the Stellenbosch Municipality for the determination of a special rating area.
- (2) All costs incurred by the applicant in respect of the establishment of a special rating area shall be for his or her own account, provided that after implementation of the implementation plan the management body may reimburse the applicant for some or all of those costs.
- (3) Any application contemplated in subsection (1) above must –
  - (a) be in writing and be in the form as the CFO may determine;
  - (b) be submitted not more than nine months after the date on which the public meeting referred to in section 5 of this By-Law is held, or if a second public meeting is held as provided for in section 6(2) of this By-Law, nine months after the date of the second public meeting;
  - (c) be accompanied by –
    - (i) a motivation report and an implementation plan;
    - (ii) the written consent submitted by the members of the local community in the proposed special rating area who will be liable for paying the additional rate. All

owners of each property in the proposed special rating area must sign the consent form. The majority shall be determined by the number of properties in the proposed special rating area for which duly preformed consent forms were received in relation to the number of properties in the proposed special rating area. Under specific conditions, aimed at a more inclusive approval process, the majority may be set at a higher percentage as determined in the Special Rating Area policy. The format of the consent may be determined by the CFO;

- (iii) payment of such fee as the Council may determine.

## 5. PUBLIC MEETINGS

- (1) An application for the determination of a special rating area must be preceded by the holding of a public meeting.
- (2) The purpose of the public meeting is to enable the applicant to consult with those owners within the proposed special rating area regarding the proposed boundaries of the area and the proposed improvement or upgrading of the area.
- (3) Prior to the holding of the public meeting, the applicant must –
  - (a) give notice in a manner approved by the CFO in terms of this By-law owners of rateable property, who will be liable for payment of the additional rate, of the applicant's intention to apply for the determination of a special rating area
  - (b) in the notice referred to in subsection (3)(a) above, give notice of a public meeting, which notice must –
    - (i) state the purpose of such meeting; and
    - (ii) contain details of the place, date and time when such meeting is to be held.
- (4) The public meeting must be held not less than seven days and not more than 30 days after the date of the notice.
- (5) The public meeting must be held at such place, date and time as stated in the notice, provided that it must be held at a place which is within the boundaries of the proposed special rating area unless the CFO approves another venue in writing before the public meeting is held.
- (6) The public meeting must be chaired by a suitable qualified and experienced person appointed by the CFO.
- (7) Any interested person must, at the public meeting, be –

- (a) Furnished with all relevant information relating to the proposed special rating area, including the information to be set out in the motivation report and implementation plan; and
- (b) given an opportunity to ask questions, express their views and make representations.

## **6. MOTIVATION REPORT AND IMPLEMENTATION PLAN**

- (1) Any application for the establishment of a special rating area must include a motivation report and an implementation plan covering a period commencing on 1 July of a year and ending on 30 June of the fifth year or covering such lesser period as may be determined by the CFO.
- (2) If the motivation report or the implementation plan are materially amended, as determined by the CFO, after the public meeting referred to in section 5 of this By-Law, the applicant must call a second public meeting for approval of the special rating area as amended.
- (3) The provision of section 5 of this By-Law applies with the necessary changes to the second public meeting.

## **7. ADVERTISING OF APPLICATION AND OBJECTIONS**

- (1) The applicant must within 14 days after the application is lodged in accordance with section 4 of this By-Law, or within such further period which the CFO may approve –
  - (a) Cause a notice of the application to be published in a manner approved by the CFO; and
  - (b) Either before or up to seven days after the date of publication of the notice, give written notice of the application to all owners within the proposed special rating area, who will be liable for payment of the additional rate. Such notice must be served by pre-paid registered post, hand delivery or in any other manner approved of in writing by the CFO.
- (2) Every notice contemplated in terms of subsection (1) above must state that written objections to the determination of a special rating area or the provisions of the motivation report and implementation plan may be lodged with the Stellenbosch Municipality by a date specified in the notice, which shall not be less than 30 days after the date of publication in terms of subsection (1)(a) above, and must state where the documentation specified in subsection (5) below will be available for inspection.
- (3) Any owner of rateable property who will be liable for paying the additional rate may submit written objections to the determination of the special rating area, which objections must be

received by the Stellenbosch Municipality not later than the date stipulated in the notice referred to in subsection (1) above.

- (4) Any objector to the application who owns property within the proposed special rating area may make oral representation to the CFO.
- (5) The application, including the motivation report and the implementation plan, and all objections must be available for inspection at the office of Stellenbosch Municipality and at a venue determined by the CFO within the proposed special rating area, for the period referred to in subsection (2) above.

## **8. DECISION**

- (1) After the provision of sections 4 and 7 of this By-Law have been complied with, the Council must, at a meeting of the Council held within 90 days after the last date for the submission of objections in accordance with section 7(2) of this By-Law, consider the application and –
  - (a) determine a special rating area which must be implemented in accordance with the motivation report and implementation plan;
  - (b) determine a special rating area with such amendments or conditions as the Council considers to be in public interest;
  - (c) determine a special rating area in respect of a limited area in terms of section 9 of this By-Law;
  - (d) refuse the application, in which event the Council must, within 30 days, furnish the applicant with written reasons for not approving the determination of a special rating area;  
or
  - (e) refer the application back to the applicant for amendments in such manner as the Council may direct.
- (2) If an application is refused by the Council in accordance with the provisions of subsection (1)(d) above or referred back to the applicant in accordance with the provisions of subsection (1)(e) above, the applicant may, within six months of the Council's decision, re-apply to the Council for the determination of the special rating area, provided that such re-application has been appropriately amended in the light of the reasons for refusal or referral, as the case may be.
- (3) If the motivation report or implementation plan is amended in any material respect at any time before the determination, the Council may require that the amended application be re-advertised in accordance with the provision of section 7 of this By-law, with the necessary changes.

## **9. DETERMINATION OF A LIMITED SPECIAL RATING AREA**

If an application in terms of section 4 of this By-Law is not accompanied by the majority of the members of the local community in the proposed special rating area required by section 4(3)(c) of this By-Law, but the applicant can demonstrate to the satisfaction of the Council, that –

- (a) there are such confirmations from owners of rateable properties in a limited geographical area within the proposed special rating area that would meet the requirements of section 4(3)(c) of this By-Law if they were to be applied to that area; and
- (b) the level of services to be provided will not be reduced and the budget will be reduced accordingly as a result of the provision of those services in the limited area alone, as compared to the provision of those services in the whole of the proposed special rating area,

then the Council may, subject to the other provisions of this By-Law, determine a limited special rating area.

## **CHAPTER 2**

### **SPECIAL RATING AREAS – STRUCTURES AND FINANCES**

## **10. COMMENCEMENT OF THE IMPLEMENTATION PLAN**

Once the Council has approved the establishment of the special rating area, the implementation plan may only be implemented after the management body has been established in accordance with section 11 of this By-Law.

## **11. ESTABLISHMENT, COMPOSITION, POWERS AND DUTIES OF MANAGEMENT BODY**

- (1) The applicant must establish a management body for the purposes of implementing the provisions of the implementation plan.
- (2) The management body must be a company incorporated in accordance with the provisions of a Non-Profit company (company not for gain) as per the Companies Act, Act 71 of 2008 (as amended or replaced).
- (3) Stellenbosch Municipality shall monitor compliance by the management body with the applicable provisions of this By-Law, any guidelines or policies adopted by Stellenbosch Municipality and any agreements entered into with the management body and Stellenbosch Municipality.

- (4) The Council must nominate the relevant ward councillor and one other person, as representatives to attend and participate, but not vote, at the meetings of the management body.
- (5) Within two months after receipt of the first payment of the additional rate, the management body must begin carrying out the objectives of the implementation plan.
- (6) Within two months of the end of each financial year, the management body must provide the CFO with –
  - (a) Its audited financial statements for the immediately preceding year; and
  - (b) an annual report on its progress in carrying out the objectives of the implementation plan in the preceding year to improve and upgrade the special rating area.
- (7) Within two months after the Annual General Meeting, the management body must provide the Finance Portfolio Committee with –
  - (c) Its audited financial statements for the immediately preceding year; and
  - (d) An annual report on its progress in carrying out the objectives of the implementation plan in the preceding year to improve and upgrade the special rating area.

## **12. FINANCES**

- (1) The financial year of the management body must coincide with the financial year of the Stellenbosch Municipality.
- (2) Where a special rating area has been determined, the Council must levy in accordance with the provisions of the Property Rates Act, a property rate in addition to the rates that it already charges on the owners of rateable property in the special rating area for the purposes of realizing the implementation plan. Provided that the Council may in terms of the Property Rates Act, Stellenbosch Rates Policy, Stellenbosch Credit Control and Debt Collection By-Law and the Stellenbosch Credit Control and Debt Collection Policy, exempt the indigent, senior citizens, disabled persons or any other category of owners from the additional rates.
- (3) When determining the additional rate referred to in subsection (2) above, the Council may consider imposing differential additional rates on one or more of the categories set out in section 8 of the Property Rates Act or any category as set out in the Stellenbosch Rates Policy.
- (4) The additional rate due in terms of this By-Law is a debt due to the Council and is payable and must be collected in the same manner as other property rates imposed by the Council.

- (5) The Council may, for the purpose of carrying out the provisions of the implementation plan of special rating area and subject to section 67 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 200), make payment to the management body of a special rating area.
- (6) The payment contemplated in subsection (5) above is conditional upon the conclusion of a finance agreement to be entered into between the Council and the relevant management body, and such agreement must regulate, among other things –
  - (a) the mechanisms and manner of payment; and
  - (b) terms on which payment to the relevant management body is to be made.
- (7) Subject to the provisions of its memorandum and articles of association, the management body is entitled to raise its own funds through commercial activities, donations or any other lawful means.
- (8) The Council, may determine and impose on the management body an administrative charge.

### **13. THE ROLE OF THE CFO**

In addition to the other responsibilities and obligations of the CFO as set out elsewhere in this By-Law, the CFO must –

- (a) Establish separate ring-fenced budget votes and other record-keeping systems regarding the revenue generated by the additional rate and the improvement and upgrading of the special rating area;
- (b) Monitor compliance with the applicable legislation, including this By-Law and the Policy, by –
  - (i) receiving and considering the audited financial statements and reports regarding the carrying out of duties laid out in the implementation plan;
  - (ii) nominating, if he or she elects to do so, representatives to attend and participate but not vote at meetings of the management body.

## **CHAPTER 3**

### ***AMENDMENT AND EXTENSION OF IMPLEMENTATION PLANS***

#### **14. AMENDMENT TO IMPLEMENTATION PLANS**



- (1) An implementation plan, including the geographical boundaries of the special rating area, may be amended by the Council on written application by the management body at any time after the formation of the special rating area.
- (2) The council may approve an application for an amendment referred to in subsection (1) above where the Council considers it not likely to materially affect the rights or interests of any owner, provided that the Council may require the management body to cause a notice of the application for such amendments to be published as approved by the CFO.
- (3) The Council may only approve an amendment in terms of subsection (1) above, with the changes required by the context, in accordance with the provisions of Chapter 1 of this By-Law, which the Council considers is likely to –
  - (a) materially affect the rights or interests of any person;
  - (b) affect the approved budget for the special rating area; and
  - (c) change the boundaries of the special rating area.
- (4) The Council may, for good reason, on written application by the management body, exempt the management body from complying with the provisions, or condone any non-compliance with any provisions, of Chapter 1 of this By-Law.

## **15. EXTENSION OF IMPLEMENTATION PLANS**

A management body must, if it elects to extend the term of the implementation plan for a further period, on or before January in the year in which the implementation plan is due to terminate, submit an application to Stellenbosch Municipality for approval of extension of the term of the implementation plan, provided that –

- (a) the extension of the implementation plan may only be approved by the Council in accordance with the provisions of Chapter 1 of this By-Law, with the changes required by the context, and the Council may, for good reason, on written application by the management body, exempt the management body from complying, or condone any non-compliance, with any such provisions;
- (b) the provisions of section 14 of this By-Law shall apply to any amendment of an implementation plan which has been extended in terms of this section.

## CHAPTER 4

### DISSOLUTION OF A SPECIAL RATING AREA

#### 16. DISSOLUTION

- (1) The Council may terminate the municipality's business relationship (connection and commitment) to a management body of a specific special rating area –
  - (a) Upon written application signed by owners of the majority of properties within the boundaries of the special rating area who are liable for paying the additional rate; or
  - (b) After prior consultation by the CFO with the management body or the community, whereupon for any good cause he or she may cause the necessary steps or processes to terminate the business relationship with the management body.
  - (c) Upon the decision by the CFO to terminate the business relationship to the specific special rating area, notices shall be forwarded to the management body and to all the property owners of the specific special rating area presenting the reasons for the proposed termination and any other pertinent details.
- (2) Upon the approval by Council to terminate the business relationship with the management body the additional rates applicable to said special rating area will no longer be raised and the associated payments to the management body shall cease.

## CHAPTER 5

### MISCELLANEOUS PROVISIONS

#### 17. REPEAL

The provisions of any By-laws relating to special rating areas by Stellenbosch Municipality are hereby repealed insofar as they relate to matters provided for in this By-law.

#### 18. SHORT TITLE AND EFFECTIVE DATE

- (1) This By-Law is called the Special Rating Area By-Law of Stellenbosch Municipality and shall take effect on 01 July 2021.
- (2) No new special rating area determined in terms of this By-Law may implement its implementation plan prior to 01 July 2020.

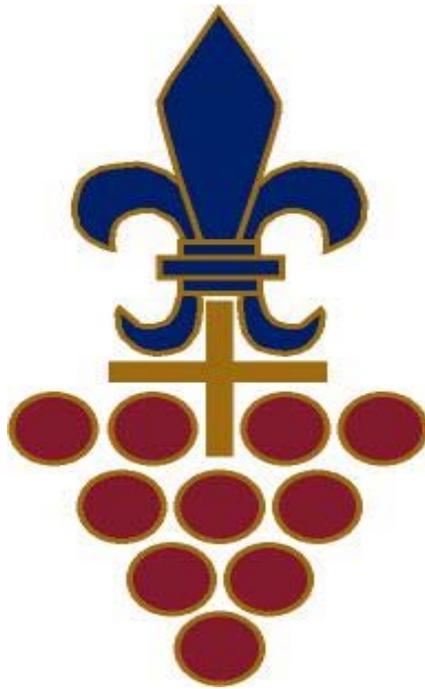
**G. Mettler**

**Municipal Manager**

**Plein Street, PO Box 17, Stellenbosch, 7599**

**Telephone Number 021 808 8025**

# **STELLENBOSCH MUNICIPALITY**

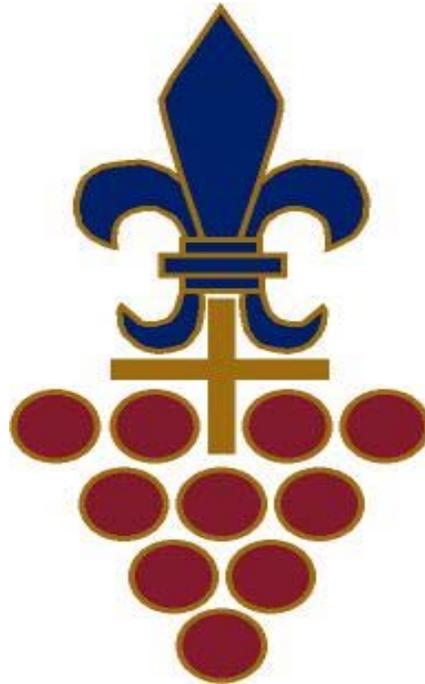


**RATES BY-LAW**

**2024/2025**

**UNCHANGED**

# STELLENBOSCH MUNICIPALITY



## RATES BY-LAW

Effective from 01 July 2023



**STELLENBOSCH MUNICIPALITY  
RATES BY-LAW**

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## 1. PREAMBLE

- (1) Section 229(1) of the Constitution authorizes a municipality to impose rates on property and surcharges on fees for services provided by or on behalf of the municipality.
- (2) Section 13 of the Systems Act read with Section 162 of the Constitution requires a municipality to promulgate municipal by-laws by publishing them in the gazette of the relevant province.
- (3) In terms of Section 3 of the Property Rates Act, a municipal council must adopt a policy consistent with the Property Rates Act on the levying of rates on rateable properties in the municipality.
- (4) In terms of Section 6(1) of the Property Rates Act, a municipality must adopt by-laws to give effect to the implementation of its rates policy.
- (5) In terms of Section 6(2) of the Property Rates Act, by-laws adopted in terms of Section 6(1) may differentiate between different categories of properties and different categories of owners of properties liable for the payment of rates.
- (6) To that effect the Council of Stellenbosch Municipality has enacted a Property Rates By-law, as follows:

## 2. DEFINITIONS

In this By-Law, any word or expression to which a meaning has been assigned in the Local Government: Municipal Property Rates Act, (Act 6 of 2004) shall bear the same meaning unless the context indicates otherwise.

