



STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

Ref no.3/4/1/5

2017-04-07

MINUTES

7TH MEETING OF THE COUNCIL OF STELLENBOSCH MUNICIPALITY

2017-03-29 AT 10:00

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

MINUTES
7TH MEETING OF THE COUNCIL
OF STELLENBOSCH MUNICIPALITY
2017-03-29
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MINUTES OF THE 7TH MEETING OF THE COUNCIL OF STELLENBOSCH MUNICIPALITY HELD ON 2017-03-29 AT 10:00 IN THE COUNCIL CHAMBER, TOWN HOUSE, PLEIN STREET, STELLENBOSCH

PRESENT: The Speaker, Cllr DD Joubert [Chairperson]
The Executive Mayor, Alderwoman G Van Deventer (Ms)
The Deputy Executive Mayor, Cllr N Jindela

ALDERWOMAN JP Serdyn (Ms)

COUNCILLORS	F Adams	LK Horsband (Ms)
	DS Arends	MC Johnson
	FJ Badenhorst	NS Louw
	GN Bakubaku-Vos (Ms)	C Manuel
	PW Biscombe	LM Maqeba
	PR Crawley (Ms)	NE McOmbring (Ms)
	A Crombie (Ms)	XL Mdemka (Ms)
	JN De Villiers	N Olayi
	MB De Wet (until 15:30)	MD Oliphant
	R Du Toit (Ms)	SA Peters
	A Florence (until 13:00)	WC Petersen (Ms)
	AR Frazenburg	MM Pietersen (until 14:00)
	E Fredericks (Ms)	WF Pietersen
	E Groenewald (Ms)	SR Schäfer
	JG Hamilton	N Sinkinya (Ms)
	AJ Hanekom	P Sitshoti (Ms)
	DA Hendrickse	Q Smit
	JK Hendriks	E Vermeulen (Ms)

Officials: Municipal Manager (Ms G Mettler)
Director: Community and Protection Services (G Esau)
Director: Planning and Economic Development (D Lombaard)
Director: Human Settlements (T Mfeya)
Acting Chief Financial Officer (A Treurnich)
Acting Director: Strategic and Corporate Services (V Bowers)
Acting Director: Engineering Services (M Wüst)
Chief Audit Executive (F Hoosain)
Head: Committee Services (EJ Potts)
Senior Admin Officer (Office of the Speaker): (N Ceasar)
Committee Clerk (T Samuels (Ms))
Interpreter (J Tyatyeka)

1.	OPENING AND WELCOME
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The Speaker, Councillor DD Joubert, welcomed all present. Councillor E Fredericks (Ms) opened the meeting with a scripture reading and Councillor E Vermeulen (Ms) offered a prayer. The Speaker requested that a moment of silence be observed in honour of those who recently passed away.

2.	COMMUNICATIONS
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2.1	MAYORAL ADDRESS
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“Goeiedag, Good day, Molweni, As Salam Alaikum,

- Welcome to all councillors and directors
 - Hope you had a productive Human Rights Day on Tuesday
- Om te begin wil ek ‘n wonderlike projek onder u aandag bring wat ek hoop almal moeite sal doen om te ondersteun.
 - Stellenbosch CAN projek wat blikkies kos insamel vir die Stellenbosch Voedingsaksie.
 - Die Blikkies word dan gebruik om maaltye voor te berei vir kwesbare en hulpbehoewende mense in ons gemeenskap
 - U sou al van die hout kratte regoor die Munisipaliteit gewaar het of in die Eikestad-winkelsentrum wat vra vir donasies.
 - Ek wil u graag aanmoedig om ‘n skenking te maak deur blikkies kos te koop en in een van hierdie houers te plaas.
 - Elke skenking maak ‘n reuse verskil in iemand se lewe.
 - Die projek vind plaas tot die einde Mei, so daar is baie tyd en geleentede om ‘n bydrae te lewer.
 - Hulle hoop vanjaar 20 000 blikkies in te samel.
 - Ek het ‘n houer by my kantoor en is van plan om nog gereelde bydraes te maak tot dan.
 - The Quarterly Performance report for the period ending December 2016 from the Provincial Government on this report has already been addressed.
 - The Municipal Manager has been appointed
 - Two vacant director positions has been filled and will start on 1 May 2017
 - MIG Funding – On 17 March we received our certificate stating that we have spent 100% of our MIG funds for 2016/17. The bulk of the spending has gone to infrastructure projects including the
 - Klapmuts WTWW
 - Plankenburg Outfall Sewer
 - Jamestown Bulk water
 - The report pointed out that we spend too little of our operational expenditure on Repairs and Maintenance
 - I have discussed this matter with the CFO so as to make sure we address it and give more URGENT attention to our repairs and maintenance expenditure, so that we can ensure we maintain our bulk infrastructure and deliver the best possible services.

- Verskerpte pogings om water te bespaar.
 - Beperkings geld reeds vir 'n geruime tyd, opgeskerp in Desember
 - Ons reeds begin hoë verbruikers te identifiseer en aan te spreek
 - Verhoogde wetstoepassing en ryk waarskuwings uit
 - Plakkate, briewe en pamflette versprei en ook plaaslike media bewusmaking om inwoners te vergewis van beperkings
 - In samewerking met Departement water en sanitasie, "water warriors" wat in Cloetesville ontplooi is en uitgerol gaan word na Kayamandi/Enkanini om inwoners te gesels oor waterbeperkings en lekkasies van pype, krane en toilette aan te spreek. Baie sukses reeds met die program.
 - Besig met planne om areas wat veral hoë nag gebruik het aan te spreek.
 - Die hele munisipaliteit gebruik tans 38.05 MI/d (Mega liter per dag). Dit is reeds 'n besparing van 12,6% op wat ons normaalweg gebruik. Die gebruik moet egter verder verlaag na ten minste 34.245 MI/d.
 - Ons poog om besparing te verhoog tot 20% van die normale gebruik.
- Dit is lekker om te sien hoe aktief ons gemeenskap belangstel in moontlike planne vir ons dorpe, dit is belangrik vir 'n gesonde demokrasie.
- ons vind egter dat daar dikwels inligting gedeel word op platforms - soos die media – sonder die munisipaliteit se insette of die volledige storie, wat ons inwoners dan ontstel en warm onder die kraag maak
- Dit is dan ook die geval met die voorgestelde Westelike Verbypad.
 - Ek wil dit beklemtoon dat dit op hierdie stadium slegs 'n voorstel is.
 - Dit is egter 'n voorstel wat baie moontlikheid inhou vir spesifiek die verkeersprobleme wat ons tans in Stellenbosch ervaar
 - Ek het 'n gesprek hieroor gehad met Minister Donald Grant en sy departement het onderneem om 'n wesenlikheidsstudie te doen om te bepaal of die voorstel van so pad 'n werkbare oplossing is om drukverkeer te herlei.
 - Die Munisipaliteit sal in Junie die uitslae van die studie ontvang, en die nodige openbare deelname sal volg afhange van die uitslag van die studie.
 - Ons sal ons inwoners ook op hoogte hou van hierdie bespreking wanneer meer inligting hieroor bekend gemaak word.
- There has been a request to discuss the tactical discussion the Mayoral Committee and the directors had in Franschhoek at the start of the year.
 - A tactical team session was conducted on 19 & 20 January 2017 at the Municipal Buildings in Franschhoek.
 - First day only Mayco, second day Mayco and directors.
 - Purpose of the meeting was to help familiarise and align the MAYCO with their portfolios and the expectations I have of them as the Executive Mayor.
 - The MM also just joined the team and it served as an opportunity to anchor her in her new position and to discuss expectations and pressing issues.
 - The entire purpose of the exercise was to establish clarity and focus for 2017 establish key actions, help the individuals work together as a team, clarify roles and agree on priorities.
 - The report is available if there are any councillors who want to have a look. We have nothing to hide.
- Iets lekker om mee af te sluit, ek neem more 2 nuwe vullis trokke in ontvangs!
 - Skoon dorpe is in baie groot prioriteit omdat dit die eerste indruk is wat besoekers en beleggers het wanneer hulle inkom.
 - En eerste indrukke is belangrik.
 - Skoon dorpe help ook skoon omgewings en dit lei tot gesonder gemeenskappe."

2.2	COMMUNICATION BY THE SPEAKER
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- The Speaker congratulated all Councillors who celebrated and will celebrate their birthdays during March and April.
- He expressed his gratitude towards Councillors and Officials for complying with Council's Dress Code.
- The Speaker urged Councillors to submit their applications for leave of absence for meetings (with valid reasons) timeously to the Office of the Chief Whip. He requested Councillors to acquaint themselves with the Rules of Order in this regard.
- He indicated that Councillors may address Council in their mother tongue, if they so wish.
- He expressed his concern with regard to interference with the function of the Office of the Speaker, and cautioned Councillors to comply with the Rules of Order and legislation to this effect.

2.3	COMMUNICATION BY THE MUNICIPAL MANAGER: (MS G METTLER)
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NONE

3.	OFFICIAL NOTICES
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3.1	DISCLOSURE OF INTERESTS
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(3/6/2/2)

Councillor JN De Villiers disclosed an interest in item 7.5.2 on the Agenda and will recuse himself when this matter is dealt with.

3.2	APPLICATIONS FOR LEAVE OF ABSENCE
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(3/4/1/6)

- (1) The following applications for leave of absence were approved in terms of the Rules of Order By-law of Council:-

Cllr FT Bangani-Menziwa (Ms)	–	29 March 2017
Cllr RS Nalumango (Ms)	–	29 March 2017
Cllr N Mananga-Gugushe (Ms)	–	29 March 2017
- (2) It was approved that Councillors A Florence; and M de Wet may leave the meeting earlier (at 13:00 and 15:30 respectively).

4.	CONFIRMATION OF MINUTES	(3/4/1/5)
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- (i) The minutes of an Urgent Council meeting dated 2017-02-16 was **confirmed as correct.**
- (ii) The minutes of the 6th Council meeting dated 2017-02-22 was **confirmed as correct.**

5.	STATUTORY MATTERS	(3/4/1/4)
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NONE

6.	REPORT/S BY THE MUNICIPAL MANAGER RE OUTSTANDING RESOLUTIONS TAKEN AT PREVIOUS COUNCIL MEETINGS
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Councillor DA Hendrickse raised his concern that certain items that appeared on the previous Council meeting as outstanding (Blaauwklippen, Tender 34, etc), are not listed in the Outstanding Resolutions. The Municipal Manager responded that it was reported that the response to Councillor DA Hendrickse's question with regard to Blaauwklippen stated that the contract in question will serve In-Committee at the Council meeting in April 2017.

Cllr Q Smit indicated that the feedback comment on the Impoundment By-law item should read that the item will be submitted during April 2017 and not March 2017. The Municipal Manager confirmed that Cllr Q Smit is indeed correct, and that all Policies and By-laws will first be workshopped.

Meeting:	7 th Council: 2017-03-29	Submitted by Directorate:	Office of the MM
Ref No:	3/4/1/5	Author:	R Pietersen
Collab	492758	Referred from:	

7.	CONSIDERATION OF ITEMS BY THE EXECUTIVE MAYOR: (ALD G VAN DEVENTER (MS))
7.1	COMMUNITY DEVELOPMENT AND COMMUNITY SERVICES: CLLR AR FRAZENBURG
7.1.1	WATER RESTRICTIONS: CHALLENGES, IMPACT AND INTERVENTIONS ON MUNICIPAL GARDENS AND TREE PLANTING

1. PURPOSE OF REPORT

To report on the mitigating actions taken by the Department Community Services upon the introduction of the level 3b water restrictions.

2. BACKGROUND

On the 1st of February 2017 the City of Cape Town intensified water restrictions to the entire City by promoting the use of portable water for non-essential purposes. The level 3b water restrictions include the following:

- (a) Watering or irrigation (with municipal drinking water) of flower beds, lawns, vegetables and other plants, sports fields, parks and other open spaces is allowed only on Tuesdays and Saturdays before 9am or after 6pm for a maximum of one hour per day per property, and only if using a bucket or watering can.
- (b) No use of hosepipes or any sprinkler systems allowed and no watering or irrigation is allowed within 48 hours of rainfall that provides adequate saturation.
- (c) Facilities or customers making use of boreholes, treated effluent water, spring water or well-points are not exempt.
- (d) No washing of vehicles or boats using municipal drinking water is allowed at residential/business/industrial properties. Vehicles and boats must be washed with non-potable water or washed at a commercial carwash.
- (e) No irrigation using potable water will be permitted at any of the city's facilities and no increase of the indigent water allocation over and above the free 350 litres a day will be granted, unless through prior application and permission.

In terms of Urban Greening strategy, the level 3b water restrictions will impact the scenic beauty of our parks, gardens, open spaces and tree management drastically and innovative thinking and creativity will be the only solution to sustain our historic image.

Internal arrangement with the Department Water and Sanitation is in a progressive stage to grant special permission for the use of borehole water for parks and gardens, using borehole irrigation systems and tanker systems, elsewhere.

7th COUNCIL: 2017-03-29: ITEM 7.1.1

During deliberations on the matter, Councillors raised various concerns relating to water usage within WCO24. The Municipal Manager responded that the water crisis in the Province is taken quite seriously and that all the concerns raised by Councillors are noted. Various programs were already put in place in terms of monitoring the water usage.

NOTED

that the report on water restrictions, be noted.

Meeting: Ref No:	<i>7th Council: 2017-03-29</i>	Submitted by Directorate: Author: Referred from:	<i>Community Services G Esau Mayco: 2017-03-22</i>
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7.2	CORPORATE AND STRATEGIC SERVICES: (CLLR E GROENEWALD (MS))
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7.2.1	SKILLS DEVELOPMENT AND TRAINING COMMITTEE
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1. PURPOSE OF REPORT

To consider the appointment of a Mayoral Committee Member to the Skills Development/Training Committee to assist the municipal council and Executive Mayor in the effective and efficient performance and exercise of their respective functions and powers and matters pertaining thereto.

2. BACKGROUND

According to Government Gazette No. 22398, 22 June 2001, paragraph 11“ it is strongly recommended for organisations with more than 50 employees, that a Skills Development Committee is established for the purpose of consultation on training matters.

The parties to the Committee should be representatives from the stakeholders, with 50% from organised labour (2 x representatives from SAMWU and 2 x representatives from IMATU), and 50% from the Employer (1 x representative from Mayoral Committee + the Manager: Human Resources, Director Strategic & Corporate Services and the Municipal Manager). The Committee requires the presence of a representative of the Mayoral Committee to reach its full powers.

