



STELLENBOSCH
STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

Ref no.3/4/2/5

2017-01-18

MINUTES

MAYORAL COMMITTEE MEETING

2017-01-18 AT 10:00

**MINUTES OF MAYORAL COMMITTEE MEETING HELD ON
2017-01-18 AT 10:00 IN THE COUNCIL CHAMBER, TOWN HOUSE, PLEIN
STREET, STELLENBOSCH**

PRESENT: Executive Mayor, Ald GM Van Deventer (Ms) (**Chairperson**)
Deputy Executive Mayor, Cllr N Jindela

Ald: JP Serdyn (Ms)

Councillors: PW Biscombe
J De Villiers
AR Frazenburg
XL Mdemka (Ms)
S Peters
Q Smit

Also Present: Councillor PR Crawley (Ms)
Councillor MC Johnson
Councillor NS Louw
Councillor WC Petersen (Ms)

Officials: Municipal Manager (G Mettler (Ms))
Chief Financial Officer (M Wüst)
Director: Human Settlements (T Mfeya)
Director: Community and Protection Services (G Esau)
Director: Economic Development and Planning (D Lombaard)
Acting Director: Strategic and Corporate Services (V Bowers)
Manager: Property Management (P Smit)
Acting Director: Infrastructure (J Coetzee)
Chief Audit Executive (F Hoosain)
Head: Committee Services (EJ Potts)
Committee Clerk (B Mgcushe (Ms))
Interpreter

1.	OPENING AND WELCOME
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The Executive Mayor welcomed everyone present, and expressed her best wishes to all for 2017. A special welcome was extended to the newly appointed Municipal Manager, Ms G Mettler.

1.1	COMMUNICATION BY THE CHAIRPERSON
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NONE

1.2	DISCLOSURE OF INTERESTS
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(3/6/2/2)

NONE

2.	APPLICATION FOR LEAVE OF ABSENCE	(3/6/2/2)
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The following application for leave was approved in terms of the Rules of Order of Council:-

Cllr E Groenewald (Ms) – 18 January 2017

3.	CONFIRMATION OF PREVIOUS MINUTES	(3/4/1/5)
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The minutes of the Mayoral Committee Meetings held on 2016-11-16 and 2016-11-30 were **confirmed as correct.**

4.	REPORT/S BY THE MUNICIPAL MANAGER RE OUTSTANDING RESOLUTIONS TAKEN AT PREVIOUS MAYORAL COMMITTEE MEETINGS
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NONE

5.	STATUTORY MATTERS
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5.1	COMMUNITY DEVELOPMENT AND COMMUNITY SERVICES: (PC: CLLR AR FRAZENBURG)
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NONE

5.2	CORPORATE AND STRATEGIC SERVICES: (PC: CLLR E GROENEWALD (MS))
5.2.1	TABLING OF THE DRAFT 2015/16 ANNUAL REPORT FOR THE STELLENBOSCH MUNICIPALITY IN ACCORDANCE WITH SECTION 121 OF THE MUNICIPAL FINANCE MANAGEMENT ACT (MFMA), ACT 56 OF 2003, READ TOGETHER WITH SECTION 46 OF THE LOCAL GOVERNMENT: MUNICIPAL SYSTEMS ACT, ACT 32 OF 2000

1. PURPOSE OF REPORT

To table the 2015/16 Annual Report which was compiled in terms of Section 121 of the Municipal Finance Management Act (MFMA), Act 56 of 2003, read together with Section 46 of the Local Government: Municipal Systems Act, Act 32 of 2000.

2. BACKGROUND

2.1 The Annual Report

Section 121 (1) (2) of the MFMA determines that every municipality must for each financial year prepare an Annual Report. The Council must within nine months after the end of the financial year deal with the Annual Report of the municipality in accordance with Section 129.

The Annual Report is compiled in terms of Section 121 of the Municipal Finance Management Act (MFMA), Act 56 of 2003, read together with Section 46 of the Local Government: Municipal Systems Act, 32 of 2000, and which is submitted herewith **under separate cover** as **APPENDIX 1**.

The National Treasury issued strict guidelines on the content, disclosures, timelines and format of the Annual Report.