**"Municipality"** means the Stellenbosch Municipality (WC024).

**"Rates Policy"** means the Municipality's Property Rates Policy adopted by the Council of the Municipality by a resolution for a specific financial year in terms of Section 3(1) of the Property Rates Act and in terms of this By-Law.

**"Constitution"** means the Constitution of the Republic of South Africa.

**"Council"** means the Council of the Municipality.

**"Credit Control and Debt Collection Policy"** means the Municipality's Credit Control and Debt Collection Policy as stipulated by sections 96(b) and 97 of the Systems Act.

**"Systems Act"** means the Local Government: Municipal Systems Act, (Act 32 of 2000).

**"Property Rates Act"** means the Local Government: Municipal Property Rates Act, (Act 6 of 2004) including the amendment Acts and Regulations pertaining to the same.

**"Rates"** means a municipal rate on property as envisaged in Section 229(1)(a) of the Constitution.

**3. OBJECTS**

The object of this By-Law is to give effect to the implementation of the Rates Policy as contemplated in Section 6 of the Property Rates Act.

**4. ADOPTION AND IMPLEMENTATION OF RATES POLICY**

- (1) The Council has adopted and implemented a Rates Policy as contemplated in terms of the provisions of Section 3(1) and consistent with the Property Rates Act on the levying of Rates on rateable properties within the jurisdiction of the Municipality.
- (2) The Rates Policy outlines the Municipality's rating practices; therefore, it is not necessary for this By-law to restate and repeat same.
- (3) The Rates Policy applicable to a financial year is hereby incorporated by reference in this By-law. All amendments to the Rates Policy as the Council may approve/adopt from time to time, shall be deemed to be likewise incorporated.
- (4) The Municipality shall not be entitled to levy Rates other than in terms of the Rates Policy for an applicable financial year and the annually promulgated resolution which reflects the cent amount in the Rand rate for each category of rateable property.
- (5) The Rates Policy is available at the Municipality's head office, satellite offices, libraries and website.

**5. CONTENTS OF RATES POLICY**

The Municipality's Rates Policy, inter alia:

- (1) Apply to all the Rates levied by the Municipality pursuant to the adoption of the Municipality's annual budget.
- (2) Comply with requirements for;
  - (a) the adoption and contents of a Rates Policy specified in Section 3 of the Property Rates Act.
  - (b) the differentiation of categories of properties and categories of owners of properties as provided for in Sections 6, 8 and 15 of the Property Rates Act.
  - (c) the process of community participation specified in Section 4 of the Property Rates Act.
  - (d) the annual review of a Rates Policy specified in terms of Section 5 of the Property Rates Act.
  - (e) the implementation of norms and provisions as directed by this By-law as approved by Council.

- (3) Specify principles, criteria, and implementation measures for categories of rateable properties in terms of Section 8 and consistent with the Property Rates Act for the levying of Rates which the Council may wish to adopt.
- (4) Specify principles, criteria, and implementation measures for the judicious granting of relief measures by means of Exclusions, Exemptions, Reductions and/or Rebates consistent with the applicable sections of the Property Rates Act which the Council may wish to adopt.
- (5) Include such further administrative, control and enforcement mechanisms if any that are consistent with the Property Rates Act and the Systems Act, as the Council may wish to impose in addition to those contained in the Credit Control and Debt Collection By-Law and its associated Policy.

## **6. ENFORCEMENT OF RATES POLICY**

The Municipality's Rates Policy is enforced through the Municipality's Credit Control and Debt Collection By-Law and its associated Policy and any further enforcement mechanisms stipulated in the Property Rates Act and the Municipality's Rates By-Law.

## **7. REPEAL**

The provisions of any By-laws relating to Property Rates by the Municipality are hereby repealed insofar as they relate to matters provided for in this By-Law.

## **8. INTERPRETATION**

If there is a conflict of interpretation between the English version of this By-Law and a translated version, the English version prevails.

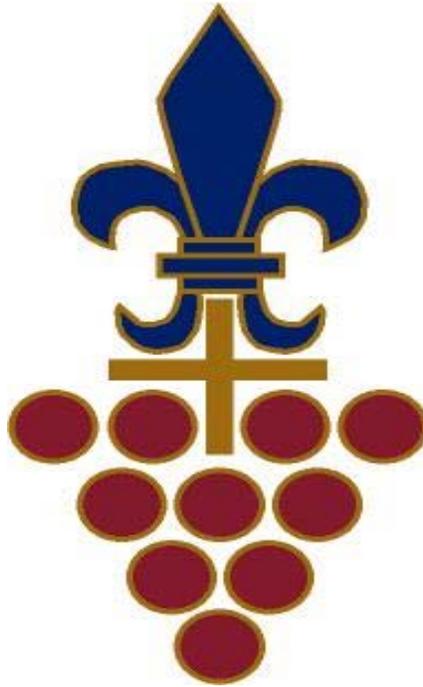
This By-Law must be read in conjunction with the Rates Policy.

## **9. SHORT TITLE and COMMENCEMENT**

This By-Law is called the Stellenbosch Municipal Property Rates By-Law and shall take effect on 01 July 2022.



# **STELLENBOSCH MUNICIPALITY**

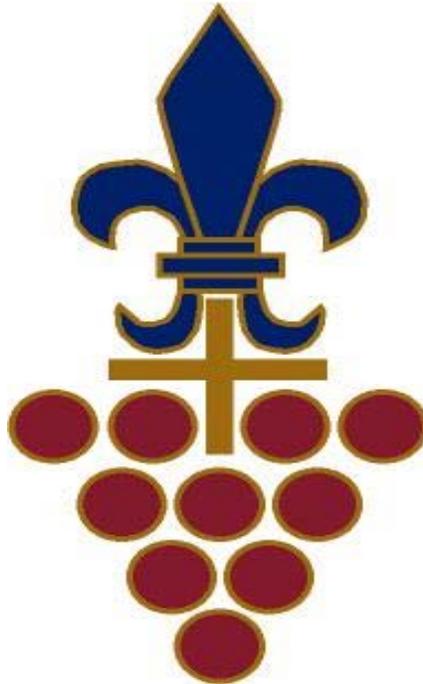


**TARIFF BY-LAW**

**2024/2025**

**UNCHANGED**

# STELLENBOSCH MUNICIPALITY



## TARIFF BY-LAW

Effective from 01 July 2023



# STELLENBOSCH MUNICIPALITY

## TARIFF BY-LAW

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## 1. PREAMBLE

- (1) Section 229(1) of the Constitution authorizes a municipality to impose:
  - (a) rates on property and surcharges on fees for services provided by or on behalf of the municipality; and
  - (b) if authorized by national legislation, other taxes, levies and duties.
- (2) In terms of section 75A of the Systems Act a municipality may:
  - (a) levy and recover fees, charges or tariffs in respect of any function or service of the municipality; and
  - (b) recover collection charges and interest on any outstanding amount.
- (3) In terms section 74(1) of the Systems Act, a municipal council must adopt and implement a tariff policy on the levying of fees for a municipal service provided by the municipality or by way of service delivery agreements and which complies with the provisions of the Systems Act, the Municipal Finance Management Act and any other applicable legislation.
- (4) In terms of section 75(1) of the Systems Act, a municipal council must adopt by-laws to give effect to the implementation and enforcement of its tariff policy.
- (5) In terms of section 75(2) of the Systems Act, by-laws adopted in terms of section 75(1) of the Systems Act may differentiate between different categories of users, debtors, service providers, services, service standards and geographical areas as long as such differentiation does not amount to unfair discrimination.
- (6) In furtherance of reusable energy, Council may determine tariffs pertinent to the purchase of surplus energy from consumers, subject to regulations issued and approved by the National Electricity Regulator of South Africa (NERSA).

## 2. DEFINITIONS

**"Municipality"** means the Stellenbosch Municipality (WC024).

**"Tariff Policy"** means the Tariff Policy adopted by the Municipality in terms of this By-Law.

**"Constitution"** refers to the Constitution of the Republic of South Africa, 1996.

**"Council"** means the Council of the Municipality.

**"Credit Control and Debt Collection Policy"** means the Municipality's Credit Control and Debt Collection Policy as stipulated by sections 96(b) and 97 of the Systems Act.

**"Systems Act"** means the Local Government: Municipal Systems Act, (Act 32 of 2000).

**"Finance Management Act"** means the Local Government: Municipal Finance Management Act, (Act 53 of 2003).

**"Tariff"** means fees, charges or any other tariffs levied by the Municipality in respect of any function or service provided, or surplus energy purchased, by the Municipality including rates levied by the Municipality in terms of the Local Government: Property Rates Act, (Act 6 of 2004).

**"Tariff List"** or **"Tariff Schedule"** means the list of the Tariffs applicable and in respect of any function or service provided, or surplus energy purchased, by the Municipality. This list, effective for a specific financial year, is approved by Council during the annual budget process.

### **3. OBJECTIVES**

The objective of this By-Law is to give effect to the implementation of the Tariff Policy as contemplated in section 74(1) of the Systems Act, and of the Tariff Schedule for a given financial year as approved by Council during the Municipality's annual budget process.

### **4. ADOPTION AND IMPLEMENTATION OF TARIFF POLICY**

- (1) The Municipality shall adopt and implement a Tariff Policy on the levying of fees for a municipal service provided by the Municipality or by way of service delivery agreements which complies with the provisions of the Systems Act, the Municipal Finance Management Act and any other applicable legislation.
- (2) The Municipality shall not be entitled to impose tariffs other than in terms of the valid Tariff Policy.

### **5. CONTENTS OF TARIFF POLICY**

The Municipality's Tariff Policy shall, inter alia:

- (1) Apply to all the tariffs fees (as per the Tariff List) imposed by the Municipality pursuant to the adoption of the Municipality's annual budget.
- (2) Reflect the principles referred to in section 74(2) of the Systems Act and specify any further principles for the imposition of Tariffs which the Municipality may wish to adopt.
- (3) Specify the manner in which the principles referred to in paragraph 2 above are to be implemented in terms of the Tariff Policy.

- (4) Specify the basis of differentiation, if any, for tariff purposes between the different categories of users, debtors, service providers, services, service standards and geographical areas as long as such differentiation does not amount to unfair discrimination.
- (5) Include such further enforcement mechanism, if any, as the Municipality may wish to impose in addition to those contained in the Credit Control and Debt Collection By-Law.
- (6) Provide tariffs for the export of surplus energy from approved and certified consumers, within the jurisdiction of the Municipality, into the Municipality's distribution network.

**6. ENFORCEMENT OF TARIFF POLICY**

The Tariff Policy shall be enforced through the Credit Control and Debt Collection By-Law and any further enforcement mechanisms stipulated in the Municipality's Tariff By-Law.

**7. REPEAL**

The provisions of any by-laws relating to Tariffs by the Municipality are hereby repealed insofar as they relate to matters provided for in this By-Law.

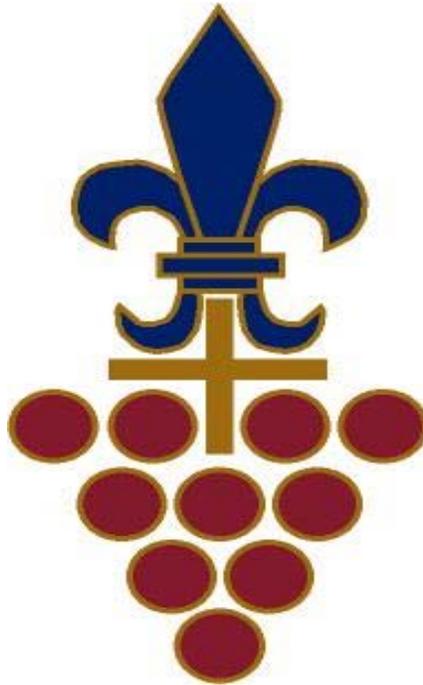
**8. INTERPRETATION**

If there is a conflict of interpretation between the English version of this By-Law and a translated version, the English version prevails.

**9. SHORT TITLE and EFFECTIVE DATE**

This By-law is the Tariff By-Law of Stellenbosch Municipality and shall take effect on 01 July 2022.

# **STELLENBOSCH MUNICIPALITY**



**MFMA Circular No.126**

**MUNICIPAL BUDGET CIRCULAR  
FOR THE 2024/2025 MTREF**



## Municipal Budget Circular for the 2024/25 MTREF

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## Introduction

This budget circular provides guidance to municipalities with their compilation of the 2024/25 Medium Term Revenue and Expenditure Framework (MTREF). It is linked to the Municipal Budget and Reporting Regulations (MBRR) and the Municipal Standard Chart of Accounts (mSCOA) and strives to support municipalities' budget preparation processes so that the minimum requirements are achieved.

Among the objectives of this budget circular is to demonstrate how municipalities should undertake annual budget preparation in accordance with the budget and financial management reform agenda by focussing on key "game changers". These game-changers include ensuring that municipal budgets are funded, revenue management is optimised, assets are managed efficiently, supply chain management processes are adhered to, mSCOA is implemented correctly and that audit findings are addressed.

Municipalities are reminded to refer to the annual budget circulars of the previous years for guidance in areas of the budget preparation that is not covered in this circular.

## 1. The South African economy and inflation targets

The National Treasury forecasts real GDP growth of 0.8 per cent in 2023, compared with 0.9 per cent projected in the 2023 Budget Review. Growth is projected to average 1.4 per cent from 2024 to 2026. Relative to the 2023 Budget, the weaker projection for 2023 mainly reflects lower household consumption expenditure due to higher inflation and interest rates, and lower net exports. Power cuts are expected to continue for the remainder of this year and to gradually ease in 2024. Faster, determined implementation of energy and logistics reforms remains critical to boosting economic growth.

In the context of weaker global growth and risks to the domestic outlook, government is working to position the economy for sustained growth and resilience to shocks. A combination of a stable macroeconomic framework, the rapid implementation of economic and structural reforms, and improvements in state capability remains central to achieving higher growth, employment, and competitiveness.

Employment growth continues to lag South Africa's post-COVID-19 economic recovery, with 74 000 fewer people in employment in the second quarter of 2023 than in the fourth quarter of 2019. Improving employment growth sustainably over the long term requires faster GDP growth and improved education and skills development.

Headline inflation is expected to decelerate as the energy and food price shocks associated with global supply chain disruptions and the war in Ukraine dissipate. Headline consumer prices are expected to fall from an expected 6 per cent in 2023 to 4.9 per cent in 2024. Fuel prices have fallen since June 2023, largely reflecting base effects. Food price inflation, which peaked at 14.4 per cent in March 2023, slowed to 8.2 per cent by August 2023. However, the pace of deceleration has been slow relative to global food prices. This can be attributed to a weaker rand exchange rate and elevated production costs. Core inflation has remained near 5 per cent for most of 2023 due mainly to higher insurance and vehicle price inflation. Headline inflation is projected to return towards the mid-point of the 3 to 6 per cent target range in 2025.

Household consumption expenditure is expected to slow from 2.5 per cent in 2022 to 0.8 per cent in 2023 due to the cumulative effect of interest rate increases, elevated inflation and falling real disposable income, and generally weak consumer confidence. Growth in credit

extended to households continues to decelerate for both secured and unsecured credit. National Credit Regulator data shows that in the first quarter of 2023, banks rejected 70 per cent of credit applications – the highest rate on record – reflecting concerns over households’ ability to repay loans. Household consumption expenditure is expected to average 1.6 per cent from 2024 to 2026.

The following macro-economic forecasts must be considered when preparing the 2024/25 MTREF municipal budgets.

**Table 1: Macroeconomic performance and projections, 2022 - 2027**

Fiscal year	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Estimate	Forecast		
CPI Inflation	6.9%	6.0%	4.9%	4.6%	4.5%

Source: Medium Term Budget Policy Statement 2023.

Note: the fiscal year referred to is the national fiscal year (April to March) which is more closely aligned to the municipal fiscal year (July to June) than the calendar year inflation.

The above economic challenges will place pressure on households’ ability to pay municipal accounts and Eskom power cuts affect sustainability of small and large businesses. Both these factors have placed pressure on municipal own revenues.

It is therefore noted that variations in regional specifics are possible, however, any variation of assumptions must be explicitly set out and well explained in the budget narratives, in the absence of which the Treasuries will refer the budget back to council for alignment to the macroeconomic performance projections.