In the past the Portfolio Chairperson of the Strategic & Corporate Services Directorate has always been nominated as the Mayoral Committee representative on the Skills Development and Training Committee.

Attached as **APPENDIX 1**, is the previously signed Terms of Reference of the Skills Development and Training Committee.

7th COUNCIL: 2017-03-29: ITEM 7.2.1

RESOLVED (nem con)

that Councillor E Groenewald (Ms) be nominated as the Mayoral Committee Representative on the Skills Development and Training Committee.

Meeting: Ref No: Collab:	7 th Council: 2017-03-29	Submitted by Directorate: Author: Referred from:	Strategic and Corporate Services Acting Director: Strategic & Corporate Mayco: 2017-03-22
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7.2.2	FOURTH GENERATION INTEGRATED DEVELOPMENT PLAN FOR 2017/18 – 2021/2022
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1. PURPOSE OF REPORT

To submit to Council the Draft Fourth Generation Integrated Development Plan (IDP) (2017/18 – 2021/2022), for consideration.

2. BACKGROUND

The main Act that regulates integrated development planning is the Municipal Systems Act (Act 32 of 2000). Chapter 5 of this Act which deals with Integrated Development Planning became operational on 1 July 2001. The following sections are of specific importance:

In terms of the provisions of Local Government: Municipal Systems Act of 2000, each Council must, within the prescribed period after the start of its elected term, adopt a single, inclusive, strategic plan for the development of the municipality. Section 25(3) prescribes that a newly elected Council may adopt the IDP of the previous Council.

Section 25(1):

The municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality which—

- (a) links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality;
- (b) aligns the resources and capacity of the municipality with the implementation of the plan;
- (c) forms the policy framework and general basis on which annual budgets must be based;
- (d) complies with the provisions of this Chapter; and
- (e) is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.

Section 26:

An integrated development plan must reflect—

- (a) the municipal council's vision for the long term development of the municipality with special emphasis on the municipality's most critical development and internal transformation needs;
- (b) an assessment of the existing level of development in the municipality, which must include an identification of communities which do not have access to basic municipal services;
- (c) the council's development priorities and objectives for its elected term, including its local economic development aims and its internal transformation needs;

- (d) the council's development strategies which must be aligned with any national or provincial sectoral plans and planning requirements binding on the municipality in terms of legislation;
- (e) a spatial development framework which must include the provision of basic guidelines for a land use management system for the municipality;
- (f) the council's operational strategies;
- (g) applicable disaster management plans;
- (h) a financial plan, which must include a budget projection for at least the next three years; and
- (i) the key performance indicators and performance targets determined in terms of section 41.

Section 35(1):

An integrated development plan adopted by the council of a municipality—

- (a) is the principal strategic planning instrument which guides and informs all planning and development, and all decisions with regard to planning, management and development, in the municipality;
- (b) binds the municipality in the exercise of its executive authority, except to the extent of any inconsistency between a municipality's integrated development plan and national or provincial legislation, in which case such legislation prevails; and
- (c) binds all other persons to the extent that those parts of the integrated development plan that impose duties or affect the rights of those persons have been passed as a by-law.

Section 36:

A municipality must give effect to its integrated development plan and conduct its affairs in a manner which is consistent with its integrated development plan.

Section 34:

“Annual review and amendment of integrated development plan

A municipal council-

- (a) must review its integrated development plan-
 - (i) annually in accordance with an assessment of its performance measurements in terms of Section 41; and
 - (ii) to the extent that changing circumstances so demand; and
- (b) may amend its integrated development plan in accordance with a prescribed process.”

The first review of the 4th Generation IDP will be done during the 2017/18 financial year for the 2018/19 financial year.

Section 16(1)(a)(i) provides that a municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance and must for this purpose:-

“Encourage and create the conditions for the local community to participate in the affairs of the municipality in terms of inclusion in the preparation, implementation and review of its IDP in terms of Chapter 5 of the Municipal Systems Act of 2000”.

3. DISCUSSION

An IDP Process Plan and Time Schedule were approved by Council in August 2016 for the compilation of the draft Fourth Generation IDP (2017/18 – 2021/2022). The following processes were followed for the period:

DATE	ACTION(S)
August 2016	<ul style="list-style-type: none"> Approval of IDP/Budget/SDF Process Plan and Time Schedule.
September - November 2016	<ul style="list-style-type: none"> Mayco and top management engagements were held on the broad focus areas of the IDP. Engagements focused on establishing a shared understanding, and agreement on the purpose, focus and public participation process to be followed in compiling the IDP. Cluster meetings were held in all 22 wards, focusing on the prioritization of needs.
December 2016	<ul style="list-style-type: none"> Extensive administrative engagements were held to obtain inputs and refine goals, focus areas, and objectives in preparation of IDP/Budget compilation and SDBIP inputs. Performance Analysis; Financial Analysis; and Organizational (Gap) Analysis were conducted.
January - February 2017	<ul style="list-style-type: none"> Mayco and top management confirmed goals and focus areas and provided direction on predetermined objectives. Ward Committee establishment: Ward Committee elections conducted in all 22 wards. Provincial LGMTEC held to agree on Joint Planning Initiatives to support the Fourth Generation IDP.
March 2017	<ul style="list-style-type: none"> Ward Committee training provided to all formally elected Ward Committee members. Ward plans of all 22 wards drafted in consultation with Ward committees and Ward Councillors. Mayco and Council to consider the draft IDP and Budget.

The following actions will contribute to the finalisation of the Fourth Generation IDP (2017/18 – 2021/2022):

DATE	ACTION(S)
April 2017	<ul style="list-style-type: none"> Public consultation on the draft IDP, Budget and SDF in the form of Cluster meetings as well as advertisements in local media.
May 2017	<ul style="list-style-type: none"> Budget Steering Committee to consider Public Participation Input and budgetary amendments Submission of final IDP to MAYCO and Council for adoption.
June 2017	<ul style="list-style-type: none"> Submit final IDP to Provincial Government Approval of SDBIP by the Executive Mayor within 28 days after adoption of the IDP and Budget

4. COMMENTS BY RELEVANT DEPARTMENTS

All Departments have been involved and have been consulted in the finalising of the Draft Fourth Generation Integrated Development Plan (2017/18 – 2021/2022).

MAYORAL COMMITTEE MEETING: 2017-03-22: ITEM 5.2.3**RESOLVED**

That it be recommended to Council:

- (a) that Council notes the adjustments made to the IDP, Budget and SDF Time Schedule of key deadlines to guide the planning, drafting, adoption and review of the Stellenbosch Fourth generation Integrated Development Plan (2017/18 – 2021/22) which has been approved by the Executive Mayor; and
- (b) that the previous item as approved by the Special Council meeting on the 25 August 2016 be amended to read: Process Plan 2017/2018-2021/2022.

Meeting: Ref No:	7 th Council: 2017-03-29 9/12/1	Submitted by Directorate: Author: Referred from:	Strategic and Corporate Services Manager:IDP Mayco: 2017-03-22
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7.2.4	ADDENDUM TO DRAFT INTEGRATED DEVELOPMENT PLAN (2017-2022)
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1. PURPOSE OF REPORT

For Council to note and approve the amendments to be made to the Draft Integrated Development Plan (IDP) (2017-2022).

2. BACKGROUND

Various information in the current Draft IDP is based on out-dated information due to administrative challenges. The following amendments in the current draft document are herewith proposed:

PAGE NUMBER	AMENDMENT
5	Bottom of Table – Outlines IDP-related monitoring and evaluation activities for the 2015/16 year ahead, be <u>amended</u> to : Outlines IDP-related monitoring and evaluation activities for the <u>2017/18</u> year ahead.
42	First sentence on page – powers are vested in him to manage the day-to-day affairs. This means that he has an overarching strategic and political responsibility, be amended to : Powers are vested in <u>her</u> to manage the day-to-day affairs. This means that <u>she</u> has an overarching strategic and political responsibility.
68	First paragraph – Apart from reflecting an understanding of the current realities of Stellenbosch Municipality and key global, national, regional and district level policy directive, the revision of the third generation IDP needs to take into account the views of citizens and

	<p>interest groups as expressed through various processes and forums, be <u>amended</u> to :</p> <p>Apart from reflecting an understanding of the current realities of Stellenbosch Municipality and key global, national, regional and district level policy directive, the <u>Fourth Generation IDP</u> needs to take into account the views of citizens and interest groups as expressed through various processes and forums</p>
143	<p>Vision – Innovation Capital of South Africa; to be <u>amended</u> to :</p> <p><u>Vision – Valley of Opportunity and Innovation</u></p>
143 - 145	<p>Due to duplication the table consisting of Strategic objectives and Key strategies be <u>deleted</u>.</p>
175	<p>First paragraph – To achieve delivery on the third generation IDP strategic focus areas and objective, it is essential to align the municipal budget with strategy, be <u>amended</u> to :</p> <p>To achieve delivery on the <u>Fourth</u> generation IDP strategic focus areas and objective, it is essential to align the municipal budget with strategy.</p>
209	<p>First bullet – The extent to which the programme or project demonstrates measureable support for the strategic goals, focus areas and objectives of the Third generation IDP; be <u>amended</u> to</p> <p>The extent to which the programme or project demonstrates measureable support for the strategic goals, focus areas and objectives of the <u>Fourth</u> generation IDP.</p>
209	<p>10.3 HIGH LEVEL KEY PERFORMANCE INDICATORS AND TARGETS FOR 2017/2018</p> <p>The High Level Key Performance Indicators and Targets for 2017/18 are attached below; be <u>amended</u> to</p> <p>10.3 5 YEAR TOP LEVEL SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN</p> <p>The 5 year Top Level Key Performance Indicators and Targets for 2017/2022 are attached below.</p>
210 - 218	<p>Be <u>replaced</u> with the attached APPENDIX 1.</p>
	<p>That the Map of Stellenbosch : Proposed Urban Edges be included as the last page to Appendix 4 : Proposed Spatial Development Amendments (APPENDIX 2)</p>

RECOMMENDED

- (a) that the above-mentioned amendments as reflected in the table be approved by Council; and
- (b) that the final draft IDP be updated with the above-mentioned amendments before it is advertised for public comment.

7th COUNCIL: 2017-03-29: ITEM 7.2.2 + 7.2.4

During deliberations on the matter, the Speaker called a body break.

When the meeting resumed, it was agreed to incorporate item 7.2.4 **(ADDENDUM TO DRAFT INTEGRATED DEVELOPMENT PLAN (2017-2022))** into item 7.2.2 **(FOURTH GENERATION INTEGRATED DEVELOPMENT PLAN FOR 2017/18 – 2021/2022)**.

RESOLVED (majority vote)

- (a) that the draft Fourth Generation IDP (2017/18 – 2021/2022) for Stellenbosch Municipality be approved in terms of section 25(1) of the Municipal Systems Act No 32 of 2000 for the purposes of obtaining public inputs and comments;
- (b) that the final draft IDP be updated as per additional item 7.2.4 before it is advertised for public inputs and comments during April 2017;
- (c) that the draft Fourth Generation IDP (2017/18 – 2021/2022) be submitted to the Western Cape Provincial Department of Local Government, the Western Cape Provincial Treasury, National Treasury and the Cape Winelands District Municipality;
- (d) that the SDF proposed amendments in the IDP be taken through an intensive public participation process; and
- (e) that the IDP be submitted to the Mayoral Committee in May 2017 and to Council before the end of May 2017 for final approval.

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

Meeting:	7 th Council: 2017-03-29	Submitted by Directorate:	Strategic and Corporate Services
Ref No:	9/1/2/1	Author:	Manager: IDP
Collab:		Referred from:	Mayco: 2017-03-22

7.2.3	STELLENBOSCH MUNICIPALITY'S PROCESS PLAN AND ADJUSTED TIME SCHEDULE INDICATING THE KEY DEADLINES AND TIME FRAMES FOR THE INTEGRATED DEVELOPMENT PLANNING (IDP), BUDGET AND SPATIAL DEVELOPMENT FRAMEWORK (SDF) PROCESSES TO GUIDE THE PLANNING, DRAFTING, ADOPTION AND REVIEW OF THE FOURTH GENERATION INTEGRATED DEVELOPMENT PLAN FOR 2017/18 – 2021/22
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1. PURPOSE OF REPORT

To inform Council about the adjustments made to the Time Schedule of key deadlines for the Integrated Development Plan (IDP), Budget and Spatial Development Framework (SDF) processes. The Time Schedule guides the planning, drafting and adoption of the IDP (2017/18 – 2021/22).

2. BACKGROUND

Council has approved that any amendments to the time schedule will be approved by the Executive Mayor.

7th COUNCIL: 2017-03-29: ITEM 7.2.3

RESOLVED (majority vote)

- (a) that Council notes the adjustments made to the IDP, Budget and SDF Time Schedule of key deadlines to guide the planning, drafting, adoption and review of the Stellenbosch Fourth generation Integrated Development Plan (2017/18 – 2021/22) which has been approved by the Executive Mayor; and
- (b) that the previous item as approved by the Special Council meeting on the 25 August 2016 be amended to read: Process Plan 2017/2018-2021/2022.

Councillors DA Hendrickse and LK Horsband requested that their votes of dissent be minuted.

Meeting:	7 th Council: 2017-03-29	Submitted by Directorate:	Strategic and Corporate Services
Ref No:	9/12/1	Author:	Manager: IDP
		Referred from:	Mayco: 2017-03-22

7.3	ECONOMIC DEVELOPMENT AND PLANNING: [ALD JP SERDYN (MS)]
7.3.1	APPLICATION FOR STREET NAMING AND NUMBERING: JAMESTOWN HOUSING PROJECT FARM NO. 527/9, STELLENBOSCH (NOW ERF 967, JAMESTOWN)

1. PURPOSE OF REPORT

To approve the street names and numbers for the Jamestown Housing Project on Farm No. 527/9, Stellenbosch. The application is **recommended for approval**.

2. BACKGROUND

In 2013 an application for the subdivision of Farm No. 527, Stellenbosch into six (6) portions and the rezoning of Portion 4 to subdivisational area to allow 395 single residential zoned properties, 176 General Residential units, educational/place of worship, public open spaces and local authority zone erven, was approved.

In 2014 the further subdivision of Farm No. 527/9, Stellenbosch into 168 erven (Phase 1A of 124 Single Residential, 2 Public Open Space and 1 Local Authority erven on 2.99ha & Phase 1B of 38 Single Residential, 2 Public Open Space and 1 Local Authority erven on 1ha) was approved by Council.