MFMA Circular No. 63: Annual Report update, issued by National Treasury in September 2012, provides guidance to municipalities and municipal entities on the new Annual Report Format and its contents released earlier that year. The review of the format and content of the Municipal Annual Report was done with due consideration of the full legislative requirements.

The purpose of the Annual Report is:

- (a) to provide a record of the activities of the municipality or entity during the financial year to which the report relates;
- (b) to provide a report on performance in service delivery and budget implementation for the financial year;
- (c) to promote accountability to the local community for the decisions made throughout the year by the municipality or municipal entity; and
- (d) to reduce the additional reporting requirements that will otherwise arise from Government Departments, monitoring agencies and financial institutions.

With the above in mind, the goals of the new Annual Report Format are to achieve the following:

- (a) standardise reporting to enable municipalities / municipal entities to submit comparable Annual Reports;
- (b) align financial and non-financial reporting in the Annual Report;
- (c) create a standardised reporting structure that will enhance comprehensive oversight, meaningful evaluation and improved understanding of service delivery output.

RESOLVED

That it be recommended to Council:

- (a) that Council takes note of the 2015/16 Annual Report for the Stellenbosch Municipality (with amendments);
- (b) that the 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) fulfil the oversight role by considering and evaluating the content of the Annual Report and make recommendations to Council when adopting an Oversight Report on the Annual Report;
- (d) that Council approves that MPAC can co-opt members of the public with expertise in specific fields to assist and advise the Committee; and
- (e) that Council approves that the co-opted members can be remunerated in line with the recommendations of the Financial Services Department as stated in the following schedule:

<i>Tariff</i>	<i>Number of co-opted Members</i>	<i>Not exceeding no. of hours</i>	<i>Remuneration</i>
<i>Per hour tariff for attendance of meeting</i>	2	40 hours	R 500
<i>Once-off Tariff for duties performed in preparation</i>	2	4 hours	R 1500

Meeting: Ref No:	<i>Mayco: 2017-01-18 8/1/2 Annual Report</i>	Submitted by Directorate: Author: Referred from:	<i>Strategic & Corp Services V Bowers</i>
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5.2.2	MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT FOR 2016/2017
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1. PURPOSE OF REPORT

To submit the Section 72 report (Mid-year Budget and Performance Assessment) as envisaged by Section 54 of the Municipal Finance Management Act (MFMA), 56 of 2003, to Council.

2. BACKGROUND: LEGAL CONTEXT

In terms of the Municipal Finance Management Act (MFMA) Section 72(1) the Accounting Officer of the municipality must by 25 January each year assess:

- (a) the performance of the municipality during the first half of the financial year, taking into account the following:
 - (i) the monthly statements referred to in Section 71 for the first half of the financial year;
 - (ii) the municipality's service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan;
 - (iii) the past year's annual report, and progress on resolving problems identified in the annual report; and
- (b) submit a report on such assessment to-
 - (i) the mayor of the municipality;
 - (ii) the National Treasury; and
 - (iii) the relevant Provincial Treasury

Once the Mayor has considered the section 72 report, same must be submitted to Council by the 31st of January of each year in terms of section 54 (1) (f) of the MFMA.

The statements as referred to in section 71 (1) of the MFMA for the first half of the financial year, specifically the sixth month, is incorporated into the mid-year budget and performance assessment in accordance with section 72 (2) of the MFMA.

As part of the review in terms of Section 72 (3) the Accounting Officer must:

- (a) make recommendations on whether an adjustments budget is necessary; and
- (b) recommend revised projections for revenue and expenditure to the extent that this may be necessary.

RESOLVED

That it be recommended to Council:

- (a) that Council takes note of the report and more specifically the assessment and forecasts contained in the report,
- (b) that Council takes note that an Adjustments Budget will be compiled and tabled to Council as a result of the following:
 - the appropriation of additional allocations received and increased realistically anticipated revenue during the financial year;
 - the reprioritization of projects in line with being completed by the communicated cut-off dates to facilitate year- end preparation;
- (c) that Council notes the performance of the Municipality against the set objectives contained in Section 2; and
- (d) that the Accounting Officer ensures that Directors put the necessary corrective measures in place for the proactive management of projects in order for Council to meet its strategic objectives contained in the Service Delivery and Budget Implementation Plan, and to report on same at the end of quarter 3.