## 2. Key focus areas for the 2024/25 budget process

### 2.1 Local government conditional grants allocations

Over the 2024 MTEF, the local government equitable share and conditional grants will be reduced by a total of R12.8 billion, made up of R9.6 billion in the local government equitable share and R3.2 billion in direct conditional grants. The general fuel levy sharing with municipalities will be reduced by R5.1 billion. These reductions form part of the government’s efforts to drive fiscal consolidation. The implication of these changes will be outlined in more detail in the 2024 Budget Review.

#### Notable changes to the conditional grants system

While the review of the conditional grants system is on-going and reforms envisaged to be implemented from 2025/26, changes will be considered for the *urban settlements development grant*, *integrated urban development grant*, and *the municipal infrastructure grant* to make better use of regulatory frameworks and improve the water business of urban municipalities from 2024/25.

We kindly advise municipalities to utilise the indicative numbers that were presented in the 2023 Division of Revenue Act when developing their 2024/25 MTREF calculations. It is crucial to also make considerations to the proposed reductions to baselines that were presented in the 2023 MTBPS, as they may have a significant impact. We recommend this be prioritised in all budgetary planning for the upcoming fiscal year. In terms of the outer year allocations (2026/27 financial year), it is proposed that municipalities conservatively limit funding allocations to the indicative numbers as presented in the 2023 Division of Revenue Act for 2024/25. The Division of Revenue Bill, 2023, which includes the annexures outlining allocations to each municipality is available at:

<http://www.treasury.gov.za/documents/national%20budget/2023/default.aspx>

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**Division Of Revenue Amendment Bill, 2023 (DoRAB)**

**Declared underspending in the local government equitable share** – In January 2023, the National Energy Regulator of South Africa (NERSA) approved a bulk electricity tariff increase of 18.7 per cent for the 2023/24 financial year. The subsidy for free basic electricity in 2023/24 was calculated to include an additional 2 per cent in anticipation of higher municipal tariff increases than that published in January, due to the difference in the financial years of Eskom customers and municipalities. A further R1.4 billion was left unallocated in the local government equitable share to enable additional funding for municipalities should the final municipal tariff increase that was expected to be published between March and June 2023, exceed the 20.7 per cent increase provided for. In June 2023, NERSA approved a municipal tariff increase of 15.1 per cent. The unallocated amount of R1.4 billion in the local government equitable share is therefore surrendered as declared under-expenditure.

**Fiscal consolidation reductions** – There is a total downward adjustment of R3.4 billion to direct municipal conditional grants. This is made up of reductions of R9 million from the *infrastructure skills development grant*; R58 million from the *programme and project preparation support grant*; R32 million from the *expanded public works programme integrated grant for municipalities*; R1.2 billion from the *municipal infrastructure grant*; R306 million from the informal settlements upgrading partnership grant for municipalities; R553 million from the *urban settlements development grant*; R180 million from the *integrated national electrification programme grant for municipalities*; R40 million from the *neighbourhood development partnership grant*; R600 million from the *public transport network grant*; R237 million from the *regional bulk infrastructure grant*; and R244 million from the *water services infrastructure grant*.

**Funds for post disaster repair and recovery** – An amount of R1.2 billion is added to the *municipal disaster recovery grant* to fund the reconstruction and rehabilitation of municipal infrastructure damaged by the floods that occurred between February and March 2023.

**Top-up of the municipal disaster response grant** – Due to the floods that occurred between February and March 2023, the *municipal disaster response grant* was depleted by June 2023. R372 million is added to this grant to enable immediate response by municipalities in the event that a disaster occurs in the remaining months of the 2023/24 financial year.

**Conversion of municipal infrastructure grant allocations** – R10 million from uThukela Local Municipality's allocation is converted to an indirect allocation for implementation of the Ekuvukeni Water Supply Project by the Department of Cooperative Governance on the municipality's behalf. The project entails the replacement of an asbestos rising main from the Oliphanskop water treatment works. Similarly, R20 million from Emfuleni Local Municipality's allocation is converted to an indirect allocation to address the outfall of sewer in Evaton and Sebokeng.

**Conversion of neighbourhood development partnership grant allocations** – R88 million in the neighbourhood development partnership grant is converted from the direct to the indirect component of the grant. This is to expedite project implementation in municipalities that are experiencing administrative and financial challenges.

**Reduction in the integrated national electrification programme (Eskom) grant** – As part of the fiscal consolidation reductions, the integrated national electrification programme (Eskom) grant is reduced by R250 million.

**Reprioritisation from the integrated national electrification (Eskom) grant** – An amount of R53 million is reprioritised from the integrated national electrification (Eskom) grant to the vote

of the national Department of Mineral Resources and Energy to fund the rehabilitation of derelict and ownerless mines.

**Shift of funds from the regional bulk infrastructure grant to the water services infrastructure grant** – R309 million has been shifted from the indirect component of the regional bulk infrastructure grant to the indirect component of the water services infrastructure grant. This is to enable the Department of Water and Sanitation to manage contractual obligations, budget pressures, accruals and payables for projects in several municipalities.

**Changes to the municipal disaster recovery grant framework** – The framework of the municipal disaster recovery grant is amended to ring-fence the additional funds for the repair and reconstruction of municipal infrastructure damaged by the floods that occurred between February and March 2023.

**Correction of an error in the indirect allocations of the regional bulk infrastructure grant** – An amount of R20 million for the Kirkwood Water project that was erroneously allocated to Dr Beyers Naude Local Municipality is corrected to an allocation to Sundays River Valley Local Municipality.

**Amendment to the framework of the *municipal disaster recover grant*** – Parliament has approved that the National Treasury amend the framework of the *municipal disaster recover grant* to ring-fence and conditionalize the fund added for the repair and recovery of infrastructure damaged by the floods that occurred in February and March 2023.

**Correction of an error in the indirect allocations of the regional bulk infrastructure grant** – Parliament has approved that the National Treasury correct an oversight in the indirect allocations of the *regional bulk infrastructure grant*. An amount of R20 million for the Kirkwood Water project that was erroneously allocated to Dr Beyers Naude Local Municipality is corrected to an allocation to Sundays River Valley Local Municipality.

## **2.2 Publication of allocations from the municipal disaster response grant and changes from the stopping and reallocation process**

National Treasury has through Government Gazette No. 49584 dated 30 October 2023 published in terms of the Division of Revenue Act, 2023, (Act No. 5 of 2023) (DoRA), and provided information regarding the disaster allocations and the conversion of disaster grants to municipalities in the 2023/24 financial year. The Gazette further provided for the stopping and reallocation of funds to municipalities and reallocated to their districts.

### **Allocation of disaster response funding**

#### ***Transfers in terms of section 27 of the 2022 DoRA***

Section 27 of the 2022 DoRA provides:

*“(1) Despite the Division of Revenue Act for the 2023/24 financial year not having commenced on 1 April 2023, the National Treasury may determine that an amount, not exceeding 45 per cent of the total amount of each —*

- (a) equitable share in terms of section 4(1), be transferred to the relevant province;*
- (b) equitable share in terms of section 5(1), be transferred to the relevant municipality;*
- (c) allocation made in terms of section 7(1) or 8(1), as the case may be, be transferred to the relevant province or municipality.*

(2) An amount transferred in terms of subsection (1)(c) is, with the necessary changes, subject to the applicable framework for the 2022/23 financial year and the other requirements of this Act, as if it is an amount of an allocation for the 2022/23 financial year.”

Using this section of the DoRA, immediate relief funds were transferred to municipalities from the 2023/24 Municipal Disaster Response Grant (MDRG) baseline in June 2023 (before the start of the 2023/24 municipal financial year). Section 27(2) requires that these funds be subject to the 2022/23 MDRG framework and the DoRA as if these were allocations for the 2022/23 financial year. The implications of this:

**MDRG condition 1: Funds from this grant must be utilised within six calendar months following the date of the transfer of the funds to the municipality**

By approving the release of these funds in June 2023, National Treasury implicitly approved the roll-over of these funds to the 2023/24 financial year. Therefore, the immediate relief funds transferred to municipalities on 15 June 2023 must be spent by 15 December 2023.

In terms of section 25(3)(d) of the Division of Revenue Act, 2023 (Act No. 5 of 2023 – herein referred to as “2023 DoRA”), which is now applicable to the immediate relief funds, the National Treasury may approve that, funds allocated in Schedule 7 be used at any time. In terms of section 25(3)(e) of the 2023 DoRA, funds approved in terms of paragraph (d) must be included in either the provincial adjustments appropriation legislation, municipal adjustments budgets or other appropriate legislation.

Expenditure need not wait for the passing of such adjustments budget as this is emergency spending or unforeseen and unavoidable expenditure, which is provided for in section 29 of the Municipal Finance Management Act, 2003 (“MFMA”).

Municipalities must ensure that the disaster funding and expenditure are ring fenced (isolated) and classified correctly in terms of the *mSCOA* when budgeting and transacting, as per the guidance provided in *mSCOA* Circular No. 14 dated 16 May 2022.

### 3. Revenue Management

The weak economic growth continues to impact municipal finances and as communicated in MFMA Circular No. 89 this has strained consumers’ ability to pay for services. Coupled with this conundrum is the marginal growth in national transfers as compared to the past. These two critical factors necessitate municipalities to function optimally suggesting that municipal operations, processes and procedures must be efficient. Inefficiencies in this space are guaranteed to manifest on municipal finances. Although some municipalities have managed these challenges well, others have fallen into financial distress and face liquidity challenges. Subsequently, municipalities are unable to meet their payment obligations to Eskom, water boards and other creditors. Therefore, municipalities must maximise their revenue generating potential and collect what is due to them and concurrently, eliminate wasteful and non-core spending. Municipal budgets will be scrutinised to ensure that municipalities adequately provide for their core mandate and to service their debt obligations. Municipalities must ensure that expenditure is limited to the maximum revenue collected and not spend on money that they do not have.

National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the financial sustainability of the municipality. The Consumer Price Index (CPI) inflation is forecasted to be within the the 4 to 6 per cent target band; therefore, municipalities are required to justify all increases in excess of the projected inflation target for 2024/25 in

their budget narratives and pay careful attention to the differential incidence of tariff increases across all consumer groups. In addition, municipalities should include details of their revenue growth assumptions for the different service charges in the budget narrative.

### **3.1 Maximizing the revenue generation of the municipal revenue base**

#### ***Property Rates***

Reference is made to MFMA Circulars No. 93, paragraph 3, 98 paragraph 4.1 and 123 paragraph 5.1. The emphasis in the above mentioned MFMA Circulars is to ensure that municipalities are using their entire revenue base as the basis for the revenue budget projections. The status quo remains. It is essential that municipalities reconcile their most recent consolidated valuation roll data to that of the current billing system data to ensure that revenue anticipated from property rates is realistic. The municipalities should implement a data management strategy and develop internal capacity to perform these reconciliations and investigations to improve completeness of billing.

#### ***Requirements of a billing report***

The Billing report must at a minimum provide the following per each property:

- Market value;
- Property category;
- Amount billed;
- Unique property identifier (linked to the Valuation Roll);
- Property owner;
- Rebate value;
- Exemption value; and
- Reduction value.

Although the format of the billing reports will vary across municipalities, the billing report will always have the above-mentioned specifics for any municipality regardless of the financial system used as they all use the valuation roll as the basis to update the municipal financial system. Municipalities are advised to engage their service providers in ensuring that there is a standardized billing report that considers the minimum billing report requirements.

#### ***Part A and Part B Register***

Reference is made to the Municipal Property Rates Act – section 23 of the MPRA reads as follows:

1. A municipality must draw up and maintain a register in respect of properties situated within that municipality, consisting of a Part A and a Part B;
2. Part A of the register consists of the current valuation roll of the municipality, including any supplementary valuation rolls of the municipality prepared in terms of section 78;
3. Part B of the register must specify which properties on the valuation roll or any supplementary valuation rolls are subject to – (a) an exemption from the rate in terms of section 15; (b) a rebate on or a reduction in the rate in terms of section 15; (c) a phasing-in of the rate in terms of section 21; or (d) an exclusion referred to in section 17 (1) (a), (e), (g), (h) and (i); and
4. The register must be open for inspection by the public during office hours. If the municipality has an official website or another website available to it, the register must be displayed on that website. (5) A municipality must at regular intervals, but at least annually, update Part B of the register. Part A of the register must be updated in accordance with the provisions of this Act relating to the updating and supplementing of valuation rolls.

Based on the cited section, municipalities are expected to comply with the provisions of section 23 of the MPRA to ensure that the latest information is used in the reconciliation process. All revenue foregone as supported by municipal policies due to municipal reductions rebates and exemptions must be accounted for in the Part B register and all subsequent supplementary rolls performed are accounted for using a Part A register.

Furthermore, municipalities are also advised and expected to comply with section 8(1) of the MPRA in terms of the billing methodology that should be specified within their policies to ensure that the correct categories (based on the selection made by the municipality) are used in the reconciliation process. A further test would be to reconcile this information with the Deeds Office registry.

In accordance with the MFMA Circular No. 93, municipalities are once more requested to submit their reconciliation of the Valuation roll/ Part A register to the billing system to the National Treasury on a quarterly basis by no later than the 10<sup>th</sup> working day after the end of the quarter. A detailed action plan must accompany the reconciliation where variances are noted.

The information must be uploaded by the municipality's approved registered user(s) using the GoMuni Upload Portal at: [https://lg.treasury.gov.za/ibi\\_apps/signin](https://lg.treasury.gov.za/ibi_apps/signin).

### **3.2 Setting the Cost reflective tariffs**

Municipalities must ensure that the capital repayment of loans are included in the cost when determining the tariff. In addition, they must ensure that the consumption charges for services are only based on consumption and all other variable costs. Therefore, fixed costs such as salary and wages, etc. should be covered by a fixed charge.

During the budgeting process, provision must be made for revenue to be generated by the tariffs levied for services to address the maintenance of infrastructure. New infrastructure developments in a municipal area of jurisdiction should be obliged to consider and incorporate energy efficiency sources of energy available such as solar or wind to respond to the ongoing global energy crisis.

### **3.3 Consumer Deposits and securities**

Credit control policies should be reviewed and amended to include the raising of consumer deposits, the authority to raise deposits should be deleted where it is still in the Electricity and Water by-laws, this should be included in the credit control and debt collection by-laws. Deposits should be equal or more than two months bulk accounts from water services authorities and Eskom.

### **3.4 Contracts with customers**

All municipalities should ensure that their service agreements with customers address the following matters:

- Requirements of POPIA;
- Digital and Physical Domicilium for the delivery of notices;
- Acceptance of liability in the case of proven tampering of services;
- Acceptance of Magistrates Court Jurisdiction if in arrears and legal action has been taken;
- Acceptance to adhere to Municipal policies and by-laws;



- Acceptance and approval to be handed over to third party if in arrears inclusive of credit bureau;
- Acceptance to give access to meter readers to read meters;
- Municipality accept to render promptly bills; and
- Municipality accept to limit the estimation of consumption on meters.

### 3.5 Indigent Management

It is critical to progressively manage the restriction of free basic services to national policy limits. Therefore, free basic services to indigent households must be restricted. Where any unlimited supply or supply above national policy limits is provided, the budget narrative must explicitly articulate how this is funded also in a context of facilitating adequate asset management and adequate provision for related debt impairment and ability to maintain payment of Eskom, bulk water and other creditors.

**Establishing and maintaining credible indigent register** – It is important that the municipalities undertake the following actions to conduct quality control and monitor the indigents:

- Check accuracy and identify any overstatement of the indigent debtor which will enable municipalities to confirm the accuracy of the reported number of indigent debtors;
- Proactively identify indigent citizens and accelerate the registration process through data-driven indigency status verification, as a precursor to tabling applications to Council for approval;
- Verify the status of indigents on the current indigent register thereby reducing the risk of citizens benefiting from the indigent subsidy when they do not qualify for it anymore;
- Create a verifiable indigent register which reduces performance audit risk through the provision of monthly controls and credible, third party, data-driven evidence to support the validity of households registered as indigent;
- Utilise the insight provided regarding indigents to possibly make any necessary amendments to current Indigent Policy; and
- Municipalities are advised to work closely with their respective DCoG (also provincially) to simplify its indigent management registration processes – even considering qualifying criteria that can be independently checked without requiring a hefty administration burden on indigent households that are already financially constrained, including facilitating such on-site close to where indigents may reside. It is noted that the municipality needs to report on all indigent households for water and energy within its demarcation also in the Eskom supplied areas since the LGES: Free basis services (FBS) allocation is targeted at the demarcation as a whole. The municipality must therefore focus in its 2024/25 MTREF Schedule A submission to report on ALL indigent households (also in Eskom supplied areas).