No street names and numbers were however approved with this process and it is now requested to approve the new street names and numbers after a consultative process with the ward councilor and ward members.

7th COUNCIL: 2017-03-29: ITEM 7.3.1

During deliberations on the matter, Councillors requested additional information on the matter. The Speaker RULED that the Administration obtain the necessary information requested and that the item be placed on hold until the Administration return with the information. The meeting moved on to the next item on the Agenda

After the Administration returned to the Chambers with the additional information, the meeting reverted back to this matter, where it was

RESOLVED (nem con)

that the matter be referred back to the Administration for the public participation process.

Meeting: Ref no:	7 th Council: 2017-03-29 PL 527/9 S	Submitted by Directorate: Author Referred from:	Planning and Economic Dev. D Lombaard Mayoral Committee: 2017-03-22
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7.3.2	INNOVATION CAPITAL PROGRAMS: LOCAL ECONOMIC DEVELOPMENT HUBS FOR SMALL BUSINESSES
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1. PURPOSE OF REPORT

To obtain approval for the use of municipal properties for the establishment of subsidised local economic development business incubation hubs on a tariff structure.

2. BACKGROUND

The Municipality owns numerous well located properties in nodes and central business areas, which could be used as local economic development hubs. The local economic development hubs (named incubators hereafter) will serve as incubators to provide entrepreneurs, start-up businesses or growth-orientated SMME's access to appropriate rental space and flexible leases, shared basic business services and equipment, technology support services. The hubs will also give start-up businesses access to the mainstream economic activities, where better market access could improve their success ratios.

7th COUNCIL: 2017-03-29: ITEM 7.3.2**RESOLVED** (majority vote)

- (a) that approval be granted for the establishment of Local Economic Development hubs / incubators on the following properties as identified in **APPENDIX 1:**

RANK	PROPERTY	LOCATION	PURPOSE	MANAGEMENT	PROCESS
1	Erf 2235	Groendal (Mooiwater homestead / old youth house)	Business support Services incubator	Preferred service provider	Building/site maintenance; lease agreements; contractor relocation.
2	Public Place / POS north of Groendal Community Hall	Vacant office on play park land	Business Sector Offices	Preferred service provider	Lease agreement.
3	Erven 2751 and 6314 (Old Agricultural Hall)	Stellenbosch	Incubator and affordable rentals for Arts, crafts and tourism sector, including parking area	Preferred service provider	Building / site maintenance; lease agreements; illegal occupants' relocation; rezoning.
4	Erven 228, 229 and 230	Franschhoek (Triangle site)	Affordable rental space for shops and tourism activities	Preferred service provider	Building / site maintenance; lease agreements; staff relocation (Erven 228 and 229); site

					improvement; further lease agreements.
5	Re Erf 342	Klapmuts	Trading hub	Preferred service provider	Rezoning; services connections; lease agreements; container acquisition.
6	Erf 1538	Franschhoek (old tennis courts)	Parking/ business opportunity for a co-operative	Preferred service provider	Site improvement; lease/ management agreement.
7	Erven 1956, 1957, 6487, 6488 and 6490	Stellenbosch (Old clinic site and LED office)	Business Development Incubator and rental space (Arts, crafts, shops, offices, tourism activities)	Preferred service provider	Building / site maintenance; lease agreements; occupants' relocation.
8	Die Boord POS	Intersection Van Rheeede Rd and R44	Community market	Preferred service provider	Site improvement; lease/ management agreement.
9	Erf 721	Pniel (municipal office site)	Affordable rental space (Shops and tourism activities)	Preferred service provider	Rezoning; services connections; lease agreements; container acquisition.

- (b) that Council agrees to the approved tariff structure for the local economic development incubator hubs as applies to the Kayamandi Economic and Tourism Corridor (KETC);
- (c) that Council confirms that the properties are not required for the provision of the minimum level of basic municipal services in terms of Section 14 of the Local Government: Municipal Finance Management Act, 2003, Act 56 of 2003; and
- (d) that the Municipal Manager be authorised to follow the prescribed process for the leasing of the relevant properties in keeping with the Stellenbosch Tariff Structure as amended, through requesting proposals in line with the objectives of Local Economic Development.

Councillors DA Hendrickse and LK Horsband requested that their votes of dissent be minuted.

Meeting:	7 th Council: 2017-03-29	Submitted by Directorate:	Planning and Economic Development
Ref No:	7/4/2/2/1 x 7/4/2/2/1-9	Author:	D Lombaard
Collab:		Referred from:	Mayco: 2017-03-22

7.4	FINANCIAL SERVICES: [CLLR S PETERS]
7.4.1	MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF) FOR THE FINANCIAL PERIODS 2017/2018 – 2019/2020

1. PURPOSE OF THE REPORT

The purpose of this report is three-fold, namely:-

- (a) To consider the views/submissions of the local community in terms of Section 23(1)(a) of the Municipal Finance Management Act (Act 56 of 2003), herein after called the MFMA, and to allow the Executive Mayor to respond to the views of the public as envisaged in terms of Section 23 (2) (a) and (b);
- (b) To approve the Medium Term Revenue and Expenditure Framework for 2017-2020, the prescribed appendices, property tax increases, tariffs and tariff structures and revisions to the Budget and related Policies (where appropriate) in terms of Section 17 (1) – (3) of the MFMA (Act 56 of 2003); and
- (c) that Council specifically notes and considers the need to take up external loans needed for investment in income generating infrastructure to the tune of R240 million over the next 2 years of which R160 million will be required in year 1 and R80 million in year 2 (refer to Section 1.3: Executive Summary and Table A1 Budget Summary), and to confirm approval of same in order for the Chief Financial Officer to attend to the necessary legislative requirements.

2. BACKGROUND

Section 23 of the MFMA (Act No 56 of 2003) prescribes to municipalities the process to be followed when the Annual Budget is tabled for approval, which is as follow:

- (1) *“The municipal council must consider any views of the local community, the National Treasury, the relevant Provincial Treasury and any provincial or national organs of state or municipalities which made submissions on the budget.*
- (2) *After considering all budget submissions, the council must give the mayor an opportunity—*
 - (a) *to respond to the submissions; and*
 - (b) *if necessary, to revise the budget and table amendments for consideration by the council.*

APPENDIX 1 to the Council Item for the Integrated Development Plan includes the input and comments received during the IDP and Budget Public Participation process.

3. DISCUSSION

The 2016 Medium Term Budget Policy Statement by the Minister of Finance highlighted the reduction in South Africa's growth rate and weakening economy, which will likely persist for the next few years.

The deteriorating state of the economy has an adverse and ripple effect on the public sector at large.

South African Gross Domestic Product growth for 2016 was forecast at 0.9 per cent at the time of the 2016 Budget and it has since been revised to 0.5 per cent. However, growth is expected to improve to 2.2 per cent by 2019 due to:

- more reliable electricity supply;
- improved labour relations;
- low inflation;
- recovery in business and consumer confidence;
- stabilising commodity prices; and
- stronger global growth.

In the last financial period, employment fell by 112 000 jobs although employment growth was achieved in most urban municipalities. Unemployment rate increased from 25 per cent to 26.6 per cent as evidence of our struggling economy. Based on the June 2016 Quarterly Employment Statistics, all sectors, except construction, shed jobs in the second quarter of 2016.

In his budget speech on 22 February 2017, the Minister of Finance highlighted the importance of using the budget as a mechanism to accelerate economic transformation. As part of Government's transformation action agenda, the following programmes are a priority:

- Dignified living;
- Improved access to services and economic participation across all racial lines;
- Energised growth and create jobs;
- Increased investment and development

National priorities directly aligned to the National Development Plan, which are the cornerstone for South Africa's economic development, remain priorities for the municipality.

- **Infrastructure development** plays a pivotal role in improving the economy. Municipalities are encouraged to invest in upgrading of municipal roads, building waste water treatment works, installation of electricity networks, upgrading of sewer systems, building water reservoirs, etc. With the population growth that Stellenbosch municipality has, especially in informal settlements, infrastructure needs to be upgraded to meet the demands of the communities. This also has a linkage in reduction of unemployment. Similar to 2015/16 and 16/17 financial years, the municipality's capital budget is huge.
- One of the biggest challenges South Africa is confronted with is lack of **job creation**, which remains a national and provincial priority. With the low scaling economy, it is a challenge for jobs to be created as

the two have a direct relationship. Thus, it is paramount for municipalities to continue to undertake joint planning with their communities and respective business sectors that drive the local economy. Municipalities should explore opportunities to mainstream labour intensive approaches to delivering services. As means to combat unemployment, the municipality would employ the following measures:

- ✓ Full participation in the Expanded Public Works Programme;
 - ✓ Providing support to small businesses, which will create
 - ✓ employment in the medium to long term;
 - ✓ Filling of vacancies within the municipality; and
 - ✓ Developing partnerships with academic institutions for training Opportunities.
- A revised **capacity building initiative, aligned to Back to Basics** strategy, where the main focus will be on improving service delivery, accountability and financial management. It is always important that local government be effective and efficient, and this will be measured by its ability to perform the basic mandate of service delivery. The “Back to Basics” programme was launched to promote good governance and effective administration through cutting wastage, spending public funds prudently, hiring competent staff, and ensuring transparency and accountability in local government.

The President of South Africa, in his State of the Nation Address, on 9 February 2017 conceded that unemployment remains a national challenge and unpacked a nine point plan to reignite growth so that the economy can create much-needed jobs:

- Industrialisation
- Mining and beneficiation
- Agriculture and agro Processing
- Energy
- SMMEs
- Managing work place conflict Attracting investments
- Growing the oceans economy
- Tourism.

Curtailing the non-core expenditure has always been emphasized on by the National Treasury. In order to maintain a funded budget, municipalities need not only focus on tariff increases, but also need to eliminate expenditure that is unnecessary. The following additional cost containment measures introduced by National Treasury will still be implemented:

- Restrictions on filling managerial and administrative vacancies, to review of human resource plans and elimination of unnecessary positions;
- Reduced transfers for operating budgets of public entities;
- Capital budgeting reforms to align plans with budget allocations while strengthening maintenance procedures;
- Mandatory use of the new e-tender portal, thereby enforcing procurement transparency and accessible reference prices for a wide range of goods and services;

- A national travel and accommodation policy and instructions on conference costs;
- New guidelines to limit the value of vehicle purchases for political office-bearers;
- Renegotiation of government leasing contracts;
- New centrally negotiated contracts for banking services, ICT infrastructure and services, health technology, school building and learner support materials.

The emphasis of the National Budget is placed on ensuring that expenditure is allocated in an efficient manner, that management is enhanced and that cutting of waste occur. The 2017 Budget allocates resources to core social and economic priorities while containing aggregate expenditure growth. Spending plans give effect to priorities of the National Development Plan and the Medium Term Strategic Framework.

The application of sound financial management principles for the compilation of the Stellenbosch's 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 Finance Minister also highlighted the importance of strengthening the financial management in municipalities and as a result, National Treasury and provincial treasuries have agreed to focus their efforts on four "game changers":

- The new Municipal Standard Chart of Accounts, which will be implemented from 1 July 2017, contributing to greater transparency and consistency of municipal finances.
- Targeted supply chain management interventions to achieve cost savings and combat fraud.
- Enhanced revenue management, including appropriate tariff-setting, regular billing and effective collection systems.
- Improved asset management, including adherence to 8 per cent of the value of assets being spent on their maintenance.

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.

Municipalities are encouraged by National Treasury to keep increases in property rates, tariffs for trading services and charges for other municipal own revenue sources within the parameters of the country's inflation rate. Furthermore, it is recommended that municipalities adopt a tariff setting methodology that achieves an appropriate balance between the interests of poor households and other customers while ensuring financial sustainability of the municipality. In light of the current drought being experienced across large parts of the country, and to mitigate the need for water tariff increases, it is important that municipalities put in place

appropriate strategies to limit water losses to acceptable levels. Municipalities must therefore ensure that water used by its own operations is charged to the relevant service, and not simply attributed to water losses.

Demand management is becoming increasingly necessary as the country faces water shortages and an unstable electricity supply. The approach to tariff setting should consider all these factors and strive to achieve an equitable balance.

Municipalities should consider the following facts during 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.

It is anticipated that the cost of providing municipal services will increase faster than the transfers from national government. Resource scarcity will most likely increase the cost of bulk purchases in respect of water and electricity beyond the country's inflationary targets. Provision of free basic services in the case of poorer households must be carefully considered and, where some municipalities have opted to provide this benefit to all households, this may not be financially sustainable in the long-term. It is of utmost importance that a municipality should re-evaluate, where appropriate, the costs and benefits of universal or targeted provision of free basic services subsidies, in order to protect their delivery to poor households in particular. The provision of these subsidies should at no point remove resources from programmes that will expand access to infrastructure services for presently un-served households.

In instances where municipalities do not have an adequate revenue base and where they face a combination of challenges such as resource scarcity, high unemployment and slower than average economic growth, an aggressive approach to curbing non-core spending and improving operational efficiencies is strongly advised. 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 of ourselves. During the compilation of the 2017/2018 MTREF budgets municipalities must consider improving the effectiveness of revenue management processes and procedures and pay special attention to cost containment measures by, amongst other things, controlling unnecessary spending on nice-to-have items and non-essential activities.

The municipality's revenue strategy was based on the following fundamentals:

- 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

- Electricity tariffs as approved by National Electricity Regulator of South Africa (NERSA)

The main challenges experienced during the compilation of the 2017/18 MTREF can be summarized as follows:

- The on-going difficulties in the national and local economy;
- Aging infrastructure;
- The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;
- The increased cost of bulk water and electricity, 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;
- Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies;
- Reductions in allocations of National and Provincial grants due to a worsening fiscal outlook; and
- Limited resources to deal with all key priorities.

The following budget principles and guidelines directly informed the compilation of the 2017/18 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 as possible and should ideally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality. 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 total budget quantum for the 2017/2018 year is R1 868 097 719 of which R1 487 281 209 (79.61%), is allocated to the operating budget and R 380 816 510 (20.39%) to capital investment.

Budget documentation in line with the budget and reporting regulations is attached as **APPENDIX 1 – PART 1**. The report serves as an overview of the budget as a whole, budget assumptions used to compile the budget, funding sources used to fund the capital budget, different income categories to fund priorities of the municipalities, as well as the different expenditure items, including non-cash items.

FINAL CAPITAL BUDGET 2017/2018 – 2019/2020

The final capital budget is infrastructure orientated and addresses the backlog and urgent need to upgrade/refurbish Council's infrastructure as addressed by the different master plans. It is directed by 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.

Council’s attention is however drawn to the fact that not all needs identified by the community can realistically be funded by the municipality.

The main capital projects that the municipality will be investing in include:

- Extension of waste water treatment works in Stellenbosch and Klipmuts
- New Plankenburg Main Outfall Sewer
- Taking over electricity network in Pniel area from Drakenstein Municipality
- Bulk Sewer Outfall: Jamestown
- Upgrade Stormwater
- Upgrade Of Sport Facilities
- Major Drop-Offs : Construction – Franschoek
- Upgrade Bulk Water Supply Pipeline & Reservoir – Jamestown
- Gravel Roads- Jamestown
- Bulk Water Supply Pipe Reservoir: Johannesdal / Kylemore / Pniel
- Kayamandi: Watergang/Zone O (Housing Project)
- New Community Hall Klipmuts
- Upgrade and Expansion of IT Infrastructure Platforms
- Energy Efficiency And Demand Side Management (Electrical)
- Integrated National Electrification Programme (Electrification of subsidy housing projects and informal settlements)

The detailed final capital budgets for 2017/2018, 2017/2018 and 2019/2020 are attached as **APPENDIX 1 – PART 2 – SECTION N.**

FINAL OPERATING BUDGET 2017/2018 – 2019/2020

The basis of the operating budget is aligned to the principle of total potential income (less income forgone as an expense where applicable) from all our services as well as a projection of total direct income. The extent, to which tariffs and levies are proposed to increase, is in the main influenced by:

- The increase in bulk purchases (water and electricity)
- Employee related costs, as per SALGBC wage agreement
- Councillor remuneration, as per SALGA upper limits
- Service delivery challenges
- Repairs and maintenance
- Operational projects impacting job creation and economic development
- Contractual commitments
- Day to day operational costs (fuel & oil, telephones, bank costs, etc.)
- Finance costs, influenced by level of borrowing

Taking all of these issues into consideration and to ensure the sustainability of our operations from realistically anticipated income flows, the following tariff and property tax increases are proposed for 2017/2018:

Electricity	1.88%
Sanitation	9.00%
Refuse removal	9.00%
Water	7%
Property Rates – Residential	-26.63
Property Rates – Agricultural	-26.31
Property Rates – Business	-19.43

(The Property Rates tariffs excludes additional income derived from implementing the new General Valuation from 01 July 2017)

The impact of the proposed tariff increases on the monthly services account for the various consumer categories is summarized in **APPENDIX 2**.

HIGH LEVEL CAPITAL AND OPERATING BUDGET FOR 2017/2018 – 2019/2020

The final high level budget depicting the total budget is attached as **APPENDIX 1 – PART 1 – SECTION C**.

TARIFFS

Council's attention is further drawn to the fact that the Tariff List attached as **APPENDIX 3** includes Sundry Tariffs as a basket of services and charges, i.e. Land Use Management Fees, Development contributions, Technical Charges, etc. In this regard, the proposed tariff list must be consulted for the detail.

BUDGET RELATED POLICIES & BY-LAWS

The following budget related policies and by-laws were revised:

- Property rates by-law (Appendix 4)
- Tariff by-law (Appendix 5)
- Special ratings area by-law (Appendix 6)
- Property rates policy (Appendix 7)
- Supply Chain Management policy (Appendix 8)
- Travel & subsistence policy (Appendix 9)
- Indigent policy (Appendix 10)
- Credit control & Debt collection policy (Appendix 11)
- Irrecoverable debt policy (Appendix 12)
- Tariff policy (Appendix 13)
- Grants In Aid policy (Appendix 14)
- Special ratings area policy (Appendix 15)
- Development Charges policy (Appendix 16)
- Virement policy (Appendix 17)
- Cash Management & Investment policy (Appendix 18)
- Asset Management policy (Appendix 19)
- Funding of External Bodies (Appendix 20)
- Accounting Policy (Appendix 21)

Summary of changes since the draft budget are as follows:

Policy / By-law	Summarized Nature of change
Virement Policy	<p>Removed definitions that do not appear on the policy; Amended the wording for Directors to support the virement and not motivate it (as per virement form); Removed a clause of quarterly reporting approved virements to the Mayor; Included a clause to attach supporting docs on virements prior approval.</p>
Asset Management Policy	<p>The subsequent measurement for Land and Buildings as well as Investment property has changed to the cost model.</p>
Supply Chain Management Policy	<p>1.4.5. PPPFA Regulations changed the year from 2011 to “2017”.</p> <p>2.1.1 (a) Understand and plan for their future needs “with the help of the DMP”.</p> <p>2.1.1 (b) Identify critical delivery dates in consultation with the Supply Chain Management unit “via the Demand Management Plan (DMP) “.</p> <p>2.1.1 (d) Draft clear, complete and understandable specifications</p> <p>2.1.2 (d) Contribute towards the finalisation of bid specifications in line with the Accounting Officer’s delegations “via the Bid Specifications Committees”.</p> <p>3.1 PPPFA Regulations from 2011 to 2017</p> <p>3.2 Changed 80/20 evaluation system from R30 001 – R10 mil to R30 001 – R50 mil; Changed 90/10 evaluation system from above R1mil minimum to above R50 mil minimum. Changed 80/20 BBBEE points of level 3 contributor from 16 to 14; Changed 90/10 BBBEE points of level 3 contributor from 8 to 6; Included “affidavits” for EME’s;</p> <p>4.2.1 (v) an executive member of the accounting authority of any national or provincial public entity; or</p> <p>4.2.4 (b) iii the acquisition of services of information and communication technology, IT licences, licences and systems in use,</p> <p>4.16.1.(a) may include an advertisement in the Government EPortal); and</p> <p>4.17 (iii) received after the closing time should not be considered and returned unopened immediately SCM manager can open the envelope to obtain the address.</p> <p>4.23.5. Added as per PPPFA REG: There is a material irregularity in the tender process</p> <p>4.23.5. Added as per PPPFA REG: An organ of state may only with the prior approval of relevant treasury cancel a tender invitation for the second time.</p> <p>4.25 (c) Added : (SCM to open to obtain the address)</p> <p>4.39 Added: In terms of the new Tax Compliance Status System implemented by SARS on 18 April 2016, taxpayers are now able to issue the municipality with a TCS Pin which will be used to verify a bidder’s tax status online via SARS E-filing. This option will be used to verify the status of the service provider (which should be active or compliant) and will determine if the offer will be further evaluated or omitted. Service provider’s status which is found inactive or non-compliant their offers will be omitted. Bidders who are not in possession of an original Tax Clearance Certificate must issue the municipality with the following: Tax Reference Number Tax Compliance Status Pin</p>

	<p>8.1.2. It is in the interests of all staff members and the Supply Chain Management Unit in particular to maintain the highest possible ethical standards including commitment, accountability, accuracy, honesty, cooperation, tolerance and acceptance of obligations as well as rights.</p> <p>Added Afrikaans as a medium of communication;</p> <p>Travelling, accommodation, subscriptions, tow-in services, service agents, franking machine postage, library books, books added to services of which no competitive bidding is necessitated.</p>
Cash Management & Investment Policy	Amended to allow for 50% of available funds to be placed with a single institution.
Travel & Subsistence Policy	Aligned with the SARS rates.
Property Rates Policy	To make provision for the new categories as per the Local Government : Municipal Property Rates Act,6 of 2004 To make provision for new rebates for the 2017/2018 financial year for residential properties, Heritage properties, Senior citizens and to provide for a phasing-in period for erven with exceptional valuation increases.
Indigent Policy	To make provision for the increase of the threshold for Indigent applications to R 6 000 To ensure a proper review process for annual reviewing of Indigent applicants Improve the administration of child-headed households
Credit control & Debt collection Policy	No principle changes, only cosmetic changes effected.
Irrecoverable Debt Policy	No principle changes, only cosmetic changes effected.
Grants in Aid Policy	The call for proposals now makes provision for two categories of applications. Category A remains the normal GiA donations and category B make provision for bigger donations over a three year period to address specific IDP identified needs including night shelters.
Tariff Policy	To make provision for tariffs for export of renewable energy Structural changes to ensure consistency with the Tariff schedules
Tariff By-law	To make provision for tariffs for export of renewable energy Structural changes to ensure consistency with the Tariff schedules
Property Rates By-law	Cosmetic changes to address the content and interpretation of the By-Law
Special Ratings Area By-law	Cosmetic changes to address the content and interpretation of the By-Law
Development Charges Policy	Please refer to policy.
Special Ratings Area Policy	Cosmetic changes to address the content and interpretation of the By-Law
Accounting Policy	The accounting policy was updated to be in line with the GRAP accounting framework and Directive 5. The subsequent measurements for Land and Buildings as well as Investment Property were also changed.

The following budget related policies and by-laws were not changed:

- Budget Implementation & Monitoring policy (Appendix 22)
- Petty Cash Policy (Appendix 23)
- Borrowing, Funds & Reserves Policy (Appendix 24)
- Liquidity Policy (Appendix 25)
- Inventory Management Policy (Appendix 26)
- Preferential Procurement Policy (Appendix 27)
- Performance Management Policy Framework Policy (Appendix 28)

**THE FOLLOWING MFMA CIRCULARS WERE USED AS A GUIDELINE
WHEN PREPARING THE BUDGET (MTREF):**

MFMA Circular No. 85 Municipal Budget Circular for 2017/2018
(Appendix 29)

MFMA Circular No.86 Municipal Budget Circular for 2017/2018
(Appendix 30)

OTHER SUPPORTING DOCUMENTATION

The additional information as prescribed by the budget and reporting regulations are attached as **APPENDIX 1 – PART 2 – SECTION 2.14.**

4. LEGAL IMPLICATION

None solicited/not required.

5. FINANCIAL IMPLICATION

Financial impact discussed above.

6. COMMENTS FROM OTHER RELEVANT DEPARTMENTS

Relevant input is incorporated into budget document.

MAYORAL COMMITTEE MEETING: 2017-03-22: ITEM 5.4.2**RESOLVED**

That it be 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;
- (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;
- (c) that the proposed Grants-In-Aid allocations as set out in **APPENDIX 1 – PART 2 – SECTION J**, be approved for public release;
- (d) that the three year Capital Budget for 2017/2018, 2018/2019 and 2019/2020, as set out in **APPENDIX 1 – PART 2 – SECTION N**, be approved for public release;
- (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;
- (f) that the proposed amendments to existing budget related policies and other policies as set out in **APPENDICES 6 - 27**, be approved for public release;

- (g) that Council specifically notes and considers the need to take up an external loan needed for investment in income generating infrastructure to the tune of R240 million of which R160 million will be required in year 1, and R80 million in year 2 (refer to Section G: High Level Budget Overview and Table A1 Budget Summary), and confirms draft approval of same;
- (h) that Council specifically takes 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 85 and 86 that were published to guide the MTREF for 2017/2018 to 2019/2020 as set out in **APPENDICES 29 – 30**.

Meeting: Ref no:	Mayoral Committee: 2017-03-22 5/1/1/2015/2016	Submitted by Directorate: Author Referred from:	Chief Financial Officer Manager: Budget Office
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7.4.2	ADDENDUM TO THE TARIFFS AND BUDGET AND RELATED POLICIES
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1. PURPOSE OF REPORT

To request Council to accept the addendum to the above-mentioned council item. The addendum includes the amendments to the main electricity tariffs as well as to include **Annexure A to Appendix 16: Development Charges**.

2. DISCUSSION

Electricity Tariff:

After consultation with the relevant Service Provider that was appointed for the Electricity Tariff Modeling, it was recommended that the Electricity tariffs be amended from 1.88% to 2.22%. (**APPENDIX 1**).

Budget and Related Policies

Annexure A to Appendix 16: Development Charges Policy was omitted and need to be included in said Appendix. (**APPENDIX 2**).

RECOMMENDED

- (a) that the Electricity Tariff be amended from 1.88% to 2.22%; and
- (b) that **Annexure A to Appendix 16: Development Charges**, be included.

7TH COUNCIL MEETING: 2017-03-29: ITEM 7.4.1 + 7.4.2

The Executive Mayor's budget speech is attached as an appendix.

It was agreed to incorporate item 7.4.2 (**ADDENDUM TO THE TARIFFS AND BUDGET AND RELATED POLICIES**) into item 7.4.1 (**MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF) FOR THE FINANCIAL PERIODS 2017/2018 – 2019/2020**).

RESOLVED (majority vote)

- (a) that the Draft High Level Budget Summary, as set out in **APPENDIX 1 – PART 1 – SECTION C**, be approved for public release;
- (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;
- (c) that the proposed Grants-In-Aid allocations as set out in **APPENDIX 1 – PART 2 – SECTION J**, be approved for public release;
- (d) that the three year Capital Budget for 2017/2018, 2018/2019 and 2019/2020, as set out in **APPENDIX 1 – PART 2 – SECTION N**, be approved for public release;
- (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;
- (f) that the proposed amendments to existing budget related policies and other policies as set out in **APPENDICES 6 - 27**, be approved for public release;
- (g) that Council specifically notes and considers the need to take up an external loan needed for investment in income generating infrastructure to the tune of R240 million of which R160 million will be required in year 1, and R80 million in year 2 (refer to Section G: High Level Budget Overview and Table A1 Budget Summary), and confirms draft approval of same;
- (h) that Council specifically takes note of the fact that the proposed electricity charges and tariff structure is subject to NERSA approval that could change materially;
- (i) that Council takes note of MFMA circulars 85 and 86 that were published to guide the MTREF for 2017/2018 to 2019/2020 as set out in **APPENDICES 29 – 30**.
- (j) that the Electricity Tariff be amended from 1.88% to 2.22%; and
- (k) that Annexure A to Appendix 16: Development Charges, be included.

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

Meeting: Ref no:	7 th Council: 2017-03-29 5/1/1/2015/2016	Submitted by Directorate: Author Referred from:	Chief Financial Officer Manager: Budget Office Mayoral Committee: 2017-03-22
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STELLENBOSCH

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INNOVATION CAPITAL
ISIXEKO ESIZA NENGUQU
INNOVASIEHOOFSTAD

STELLENBOSCH MUNICIPALITY

**EXECUTIVE MAYOR:
PROPOSING THE ITEM ON
TABLING THE TABLED (DRAFT)
BUDGET – FOR PUBLIC
PARTICIPATION.
29 MARCH 2017**



**Adv Gesie van Deventer
Executive Mayor**

Speaker;
Deputy Mayor;
Chief Whip of the Ruling Party;
Members of the Mayoral Committee;
Ordinary members of Council;
Municipal Manager and senior management;
Ward Committee Members;
Members of the public;
Members of the media present; and
All protocol observed

Good afternoon ladies and gentlemen.