### 3.6 Voluntary restriction of notified maximum demand (NMD)

Municipalities are advised that Eskom agreed with NT that once a municipality in principle agreed to a Notified Maximum Demand (NMD) restriction with NT, Eskom will within 30 days of NT request advise on its ability to restrict the NMD at bulk supply points in that municipality. Eskom will restrict the NMD or not charge any NMD exceedance charges and penalties to the municipality until 30 June 2027 or earlier as may be agreed between NT and the municipality. Should any municipality with the electricity function not be able to maintain its Eskom bulk account, it is strongly urged to make an application to the National Treasury for such a

voluntary restriction of its NMD by Eskom. The application must include a council resolution to the effect that council approves and agrees to such a voluntary restriction and the effective date thereof. National Treasury will then make an application to Eskom for this purpose.

### **3.7 Pro-actively managing collection of municipal revenue in Eskom supplied areas**

NT notes that in the context of the Electricity Regulation Act, 2006 (ERA) existing section 21(5) prohibiting Eskom to cut supply in their areas to assist municipalities to collect on rates, water, wastewater and refuse removal – municipalities have no other tool but the restriction of water to collect in Eskom supply areas. Until ERA is amended it is critical that municipalities update their By-laws and policies to facilitate and legally allow the restriction of water as part of proper credit control for municipal revenue collection in Eskom supplied areas. The process before the supply of water is restricted/ limited, must honour the water supply rights of the indigent as well as the administrative processes and procedures, as contained in the municipal by-laws and policies read with section 4(3)(a) of the Water Services Act.

### **3.8 Maximising the revenue generation of the municipal revenue base Revenue on Property rates**

*(This section should be read in addition to the information provided on MFMA Circular No. 123 and previous circulars pertaining to this matter).*

It is important that municipalities who are performing a general valuation (GV) to implement a new valuation roll on 1 July 2024. Furthermore, it must as a best practice compare the current consolidated roll to the new valuation roll. This can identify any anomalies and errors of category of property and market values for review and investigation and the option of lodging an objection by the municipality, where applicable. This process should also identify outliers and shifts in market values by category and area so that tariffs on the new roll can be modelled and determined in an equitable manner to avoid rates shocks.

Municipalities should undertake this exercise as a routine practice during the budget process so that supplementary adjustments to the valuation roll are kept up to date. In order to ensure that the most updated information is used for the reconciliations, municipalities are reminded to adhere and comply with section 23(1) and section 23(2) of the MPRA and therefore use the Part A register as the basis for performing the reconciliations going forward.

### **3.9 Setting the Cost reflective tariffs**

Municipalities must ensure that when tariffs are designed, the capital repayment of loans are also included in the cost to determine the tariff.

Municipalities must ensure that when tariffs are designed that consumption charges for services are only based on consumption and all other variable costs. Fixed costs e.g. salary and wages, etc. should be covered by a fixed charge. The municipality must ensure its budgeting process address the requirement to maintain its infrastructure. New developments in/ a municipality should mandatorily make provision for alternative energy such as solar or wind or any other energy option available.

### **3.10 Critical Notice Affecting STS Meters and the RT29 Transversal Tender for Smart Meters**

As highlighted in MFMA Circulars No. 115 and 123 (dated 04 March 2022 and 03 March 2023 respectively) municipalities are once again alerted that there is still a pending business risk to the prepayment metering industry that requires urgency of action. The token identifiers (TID) used to identify each credit token will run out of available numbers in November 2024, at which point all STS meters will stop accepting credit tokens. The remedy is to enter a special set of key change tokens in order to reset the meter memory. Municipalities are advised that

the National Treasury, through the Office of the Chief Procurement Officer (OCPO), have issued a transversal contract for the provision of auditing, re-calibration and re-configuration services for standard transfer specification compliant prepayment meters that align to minimum and critical technical specifications for local government. In this respect the development of the transversal contract for smart prepaid meters as per NRS 049 (per latest approved version) is at an advanced stage.

Municipalities are cautioned against issuing their own tender to address the STS TID rollover and a smart solution for electricity and water meters as the RT29 tender should be available for municipalities to participate as early as January 2024 for participation.

### **3.11 Eskom Bulk Tariff increases**

The National Energy Regulator of South Africa (NERSA) is responsible for the price determination of the bulk costs of electricity. In the municipal financial year 2023/24, bulk electricity costs increased significantly at 15.1 per cent, compared to 8.61 per cent in the 2022/23 municipal financial year. There has been no change to the second year of the Multi-Year Price Determination (MYPD 5), as such bulk electricity costs are to be calculated using an increase of 12.7 per cent as per MYPD-5 in the 2024/25 financial year.

Given the absence of an approved tariff increase for the outer year of the MTEF, the increase is projected to be 15.7 per cent in 2025/26. This is the average of the approved increases for the two years of the MYPD-5 period. Municipalities in arrears with Eskom should ensure that their payment arrangements are included in the 2024/25 MTREF budget.

### **3.12 Consumer Deposits and securities**

Credit control policies should be reviewed and amended to include the raising of consumer deposits, the authority to raise deposits should be deleted where it is still in the Electricity and Water by-laws, this should be included in the credit control and debt collection by-laws. Deposits should be equal or more than two months bulk accounts from water services authorities and Eskom.

## **4. Funding choices and management issues**

Given the current economic crisis the country faces, Municipalities are under pressure to generate revenue. The ability of customers to pay for services is declining and this means that less revenue will be collected. Municipalities are advised to consider all the advice provided in MFMA Circular No 123 and other previous circulars under this topic to ensure the adoption of surplus and funded budgets.

### **4.1 Employee related costs**

The *Salary and Wage Collective Agreement* for the period 01 July 2021 to 30 June 2024 has come to an end and a new agreement is under consultation, which is anticipated to consider the current fiscal constraints faced by government. Therefore, in the absence of any information in this regard from the South African Local Government Bargaining Council (SALGBC), municipalities are advised to consider their financial sustainability when considering salary increases. It has been observed over the previous years that salary increases were above inflation and has posed challenges to most municipalities' sustainability. In addition, municipalities that could not afford such increases did not apply for exemption as provided by SALGBC.

Therefore, municipalities are urged to consider projecting salary and wage increases that would reflect their affordability given the current economic challenges. Municipalities that are

already not in a position to afford the current wage cost, would have to limit the increase in the 2024/25 MTREF and to exercise the option for exemption for any negotiated increase above the level of their affordability.

#### **4.2 Remuneration of Councillors**

Municipalities are advised to budget for the actual costs approved in accordance with the Government Gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published annually between December and January by the Department of Cooperative Governance. It is anticipated that this salary determination will also take into account the fiscal constraints. Municipalities should also consider guidance provided above on salary increases for municipal officials during this process. Any overpayment to councillors contrary to the upper limits as published by the Minister of Cooperative Governance and Traditional Affairs will be irregular expenditure in terms of section 167 of the MFMA and must be recovered from the councillor(s) concerned.

## **5. FUNDING MUNICIPAL BUDGETS**

### **5.1 Approval of deficit budgets**

National/ Provincial Treasuries encourage municipalities to prepare a surplus budget to avoid placing the municipality's resources in financial difficulties. The adoption of a credible budget starts with the preparation of a surplus budget. With effect from 1 July 2024 all municipal Councils are advised not to approve a deficit budget, as such Mayors who table budgets to Council must be aware of the implications of a deficit budget.

Accounting Officers and their Chief Financial Officers are responsible for preparing budgets and accordingly are tasked with ensuring that the Mayor is guarded against submitting a deficit budget to Council for adoption. Failure thereof may result in Councils implementing section 171 of the MFMA to both the Accounting Officer and Chief Financial Officer.

### **5.2 Funded Budget**

Subsequently, the National Treasury would like to re-emphasise that municipalities must not adopt an unfunded budget. The emphasis is on municipalities to comply with section 18 of the MFMA and ensure that they fund their MTREF budgets from realistically anticipated revenues to be collected. Municipalities are cautioned against assuming collection rates that are unrealistic and unattainable as this is a fundamental reason for municipalities not attaining their desired collection rates. Municipalities are encouraged to limit expenditure according to the anticipated revenue projections. Should their collection rate improve during the financial year, municipalities may bring back initial expenditure items omitted. Municipalities should note that the Office of the Auditor General will soon start auditing those municipalities that have tabled and adopted unfunded budgets over an extended period given that this practice is not only illegal but also compromise their financial sustainability.

### **5.3 Credible Funding Plans**

Municipalities must adopt a credible funding plan in cases where the budget is unfunded (an unfunded budget is not encouraged). Where a funding plan lacks credibility, they will be required to correct the funding plan and ensure that it is credible. The credible funding plan must be immediately adopted by the Municipal Council and the changes to budget must be effected in the mid-year adjustments budget to ensure compliance with section 18 of the MFMA. The funding plan must show progressive improvement in the funding of the budget.

#### 5.4 Budgeting for Debt Impairment Loss, Write Off of irrecoverable debt and Reversal of Impairment Loss

Assessment of the funding position of 2023/24 tabled and adopted municipal budgets revealed that a large number of municipalities incorrectly accounted for debt impairment and the write off of irrecoverable debt with the result that their budgets were assessed as unfunded. The two common mistakes made by most municipalities were:

- Provision for impairment losses was budgeted as Irrecoverable Debt Written Off on Table A4; and
- Provision to write off irrecoverable debt was budgeted for on Table A4 without any adjustment to the Accumulated Provision for Debt Impairment by way of a concomitant reversal of the impairment loss.

Any write off of irrecoverable debt previously impaired and accounted for as an impairment loss should be adjusted as a reversal of impairment loss when the write-off takes place. Failure to adjust the previous impairment loss by the reversal will impact negatively on the net receivables and therefore the funding of the budget. The receivables will be reduced by the amount of the debt written off whilst still providing for the impairment of the receivables already written off.

Municipalities should consider the following when budgeting for the annual Debt Impairment Loss, Write Off of Irrecoverable Debt and Reversal of Impairment Loss. The *mSCOA* chart includes data strings for:

- **Impairment loss** – contribution to the provision for annual non-payment based on the realistic collection rate for the municipality. Any increase in impairment is accounted for per debt type. This is treated as a loss in the Statement of Financial Performance;
- **Reversal of Impairment loss** – used to facilitate the reversal of overstated impairment losses. Any decrease in impairment is accounted for per debt type. This is treated as a gain in the Statement of Financial Performance. The reversal of impairment loss enables the reduction of debt impairment provision. Therefore, the data strings for impairment loss and reversal of impairment loss are aggregated to populate debt impairment on table A4; and
- **Irrecoverable Debts Written Off** – this is no longer written off against the Accumulated Provision for Debt Impairment but is expensed in the Statement of Financial Performance. Therefore, municipalities must record the reversal of impairment loss to reduce the Accumulated Provision for Debt Impairment with the irrecoverable Debts Written Off. The previous versions of the *mSCOA* chart provided for a single expenditure account for the recognition of any bad/ irrecoverable debt written off. However, in version 6.8 the *mSCOA* chart was expanded to include the write off of irrecoverable debt by debt type.

#### 5.5 Burial of councillors using public funds

In terms of National Treasury's Budget Circulars No. 122 and 123 municipalities were urged to ensure that public funds are not used for burial of councillors. The issuance of this requirement in both circulars would have required in certain cases amendment of Council approved policies dealing with these matters.

Therefore, municipalities are reminded to ensure that any policies to this effect are rescinded as this matter will be referred to the Auditor General South Africa (AGSA) to verify during the 2023/24 audit if there have been no instances where public funds are utilised for burial of councillors. If such activities occurred in the municipality w.e.f. the 2023/24 financial year,

each Accounting Officer and Chief Financial Officer will be held responsible, and each Council can deal with such instances in terms of section 171 of the MFMA.

## **5.6 The use of mayoral discretionary accounts and any other council discretionary accounts**

In the previous Budget Circulars municipalities were cautioned against the tendency of utilising Mayoral Discretionary accounts. The risk or danger herein is that public funds are availed/ allocated or given out to other bodies or institutions or individuals by the Mayors of a municipality outside the budget process.

These allocations are at times not known by the Council as they were not disclosed in the budget approved by Council, meaning that there was a lack of transparency during the budgeting processes. Municipalities are reminded that this practice of utilising “Mayoral Discretionary Accounts is not supported by the National Treasury. Therefore, if there are policies developed by municipalities allowing or promoting such activities, those policies must be rescinded when the Council approves the 2024/25 MTREF budget.

Any further use of public funds in that manner will be audited by the AGSA with effect from 1 July 2024 with an intention of ensuring that Accounting Officers/ Executive Mayors and Chief Financial Officers, that allow such practices to continue in their municipalities will be held personally responsible.

## **5.7 Development charges**

Development charges are important components of a sustainable municipal infrastructure financing system, especially for cities and large urban municipalities, as they are used to finance land intensification. Despite their potential as an alternative option for financing infrastructure, municipalities have not fully used development charges due to uncertainty surrounding the regulatory frameworks. To address this uncertainty, amendments to the Municipal Fiscal Powers and Functions Act (2007) are proposed. The Municipal Fiscal Powers and Functions Amendment Bill proposes new, uniform regulations for levying development charges, so strengthening municipalities’ revenue-raising framework. This will allow municipalities to mobilise own revenue resources to fund their infrastructure needs and support economic growth.

Once enacted, these amendments will create legal certainty for municipalities to levy development charges, regulate their applicability and create a more standardised, equitable, and sustainable framework for development charges. The Bill was approved by Cabinet for tabling in Parliament on 17 August 2022 and subsequently introduced in Parliament on 08 September 2022. The Bill is currently being processed in line with the Parliamentary processes. Once the Bill has been enacted, the amendments will take effect from the next municipal financial year (commencing 1 July) or on a date prescribed by the President.

The National Treasury will clearly articulate the budgeting and accounting requirements upon the completion of the Parliamentary processes.

# **6. Municipal Standard Chart of Accounts (mSCOA)**

## **6.1 Release of Version 6.8 of the Chart**

On an annual basis, the mSCOA chart is reviewed to address implementation challenges and correct chart related errors. Towards this end, Version 6.8 is released with this circular. Version 6.8 of the chart will be effective from 2024/25 and must be used to compile the 2024/25 MTREF. The linkages to chart version 6.8 can be downloaded from GoMuni on the following link under the mSCOA/ List mSCOA WIP account linkages menu option:

[https://lg.treasury.gov.za/ibi\\_apps/signin](https://lg.treasury.gov.za/ibi_apps/signin)

The reports on the Local Government and Reporting System (LGDRS) are populated from financial and non-financial data strings. Municipalities must use of the linkages on GoMuni referred to above and not the formulas in the regulated Municipal Budget and Reporting (MBRR) Schedules when generating their data strings.

The Municipal Budget and Reporting Regulations (MBRR) Schedules (A to F) and non-financial data string (A1S) was also aligned to chart version 6.8. A protected version of the MBRR Schedules for version 6.8 of the chart and A1S is available on the MFMA Webpage on the link below:

<http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx>

Municipalities must verify that the A1S data string does not contain spaces and special characters prior to submission to the GoMuni Upload portal as this will result in the data not pulling through on table A10 of the A1 system generated schedule.

All municipalities must prepare their 2024/25 MTREF budgets using the budget modules of their ERP systems, generate their financial and non-financial data string and produce the Schedule A1 directly from the ERP system. The manual preparation of these documents outside the ERP system is not allowed in terms of the *m*SCOA Regulations.

For the National Treasury to consider a new chart change in version 6.9 of the chart, the issue must be logged with all relevant detail, supporting documents and screenshots (where applicable) on the *m*SCOA Frequently Asked Question (FAQ) portal by 31 August 2024. The *m*SCOA FAQ portal can be accessed by all registered GoMuni users on the following link:

[https://lg.treasury.gov.za/ibi\\_apps/signin](https://lg.treasury.gov.za/ibi_apps/signin)

Importantly, when a FAQ is logged, it is considered by the FAQ committee after it has been investigated. If the FAQ members do not find grounds for a chart change, the FAQ will be closed with an explanation. If there is merit for a chart change in the next version of the chart, the matter is referred to the *m*SCOA Technical and Steering Committees for recommendation and approval. This process only concludes by the end of October annually. The FAQ process will therefore not provide quick responses to queries.