Introduction

Speaker, it is with great pleasure that I motivate to and enlighten Council on the proposed tabled (draft) budget for the 2017/18 period, which must now be circulated to the public for public participation.

This budget is aligned to Stellenbosch Municipality's Integrated Development Plan (IDP) with its vision statement, mission statement, corporate values, key performance areas and its key focus areas.

This budget was drawn up in line with guidelines set by political leadership and reflects our determination to reduce poverty, create jobs, expand our economy and build and maintain our infrastructure. We are indeed delivering to our people and it is our target this year to spend at least 95% of our capital budget in our program for Stellenbosch to become truly, a *place of opportunity for all residents*.

The South African economy is still struggling and with almost no growth in the economy at a national level, it has severely impacted our funds, as national government tries to curb government spending. We are however, part of the best run province in the country and this is a source of hope. The provincial economy has shown stronger growth than the rest of the country and the efforts of the various stakeholders, has ensured that the greater Stellenbosch area remain one of the most popular tourist attractions in South Africa and even on the continent, bringing investment and opportunities to the region and contributing to our GDP.

The legacy of the previous Council is a stable financial position and two clean audits.

This is a positive start for us as a New Council, but we also inherited many challenges, especially in infrastructure, an out-dated staff structure, many informal settlements that need to be upgraded, a huge backlog in housing (BNG and GAP Housing), serious safety issues in our towns, long overdue upgrades of roads and access routes, and many more.

This budget thus focuses on service delivery first, in order to create opportunities for all communities.

This is very much a “bread and butter” budget, with no room for extravagance. This budget deals with necessities and takes us back to our basic mandate: Service Delivery.

Speaker, I take pleasure in presenting this budget speech and the Tabled Medium Term Revenue and Expenditure Framework

(MTREF) Budget Report for the 2017/2018 to 2019/2020 financial years – in laymen's terms the capital and operating budget for the next three financial years.

The budget has been prepared in accordance with National Treasury's circular guidelines and the Municipal Budget and Reporting Regulations, taking cognisance of scarce available resources. Section 152(2) of The Constitution of the Republic of South Africa, 1996 clearly determines that *“a municipality must strive, within its financial and administrative capacity, to achieve the objects of local government.”*

I also present the 2017/2018 financial year and the two outer years' budget patterns. It has been a difficult task to find the necessary funding for all we have to do; however, we have set high service delivery standards for ourselves, and will have to work “smarter” with available financial and other resources.

Speaker, we intend to take the next four years entrusted to us, as Council to position Stellenbosch as one of the top Municipalities in South Africa.

Speaker, we acknowledge the fact that decisions taken today will either be to the benefit or the detriment of our children, grandchildren and great grandchildren. While individuals involved in current Council business may come and go, municipalities continue to render services perpetually for generation after generation.

Speaker, our beloved Nelson Mandela on two special occasions once said and I quote –

“What counts in life is not the mere fact that we have lived. It is what difference we have made to the lives of others that will determine the significance of the life we lead.”

“Let it never be said by future generations that indifference, cynicism or selfishness made us fail to live up to the ideals of humanism which the Nobel Peace Prize encapsulates.”

Speaker, as to revenue of the tabled 2017/2020 forecast, I would like to make the following remarks: Affordable revenue streams through affordable property rates and service charges tariffs formed the basis of the operating budgeted revenue. The capital programme's capital project expenditure was also reduced to affordable own funding and external borrowing levels.

In the 2017/2018 financial year, starting 1 July 2017, we will immediately start with the implementation of our capital projects to ensure that we spend our capital budget effectively, efficiently and economically so as to achieve the ultimate goal of acceleration of service delivery and infrastructure development. Planning has already started, and as soon as the budget is finally approved by Council, the bid processes through our Capital Projects Implementation Plan will kick into operation. Progress with these plans will be monitored on a monthly basis to limit future capital projects carry-overs to the minimum. We do our local community no favour by not implementing our capital projects approved in the capital budget – it is our job to implement.

Speaker, this IDP informs the budget and the Service Delivery and Budget Implementation Plan (SDBIP). The SDBIP with performance indicators with smart targets are developed to ensure that progress in achieving the objectives as set out in the IDP are achieved. Legislation requires from me to approve the high level SDBIP within 28 days after Council has approved the final 2017/2018 budget and I will adhere to this requirement. The Municipal Manager and her Executive Team will therefore have no choice but to implement the objectives of the IDP and the measurable performance objectives of the 2017/2018 budget as depicted in the 2017/2018 SDBIP.

The IDP and Budget consultation process with the community will commence on 03 April 2017 and concluded by 30 April 2017. Soon thereafter, I and my Mayoral Committee will consider all the comments received on the reviewed IDP and Budget from the local community, stakeholders, National and / or Provincial Treasury, councillors and senior management before I will table the final budget before Council for final approval by Council before 31 May 2017.

Speaker, the Tabled 2017/2020 MTREF Budget Report clearly spells out the legislative requirements this budget is governed by. The capital and operating budget was compiled compliant with these legislative requirements, taking also the budget circulars guidelines received National Treasury into consideration.

Total Expenditure Budget Overview

Speaker, our 2017/2018 capital budget expenditure amounts to R 390 million and our operating budget expenditure amounts to R 1.477 billion. Our total budgeted expenditure therefore amounts to R 1.868 billion. This amount is estimated to increase to R 1.899 billion and R 1.905 billion, respectively for the two outer years of the MTREF.

Capital Budget Expenditure

The capital budget proposed for 2017/2018 decreases from R 464 million to R 390 million when compared with the 2016/2017 adjustments capital budget. The decrease is due to the huge investments necessitated by the upgrading of the Waste Water Treatment Works.

The MTREF proposes capital expenditure of R 319 million and R 226 million for the two outer financial years. I need to point out that capital projects amounting to R 1.025 billion cannot be accommodated over the next three years. Our community needs are simply just more than we can afford and that is why we prioritise our capital spending. A comprehensive list of all our capital programme needs is attached as Appendix 1, Section N to the Tabled 2017/2020 MTREF Budget Report.

Our Capital Budget for 2017/18 will be spent on creating opportunities for all communities, with a definite focus on provision for previously disadvantaged communities and job creation has been highlighted. Some of the projects are:

Local Economic Hubs	2, 000, 000
Kayamandi Economic Corridor	1, 500, 000
Informal Trading Sites: Klapmuts	900, 000
Informal Trading Market: Cloetesville	700, 000
Informal Trading Sites: Groendal	570, 000
Informal Trading Sites: George Blake Street	500, 000
Adventure Tourism: Idas Valley Dam	1,350, 000
Adventure Tourism: Berg River Dam	1,350, 000

Some of the projects to build the community assets are:

Purchase of Land-Cemeteries	900, 000
New Community Hall: Klapmuts	9,000,000
Groendal Library	2, 000, 000
Extension of Cemetery Infrastructure	500, 000
Upgrading: Pniel Library	R 400, 000

Public Wi-Fi Network	1, 400,000
Data Network	1, 000, 000

Basic Services to upgrade informal settlements have been addressed too:

Improvements: Langrug	6, 200, 000
Water and sewer services: Jamestown	2, 600, 000
Enkanini subdivision, consolidation and rezoning	2, 000, 000
Enkanini Access to Basic Services	750, 000
Langrug ABS	750, 000
Kylemore	948, 400
Klapmuts ABS	500, 000

Housing remains a challenge as allocations from National to Provincial decreases annually.

However the following was budgeted for housing projects over the next 3 years:

Town Centre Stellenbosch (Social Housing)	500,000
Jamestown: Housing	1, 060, 800
Kayamandi: Watergang and Zone O	18, 747,000

Klapmuts: Erf 2181 (298 serviced sites)	11,000,000
Idas Valley (440) IRDP / FLISP	16,010,800
Longlands Vlottenburg: Housing Internal Services	4,000,000
La Motte Old Forest Station IRDP	2,200,000
Smartie Town, Cloetesville	4,900,000
Cloetesville IRDP	1,000,000
Northern Extension: Feasibility	2,000,000

Bulk services in support of housing and development over the next 3 years are budgeted as follows:

Longlands Vlottenburg: Infrastructure - Roads and Bridge	10,600,000
Bulk Water Supply Pipe Reservoir: Dwars Rivier (Johannesdal / Kylemore / Pniel)	38,000,000
Bulk Water Supply Pipeline & Reservoir - Jamestown	21,500,000
Water Treatment Works: Paradyskloof	26,000,000
New 5 MI Reservoir: Cloetesville	1,500,000
Bulk water supply pipe and Reservoir: Kayamandi	13,000,000
Bulk water supply Klapmuts	9,000,000
Bulk Sewer Outfall: Jamestown	30,500,000
Idas Valley Merriman Outfall Sewer	20,000,000
Upgrade of WWTW: Klapmuts	11,500,000

As safety is an important issue as identified during the IDP process the following has been budgeted over the next 3 years:

Upgrading of Stellenbosch Fire Station	1,500,000
Upgrading and or Replacement of Fire Alarm System	1,000,000
Fire Services JoC	800,000
Install and Upgrade CCTV Cameras In WC024	2,000,000

As sports facilities are important to our communities the following has been budgeted over the next 3 years:

Upgrade of Sport Facilities	17,251,950
Skate Board Park: CBD	750,000
Building Ablution Facilities: Lanquedoc Sports grounds	350,000
Upgrading of Parks	2,100,000

Roads' upgrades; reseal projects and intersection improvements of R68 million have been budgeted for over the next 3 years across the municipal area.

Non-motorised transport to improve the transport situation has been budgeted for as follows over the next 3 years:

Bicycle Lockup Facilities	500,000
Kayamandi Pedestrian Crossing (R304, River and Railway Line)	5,000,000
Pedestrian and Cycle Paths	4,000,000
Sidewalk Implementation	1,800,000

To improve the access to public transportation the following have been budgeted for over the next 3 years:

Klapmuts Public Transport Interchange	5,286,930
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Tour Bus Parking Study	1,000,000
Bus and Taxi Shelters	700,000
Taxi Rank - Franschhoek	3,500,000
Add Bays To Bergzicht Taxi Rank and Holding Area	3,000,000
Taxi Rank - Kayamandi	1,500,000

Sanitation poses a huge challenge as it is required to unlock development and the following substantial amounts have been budgeted for over the next 3 years over above the projects mentioned earlier in support of housing and development projects:

Extension Of WWTW: Stellenbosch	91,276,712
New Plankenbrug Main Outfall Sewer	50,500,000
Sewer pipe Replacement	4,500,000

The removal of solid waste and clean towns is a priority and the following has been budgeted over the next 3 years:

Vehicles	5,400,000
Major Drop-Off : - Franschhoek	10,000,000
Stellenbosch WC024 (Material Recovery Facility)	15,000,000
Transfer Station: Stellenbosch	5,000,000
Upgrade Refuse disposal site	3,500,000
Waste Minimization Projects	2,000,000

Electrical projects include:

- Taking over the electricity supply to the Pniel area to the value of R10.3 million during 2017/18

- Street lighting at the Kylemore entrance to the value of R500 thousand during 2017/18
- Electrification of subsidy housing and informal settlements to the value R15 million over the next 3 years
- Energy efficiency and demand side projects to the value of R29 million from specific grants will be implemented over the next 3 years to reduce energy costs of the municipality

Capital Budget Funding

Our capital budget is funded from the following funding sources –

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

Operating Budget Expenditure

The proposed operating budget expenditure for 2017/2018 increases by R 27 million to R1.477 billion compared with the 2016/2017 adjustments operating budget expenditure of R1.450 billion. Our operating expenditure for the 2017/2018 to 2019/2020 outer financial years will increase by 6.9% and 6.3% respectively to R 1.678 billion.

The main contributors to the operating expenditure of the 2017/2018 financial year are –

- Bulk electricity and water purchases
- Employee related costs;
- Interest on external loans and depreciation costs;
- General expenditure;
- Repair & maintenance costs;
- Conditional grant expenditure; and
- Provision for bad debt, leave and landfill sites rehabilitation; contracted services; collection costs; councillor remuneration; special projects; grants and donations represents the remaining operating expenditure.

Operating Budget Revenue

The proposed operating budget revenue for 2017/2018 increases by 0.44% to R 1.479 billion compared with the 2016/2017 adjustments operating budget revenue of R 1.472 billion. Our operating revenue for the 2017/2018 to 2019/2020 outer financial years will increase by 7.1% and 6.1% respectively to R 1.679 billion in 2019/2020. All of this budgeted revenue excludes capital conditional grants revenue to finance capital projects.

The exact percentage increase or decrease of each tariff type is reflected in the Tariff List that will be available for inspection at municipal offices and all libraries during the public participation process.

As set out in the budget assumptions in the 2017/2018 MTREF Budget Report of the reviewed IDP, the 2017/2018 revenue streams increase approximately with the following percentages –

- Property rates are expected to increase with 7.3% due to increased property evaluations, new properties being registered and property improvements. This increase in revenue has made it possible for us to decrease property rates with 24.67% for residential property, 24.30% for agricultural property and 17.28% for business property.
- Revenue for electricity is expected to increase with 4.2% due to amongst other things; an increased number of users. The tariffs for electricity will however only increase with 2.2%
- Revenue for water is expected to increase with 11.5% due to an increase in collection as a result from the applicable water restriction tariffs. The water restriction tariffs will remain in place for the foreseeable future as the drought continues. The normal water tariff will increase with only 7%.
- Sanitation revenue is projected to increase with 11.6%. The tariff for this service will increase with 9%.
- Refuse removal revenue will increase with 10.3% and the tariff for this service will increase with 9%.

Financial Support to Indigent Households

Speaker, Stellenbosch Municipality does provide free basic services to poor households as a means of poverty alleviation. We mainly provide support to households who are unable to pay or struggle to pay for their basic services. This includes households with an income base below a determined threshold (two times the government social grant paid to a pensioner plus 25%), to the unemployed, child-headed households, retired persons and disabled persons. These consumers should apply to be registered as an indigent household on our indigent register in order to obtain this benefit or to qualify for rebates from their municipal basic services or property rates levied.

Speaker, some more good news: Indigent households will in 2017/2018 receive 100 units of free electricity per month; previously 60 units per month, 10 kilolitres of free water per month, free refuse removal services, free sanitation services. This indigent subsidy will be credited to the customer's account during the monthly billing run.

The value of the above basket amounts to an indigent subsidy of R544 per month (VAT included).

The indigent subsidy is funded through our equitable share allocation. It is important to note that it is expected from indigent households only to pay for electricity consumption above 100 units of electricity per month and only for water consumption above 10 kilolitres of water per month.

For the 2017/2018 financial year the qualifying criteria for indigent status is households (main bread winner/s) earning less than R 6 000 per month. Speaker this is a substantial increase from the current, R5 000 per month.

Furthermore, pensioners and disabled persons also qualify for a 100% rebate on property rates if their earnings are also less than R 8 000 per month. Rebates of 75% can be given to pensioners and disabled households who earn less than R 10 000 per month;

50% to those who earn less than R 12 000 per month; and, 25% for those who earn less than R 15 000 per month.

Speaker, we also acknowledge that all citizens struggle in the present economic climate. Households also receive a property rates rebate on the first R200 000 value of their property. This is currently only R95 000.

Conclusion

Speaker, the proposed budget of the Municipality is responsive to the economic growth, strategic objectives and the socio-economic needs of the residents of Stellenbosch. We have paid particular attention to the difficult economic climate. The Municipality's strategic objectives are furthermore aligned to the national and the provincial priorities as articulated by the national outcomes and provincial strategic objectives.

The budget assumptions are realistically based on available information and the projected cash flow budget is credible and sustainable over the MTREF.

In conclusion, Speaker, I place on record my sincere appreciation to members of the Mayoral Committee and all other councillors who sacrificed long hours and meetings, sometimes at short notice, to put this budget together. I thank the Municipal Manager, Senior Management and all the Officials, including my Support Staff, who worked long hours and assisted in facilitating and putting this budget together.

Especially I want to thank the Portfolio Holder of Finance, Cllr Salie Peters, the Chief Financial Officer and his Budget and Treasury Office for their highly appreciated effort to compile this budget in the required format under difficult circumstances.

I also want to thank the family members of councillors and officials who were involved in the budget process and who had to work late and over weekends; for excusing them from home in not fulfilling their roles as fathers and mothers of families.

Through hard work, focus and simplicity we have already achieved many possible outcomes and we will continue to do so in our quest to become a place of opportunity for all residents.

Speaker, with these remarks, I herewith present Stellenbosch's Tabled **2017/2020** Medium Term Revenue and Expenditure Framework Budget Report with its recommendations to Council for consideration and approval.

7.5	HUMAN SETTLEMENTS: [CLLR PW BISCOMBE]
7.5.1	PROPOSED AMENDMENT OF SUPPLY CHAIN MANAGEMENT CONTRACT: GARY WHITE AND ASSOCIATES

1. PURPOSE OF REPORT

To obtain the necessary authorization for the intended amendment of a contract concluded with Gary White and Associates (now trading as Tim Ziehl (architects)).

2. BACKGROUND

2.1 Initial appointment

During April 2012 Formal Quotations were invited for the appointment of an Architect to do the design of Klapmuts Multi-Purpose Community Centre.

Prospective bidders were requested to quote as follows:

- a) Phase 1: Up to work stage 4.1
- b) Phase 2: Contract Management

At the time the budget for the actual construction was not yet approved. For this reason it was agreed that, should the necessary funds be made available for the actual construction during the 2012/13 financial year, the Municipality would consider the appointment of the successful bidder for phase 2 of the project.

Gary White and Associates were initially appointed to do phase 1 for an amount of R132 990 (excluding Vat). They were later appointed to also attend to phase 2 for an amount of R134 400 (excluding Vat), thus totalling a contract value of R267 390 (excluding Vat).

2.2 Tender process: Construction of facility

During 2014 tenders were invited for the actual construction of the facility. An amount of R9million was available on the capital budget (Vote 5/6220/0811). Following the Tender process, the lowest tender was ±R17million.

For this reason the project was put on ice with the view of increasing the budget.

The budget (2015/16 and 16/17) was recently increased to R22million, and tenders were again invited. The tender was subsequently awarded for a contract amount of R20 751 6161.24.

7TH COUNCIL MEETING: 2017-03-29: ITEM 7.5.1**RESOLVED** (majority vote)

- (a) that it be noted that the Municipal Manager has approved the amendment of the contract with Gary White and Associates, now trading as Tim Ziehl Architects, to allow for an all-inclusive cost of R457 236.90; subject to the prescribed Section 116 process;
- (b) that Council, in principle, approve the intention to amend the contract/agreement as listed under (a) above; and
- (c) that should any comment/input be received, same should first be considered by Council before a final decision in this regard is made.

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

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

<i>Meeting: Ref no:</i>	<i>7th Council: 2017-03-29 7/2/1/1</i>	<i>Submitted by Directorate: Author Referred from:</i>	<i>Human Settlements Manager: Property Management Mayoral Committee: 2017-03-22</i>
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7.5.2	PROPOSED AMENDMENT TO SUPPLY CHAIN MANAGEMENT CONTRACT: EIKESTAD MALL
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1. PURPOSE OF REPORT

To obtain the necessary authorisation for the intended amendment of a contract concluded with Atterbury Holdings, trading as Eikestad Mall Joint Venture.

2. BACKGROUND**2.1 Tender process**

On 29 October 2015 a tender notice was published, calling upon landlords in the CBD of Stellenbosch to tender for the provision on $\pm 500\text{m}^2$ of Grade A office space in the CBD of Stellenbosch (BSM69/16).

Although 1 prospective tenderer attended the compulsory briefing session, no tenders were submitted on the closing date.

2.2 Deviation approved

Following the above, unsuccessful tender process, the Acting Municipal Manager was requested to approve a deviation, i.e. to conclude an agreement with Atterbury Holdings for the following offices space, without following a public tender process:

a) Rental:

Area A: $484.61\text{m}^2 @ R150/\text{m}^2 = R72\ 691.50$

Area B: $144.00\text{m}^2 @ R150/\text{m}^2 = R21\ 600.00$

Area C: $28.30\text{m}^2 @ R150/\text{m}^2 = R\ 4\ 245.00$

Total area: $656.91\text{m}^2 @ R150/\text{m}^2 = R98\ 536.50$

b) Fit out cost (based on a capital amount of R750 000)

Total Area: $656.91\text{m}^2 @ R30/\text{m}^2 = R19\ 707.30$

c) Utility Charges

Assessment rates, taxes & annual levies	:	R7.42/m ² GLA
Water	:	R0.86/m ² GLA
Sanitation	:	R0.78/m ² GLA
Refuse removal	:	R1.25/m ² GLA
Electricity	:	R26.34/m ² GLA
HVAC Consumption	:	R4.86/m ² GLA

Total utility charges : $R41.51/\text{m}^2 \times 656.91\text{m}^2 = R27\ 268.33$

Total monthly cost : $R221.51/\text{m}^2 \times 656.91\text{m}^2 = R145\ 512.13$

Total annual cost : R1 746 145.60 (Excl. Vat)

Having considered the application, the Acting Municipal Manager eventually approved the deviation on 2016-07-04. The Manager: Property Management was subsequently authorised to negotiate and conclude a 3 year Lease Agreement, based on the proposal received, subject thereto that the expenditure be limited to the amount budgeted for over the 3 financial years.

2.3 Lease Agreement

Due to the long delay, when concluding the Lease Agreement with Atterbury Holdings, Area B, measuring 144m² in extent, was no longer available. For this reason the Lease Agreement was only concluded for Area A and C, totalling 512.91m².

2.4 Addendum to Lease Agreement

On 30 September 2016, following request from the Director: Planning & Economic Development, Atterbury Holding confirmed that additional space, measuring 144.4m² in extent, has subsequently become available, and that they would offer it at the same terms and conditions as the existing lease agreement.

On 13 October 2016 the Acting Municipal Manager approved the amendment to the Lease Agreement, allowing for the additional 144.4m² office space.

2.5 Fit-out cost

The agreement, *inter alia*, allowed for a fit out cost (increments of R250 000 to a maximum of R750 000) to be utilized, which, depending on the amount utilized would then be calculated into monthly rental over the course of the rental agreement's term. The Addendum Agreement, however did not allow for additional fit-out cost.

The Agreement is, however clear that all costs related to further improvements, based on the municipality's functional needs, will be for the municipality's account.

2.6 Further needs for fit-out cost

At present, expenses have been incurred for the demolition/breaking out/removal and making good on fixtures, etc on the third floor. The quotation and invoice to the amount of R240 000 (excl. VAT) has already been settled by Atterbury with the service provider. This leaves only R 510 000 (excl. VAT) available for the fit out and fixtures still to be undertaken in all three of the office spaces. The recent quotation received for such fit out and fixtures came in at much more than the allowable R510 000.00. This is largely due to the fact that the additional office on the first floor requires wet works, a kitchen, services as well as office fixtures and finishes, to transform it from the empty space it currently is into a functional office.

2.7 Application for a deviation

The Municipal Manager was subsequently requested to approve a deviation, to allow us to deviate from the normal procurement processes, i.e. to allow Atterbury Holdings to appoint and pay a

contractor for additional fit-out cost, to an amount not exceeding R318 106.14 (Exclusive of VAT).

Having considered the request on 17 March 2017, she approved the deviation, subject to a section 116 process*.

A copy of the memorandum that served before the Municipal Manager is attached as **APPENDIX 1**.

7TH COUNCIL MEETING: 2017-03-29: ITEM 7.5.2

Before the matter was dealt with, Cllr JN De Villiers recused himself from the Chambers.

During deliberations on the matter, Councillors requested additional information. The Speaker RULED that this matter be placed on hold, to allow the Administration to obtain the information requested. The meeting then proceeded with the next item on the Agenda.

After the relevant information on this matter were received and distributed to all Councillors, Speaker allowed a caucus.

At this juncture (16:10), Cllr F Adams returned to the Chambers where he apologised to the meeting and withdrew his earlier statement which led to his removal from the Chambers. The Speaker accepted Councillor F Adams's apology and allowed him back into the meeting.

When the meeting resumed, it was

RESOLVED (majority vote)

- (a) that it be noted that a deviation was approved by the Municipal Manager allowing for the additional fit-out cost of R318 106.14 (Exclusive of VAT); subject to a section 116 process;
- (b) that Council, in principle, approve the intention to amend the contract/agreement as listed under (a) above;
- (c) that the intention to amend the contract/agreement go out for public participation and public input; and
- (d) that, should any comment/input be received, same should first be considered by Council before a final decision in this regard is made.

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

F Adams; GN Bakubaku-Vos (Ms); DA Hendrickse; LK Horsband; LM Maqeba; DD Oliphant; N Sinkinya (Ms) and P Sitshoti (Ms).

Meeting: Ref no:	7 th Council: 2017-03-29 7/2/1/1	Submitted by Directorate: Author Referred from:	Human Settlements Manager: Property Management Mayoral Committee: 2017-03-22
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7.5.3	PROPOSED DISPOSAL OF A PORTION OF REMAINDER FARM 1653, LA MOTTE FOR EDUCATIONAL PURPOSE
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1. PURPOSE OF REPORT

To consider, in principle, the disposal of a portion of Remainder Farm 1653, La Motte for educational purposes.

2. BACKGROUND

2.1 Preliminary discussions

Over the past 6 months this Department met with representatives of the Western Cape Education Department, Public Works as well as a possible donor on a number of occasions regarding an alternative site to build a new school, replacing the Wemmershoek Primary School.

During these occasions various options (Council-owned land as well as State-owned land) were considered, but ultimately the Department of Education, through the Department of Transport and Public Works, indicated their preference for the land located on the Remainder Farm 1653, La Motte, as shown in par 3.1, below.

2.2 Application for the acquisition of a portion of the Remainder Farm 1653, La Motte

Hereto attached as **APPENDIX 1** is a self-explanatory letter received from the Provincial Department of Transport and Public Works, requesting the acquisition (donation) of a portion of Remainder Farm 1653, La Motte, for educational purposes. Also hereto attached as **APPENDIX 2** is an e-mail received from the potential donor, setting out the background/motivation for the project.

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

RESOLVED (majority vote)

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

- (a) the portion of Remainder Farm 1653, measuring ± 2.14 ha in extent, as shown in Fig 3 above, be identified as land not needed to provide the minimum level of basic municipal services;
- (b) that Council, **in principle**, support the *gratis transfer* of the said portion of land to the Provincial Government of the Western Cape (Department Transport and Public Works) for the purpose of a new school, to enable the Provincial Government to do the necessary feasibility studies; and

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- (c) that, following the transfer of Remainder Farm 1653 to Stellenbosch Municipality, and after compilation of the feasibility studies conducted by the Provincial Government, a further report be submitted to Council to make a final decision regarding the possible disposal of the portion of land referred to above.

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

Meeting: Ref no:	7 th Council: 2017-03-29 7/2/1/1	Submitted by Directorate: Author Referred from:	Human Settlements T Mfeya Special Mayco:2017-03-27
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7.6	INFRASTRUCTURE: [CLLR J DE VILLIERS]
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NONE

7.7	PARKS, OPEN SPACES AND ENVIRONMENT: (PC: CLLR N JINDELA)
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(SEE ITEMS 9.1 AND 9.2 BELOW)

7.8	PROTECTION SERVICES: [PC: CLLR Q SMIT]
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NONE

7.9	YOUTH, SPORTS AND CULTURE: [PC: XL MDEMKA (MS)]
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NONE

8.	CONSIDERATION OF REPORTS, COMMUNICATIONS, PETITIONS AND APPLICATIONS SUBMITTED BY THE MUNICIPAL MANAGER
8.1	MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC) OVERSIGHT REPORT ON THE ANNUAL REPORT 2015/16

1. PURPOSE OF REPORT

The purpose of the report is:

- (i) to enable the Committee to discharge its oversight responsibility in considering the Stellenbosch Municipality's Annual Report for 2015/2016 as required in terms of Section 129(1) of the MFMA, Act 56 of 2003; and
- (ii) to recommend to Council to adopt the Annual Report 2015/16.