If a query pertains to GoMuni related issues (such as the **A**, **B** and **C** Schedules) and not a chart change, then an email with all relevant detail, supporting documents and screenshots must be send to [lgdataqueries@treasury.gov.za](mailto:lgdataqueries@treasury.gov.za).

Please note the following errata in MFMA Circular No.123 on page 5 in relation to property categories that were approved by the Minister of Cooperative Governance for Bitou and Drakenstein municipalities. It was **incorrectly** indicated that the approval was in accordance with section 8(2)(j) of the Municipal Property Rates Act (MPRA) as amended in 2014, and that municipalities may apply for categories other than the categories in 8(2)(a) to (i).

**The paragraph is corrected as follows:**

Kindly note that, in accordance with section **8(4)** of the Municipal Property Rates Act (MPRA) as amended in 2014, municipalities may apply to the Minister for the authorisation to sub-categorise the property categories in subsection (2). Towards this end the Minister of Cooperative Governance and Traditional Affairs approved the following categories:

- Sports Clubs and Fields for Bitou Municipality and

- Residential sectional title garages for Drakenstein Municipality.

## 6.2 Improving *m*SCOA data strings credibility

The credibility of the *m*SCOA data strings that have been submitted by municipalities to the GoMuni Upload portal has improved over the last financial year. However, the following areas of concern remain:

- Municipalities continue to **transact against line items without budgets** and as a result exceed the annual budget already in month 1 to 3 (quarter 1) of the new financial year;
- **Opening balances** for the previous year are **not transferred** in the first month (M01) of the current year, and all adjustments made during the preparation of the annual financial statements in periods 14 and 15 are not transferred through journals to the opening balances of the current year in the month of the current year that the adjustments are done;
- **Cash flow tables** (Tables A7, B7 and C7) are still **not populating correctly** and fully. This can be attributed to the fact that several municipalities still do not use balance sheet budgeting and movement accounting. Guidance on the use of balance sheet budgeting and movement accounting to populate tables A7, B7, and C7 correctly was provided in MFMA Budget Circular No. 107 (dated 04 December 2020) and *m*SCOA Circular No. 11 (dated 04 December 2020);
- Budget and transacting for **water inventory** is **not done correctly** in terms of the guidance given in MFMA Budget Circular No.115 (dated 04 March 2022) and MFMA Budget Circular No. 122 (dated 12 December 2022); and
- Some municipalities **do not budget and transact correctly** or completely **for irrecoverable debt written off and impairment loss** as well as the reversal of impairment loss of consumer debtors that have a significant impact on the funding of budgets.

National and provincial treasuries analyse the data strings of municipalities monthly to identify errors and communicate these findings to municipalities. Municipalities must use the feedback received to correct recurring errors in subsequent periods. Going forward, the National Treasury will not allow data string errors made in a previous month to be corrected in the next open period as this skew the monthly figures on the National Treasury Local Government Database and Reporting System (LGDRS). Municipalities must therefore **verify** the credibility and accuracy of the information in their financial system **prior** to submitting the *m*SCOA data strings to the LGDRS. The data on the LGDRS is used by various stakeholders such as the South African Reserve Bank (SARB), STATSSA, SARS, Department of Water Affairs (DWA), NERSA, DCoG, SALGA, AGSA, World Bank universities and the public.

## 6.3 *m*SCOA reporting on Value Added Tax (VAT)

In terms of the VAT Act, 1991 (Act No. 89 of 1991) and its amendments, municipalities must be VAT registered and must declare Output tax on the taxable supply of goods and services and claim Input tax credits on expenses incurred in the course or furtherance of the enterprise (the taxable supplies). The output tax is declared, and the input tax claimed by completing a VAT 201 return.

The guidance provided in *m*SCOA Circular No. 12 must be followed when reporting on VAT. It should be noted that the South African Revenue Services (SARS) will be using the data on the LGDRS submitted by municipalities to verify the VAT 201 return in 2024/25. It is therefore



crucial that municipalities report their VAT transaction correctly on their ERP systems and in their *mSCOA* data strings.

#### **6.4 Use of function segment to achieve GRAP 18 segmental reporting**

GRAP 18 is applicable to all entities on the accrual basis of accounting. The standard applies to separate (or individual) financial statements of an entity, as well as to consolidated financial statements of an economic entity. Municipalities control significant public resources and provide a wide variety of goods or services in different geographic areas with different socio-economic conditions. Consolidated financial statements provide an overview of assets, liabilities, revenues and costs etc. of an entity, but a greater level of aggregation is necessary to provide information which is relevant for accountability and decision-making purposes.

The objective of the disclosures is to enable users of the financial statements to evaluate the nature and financial effects of the activities in which it engages and the economic environment in which it operates. To achieve the objective, disclosures are required on two levels, namely:

- Specific segment disclosures
- Geographic disclosures

Detailed guidance on GRAP 18 reporting was provided by the National Treasury in the Accounting Guideline on GRAP 18 Segment Reporting (February 2020) which is available on the following link:

<https://ag.treasury.gov.za/>

The *mSCOA* function and region segments must be used to comply with the GRAP 18 reporting requirements.

The function segment records the major activities that generate the most economic benefits or service potential of the municipality. The implication will be that all income and expenditure transactions related to a specific trading service (function) must be budgeted for and transacted within that function. Therefore, where grants are allocated to trading services, the grant must be budgeted for and transacted in the Trading Services function. Municipalities must review their classification of the function segment as to whether the function is correctly identified as a core or non-core function.

The region segment identifies the lowest relevant geographical regional indicator of the intended contributor or beneficiaries that will contribute/ benefit directly from the given service or capital investment. Municipalities must ensure that they identify the lowest geographical regional indicator in the region segment when they budget, transact and report to provide data on the geographic disclosures required in GRAP 18.

Municipalities are also reminded to include the GPS Longitude for capital projects on supporting table SA36 on the A Schedule.

#### **6.5 Period closure and reconciliation of General Ledger**

Section 65 (2)(j) of the MFMA states that the accounting officer must take all reasonable steps to ensure that all financial accounts of the municipality are closed at the end of each month and reconciled with its records.

Annexure B of MFMA Circular No. 80 (08 March 2016) provides guidance on the minimum system requirements in this regard, namely that the ERP system must contain the functionality for:

- Period closures (i.e. budget process, month-end and year-end) and certification within the statutory reporting dates;
- Reconciliations and balancing of the sub-system and the General Ledger of the core ERP System with control accounts as a condition of all period closures;
- System generated transfer of opening balance to month 1 in the following year subsequent to the year-end closures period 12 as at 30 June (of the current year);
- Automated roll-over of the closing balance from month 12 into period 13 of the current financial year and month 01 of the new financial year; and
- Automated roll-over of the closing balance from period 13 to 14 and 15 of the current financial year and the corresponding month in the new financial year.

Guidance on the required period closures will be provided in *mSCOA* Circular No. 15 that will be issued in 2024.

### **6.6 *mSCOA* governance and implementation**

Municipalities that have not yet achieved the required level of *mSCOA* implementation, must develop and implement a road map (action plan) to fast track the implementation of *mSCOA*. The focus areas that should be considered (at a minimum) when developing the road map are articulated in **Annexure A** attached to this circular.

### **6.7 Regulating the minimum business processes and system specifications for *mSCOA***

The National Treasury will regulate the minimum business processes and system specifications for *mSCOA* towards the end of 2025/26. This project will also include the following outputs:

- Review and update the set of minimum business processes and system specifications for *mSCOA* (currently articulated in MFMA Circular No. 80) to incorporate new legislative requirements that have been issued since the circular was published;
- Update and develop the standard operating procedures (SOPs) for *mSCOA*;
- Align the current ICT due diligence assessment for *mSCOA* to the new Regulations;
- Consultation with key stakeholders on draft regulations; and
- Training on the new Regulations to ensure that there is a fair understanding of the new regulation by stakeholders.

Further communication will be issued on the consultation processes and training in due course.

### **6.8 Training Initiatives**

The National Treasury has introduced several training initiatives to capacitate municipalities, government departments, system vendors and other stakeholders on *mSCOA*. In 2024, these training initiatives will include:

- **Virtual Master classes:** This training is hosted by CIGFARO at no cost via zoom on a monthly basis and deals with technical and accounting aspects of the use of *mSCOA* chart;

- **Provincial training on mSCOA:** This is a new training initiative and will be hosted at a physical venue by CIGFARO at a cost (to cover expenses) and will include the fundamentals (part 1) and technical and accounting aspects (part 2) of mSCOA. Delegates will be required to pass a test on each part of the training to receive a certificate of completion;
- **mSCOA eLearning:** This self-paced web-based course hosted by the National School of Government (NSG) at no cost (until further notice) aims to equip learners with the fundamental of mSCOA. Municipal and government officials can register for the course at on the following link:

<https://www.thensg.gov.za/elearning>

- **Annual CIGFARO/mSCOA workshop:** This annual workshop provides a platform to share lessons learnt, best practices, technical aspects of mSCOA implementation and planned new developments by the National Treasury.

The full training program for 2024 is available on the GoMuni/ Go Training portal) on the following link:

[https://lg.treasury.gov.za/ibi\\_apps/portal](https://lg.treasury.gov.za/ibi_apps/portal)

## 7. The Municipal Budget and Reporting Regulations

### 7.1 Assistance with the compilation of budgets

If municipalities require advice with the compilation of their respective budgets, specifically the budget documents or Schedule A, they should direct their enquiries to their respective provincial treasuries or to the following National Treasury officials:

Province	Responsible NT officials	Tel. No.	Email
Eastern Cape	Matjatji Mashoeshoe	012-315 5553	<a href="mailto:Matjatji.Mashoeshoe@treasury.gov.za">Matjatji.Mashoeshoe@treasury.gov.za</a>
Buffalo City	Pitso Zwane	012-315 5171	<a href="mailto:Pitso.Zwane@Treasury.gov.za">Pitso.Zwane@Treasury.gov.za</a>
	Mandla Gilimani	012-315 5807	<a href="mailto:Mandla.Gilimani@treasury.gov.za">Mandla.Gilimani@treasury.gov.za</a>
Free State	Sifiso Mabaso	012-315 5952	<a href="mailto:Sifiso.mabaso@treasury.gov.za">Sifiso.mabaso@treasury.gov.za</a>
	Cethekile Moshane	012-315 5079	<a href="mailto:Cethekile.moshane@treasury.gov.za">Cethekile.moshane@treasury.gov.za</a>
Gauteng	Matjatji Mashoeshoe	012-315 5553	<a href="mailto:Matjatji.Mashoeshoe@treasury.gov.za">Matjatji.Mashoeshoe@treasury.gov.za</a>
	Pitso Zwane	012-315 5171	<a href="mailto:Pitso.Zwane@Treasury.gov.za">Pitso.Zwane@Treasury.gov.za</a>
	Oreal Tshidino		<a href="mailto:Oreal.Tshidino@Treasury.gov.za">Oreal.Tshidino@Treasury.gov.za</a>
City of Tshwane and City of Johannesburg	Willem Voigt	012-315 5830	<a href="mailto:WillemCordes.Voigt@treasury.gov.za">WillemCordes.Voigt@treasury.gov.za</a>
	Makgabo Mabotja	012-315 5156	<a href="mailto:Makgabo.Mabotja@treasury.gov.za">Makgabo.Mabotja@treasury.gov.za</a>
	Enock Ndlovu	012-315 5866	<a href="mailto:Enock.Ndlovu@treasury.gov.za">Enock.Ndlovu@treasury.gov.za</a>
City of Ekurhuleni	Kgomotso Baloyi		<a href="mailto:Kgomotso.Baloyi@treasury.gov.za">Kgomotso.Baloyi@treasury.gov.za</a>
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Cape Town	Kgomotso Baloyi	012-315 5866	<a href="mailto:Kgomotso.Baloyi@treasury.gov.za">Kgomotso.Baloyi@treasury.gov.za</a>
George	Mandla Gilimani	012-315 5807	<a href="mailto:Mandla.Gilimani@treasury.gov.za">Mandla.Gilimani@treasury.gov.za</a>
Technical issues on GoMuni Website	Data management		<a href="mailto:lqdataqueries@treasury.gov.za">lqdataqueries@treasury.gov.za</a>

## 8. Submitting budget documentation and A schedules for the 2024/25 MTREF

### 8.1 Time frames for submission

The LGDRS will be locked at 00:00 on the 10th working day of every month for the submission of data strings due, as required in terms of section 71 of the MFMA. Closed periods will not be opened to correct errors or to accommodate non-submission of data strings, regardless of whether a Schedule G application was done or not.

Municipalities must therefore verify the credibility and accuracy of the information in their financial system prior to closing the month on the ERP system and submitting the *m*SCOA data strings to the LGDRS.

Annexure A (attached) provides a list of the deadline dates for the submission of *m*SCOA data strings and documents to the GoMuni Upload portal in the 2024/25 MTREF. The GoMuni Upload portal can be accessed by registered users on the following link:

[https://lg.treasury.gov.za/ibi\\_apps/signin](https://lg.treasury.gov.za/ibi_apps/signin)

Since the 2020/21 MTREF, municipalities are no longer required to submit hard copies of all required documents including budget related, Annual Financial Statements and Annual Reports to National Treasury via post or courier services. PDF versions of documents must be submitted to the GoMuni Upload portal.

## 8.2 Updating of contact details on GoMuni

Municipalities must ensure that their contact details on GoMuni are updated as soon as changes occur. Often emails containing important information and deadlines do not reach the intended GoMuni users due to outdated users contact information.

To update the contact details, municipalities (registered users) must download the excel report from GoMuni under Database/Contacts/Reporting/Contact information on the following link:

[https://lg.treasury.gov.za/ibi\\_apps/signin](https://lg.treasury.gov.za/ibi_apps/signin)

Changes/ additions made must be forwarded to [lgdocuments@treasury.gov.za](mailto:lgdocuments@treasury.gov.za).

## 8.3 Submission of monthly sign-off

From 2024/25, municipalities will be required to sign off on the *m*SCOA data strings submitted for section 71 and grant reporting monthly. Currently this is being done manually on a quarterly basis. These monthly sign-off certificates will be system generated from the LGDRS and must be uploaded monthly with the data string submission to the GoMuni Upload portal.

## 8.4 Training on GoMuni

The training schedule and GoMuni links for 2024 to assist those users that require new or refresher training on how to draw reports on the LGDRS, is available on the GoMuni/ Go Training portal on the following link:

[https://lg.treasury.gov.za/ibi\\_apps/portal](https://lg.treasury.gov.za/ibi_apps/portal)

## Contact



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

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**JH Hattingh**  
**Chief Director: Local Government Budget Analysis**  
**07 December 2023**

**Annexure A**

The following focus areas should be considered (at a minimum) when developing the road map and the road map should detail action steps, assign responsibilities, and specify time frames to address the implementation gap:

- a. **ICT Architecture**, which includes the hardware, servers, software, licences required to run the ERP management systems.
- b. **Governance and Institutional Requirements** - which includes:
  - A functioning *m*SCOA steering committee or equivalent structure to monitor and report on progress against the road map. This committee consist of the heads of all business units and meet regularly (at least quarterly).
  - Regular reporting on *m*SCOA implementation to Management and Executive Committees and Council.
  - Appointment of a *m*SCOA champion to drive the *m*SCOA implementation at the municipality.
  - Appointment of a suitably qualified System Administrator.
  - The development and adoption of the required IT policies and securities.
  - Establishment of data back-up and disaster recovery procedures.
- c. **System Functionality** - which includes:
  - The ERP modules and 3rd party systems used. These must give effect to the minimum business processes and system requirements specified in MFMA Circular No. 80. Municipalities must budget adequately to procure the required functionality and upgrade to the *m*SCOA enabling version of the ERP.
  - Seamless and full integration of data in the ERP system, including 3rd party systems used by the municipality and its entities. The ERP system vendor sets the requirements for the integration.

An ICT due diligence assessment must be conducted 6 months before the Service Level Agreements (SLA) with an existing system vendor comes to an end to determine if an ERP system changes or extension of the existing SLA is required. Municipalities must follow the due diligence processes set out in MFMA Budget Circulars No. 93, 98, 123 and *m*SCOA Circulars No. 5 and 6 prior to procuring a new ERP system. Guidance on procurement processes were also provided in MFMA Circular No. 107 (4 December 2020).

*The ERP system represents the General Ledger. Any 3<sup>rd</sup>-party system with a direct impact on the General Ledger must integrate fully and seamlessly with the ERP system in terms of the *m*SCOA Regulations. This means that data contained in the 3<sup>rd</sup> party system must synchronise without any human or manual intervention integrate to the ERP system without human or manual intervention in real time or at least daily and drill down from the ERP system to the General Ledger of the 3<sup>rd</sup> party system must be possible.*

**d. User Proficiency and Training**

- The relevant municipal officials and interns must be sufficiently capacitated on the

mSCOA chart, basic accounting, balance sheet budgeting and movement accounting and all system modules and functionalities to use the ERP systems solution. Consideration should be given to training, the establishment of User Support Groups and the availability of user manuals on the system.

- Change management initiatives to ensure that mSCOA is institutionalised as an organisational reform and not only a financial reform.



Annexure B

**SUBMISSION CHECKLIST 2024/25 MTREF BUDGET DOCUMENTS:**

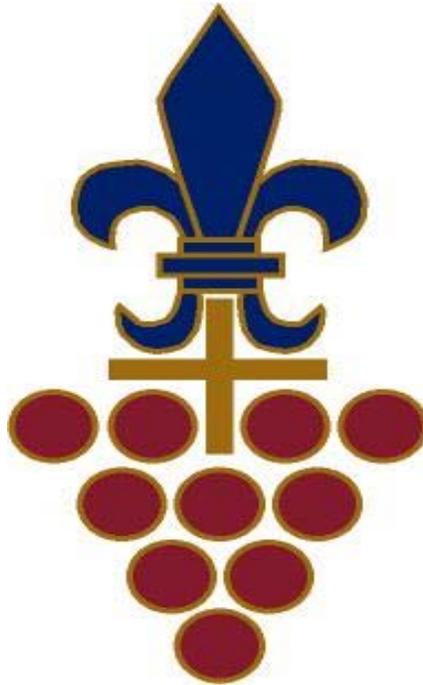
Category	Documents Required	mSCOA Data Strings Required	Due Date	Date for Closing LGDRS Submission
<b>BUDGET DOCUMENTS</b>				
<b>Tabled Budget</b>	<ol style="list-style-type: none"> <li>1. A1 Schedule Draft</li> <li>2. Budget Document Draft</li> <li>3. Council Resolution Draft</li> <li>4. Quality Certificate Draft</li> <li>5. IDP Draft</li> <li>6. SDBIP Draft</li> <li>7. Spatial Development Framework Draft</li> <li>8. Long Term Financial Strategies Draft</li> <li>9. Service Standards Draft</li> <li>10. Rates Billing Draft</li> <li>11. Tariff List Draft</li> <li>12. Property Rates and Tariffs List Draft</li> <li>13. Draft Tariff Policies on:               <ol style="list-style-type: none"> <li>a. Property Rates and Service charges</li> <li>b. Borrowing</li> <li>c. Budget Implementation and Management</li> <li>d. Cash Management and Investment</li> <li>e. Credit Control and Debt Collection</li> <li>f. Funding and Reserves</li> <li>g. Indigents</li> <li>h. Long-term Financial Planning</li> <li>i. Management and Disposal of Assets Draft</li> <li>j. Infrastructure Investment &amp; Capital Projects</li> <li>k. Supply Chain Management</li> </ol> </li> <li>14. mSCOA Road Map Draft</li> <li>15. Fixed Asset Register Draft</li> </ol>	<ol style="list-style-type: none"> <li>1. TABB – Tabled Budget</li> <li>2. PRTA – Tabled Project Details</li> <li>3. A1D – Tabled non-financial data</li> </ol>	Immediately (within 24 hours) after tabling by council	15 April 2024

Category	Documents Required	mSCOA Data Strings Required	Due Date	Date for Closing LGDRS Submission
	16. Funding Plan Draft 17. Indigent Register Draft 18. General Valuation Roll (GVR) Draft			
<b>Adopted Budget</b>	1. A1 Schedule Final 2. Budget Document Final 3. Council Resolution Final 4. Quality Certificate Final 5. Budget locking certificate Final 6. IDP Final 7. SDBIP Final 8. Spatial Development Framework Final 9. Long Term Financial Strategies Final 10. Service standards Final 11. Rates Billing Final 12. Tariff List Final 13. Property Rates and Tariffs List Final 14. Final Tariff Policies on: <ul style="list-style-type: none"> <li>a. Property Rates and Service charges</li> <li>b. Borrowing</li> <li>c. Budget Implementation and Management</li> <li>d. Cash Management and Investment</li> <li>e. Credit Control and Debt Collection</li> <li>f. Funding and Reserves</li> <li>g. Indigents</li> <li>h. Long-term Financial Planning</li> <li>i. Management and Disposal of Assets</li> <li>j. Infrastructure Investment &amp; Capital Projects</li> <li>k. Supply Chain Management</li> </ul> 15. mSCOA Road Map Final 16. Fixed Asset Register Final	1. ORGB – Original (adopted) Budget 2. PROR – Project Details Original Budget 3. A1F – Final non-financial data	10 working days after approval by council	12 July 2024

Category	Documents Required	mSCOA Data Strings Required	Due Date	Date for Closing LGDRS Submission
	17. Funding Plan Final 18. Indigent Register Final 19. General Valuation Roll (GVR) Final 20. D Schedule (entities) 21. MTREF Budget Schedule Time Table			
<b>Adjustment Budget</b>	1. Mid-Year Budget Perform Assessment S72 2. Resolution Mid-Year Budget Perf Assess S72 3. Adjusted Budget 4. B Schedule 5. Council Resolution 6. Quality Certificate 7. Budget locking certificate Revised 8. E schedule (entities)	1. ADJB - Adjusted Budget  2. PRAD - Project details Adjusted Budget	10 working days after approval by council	14 March 2024
<b>In-year Reporting</b>	1. S71 monthly report 2. Monthly C Schedule 3. Monthly Quality Certificate 4. Monthly Primary Bank Statements 5. Monthly Primary Bank Recon 6. Monthly Trial Balance 7. Signed S71 Monthly Report to Council 8. Signed Conditional Grant Monthly Report to Council 9. Monthly F Schedule (entities) 10. Quarterly mSCOA Implementation Progress Reports 11. Quarterly S52d Performance Reports	1. M01 – M12 - Monthly Actuals  2. CR01 – CR12 - Monthly Creditors  3. DB01 – DB12 - Monthly Debtors  4. BMQ1 – BMQ4 – Quarterly Borrowing Monitoring  5. IMQ1 – IMQ4 - Quarterly Investment Monitoring	10 working days after the end of month/quarter	15 August 2024 13 September 2024 14 October 2024 14 November 2024 13 December 2024 15 January 2025 14 February 2025 14 March 2025 14 April 2025 15 May 2025 13 June 2025 14 July 2025
<b>YEAR-END DOCUMENTS</b>				
<b>Pre-audit</b>	1. Pre-audited AFS	PAUD - Pre-audited AFS CRPA – Creditors DBPA - Debtors	Immediately (within 24 hours) after submission to AGSA	13 September 2024
<b>Audit</b>	2. Audited AFS	1. AUDA - Audited AFS  2. CRAU – Creditors	Immediately (within 24 hours) after conclusion of audit	14 March 2025

Category	Documents Required	mSCOA Data Strings Required	Due Date	Date for Closing LGDRS Submission
		3.DBAU - Debtors		
<b>Restated</b>	4. Restated AFS	RAUD - Restated AFS	Immediately (within 24 hours) after approved by Council	2022/23: 15 August 2024
<b>Annual Report</b>	5. Annual Report 6. Council Oversight Report	Not applicable	Within nine months after the end of a financial year deal	15 May 2025
<b>REVENUE MANAGEMENT DOCUMENTS</b>				
<b>Revenue</b>	<ol style="list-style-type: none"> <li>1. Tariff Tool Draft and Final</li> <li>2. Tariff Tool Final</li> <li>3. Bulk Suppliers (water and electricity) proof of payment-M01 to M12</li> <li>4. Proof of payment 3rd party (Staff benefits, SARS)-M01 to M12</li> <li>5. Bulk Suppliers - repayment plans</li> <li>6. Repayment plan (with any of its creditors excluding bulk suppliers)</li> <li>7. Municipality Valuation Roll Reconciliation-Q1 to Q4</li> <li>8. Revenue Enhancement Strategy</li> <li>9. Municipality Revenue Assessment Tool</li> <li>10. Schedule for the new general valuation roll</li> <li>11. Supplementary Valuation Roll</li> <li>12. Municipal Debt relief Application</li> </ol>	Not applicable	<ol style="list-style-type: none"> <li>1. Annually</li> <li>2. Monthly</li> <li>3. Monthly</li> <li>4. As applicable*</li> <li>5. As applicable*</li> <li>6. As applicable</li> <li>7. Quarterly</li> <li>8. Every 3 years*</li> <li>9. Every 3 years*</li> <li>10. Annually</li> <li>11. Annually</li> </ol>	
<b>MFRS DOCUMENTS</b>				
<b>MFRS</b>	1. Mandatory FRP Progress Report-M01 to M12	Not applicable	Monthly*	Not applicable

# **STELLENBOSCH MUNICIPALITY**



**MFMA CIRCULAR NO.128**

**MUNICIPAL BUDGET CIRCULAR  
FOR THE 2024/2025 MTREF**



## Municipal Budget Circular for the 2024/25 MTREF

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## Introduction

This budget circular is a follow-up to MFMA Circular No. 126 that was issued on 07 December 2023. It aims to provide further guidance to municipalities with the preparation of their 2024/25 Medium Term Revenue and Expenditure Framework (MTREF) budgets and should be read together with the budget circulars that have been issued previously.

The grant allocations as per the 2024 Budget Review and the 2024 Division of Revenue Bill are also key focus areas in this circular. Municipalities are reminded to refer to the annual budget circulars of the previous years for guidance in areas of the budget preparation that are not covered in this circular.

## 1. The South African economy and inflation targets

Over the next three years, South Africa's economy is forecast to grow at an average of 1.6 per cent, a moderate improvement on the 1.4 per cent average expected at the time of the 2023 MTBPS. The outlook is supported by an expected recovery in household spending as inflation declines, and an increase in energy-related fixed investments.

Power cuts and operational problems in freight rail and ports continue to disrupt economic activity and limit the country's export potential. Comprehensive reforms are underway in these sectors, although it will take time to see recovery in growth. Household consumption is under pressure from high living costs, and investment remains low due to weak confidence and challenging business conditions linked to structural constraints.

South Africa has experienced over a decade of weak economic growth, GDP has averaged only 0.8 per cent annually since 2012, entrenching high levels of unemployment and poverty. To turn the tide and raise economic growth sustainably, government is prioritising energy and logistics reforms, along with measures to arrest the decline in state capacity. Successful efforts to improve the fiscal position, complete structural reforms and bolster the capacity of the state will, in combination, reduce borrowing costs, raise confidence, increase investment and employment, and accelerate economic growth.

The National Treasury estimates real economic growth of 0.6 per cent in 2023. This is a decrease from growth of 0.8 per cent projected in the 2023 MTBPS due to weaker than expected outcomes in the third quarter of 2023, resulting in downward revisions to household spending growth and spending on gross fixed investment. GDP growth is projected to average 1.6 per cent from 2024 to 2026 as the frequency of power cuts declines, lower inflation supports household consumption, and employment and credit extensions recover gradually. New energy projects will improve fixed investments and business sentiment.

To accelerate GDP growth after an extended period of weak economic performance, South Africa needs large-scale private investment. Government is working to improve the fiscal position, complete structural reforms and bolster the capacity of the state to reduce borrowing costs, raise confidence, increase investment, and put the economy on a higher job creating growth path.

The following macro-economic forecasts must be considered when preparing the 2024/25 MTREF municipal budgets.

**Table 1: Macroeconomic performance and projections, 2022 – 2027**

Fiscal year	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Estimate	Forecast		
<b>CPI Inflation</b>	6.9%	6.0%	4.9%	4.6%	4.6%

Source: 2024 budget review.

Note: the fiscal year referred to is the national fiscal year (April to March) which is more closely aligned to the municipal fiscal year (July to June) than the calendar year inflation.

Headline inflation is projected to moderate from 6 per cent in 2023 to 4.9 per cent in 2024 and 4.6 per cent in 2025 and 2026 as food and fuel inflation continue to decline. In 2023 food inflation slowed less than expected due to power cuts and rand depreciation, keeping imported food costs high. An avian influenza outbreak also increased the costs for poultry and eggs. These factors are expected to dissipate over the medium term.

The current economic challenges in the country place pressure on households' ability to pay municipal accounts, therefore municipal own revenue generation gets affected.

It is noted that variations in regional specifics are possible, however, any variation of assumptions must be explicitly set out and well explained in the budget narratives, in the absence of which the Treasuries will refer the budget back to council for alignment to the macroeconomic performance projections.

***Fiscal strategy to contain debt (fiscal consolidation) through reduction of budgets and reprioritisation***

The 2024 budget balances development and sustainable public finances. In the context of persistent low economic growth, government will protect critical services, support economic growth through reforms and public investment and stabilise public debt. Although South Africa continues to confront difficult economic conditions, a moderate recovery is forecast in the economic outlook. Broad reforms are underway in energy, freight, water and telecommunications. Yet it will take time to reverse the consequences of operational, maintenance and government failures at state owned companies responsible for electricity, rail and ports. Rapid growth in debt- service costs choke the economy and the public finances. Government is staying the course to narrow the budget deficit and stabilise debt. This year, for the first time since 2008/09, government will achieve a primary budget surplus. Debt will stabilise in 2025/26.

The balanced approach to fiscal consolidation includes expenditure restraint and moderate revenue increases, while continuing to support the social wage and ensuring additional funding for critical services. Government will after extensive consultation propose a binding fiscal anchor for future sustainability. In the interim, the debt stabilisation primary surplus will anchor fiscal policy.

The consolidated budget includes the main budget framework and spending by provinces, social security funds, public entities including municipalities finances from their own revenue sources. Government remains committed to fiscal consolidation that balances the needs of the most vulnerable in society and protects the public finances for future generations.

## **2. Key focus areas for the 2024/25 budget process**

### **2.1. Local government conditional grants and unconditional grants allocations**



Net reductions of R80.6 billion to main budget non-interest expenditure are identified across the three spheres of government over the MTEF in comparison to the 2023 budget estimates. Among these 2024 MTEF fiscal consolidation reductions, local government has the smallest contribution. Over the 2024 MTEF, the local government equitable share and direct conditional grants will be reduced by a total of R15.5 billion, made up of R9.6 billion in the local government equitable share and R5.9 billion in direct conditional grants. Despite reduction, local government equitable share growth remains high with transfers to local government significantly increasing by 5.2 per cent annually, driven mainly by the strong growth of local government equitable share by 6.1 per cent. National revenue share increases by 2.6 per cent annually, while transfers to provinces grow by 3.8 per cent annually, with the equitable share growing faster than conditional grants. There were no proposed reductions on the sharing of the general fuel levy to the metropolitan municipalities.

### ***Notable changes to the conditional grants system***

Given the ongoing review of the conditional grants system, very minimal changes were proposed to local government conditional grants. The proposed changes indicate a continued focus on enabling municipalities to improve service delivery to communities.

### ***New conditional grant for smart prepaid meters***

A new indirect grant, which will be managed by the National Treasury will be introduced in 2024/25. This grant will present an important opportunity for municipalities in the debt relief programme. While debt relief is a critical component of supporting struggling municipalities, it is important to also provide the municipalities with the tools and the necessary funding to improve their operations and long-term sustainability.

This new indirect conditional grant for smart prepaid meters is a meaningful step towards providing municipalities with the financial support they need to better manage their utilities, by ensuring timely and accurate billing; reducing losses; and enhancing operational sustainability. Municipalities will be able to manage their utility services and provide to water and electricity services effectively and efficiently. The grant will initially focus on providing debt relief for Eskom and will be implemented targeting specific municipalities in its initial years.

### ***Improving regulatory levers and reforms***

By enhancing the usage of regulatory frameworks in the conditional grants system, the government is taking steps to ensure that municipalities prioritise critical projects and utilise resources effectively. The use of results from the Department of Water and Sanitation's Watch Reports in the prioritisation of water and sanitation projects funded from general-purpose grants such as the integrated urban development grant (IUDG), and municipal infrastructure grant (MIG), will improve the quality and impact of these projects. Further, requiring municipalities to use the results of green drop, blue drop and no drop assessments in planning and prioritising projects will drive greater accountability and transparency in the use of grant funds, promoting sustainable and effective service delivery.

## **2.2. Post 2023 MTBPS changes**

A number of reductions that were proposed in the 2023 MTBPS have been reversed but revised downwards, and several further cuts and other reprioritisations effected to make funds available for other government priorities. These include:

**Reductions reversed:** Previous reductions proposed on the sharing of the general fuel levy to the metropolitan municipalities, the rural roads asset management systems and the water services infrastructure grants have been reversed.