2. BACKGROUND

Council, at a meeting held on 25th January 2017 considered the Draft Annual Report and resolved, amongst others:

- “(a) that Council take cognizance of the Draft Annual Report 2015/16 for the Stellenbosch Municipality;*
- (b) that the Draft Annual Report be made public for comment on the official website of the Stellenbosch Municipality and local print media for a period of 21 days;*
- (c) that the Municipal Public Accounts Committee (MPAC) be appointed as the Oversight Committee in terms of Sections 33 and 79 of the Municipal Structures Act, Act 117 of 1998, to assist the Council with its statutory role to consider and evaluate the content of the Draft Annual Report and make recommendations to Council;*
- (d) that the Oversight Committee provide the Council with an Oversight Report to be considered together with the Draft Annual Report, not later than 30th March 2017; and*
- (e) that, should the Municipal Public Accounts Committee (MPAC) elect to co-opt members of the public with expertise in specific fields to assist and advise the Committee when deliberating before it, the recommendation in terms of tariff and number of co-opted members shall apply.”*

Subsequent to the Council resolution as depicted above, two members from the public i.e. Alderman JC Anthony and Ms Hillary Bergstedt were co-opted, and they assisted throughout the Oversight Process.

7TH COUNCIL MEETING: 2017-03-29: ITEM 8.1

During deliberations, the following matters were raised for MPAC to report back on in due course:

Councillor DA Hendrickse:

- The advert that was placed in the newspaper contained numerous errors and omissions.
- The pages in the draft document (591 pages) of the January meeting differs from the document (492 pages) submitted to the March Council; the documents do not relate – unsure what was changed.
- Attended the interrogation session – the Administration noted the questions posed and undertook that the responses thereto will be listed in the document; however, it is not listed in the document.

Cllr PW Biscombe:

- The Portfolio Chairpersons should be invited to give input on the Annual Report.

Councillor F Adams:

He referred to the MPAC Chairperson's own comments with regard to shortcomings in the Oversight report; Councillor F Adams questioned the findings of the Oversight process.

At this point an altercation happened whereby the Speaker requested Cllr F Adams to withdraw his unbecoming remarks. Cllr F Adams refused to withdraw his statement and the Speaker requested Cllr F Adams to leave the Chamber at 15:27.

RESOLVED (majority vote)

- (a) that Council, having fully considered the Annual Report of the Municipality and representations thereon, adopts the Oversight Report;
- (b) that Council approves the Annual Report 2015/16 without reservations; and
- (c) that Council requests the Executive Mayor to report to Council on a quarterly basis on the implementation of the recommended actions in addressing the recommendations in the Oversight Report.

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

Meeting: Ref No:	7 th Council: 2017-03-29	Submitted by Directorate: Author: Referred from:	Office of the Municipal Manager MM: (G Mettler) Mayco: 2017-03-22
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8.2	APPROVAL OF THE AUDIT ACTION PLAN – 2015/2016
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1. PURPOSE OF REPORT

To approve the Audit Action plan for 2015/2016, attached as **APPENDIX 1**, that was developed by the Chief Audit Executive for the Administration of Stellenbosch Municipality in its strive to maintain and improve on the clean audit status that was received during 2015/2016.

2. BACKGROUND

The regulatory 2015 - 2016 audit conducted by the Auditor-General highlighted various concerns to be addressed to maintain the clean audit. This Audit Action Plan was developed to address these concerns and to develop and maintain the internal controls with the aim of eliminating repeat findings and improving the audit outcome year on year.

7TH COUNCIL MEETING: 2017-03-29: ITEM 8.2

RESOLVED (nem con)

that the Audit Action Plan for 2015/2016, be approved.

<i>Meeting: Ref no:</i>	<i>7th Council: 2017-03-29 5/9/2/1/2014-2015</i>	<i>Submitted by Directorate: Author Referred from:</i>	<i>Office of the Municipal Manager Chief Audit Executive Mayoral Committee: 2017-03-22</i>
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8.3

PERFORMANCE AGREEMENT 2017 – MUNICIPAL MANAGER

1. PURPOSE OF REPORT

For Council to take note of the Performance Agreement as concluded by the Municipal Manager and the Executive Mayor for the period 3 January 2017 until 30 June 2017.

2. BACKGROUND

According to Government Gazette No. 22089 on the Performance Regulations for Senior Managers, paragraph 4 *“Employment in terms of the employment contract must further be subject to compliance with the following terms and conditions-*

*(a) the signing of a separate performance agreement within ninety (90) calendar days after **assumption of duty** and annually within one month after the commencement of the new financial year.”*

The purpose of the Performance Agreement, as set out in Government Gazette No.22089, is as follows :

“ Purpose of performance agreement

23. The purpose of the agreement is to:

- (1) comply with the provisions of Section 57(1)(b),(4A),(46) and (5) of the Act as well as the employment contract entered into between the parties;*
- (2) specify objectives and targets defined and agreed with the employee and to communicate to the employee the employer’s expectations of the employee’s performance and accountabilities in alignment with the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the municipality;*
- (3) specify accountabilities as set out in a performance plan, which forms an annexure to the performance agreement;*
- (4) monitor and measure performance against set targeted outputs;*
- (5) use the performance agreement as the basis for assessing whether the employee has met the performance expectations applicable to his or her **job**;*
- (6)in the event of outstanding performance, to appropriately reward the employee; and*
- (7) give effect to the employer’s commitment to a performance-orientated relationship with its employee in attaining equitable and improved service delivery. “*

Said Performance Agreement (Appendix 1) was concluded between the Executive Mayor and the Municipal Manager on 1 February 2017 including the Performance Plan (Appendix A), Competency Framework (Appendix B) and Personal Development Plan (Appendix C).

7TH COUNCIL MEETING: 2017-03-29: ITEM 8.3

Before deliberations on the matter, the Municipal Manager recused herself from the chamber due to conflict of interest. She appointed the Director: Community and Protection Services, Mr Gerald Esau, as acting Municipal Manager for the duration of the item.

RESOLVED (nem con)

that the Council notes the Performance Agreement and the relevant annexures of Ms Geraldine Mettler attached as **APPENDIX 1** and that same be submitted to the Municipal Website as legislated.

Meeting: Ref No:	<i>7th Council: 2017-03-29 1/3/17</i>	Submitted by Directorate: Author: Referred from:	<i>Office of the MM Office of the MM</i>
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8.4	REPORT BY THE MUNICIPAL MANAGER: DELEGATED POWERS EXERCISED BY THE THEN ACTING EXECUTIVE MAYOR DURING THE JUNE/JULY 2016 RECESS PERIOD
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1. PURPOSE OF REPORT

That Council notes the delegated authority exercised by the then Acting Executive Mayor during the June/July 2016 recess period.

2. BACKGROUND

All powers and functions that vests with Council, excluding those powers mentioned in s 160(2) of the Constitution, as well as the power to approve or amend the IDP, the power to set tariffs, the power to enter into a service delivery agreement in terms of S 76(b) of the Municipal Systems Act and any other power which may be delegated in terms of national or provincial legislation.

The Executive Mayor is obliged to report to Council on the above powers, as a general rule.

FURTHER COMMENTS BY THE MUNICIPAL MANAGER

It is herewith requested that the resolution as resolved by the Mayoral Committee Meeting: 2017-03-22: ITEM 6.1 be amended to read as follows:

RESOLVED

that Council ratifies the decisions of the then Acting Executive Mayor as resolved on 04 and 05 July 2016.

7TH COUNCIL: 2017-03-29: ITEM 8.4**RESOLVED** (majority vote)

that Council ratifies the decisions of the then Acting Executive Mayor as resolved on 04 and 05 July 2016.

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

Meeting: Ref No:	7 th Council: 2017-03-29 17/4/8	Submitted by Directorate: Author: Referred from:	Office of the Municipal Manager MM: (G Mettler) Special Mayco: 2017-03-27
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8.5	IDAS VALLEY HOUSING PROJECT
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1. PURPOSE OF THE REPORT

To obtain approval from the Municipal Council to amend the tender of B/SM 246/09B as envisaged in terms of section 116(3)(a) and (b) of the Municipal Finance Management Act, 56 of 2003 ("MFMA") to obtain the following:

- (a) To adjust the selling prices of the housing units in line with a reasonable, average yearly escalation rate.
- (b) To revise the percentage of house typologies in the different income bands in order to provide an affordable, marketable spread of units.

2. BACKGROUND

Idas Valley is a well-established traditional community and has been protected as a heritage site since 1976. During 1980, Council developed 'treintjiesdorp' in Newman Street for the poor community of Idas Valley. Thereafter the development of Lindida was implemented to make provision for the middle income families in Idas Valley. This development started in 1990 whereby families had an opportunity to buy properties in the Garden Cities development.

The municipality has for the past 25 years trying to get a project started in Idas Valley. There was political pressure on delivering a project in Idas Valley, as well as a result of the increased backyard dwellers. The current project started 10 years ago and the municipality requested several proposal calls to get a turnkey developer appointed.

7TH COUNCIL: 2017-03-29: ITEM 8.5

RESOLVED (majority vote)

that Council approve that the tender be amended by following the Section 116(3)(a) and (b) of the Municipal Finance Management Act, 56 of 2003.

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

Meeting: Ref No:	7 th Council: 2017-03-29	Submitted by Directorate: Author: Referred from:	Human Settlements Mayco: 2017-03-22
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9.	MATTERS FOR NOTIFICATION
9.1	REPORT ON DECISIONS TAKEN BY THE EXECUTIVE MAYOR
9.1.1	MID-TERM REPORT ON THE ALIEN INVASIVE PLANT ERADICATION PROJECT

1. PURPOSE OF THE REPORT

To provide a mid-term report on the progress of the alien invasive plant (AIP) eradication projects currently being executed within WC024.

2. BACKGROUND

As required by the National Environmental Management: Biodiversity Act (NEMBA)(Act 10 of 2004) Section 76 and Conservation of Agricultural Resources Act, 1983 (Act No. 43 of 1983), it is incumbent upon the municipality to eradicate all species listed as invasive. All organs of state, as well as private land owners are required to manage and conserve biological diversity. In addition, an Invasive Species Monitoring, Control and Eradication Plan for land under municipal control was compiled by the Environmental Planner, in collaboration with the Nature Conservation unit (Community Services), and submitted to the Department of Environmental Affairs.

Invasive aliens have changed the landscape, to such an extent that the impact on our biodiversity and water resources was placed at risk.

AIP's impact three areas in the environment:

- a. Local biodiversity;
- b. Depletes natural water sources, as well as causes flooding;
- c. Creates a huge fire risk. Fires threaten the natural fynbos fire cycles of 8-12 years, as well as puts property at risk of damage.

At time of drought, there is more direct competition between humans and AIP's for the same water resource from the catchments in the WC24.

7TH COUNCIL MEETING: 2017-03-29: ITEM 9.1.1

NOTED

- (a) that Council notes the progress made with regard to the implementation of the Alien Invasive Plant (AIP) Project; and
- (b) that Council notes that a full end-of-term report will be provided in June 2017.

Meeting: Ref No:	7 th Council: 2017-03-29	Submitted by Directorate: Author: Referred from:	Community & Protection Services G Esau
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9.1.2	MINUTES OF THE ADVISORY BOARD MEETING OF MONT ROCHELLE NATURE RESERVE
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1. PURPOSE OF THE REPORT

To provide feedback on the meeting held with the Advisory Board on 19 November 2016.

2. BACKGROUND

The minutes of the above-mentioned meeting are in Afrikaans and English, attached as **APPENDIX 1** and **APPENDIX 2**.

7TH COUNCIL MEETING: 2017-03-29: ITEM 9.1.2**NOTED**

that the minutes of the Advisory Board meeting of The Mont Rochelle Nature Reserve, be noted.

Meeting: Ref No:	<i>7th Council: 2017-03-29</i>	Submitted by Directorate: Author: Referred from:	<i>Community Services G Esau</i>
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9.1.3	QUARTERLY REPORT BY THE EXECUTIVE MAYOR: AUGUST 2016 UNTIL MARCH 2017
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1. PURPOSE OF THE REPORT

To inform Council of the decisions taken by the Executive Mayor from August 2016 to March 2017.

2. BACKGROUND

In terms of the Municipal Structures Act 117 of 1998 Section 56 (5) it is stated that:

“An Executive Mayor must report to the municipal council on all decisions taken by the Executive Mayor.”

According to the Municipal Systems Act 60 (1)(b)

“(1) the following powers may, within policy framework determined by the municipal council be delegated to an executive committee or executive mayor only (b) the determination or alternation of the remuneration, benefits or other conditions of service of the municipal manager or managers directly responsible to the municipal manager.

3. FINANCIAL IMPLICATIONS

None.

7TH COUNCIL MEETING: 2017-03-29: ITEM 9.1.3**NOTED**

that Council note the decisions taken by the Executive Mayor as attached as **APPENDIX 1**.

Meeting: Ref No: Collab:	7 th Council: 2017-03-29	Submitted by Directorate: Author: Referred from:	Office of the Executive Mayor
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9.1.4	QUARTERLY REPORT BY THE EXECUTIVE MAYOR: COUNCIL RECESS DECEMBER 2016
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1. PURPOSE OF THE REPORT

To inform Council of the decisions taken by the Executive Mayor during the Council recess in December 2016.

2. BACKGROUND

In terms of the Municipal Structures Act 117 of 1998 Section 56 (5) it is stated that:

“An Executive Mayor must report to the municipal council on all decisions taken by the Executive Mayor.”

According to the Municipal Systems Act 60 (1)(b)

“(1) the following powers may, within policy framework determined by the municipal council be delegated to an executive committee or executive mayor only (b) the determination or alternation of the remuneration, benefits or other conditions of service of the municipal manager or managers directly responsible to the municipal manager.

At an urgent Council meeting on 2016-12-12 it was resolved that the Executive Mayor be authorised to extend an offer of employment as Municipal Manager to the preferred candidate, Ms G Mettler.

The Executive Mayor was further authorised to enter into an employment contract on behalf of Council with the successful candidate. Such employment contract to comply with the relevant legislative prescripts and that a suitable remuneration package as set out in the relevant notice for a grade 5 municipality, be negotiated within the approved budget. Further such remuneration is to include the payment of an annual performance bonus as part of the contract terms and conditions. The Executive Mayor was also authorised to submit a request for a waiver for the Upper Limits of Total Remuneration packages payable to Municipal Managers and Managers directly accountable to the Municipal Manager to both the Provincial MEC as well as the national CoGTA Minister.

When Council was in recess during December 2016, it became apparent that COGTA was not going to grant, or refuse, the applications for waivers in the foreseeable future. This would have forced Council to re-advertise for the position and to follow a complete new recruitment process, which would have led to financial loss for the Municipality. To not appoint the Municipal Manager would also have been detrimental to the Municipality and effective service delivery. In the set circumstances, the Executive Mayor then applied her mind and thereafter exercised the delegated authority given to her by Council.

3. FINANCIAL IMPLICATIONS

None

RECOMMENDED

that Council note the decisions taken by the Executive Mayor as attached as **APPENDIX 1**.

7TH COUNCIL MEETING: 2017-03-29: ITEM 9.1.4

Councillor DA Hendrickse requested the Executive Mayor to submit a full report to Council [In-Committee] to explain how the appointment of the Municipal Manager was dealt with.

NOTED

that Council note the decisions taken by the Executive Mayor as attached as **APPENDIX 1**.

Meeting: Ref No: Collab:	<i>7th Council: 2017-03-29</i>	Submitted by Directorate: Author: Referred from:	<i>Office of the Executive Mayor</i>
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9.2	REPORT BY THE MUNICIPAL MANAGER
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NONE

10.	CONSIDERATION OF NOTICES OF QUESTIONS AND NOTICES OF MOTIONS RECEIVED BY THE SPEAKER
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10.1	QUESTION BY COUNCILLOR LK HORSBAND (MS): FIRE STATION AT KLAPMUTS
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7TH COUNCIL MEETING: 2017-03-29: ITEM 10.1

It was noted that Councillor LK Horsband was not satisfied with the response. She raised the following concerns:

- (i) The Sports Forum is still awaiting a response from the Director: Community and Protection Services regarding concerns raised at the meeting on 13 February 2017.
- (ii) Only 2 toilets are in a working condition, and with the rugby league starting soon, how will 1500 spectators be accommodated in this regard?

The Speaker RULED that the Municipal Manager look into the matter and submit feedback to Councillor LK Horsband (Ms).

Meeting:	7 th Council: 2017-03-29	Submitted by Directorate:	Office of the Municipal Manager
Ref No:	3/4/1/4	Author:	MM: (Ms G Mettler)
Collab:		Referred from:	

10.2	QUESTION BY COUNCILLOR COUNCILLOR LK HORSBAND (MS): TASK PROCESS: INVESTIGATION REPORT BY KPMG
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7TH COUNCIL MEETING: 2017-03-29: ITEM 10.1

It was noted that Councillor LK Horsband was satisfied with the response. She posed a follow-up question, namely:

“When will the report be available.”

The Municipal Manager responded that the report was received on 2017-03-16 with certain recommendations which required labour law and other legal opinions in terms of how to implement the recommendations. Once received, the report will be submitted.

Meeting:	<i>7th Council: 2017-03-29</i>	Submitted by Directorate:	<i>Office of the Municipal Manager</i>
Ref No:	<i>3/4/1/4</i>	Author:	<i>MM: (Ms G Mettler)</i>
Collab:		Referred from:	

10.3	MOTION BY COUNCILLOR DA HENDRICKSE: LAND AUDIT ON COUNCIL OWNED PROPERTIES
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7TH COUNCIL MEETING: 2017-03-29: ITEM 10.3

The Speaker allowed Councillor DA Hendrickse to put his Motion, duly seconded.

After the Motion was motivated, the Speaker allowed debate on the matter.

The matter was put to the vote, yielding a result of 7 for and 27 against the Motion.

RESOLVED (majority vote)

that this Motion not be accepted.

Meeting:	7 th Council: 2017-03-29	Submitted by Directorate:	Office of the Municipal Manager
Ref No:	3/4/1/4	Author:	MM: (Ms G Mettler)
Collab:		Referred from:	

10.4	MOTION BY COUNCILLOR DA HENDRICKSE: AUDIT ON ALL MUNICIPAL IMMOVABLE PROPERTIES FROM 1930 UNTIL PRESENT
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7TH COUNCIL MEETING: 2017-03-29: ITEM 10.4

The Speaker allowed Councillor DA Hendrickse to put his Motion, duly seconded.

After the Motion was motivated, the Speaker allowed debate on the matter.

The matter was put to the vote, yielding a result of 7 for and 27 against the Motion.

RESOLVED (majority vote)

that this Motion not be accepted.

Meeting:	7 th Council: 2017-03-29	Submitted by Directorate:	Office of the Municipal Manager
Ref No:	3/4/1/4	Author:	MM: (Ms G Mettler)
Collab:		Referred from:	

11.	URGENT MATTERS SUBMITTED BY THE MUNICIPAL MANAGER
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11.1	NOMINATION OF POLITICAL REPRESENTATIVE TO THE PROVINCIAL SALGA WOMEN COMMISSION (SWC)
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A letter dated 6 March 2017 was received from SALGA Western Cape, inviting municipalities to nominate a political Representative to serve on the Provincial SALGA Women Commission (SWC) (**see APPENDIX 1**).

7TH COUNCIL MEETING: 2017-03-29: ITEM 11.1

RESOLVED (nem con)

that Councillor WC Petersen (Ms) be nominated to represent Stellenbosch Municipality on the Provincial SALGA Women Commission (SWC).

Meeting:	<i>Council: 2017-03-29</i>	Submitted by Directorate:	<i>Corporate and Strategic Services</i>
Ref No:	<i>3/3/1/1</i>	Author:	<i>Act. Director: Strat & Corp: (A van Rooyen)</i>
Collab:		Referred from:	

Mayor Pa (Carmen Saville)

From: Nyameka Katina <nkatina@salga.org.za>
Sent: 06 March 2017 02:34 PM
To: Donovan Joubert (Speaker); Mayor (Gesie Van Deventer);
Donovan.Muller@stellenboscg.gov.za; Donovan Joubert (Speaker); mm; Hannelie
Lategan
Cc: Magda Marais; Trevor Lombard
Subject: [EX] NOMINATION OF REPRESENTATIVE TO THE SALGA WOMEN COMMISSION
(SWC)
Attachments: NOMINATION LETTER FOR REPRESENTATIVES FOR PROVINCIAL WOMEN
COMMISSION.pdf; New SWC Info on Representatives - March 2017 -
Stellenbosch.docx
Importance: High

Dear Executive Mayor, Speaker and Municipal Manager,

NOMINATION OF REPRESENTATIVE TO THE SALGA WOMEN COMMISSION (SWC)

Attach hereto please find the above-mentioned letter for your attention.

You are invited to nominate a Representative to the SALGA Women Commission (SWC).

Please complete the attached nomination form and return to Trevor Lombard at
TLombard@salga.org.za by **31 March 2017**. Reminder that the Council Resolution should be
attached to the completed nomination form.

Regards 

Nyameka Katina
Admin Assistant
SALGA Western Cape

Cell: 073 750-1783(private)
Tel: 021 446 9800/18
Fax: 021 418 2709
E-mail: nkatina@salga.org.za
Website: www.salga.org.za



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<http://www.salga.org.za>

This outbound email has been scanned by the IS Mail Control service.
For more information please visit <http://www.is.co.za>

Enquiries: Trevor Lombard
Tel: 021 446 9800
Fax: 021 418 2709
E-mail: tombard@salga.org.za
Ref: 11/3/3/R



NOMINATION OF POLITICAL REPRESENTATIVE TO THE PROVINCIAL SALGA WOMENS COMMISSION

FROM : KHALIL MULLAGIE

**TO : EXECUTIVE MAYOR
SPEAKER
MUNICIPAL MANAGER**

DATE : 6 MARCH 2017

SALGA WOMEN COMMISSION (SWC)

Women play important social, economic and reproductive roles, maintaining stability in the household and community, and contributing actively to economic, cultural and social development of the society. However, women from all levels of society are under-represented in the positions of political authority and socio-economic decision making. A major cross cutting issue that merits on-going attention is that women's participation in African local authorities remains low and limited. The establishment of the Women's Commission for SALGA derives from a United Cities Local Government of Africa (UCLGA) initiative, aimed at the strengthening of gender equality within African local governments. The establishment of a UCLGA Women's Commission in 2008 (a continental mechanism) was necessitated by the largely ineffective mainstreaming of gender into local governance of many of the member countries of the UCLGA. The United Cities and Local Governments (UCLG) Constitution recognises that;

- Local democracy is not just a formal value but must be continuously updated and revised, ensuring genuine equality and participation open to all women and men
- Local democracy is not formal value but must be continually updated and revised, ensuring genuine equality and participation open to all, men and women" with one of the objectives being to promote gender equality.

South Africa has a very extensive legislative environment which has framed the approach and conduct of institutions and citizens with regards to gender – with institutions like the Commission for Gender Equality and the Department of Women in the Presidency.

SALGA has prioritised mainstreaming of gender in local government since the first Women in Local Government Summit (WILGS) which was held in November 2002. It was agreed that the Summits be convened annually to ensure a shift towards gender – balanced leadership, service delivery and development programmes.

The annual gatherings focus on topical themes and are aimed at identifying transformation challenges faced by women in local government and providing opportunities for networking and sharing experiences. Further, the intention is to provide

a structured opportunity to address the question of empowerment for all women councillors with a view to finding solutions to service delivery.

The SALGA Women's Commission was launched and established at the 2010 Women in Local Government Summit. This was followed by the launch and establishment of provincial chapters. Its mandate is to coordinate, promote and advocate for appropriate strategies and practices within member municipalities. Its objectives are to:

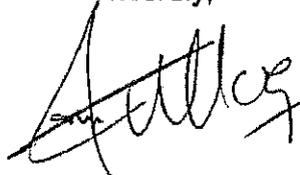
- Evaluate the representation of women within the local governance structures
- Identify and assess the relevance of policies and legislation designed to address and promote increased women's participation and gender inequality in local government structures
- Identify specific social, economic, political, legal and cultural constraints hindering the full participation of women in local governance structures
- Advocate for building and strengthening of partnerships with civil society, especially women empowerment groups
- Advocate for access to training and capacity building by women in local government leadership positions
- Participate in national and regional fora to promote the united voice of women in local government
- Make recommendations on appropriate remedies and identify specific challenges to improve the status of women so as to contribute to the achievement of gender equality in local governance structures.

The SWC operates within the constitutional and governance precepts of SALGA and accordingly, Dr Annelie Rabie was recently elected at the SALGA Provincial Conference as the Chairperson of the Western Cape SALGA Women Commission.

The Terms of Reference makes provision for each municipality to nominate a political representative to serve on the Provincial SALGA Women Commission.

Municipalities are hereby invited to complete the attached form indicating the representative representing your municipality to Trevor Lombard (tlombard@salga.org.za) by no later than Friday, 31 March 2017. A Provincial meeting will be convened in order to give effect to the Commission's activities.

Yours sincerely,



KHALIL MULLAGIE
PROVINCIAL EXECUTIVE OFFICER

OFFICIAL REPRESENTATIVE - SALGA WOMENS'

STELLENBOSCH MUNICIPALITY

Official Representative Name _____ **Cell Number** _____

Surname _____ **Email Address** _____

Position [MayCo Member / Portfolio Chairperson / MPAC Chairperson / specify others below] _____ **Portfolio** _____

[please mark or indicate] _____ **Ward** **or** **Proportional**

The Political Party the Councillor is representing _____

Information provided for this form confirmed by –

AUTHORITY	NAME	SIGNATURE	DATE OF SIGNATURE	COUNCIL RESOLUTION NUMBER <small>(Copy Attached)</small>	DATE OF COUNCIL RESOLUTION
Municipal Manager					
Executive Mayor OR					
Speaker					

**** COUNCIL RESOLUTION ATTACHED**

Councillor Support at all times –

NAME	SURNAME	IMMEDIATE CONTACT NUMBER / CELL NUMBER	EMAIL ADDRESS
Mr / Mrs / Ms			
Mr / Mrs / Ms			

12.	CONSIDERATION OF MOTION OF EXIGENCY
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NONE

13.	CONSIDERATION OF REPORTS
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13.1	CONSIDERATION OF REPORTS SUBMITTED BY THE SPEAKER
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13.1.1	REPORT ON THE ESTABLISHMENT OF WARD COMMITTEES
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1. PURPOSE OF REPORT

To inform Council regarding the establishment of ward committees within the Stellenbosch Municipal area.

2. BACKGROUND

Council at its 2nd Meeting held on 2016-10-05, resolved:

- “(a) that Council notes that, in terms of Section 73 of the Municipal Structures Act, Ward Committees must be established for each ward;*
- “(b) that, in terms of the Municipality’s System of Delegations (72-75), Council designates the Speaker to facilitate the establishment of Ward Committees in line with the provisions and stipulations of the Municipal Structures Act and Council’s policy for the establishment of Ward Committees; and*
- “(c) that the Speaker reports back to Council by the end of January 2017 on the progress of the establishment of the Ward Committees”.*

A further report was submitted to the 3rd Council meeting, dated 2016-10-26, where it was resolved as follows:

- “(a) that Council approves the recommendation that all ward committees be established according to the geographical electoral system in line with the consultation that was done with Ward Councillors on 17 October 2016;*
- “(b) that Council takes note of the policy guidelines and procedures, as well as the communication activities and timelines outlined above; and*
- “(c) that the election of ward committees may commence during the week of 12 January 2017”.*

7TH COUNCIL MEETING: 2017-03-29: ITEM 13.1.1**RESOLVED** (majority vote)

- (a) that the completion of the ward committee elections, be noted;
- (b) that the current Policy and Procedures for Ward Committees be revised taking into consideration, amongst other, the geographical model implemented whereafter same be submitted to Council for consideration;
- (c) that a deviation from the Policy be allowed only in respect of the co-option of members as stipulated in clause 15(2) and clause 15(3) of the Policy and as stipulated in recommendations (d)i, ii, iii and iv.
- (d) that the Administration be commissioned to perform the following activities in respect of co-opting members within a ward where vacancies do exist:
 - (i) Advertisements and/or pamphlets must be prepared inviting nominations for members to be co-opted to serve on the ward committee representing the applicable geographical area/s.
 - (ii) invitations for nominations per geographical area should also be placed on the municipal website;
 - (iii) that elections be held in those wards where more than one nomination for a vacancy/ies within the ward was received; and
 - (iv) that this process of co-option be finalised by end of May 2017 whereafter a report in this regard be submitted to Council.

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

Councillors F Adams; DA Hendrickse and LK Horsband.

Meeting:	Council: 2017-03-29	Submitted by Directorate:	Corporate and Strategic Services
Ref No:	3/3/1/1	Author:	Act. Director: Strat & Corp: (V Bowers)
Collab:		Referred from:	

13.2	CONSIDERATION OF REPORTS SUBMITTED BY THE EXECUTIVE MAYOR
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NONE

14.	MATTERS TO BE CONSIDERED IN-COMMITTEE
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(SEE PINK DOCUMENTATION)

The meeting adjourned at 17:35.

CHAIRPERSON:

DATE:

Confirmed on **with/without amendments.**