**Reductions revised downwards:** The previous reduction of R218 million to the integrated national electrification programme municipal grant is revised to R204 million; the previous reduction of R49 million to the municipal disaster response grant is revised to R35 million; and the previous reduction of R48 million to the municipal systems improvement grant is revised to R27 million.

**Further reductions:** To make funds available for other government priorities, reductions have been made to some municipal conditional grants over the 2024 MTEF period. These include an additional reduction of R3.5 billion to the integrated national electrification programme Eskom grant; an additional reduction of R73 million to the integrated urban development grant; an additional reduction of R14 million to the energy efficiency and demand-side management grant; an additional reduction of R4 million to the public transport network grant; an additional reduction of R127 million to the direct component of the regional bulk infrastructure grant; and an additional reduction of R852 million to the indirect component of the regional bulk infrastructure grant.

**Reprioritisations:** Reprioritisations over the MTEF period include the following: R58.3 million from the direct component of the municipal infrastructure grant is converted to the indirect component of the grant; R587 million from the direct component of the regional bulk infrastructure grant is converted to the indirect component; R91 million from the integrated urban development grant and R1.4 billion from the municipal infrastructure grant are shifted to the municipal disaster recovery grant to fund the repair and reconstruction of municipal infrastructure damaged by the floods that occurred between February and March 2023; R400 million from the first two years of the MTEF period are shifted to the outer year in the public transport network grant; R2 billion is reprioritised from the integrated national electrification programme municipal grant to fund the baseline for the new smart meters grant; and R432 million is reprioritised from the integrated national electrification programme Eskom grant to fund other priorities in the energy sector.

### 2.3. Review of the local government fiscal framework

Government's five-year programme of action to improve local governance, as endorsed by the Budget Forum, includes efforts to improve the funding model for local government. The National Treasury is reviewing a draft report for regulating municipal surcharges on electricity and identifying alternative sources of revenue to replace these. The next step will be consultation with external stakeholders.

The local government equitable share formula is being updated in various ways, including improving its responsiveness to the different functions assigned to district and local municipalities. In addition, the formula will be refined with reforms such as exploring the feasibility of introducing a cost differential model, community services components for health services and firefighting functions, objective criteria for benchmarking municipalities in relation to their administrative functions. The Department of Cooperative Governance, the National Treasury, the South African Local Government Association, the Financial and Fiscal Commission and statistics South Africa are identifying areas for refinement over the 2024 MTEF period.

### 2.4. Update on the review of the conditional grants

The South African government initiated a review of the existing grant system amid concerns of its effectiveness, including underspending on infrastructure grants and fragmentation in

the provincial and municipal grant systems. The review involved stakeholder consultations and literature reviews of conditional grant programmes to gain insights and make evidence-based recommendations for reform.

In April and May 2024, multiple consultation platforms will be set up to share the preliminary findings with the multi-stakeholder team. While some changes resulting from the review were reflected in the 2024 Budget, further proposed reforms are likely to be considered in the 2025 budget process and implemented gradually in a phased manner.

## **2.5. Funding for Local Economic Development (LED) Programmes**

National Treasury is mindful of the essential role played by municipalities in driving economic development and job creation to mitigate inequality and attract private investment. In addition to the infrastructure grants, municipalities also receive about 66 per cent of their allocations in unconditional grants, which can be utilised to fund operational parts of the LED initiatives. However, it is important to note that economic development does not rely solely on a single funding pot, but on various forms of government programmes and grants. This includes support and initiatives from the Department of Trade, Industry and competition funded by provinces through their equitable share.

Whilst there is a call for creation of conditional grant, it is worth noting that the creation of a dedicated grant for LED initiatives comes with its challenges. In the past, when such grants were introduced, government institutions reprioritised funds that were initially funding the LED programmes, leading to over-reliance on conditional grants. This dependence undermines the purpose and sustainability of these programmes, as their funding is primarily dependent on the availability of funds from the fiscus and the performance of the economy. Therefore, there is a need to align conditional grants with economic development areas while also ensuring their integration with other government spheres to support the developmental mandate effectively.

In addition, it is also crucial for municipalities to provide essential services such as electricity, water, and sanitation efficiently. The efficient provision of these services is crucial for attracting private investment, fostering economic growth, and promoting a conducive environment for businesses to thrive. Therefore, National Treasury urges municipalities to prioritise the provision of these services to enhance economic development and improve the quality of life for their residents.

## **2.6. Reforms to improve the efficiency and financial sustainability of metro's trading services**

Due to years of neglect and inadequate infrastructure maintenance, South Africa's municipalities face severe utility services issues, including in water, wastewater, and electricity. A loss of essential management and technical skills has also contributed to the decline in service quality and reliability. Metro water services alone suffer from an investment gap of R9 billion per year. These inefficiencies threaten economic growth and job creation and increases poverty. Government transferred substantial monetary allocations to local government in the successive Budgets to support water services, but the outcome and value for money of these transfers is low. To address this, an incentive grant system is being explored for 2025/26 to increase investments, change management and governance structures, promote professional management, and ensure transparency, starting with metros.

These reforms are commencing in the 2024/25 municipal financial year with the conditions being introduced in the Urban Settlement Development Grant (USDG). Thereafter, the reform will be extended to other revenue-generating trading services.

### **2024/25 USDG Financing Component for Trading Services**

Municipalities must submit the following to the transferring officer and the National Treasury to qualify for making an application for the financing component:

- A council approved turnaround strategy to the Department of Human Settlement (DHS) and the National Treasury by 31 July 2024;
- A roadmap on the institutional reforms for improved management and governance to be submitted to DHS and National Treasury by 30 September 2024; and
- A business and investment plan that is consistent with the services development plan by 30 September 2024.

In support of these conditions, National Treasury will issue a guidance note by 1 April 2024, on requirements for turnaround strategies, institutional reforms and business plans for the financing component on trading services.

### **2025/26 onwards Improving the efficiency of urban utility services**

Beyond 2024/25, the intention is to extend the reform agenda beyond water services to other revenue-generating trading services, including electricity and solid waste management. The Explanatory Memorandum, **Annexure W1**, to the 2024 Division of Revenue Bill provides the following direction on future work on municipal fiscal frameworks linked to trading/ utility services.

The grant reforms will aim to:

- Increase the level of investments in utility services (water, wastewater, electricity and solid waste) by leveraging grant finance with loan finance, linked to improved operational and financial performance of services providers;
- Catalyse changes in the structure, management, and governance of utility services businesses to support improvements in operational, technical and financial performance;
- Promote professional management with a single point of management accountability for utility services in cities, suitable managerial autonomy and the technical skills necessary to manage an effective service; and
- Promote and ensure full financial transparency, including by making the financial relationship between municipalities and the utility services explicit.

#### **2.7. Criteria for the release of the Equitable Share:**

- The criteria for the release of the equitable share were covered in Circulars No. 122 remains relevant and are still applicable for the release of equitable share instalments in the 2024/25 financial year.
- Failure to comply with the criteria will result in National Treasury invoking Section 38 of the MFMA which empowers National Treasury to withhold a municipality's equitable share if the municipality commits a serious or persistent breach of the measures established in terms of Section 216(2) of the Constitution which includes reporting obligations set out in the MFMA and National Treasury requests for information in terms of Section 74 of the MFMA.

## **3. Revenue Management**

### 3.1. Update on Municipal Debt Relief (MFMA Circular No. 124)

#### **Accounting Guidance**

Municipalities whose Municipal Debt Relief applications were approved must fully account for and correctly report on the write-off of their Eskom arrear debt and related benefits. Municipalities should note the guidance in this regard provided in *MFMA Circular No. 124: Supplementary Guide on the accounting- and mSCOA reporting requirements* that can be accessed on the MFMA website at the following link: <http://mfma.treasury.gov.za/Circulars/Pages/default.aspx>.

It is recommended that all municipalities familiarise themselves with the guidance as far as it relates to correctly budgeting- and accounting for free basic services as well as raising and paying their bulk accounts.

#### **Debt relief reporting requirements**

Municipalities approved for debt Relief (in terms of their National Treasury approvals), must ensure that their MFMA s.71 statements, over-and-above the normal MFMA s.71 requirements, include the following as a minimum:

- The municipality's self-assessment in the format of the compliance certificate issued in MFMA Circular No. 124: Annexure A2 (signed by the Municipal Manager) – municipalities should use the latest format of the compliance certificate issued during February 2024 available under MFMA Circular No. 124 and included as **Annexure B** to this circular;
- The municipality's progress towards restricting free basic services to the national policy limits (condition 6.6) and in the format included as **Annexure C** to this circular;
- The municipality's progress towards achieving a minimum average quarterly collection of 80 per cent (condition 6.7) and in the format included as **Annexure D** to this circular;
- If the municipality's 2023/24 and/ or 2024/25 MTREF is not funded, the MFMA Section 71 statement must monthly include the municipality's progress against its approved Budget Funding Plan – if the municipality has an approved the Financial Recovery Plan (FRP), the monthly FRP progress report must include the municipality's progress against the components of the FRP aimed to achieve a funded budget and revenue enhancement initiatives;
- The high-level summary of its monthly property rates reconciliation (in the National Treasury template format already shared with the municipality during the application process); and
- The municipality's progress in addressing any variances evident from its monthly property rates reconciliation; etc.

### 3.2. Smart Meter Grant

With regard to the smart meter grant referred under 2.1 above, the National Treasury has targeted MFMA Circular No. 124 debt relief applicants for the initial implementation of this grant.

The potential beneficiaries of the smart meter grant will be invited by National Treasury and a compulsory template will be circulated for completion by municipalities. This invitation will be sent out before 15 March 2024. Furthermore, the grant conditions require a council resolution endorsing the application.

A completed template with supporting documentation and council resolution must be submitted to [revenuemanagement@treasury.gov.za](mailto:revenuemanagement@treasury.gov.za) and [sadesh.ramjathan@treasury.gov.za](mailto:sadesh.ramjathan@treasury.gov.za) before 30 April 2024.

The applications will be evaluated before 31 May 2024 and allocations will be completed determined the commencement of the municipal budget year.

### 3.3. Transversal tender RT-29

The National Treasury is finalising the RT-29 transversal tender for a smart metering solution, and the appointed panel is available to all municipalities from March 2024. The transversal tender is targeting smart meter solutions for the water and electricity functions, STS meters compliance and load reduction systems. It will also enable municipalities to implement bi-directional smart metering systems. Municipalities are once again cautioned not to contract any smart metering systems or solutions without considering the RT-29 transversal tender which provides a competitive pricing comparison and cost saving on procurement. Municipalities wishing to participate in the RT-29 transversal must make their interest known to the Office of the Chief Procurement Officer (OCPO) on the email [TCcontract1@treasury.gov.za](mailto:TCcontract1@treasury.gov.za). These municipalities must show evidence of a budget allocation in the current budget as well as future budgets for participation.

## 4. Conditional Grant Transfers to Municipalities

### 4.1. Criteria for the rollover of conditional grant funds

In terms of Section 21 of the Division of Revenue Act, 2023 (Act No.5 of 2023) (DoRA) in conjunction with the Division of Revenue Amendment Act, 2023 (Act No. 24 of 2023), the Act requires that any conditional allocation or a portion thereof that is not spent at the end of the 2023/24 financial year reverts to the National Revenue Fund (NRF), unless the rollover of the allocation is approved in terms of subsection (2). Furthermore, the receiving officer, provincial treasury and national transferring officer is required to prove to National Treasury that the unspent allocation is committed to identifiable projects, in which case the funds may be rolled over.

When requesting a rollover in terms of Section 21(2) of the 2023 DoRA, municipalities must include the following information with their submission to National Treasury:

1. A formal letter, signed by the accounting officer addressed to the National Treasury requesting the rollover of unspent conditional grants in terms of Section 21(2) of the 2023 DoRA;
2. A list of all the projects that are linked to the unspent conditional grants and a breakdown of how much was allocated, spent and the balance per project;
3. The following evidence indicating that work on each of the projects has commenced, as applicable to the specific rollover(s):
  - a) Proof that the service provider was appointed for delivery of the project before 29 March 2024; or
  - b) Proof of project tender and tender submissions published and closed before 31 March 2024 or with the appointment of contractor or service provider for delivery of service before 30 June 2024 in cases where additional funding was allocated during the course of the financial year of the project;
  - c) Incorporation of the Appropriation Statement; and
  - d) Evidence that all projects linked to an allocation will be fully utilised by 30 June 2024 (attach cash flow projection for the applicable grant).

4. A progress report (also reflecting percentages) on the status of each project's implementation that includes an attached legible implementation plan);
5. The value of the committed project funding and the conditional allocation from the funding source;
6. Reasons why the grants were not fully spent during the year on the original allocation per the DoRA;
7. Rollover of rollovers will not be considered. Municipalities must therefore not include previous year's unspent conditional grants as rollover request;
8. An indication of the time period within which the funds are to be spent if the rollover is approved; and
9. Proof that the Municipal Manager and Chief Financial Officer are permanently appointed.

No rollover requests will be considered for municipalities with vacant or acting Chief Financial Officers and Municipal Managers for a period exceeding 6 months from the date of vacancy; this also includes acting appointments because of suspensions of either MM or CFO that are more than 12 months.

**If any of the above information is not provided or the application is received by National Treasury (Intergovernmental Relations Division) after 31 August 2024, the application will be declined.**

In addition, National Treasury will also consider the following information when assessing rollover applications; and reserves the right to decline an application should there be non-performance by the municipality in any of these areas:

1. Compliance with the in-year reporting requirements in terms of Sections 71 and 72 of the MFMA and Section 12 of the 2023 DoRA, **including the Municipal Manager and Chief Financial Officer signing-off on the information** sent to National Treasury;
2. Submission of the pre-audited Annual Financial Statements to National Treasury by 31 August 2024;
3. Accurate disclosure of grant performance in the 2023/24 pre-audited Annual Financial Statements, (i.e. correct disclosure of grant receipts and spending in the notes to the AFS);
4. Despite the fact that local government is required to comply with different norms and standards prescribed by different legislations, municipalities are expected to fully comply with the provisions of DoRA that relate to rollover processes and disclose conditional grant performance in the 2023/24 pre-audited Annual Financial Statements (i.e. Cash coverage and unspent conditional grants in the Statement of Financial Position) in order to verify grant expenditure; and
5. Cash available reflected in the Statement of Financial Position and Cash Flow Statements and the bank (net position including short term investments) as at 30 June 2024 is equivalent to the unspent amount at the end of the financial year. If the amount that is requested for rollover is not entirely cash-backed, such a rollover will not be approved. National Treasury will also not approve portions of rollover requests.

It should be noted that under no circumstances will the National Treasury consider requests to rollover:

1. The entire 2023/24 allocation to the municipality. In cases where the rollover request is more than 50 per cent of the total allocation, National Treasury will approve the rollover amount up to 50 per cent of the 2023/24 allocation;

2. Rollover request of the same grant for the third consecutive time. In a case where a municipality is applying for rollover as a result of additional funding, the application will be carefully considered;
3. Funding for projects procured through Regulation 32 and 37 of the Municipal Supply Chain Management Regulations (Gazette No.27636) – Projects linked to additional funding and disasters are exempted; and
4. A portion of an allocation where the proof of commitment for the rollover application is linked to invoices that were issued before or on 31 March 2024. All invoices issued to the municipality before 31 March 2024 should be paid within the same year against the allocated conditional grants. i.e invoices must be paid within 30 days.

#### 4.2. Unspent conditional grant funds for 2023/24

The process to ensure the return of unspent conditional grants for the 2023/24 financial year will be managed in accordance with Section 21 of the DoRA. In addition to the previous MFMA Circulars, the following practical arrangements will apply:

- Step 1: Municipalities must submit their June 2024 conditional grant expenditure reports according to Section 71 of the MFMA reflecting all accrued expenditure on conditional grants and further ensure that expenditure reported to both National Treasury and national transferring officers reconciles;
- Step 2: When preparing the Annual Financial Statements, a municipality must determine the portion of each national conditional grant allocation that remained unspent as at 30 June 2024. The unspent grant values must be determined based on the guidance that was provided in mSCOA Circular No. 13 in as far as VAT, retention and interest is concerned; and
- Step 3: If the receiving officer wants to motivate in terms of Section 21(2) of the 2023 DoRA that the unspent funds are committed to identifiable projects, the rollover application pack must be submitted to National Treasury by no later than 31 August 2024.

***National Treasury will not consider any rollover requests that are incomplete or received after this deadline.***

- Step 4: National Treasury will confirm in writing whether or not the municipality may retain any of the unspent funds as a rollover based on criteria outlined above by 22 October 2024;
- Step 5: National Treasury will communicate the unspent conditional grants amount by 12 November 2024. A municipality must return the remaining unspent conditional grant funds that are not subject to a specific repayment arrangement to the National Revenue Fund by 18 November 2024; and
- Step 6: Any unspent conditional grant funds that should have but has not been repaid to the National Revenue Fund by 18 November 2024, and for which a municipality has not requested a repayment arrangement, will be offset against the municipality's 04 December 2024 equitable share allocation.

*All other issues pertaining to Appropriation Statement and reporting on approved rollovers are addressed in the Annexure to MFMA Circular No. 86.*

## 5. Funding choices and management issues

Given the current economic crisis the country faces, Municipalities are under pressure to generate revenue. The ability of customers to pay for services is declining and this means that less revenue will be collected. Municipalities are advised to consider all the advice



provided in MFMA Circular No 126, 123 and other previous circulars under this topic to ensure the adoption of surplus and funded budgets.

### **5.1. Employee related costs**

The *Salary and Wage Collective Agreement* for the period 01 July 2021 to 30 June 2024 has come to an end and a new agreement is under consultation, which is anticipated to consider the current fiscal constraints faced by government. Therefore, in the absence of any information in this regard from the South African Local Government Bargaining Council (SALGBC), municipalities are advised to consider their financial sustainability when considering salary increases. It has been observed over the previous years that salary increases were above inflation and this has posed challenges to most municipalities' sustainability. In addition, municipalities that could not afford such increases did not apply for exemption as provided by SALGBC.

Therefore, municipalities are urged to consider projecting salary and wage increases that would reflect their affordability given the current economic challenges. The 2022 State of Local Government Finance Report revealed that 157 municipalities are in financial distress. These municipalities need to ensure that they seek an early exemption from this dispensation of this salary agreement. Municipalities should also avoid paying out leave in cash while having major financial challenges.

### **5.2. Remuneration of Councillors**

Municipalities are advised to budget for the actual costs approved in accordance with the Government Gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published annually between December and January by the Department of Cooperative Governance. It is anticipated that this salary determination will also consider the fiscal constraints. Municipalities should also consider guidance provided above on salary increases for municipal officials during this process. Any overpayment to councillors contrary to the upper limits as published by the Minister of Cooperative Governance and Traditional Affairs will be irregular expenditure in terms of Section 167 of the MFMA and must be recovered from the councillor(s) concerned.

### **5.3 Governance, performance, and investment matters**

South Africa has reached a stage where all of government including municipalities need to play in pivotal role in igniting the economy of the country. There is a need for a concerted effort to put initiatives that will attract the investments which will stimulate the economy. The investments take place in the local government and municipalities in particular as the custodian of the spatial planning and enabling infrastructure.

Critical infrastructure such as water, sanitation and electricity to stimulate the economy is owned, maintained and developed by the municipalities. In the last 30 years, there has been investment in ensuring that access to basic services – water, electricity and refuse - is improved markedly.

However, there has been little to no investment on bulk infrastructure such as water treatment works, wastewater treatment works and electrical substations which are the backdrop for enabling investment in municipalities.

Of concern is that budget for operation and maintenance have been negligible. If the trends continue without arresting the decline, the municipalities will in all likelihood not experience

growth. This will reduce the prospect for economic growth leading to high unemployment and less economic activities in general.

As such, the municipalities need to take the responsibility to create initiatives which will attract more investment. Key initiatives to improve this are investing in bulk and connector infrastructure as well as strengthening good governance.

The budget allocation to address infrastructure requirements are not sufficient. As such, the municipalities should improve governance and the overall financial health which will allow for the financier to be attracted to borrow municipalities to finance enabling infrastructure.

Urban management and in particular cleaning of the environment is critical for ensuring that municipal area is attractive. Thus, ability to attract investment should also include clearly defined initiatives that ensure the city is continuously clean. This will retain existing investors and also enable the municipalities to attract new investors who wishes to locate in the municipal area.

*A firm's decision to invest is influenced by factors such as infrastructure and land availability, the institutional and regulatory environment, skills availability and innovation levels and the availability of enterprise support and finance. Municipalities have key roles that influence a decision to invest and expand in a particular space. Poorly performing spaces – such as industrial parks, CBDs, logistics hubs, townships – discourage investment and encourage disinvestment. Poorly performing economic assets, such as roads, ports, rail, communications, do the same. Many of the reasons for poor performing spaces and assets lie within the ambit of the public sector, but not all within the local sphere. In some instances, municipalities are directly responsible for what needs to be done, in other areas the municipality needs to mediate inter-governmental solutions.*

To turnaround these spaces and unlock their economic potential the immediate focus must be on getting the basics right first –

- Ensure reliable and sustainable service delivery – water, sanitation, stormwater, roads, lighting and waste management;
- Ensure effective land governance – urgently resolve inter-governmental issues that inhibit performance;
- Undertake bulk infrastructure repair and maintenance;
- Address business and community safety issues;
- Operationalise and manage public open spaces and assets; and
- Manage the spaces – at minimum put in place municipal transversal teams responsible for ensuring the basics are in place.

The quality and transparency of municipal governance has a direct impact on economic performance. Dysfunctional municipalities discourage new investment and result in job loss. Ensuring the effective management of municipal businesses through evidenced-based decision making and sound financial management is essential to attract and retain firms. Improving the efficiency and transparency of municipal business processes that impact on the private sector – such as registering property, getting electricity connections, construction permits, obtaining wayleaves, getting a water connection, and issuing an informal trader permit – goes a long way to building business confidence and municipal credibility.

#### **5.4 Environmental Pollution**

The deteriorating quality of water resources in urban and rural areas due to pollution, failing infrastructure such as wastewater treatment and the lack of enforcement of by-laws, legislation and urban management, exacerbates water scarcity, and increases costs of providing potable water.

Municipalities are urged to anticipate the imminent approval of the water pricing strategy, which introduces a waste discharge charge. This penalty underscores the need for municipalities to ensure that they comply with and enforce all legislation and by-laws governing urban and environmental management. This requires municipalities to prioritise effective and efficient service delivery, including sufficient investment in asset maintenance, expansion and renewal for solid waste management, wastewater treatment, as well as by-law enforcement to mitigate the continuous pollution of streams and rivers.

Collaboration among municipalities, sector departments, NGOs, citizens, and the private sector are essential for mobilising resources to prevent further deterioration and restoration of water resources. Such efforts need to only prevent pollution at source but also safeguard water quality for future generations, making the strategic investment in water resources a cornerstone of sustainability, economic growth and healthy environments.

## 6. Municipal Standard Chart of Accounts (*m*SCOA)

### 6.1. Go Live on Version 6.8 of the Chart

*m*SCOA version 6.8 will go live on 20 March 2024, whereafter municipalities will be able to upload their tabled budget (TABB) and tabled project files (PRTA) data strings for the 2024/25 MTREF on the GoMuni portal.

After going live on version 6.8 of the chart, all the reports available on the LGDRS will be aligned to *m*SCOA chart version 6.8. This includes the format of the Section 71 report for Q3 and Q4 of 2023/24.

The Municipal Budget and Reporting Regulations (MBRR) Schedules (A to F) and non-financial data string (A1S) was also aligned to version 6.8 of the chart. A **protected** version of the MBRR Schedules for version 6.8 of the chart and A1S is available on the on the MFMA Webpage on the link below:

<http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx>

The reports on the Local Government and Reporting System (LGDRS) are populated from financial and non-financial data strings. Municipalities must use the linkages on GoMuni referred to above and not the formulas in the regulated Municipal Budget and Reporting (MBRR) Schedules when generating their A schedule from the financial system.

In terms of the *m*SCOA Regulations, municipalities must generate the regulated MBRR schedules that is tabled and adopted by Council directly from their financial ERP systems and not import or captured it on the system at a later stage. This is necessary to ensure that there is 'one version of the truth', namely the data in the financial ERP system is the same as the report tabled and adopted by Council and the information submitted to the National Treasury and other stakeholders.

### 6.2. *m*SCOA data strings credibility

Municipalities must verify the credibility and accuracy of the tabled budget (TABB) and project file (PRTA) data strings **prior and post** to uploading it to the National Treasury Local Government Database and Reporting System (LGDRS). These data strings will be the sole source used by National and Provincial Treasuries to analyse and determine if the municipality's budget is funded and the credibility is therefore of utmost importance.

Registered users from municipalities, provincial treasuries and National Treasury have full access to their data on the LGDRS and can draw the information to verify the accuracy of the figures for their respective municipalities or province (in the case of provincial treasuries). The LGDRS reports can be accessed by registered users on the following link:

[https://lg.treasury.gov.za/ibi\\_apps/signin](https://lg.treasury.gov.za/ibi_apps/signin)

From 2025/26, the National Treasury will open the access to all reports available on the LGDRS to the public. Municipalities should make a concerted effort to resolve their *mSCOA* data strings credibility issues as soon as possible to avoid facing the consequences of financial misconduct in terms of Section 171(1)(d) of the MFMA.

The LGDRS also provides information on municipal budgets and performance to the public through the Municipal Money portal. The information on the Municipal Money portal is sourced from the Consolidated Section 71 Reports published quarterly by the National Treasury. The Municipal Money portal is part of South Africa's Open Government Partnership (OGP) 5<sup>th</sup> National Action Plan to improve transparency and public participation in government processes and a link to the Municipal Money portal is available on the OGP website (76 countries and 104 municipalities are members).

### **6.3. Regulating the minimum business processes and system specifications for *mSCOA***

The National Treasury commenced with the work to regulate the minimum business processes and system specifications for *mSCOA* towards the end of 2025/26. The following working groups will be established to ensure that relevant stakeholders are consulted during the review processes:

- a. **Corporate governance** including internal and external audit, oversight committees, performance management, IT system requirements and management, municipal websites, document management, reporting mechanisms;
- b. **Municipal budgeting, planning and financial modelling** including IDP, Budgets Management, Revenue, Human Resources (HR) /Payroll, Assets;
- c. **Financial accounting** including general ledger, accounts receivables and payables, financial reporting, AFS reporting, insurance management, consolidation reporting;
- d. **Costing and reporting** including cost planning and cost management and reporting;
- e. **Project accounting** including project creation and planning, project management and reporting, contract management;
- f. **Treasury and cash management** including cash management and reporting, grant management and reporting, investment management and reserves, borrowings management, provisions and contingent liabilities;
- g. **Supply chain management** including supply chain management and inventory;
- h. **Full asset life cycle management** including maintenance management and asset management;
- i. **Real estate management** including property register and rental management and general processes;
- j. **Human resource and payroll management** including human resources, time management, payroll management and reporting;
- k. **Revenue management**, customer care, credit control and debt collection including revenue management and billing, credit control, customer management, debt collection, indigent management;
- l. **Valuation roll management**; and
- m. **Land use building control** including land use and building control.

Municipalities are urged to ensure that the officials that participate in the working groups have the technical knowledge and experience to participate meaningfully in these forums. Integrated Consultative Forums will also be held quarterly to keep **all** stakeholders informed and provide them with an opportunity to provide inputs on the business processes and system specification that will be regulated. A dedicated email address will be created for comment and inputs relating to the review processes underpinning these Regulations.

## 7. Submitting documents to the GoMuni Upload Portal

### 7.1. Submissions to the National Treasury

Municipalities are reminded to submit documents and queries to the correct portals/ mailboxes. These portals/ mailboxes are:

- [https://lg.treasury.gov.za/ibi\\_apps/welcome](https://lg.treasury.gov.za/ibi_apps/welcome) (GoMuni Upload Portal) – All documents required in terms of legislation by approved registered users, including: • mSCOA Data Strings; • Budget-related, in-year and year-end documents and schedules (A, B and C); and • Revenue and MFRS Documents (as per MFMA Circular No. 126);
- [lgdataqueries@treasury.gov.za](mailto:lgdataqueries@treasury.gov.za) – Database related and submission queries; and
- [lgdocuments@treasury.gov.za](mailto:lgdocuments@treasury.gov.za) – Only Provincial Treasuries may send contact details to [lgdocuments@treasury.gov.za](mailto:lgdocuments@treasury.gov.za).

Any document/ queries that are submitted to the incorrect portal/ mailbox will not be processed and the submission status report will continue to reflect the documents as outstanding.

### 7.2. Updating of contact details on GoMuni

From 1 April 2024, municipalities (registered users) will be able to make changes/ additions to their own contact details directly on the LGDRS. To municipalities and their respective provincial treasury must select and update the relevant details on GoMuni under Database/Contacts/Reporting/Contact information on the following link:

[https://lg.treasury.gov.za/ibi\\_apps/signin](https://lg.treasury.gov.za/ibi_apps/signin)

Municipalities must ensure that their contact details on GoMuni are updated as soon as changes occur.

### 7.3. Submission of additional reports

From 14 March 2024, municipalities whose debt relief applications were approved will be required to submit reports to the GoMuni Upload portal as indicated in MFMA Circular No 124 dated 31 March 2024. The list of the required debt relief reports is attached as **Annexure A**.

### 7.4. Procurement spend reporting

In order for government to fulfil its social responsibility to channel procurement spending towards certain designated groups and to unlock economies of scale in government procurement expenditure, a single standardised view needs to be created into the

procurement spend information across all spheres of government on a transactional level for spend and trend analysis purposes.

The OCPO designed and built a Data Warehouse that serves as common repository for procurement related data with the necessary capabilities to produce standardised information in a dashboard format via various Business Intelligence tools. Currently procurement spend data of all National and Provincial departments from 2017 to date is hosted and analysed in the Data Warehouse.

From 1 March 2024, municipalities must on monthly basis report all goods and services related payments at a transactional level monthly. Towards this end, municipalities must complete and submit the template attached as **Annexure E** and submit it to the GoMuni Upload portal under the folder Documents/ Other. These reports are due by the 15<sup>th</sup> of the month that follows the reporting month. The first report is therefore due on 15 April 2024. This information is only required for municipalities and not for municipal entities.

A Data Upload Tool is also available that allows municipalities to capture their spending data manually or extract the relevant information from the municipality's payment system automatically. Information captured on the Data Upload Tool will be submitted directly into the OCPOs Data Warehouse once the various online input validations to ensure the accuracy and completeness of the data has been passed. To access the tool, an email request must be sent to [ocpodatarequest@treasury.gov.za](mailto:ocpodatarequest@treasury.gov.za) to obtain a User ID and Password that is institution specific. Training on the use of the OCPO Data Upload Tool as well as technical integration information will be provided after the institution has received a User ID and Password.

The submission status of the OCPO Spend Report will be included on the status report of document submissions available on the LGDRS. Municipalities that opt to use the Data Upload Tool instead of submitting the excel template to GoMuni must submit a 'not applicable form' to the GoMuni Upload portal for their non-submission is not classified as outstanding.

## 8. The Municipal Budget and Reporting Regulations

### 8.1 Assistance with the compilation of budgets

If municipalities require advice with the compilation of their respective budgets, specifically the budget documents or **Schedule A**, they should direct their enquiries to their respective provincial treasuries or to the following National Treasury officials:

Province	Responsible NT officials	Tel. No.	Email
Eastern Cape Buffalo City	Matjatji Mashoeshoe Pitso Zwane Mandla Gilimani	012-315 5553 012-315 5171 012-315 5807	<a href="mailto:Matjatji.Mashoeshoe@treasury.gov.za">Matjatji.Mashoeshoe@treasury.gov.za</a> <a href="mailto:Pitso.Zwane@Treasury.gov.za">Pitso.Zwane@Treasury.gov.za</a> <a href="mailto:Mandla.Gilimani@treasury.gov.za">Mandla.Gilimani@treasury.gov.za</a>
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**08 March 2024**

**ANNEXURE A – LIST OF REQUIRED REPORTS TO BE SUBMITTED TO NATIONAL TREASURY FOR DEBT RELIEF PROGRAMME (TEMPLATE)**

**ANNEXURE B – MUNICIPAL CERTIFICATE OF COMPLIANCE FOR DEBT RELIEF PROGRAMME (TEMPLATE)**

**ANNEXURE C – MUNICIPAL DEBT RELIEF – MONTHLY REPORTING – INDIGENT HOUSEHOLDS INFORMATION (TEMPLATE)**

**ANNEXURE D – MUNICIPAL DEBT RELIEF – MONTHLY REVENUE COLLECTION REPORTING (TEMPLATE)**

**ANNEXURE D – PROCUREMENT SPENT REPORTING (TEMPLATE)**