Meeting:	<i>Mayco: 2017-01-18</i>	Submitted by Directorate:	<i>Strategic & Corp Services</i>
Ref No:	<i>8/1/3 Quarterly and Midyear Reports</i>	Author:	<i>V Bowers</i>
		Referred from:	

5.2.3	REVISION OF THE TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP) FOR THE 2016/17 FINANCIAL YEAR
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1. PURPOSE OF REPORT

To request a revision of the Top Layer Service Delivery Budget Implementation Plan (SDBIP) for the 2016/17 financial year by amending target dates for Key Performance Indicators (KPIs).

2. BACKGROUND

The SDBIP for the 2016/17 financial year was approved on the 21 June 2016. The local government election of 3 August 2016 led to the establishment of a new Council. The delay in the establishment of Portfolio Committees impacted on the tabling of documented proof for some of the Key Performance Indicators (KPIs) stipulated in the SDBIP.

In order to resolve the matter it is proposed to set revised target dates for 30 June 2017 for all KPI's that require submission of reports to the relevant Portfolio Committees. The amendment of the dates will allow for the establishment of the said Portfolio Committees and the tabling of items by 30 June 2017.

There is also a request to change the target dates for the review of the Rules of Order and the Municipal Honours By-Law to 30 June 2017.

RESOLVED

That it be recommended to Council:

that Council approves the revised Top Layer SDBIP for the 2016/17 financial year as indicated in **APPENDIX 1**, hereby attached.

Meeting: Ref No:	<i>Mayco: 2017-01-18 9/1/4/3</i>	Submitted by Directorate: Author: Referred from:	<i>Strategic & Corp Services V Bowers</i>
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5.3	ECONOMIC DEVELOPMENT AND PLANNING:(PC: ALD JP SERDYN (MS))
5.3.1	REPORT BACK TO COUNCIL ON MFMA SECTION 116(3) – PROPOSAL TO EXTEND THE INTEGRATED ZONING SCHEME CONTRACT

1. PURPOSE OF REPORT

To report back to Council after giving approval (2nd Council meeting 05-10-2016) to commence with the minimum requirements as set in Section 116(3) of the Local Government: Municipal Finance Management Act, 56 of 2003 to extend the contract of the service provider (@Planning) to perform additional work in respect of the Integrated Zoning Scheme(IZS)

2. BACKGROUND

At the 2nd Council Meeting of 05 October 2016 (**APPENDIX 1**) Council approved that administration proceed with the legal requirements i.t.o. Sec.116(3) of the Local Government: Municipal Finance Management Act, 56 of 2003 enabling local government institutions to amend contracts with service providers under certain conditions.

The purpose of this Item is to report back on the above mentioned requirements and to request that the Administration be commissioned to make budgetary provision during the adjustment budget process to the amount of R105 000 (excluding vat) for the additional work and to extend the contract with the service provider (@Planning) to the end of the 2016/2017 financial year.

RESOLVED

That it be recommended to Council:

- (a) that note be taken that the minimum requirements have been complied with as set out in the prescriptive provisions of Section 116(3) of the Local Government: Municipal Finance Management Act, 56 of 2003 enabling local government institutions to amend contracts with service providers under certain conditions. The reasons for the proposed extension of the contract have been submitted to Council for consideration (**APPENDIX 1**). The public was given reasonable notice of the intention to amend and extend the contract and the public has been invited to make submissions to the municipality (**APPENDIX 2**);
- (b) that the administration be commissioned to make budgetary provision during the adjustment budget process to the amount of R105 000.00 (excluding vat) for additional work; and
- (c) that the tender with @Planning be extended to the end of the 2016/2017 financial year to complete the project awarded under tender B/SM 66/15

Meeting: Ref No:	Mayco: 2017-01-18 1/1/1/40	Submitted by Directorate: Author: Referred from:	Planning and Economic Development D Lombaard
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5.3.2	FAURE AGRI VILLAGE ON FARM NO. 1081/3, STELLENBOSCH DIVISION: APPLICATION FOR DESIGNATION OF LAND AND TO REGULATE THE SUBDIVISION OF SUCH LAND AND TO PROVIDE FOR MATTERS CONNECTED THEREWITH IN TERMS OF THE PROVISION OF LAND AND ASSISTANCE ACT, 1993 (SUBSTITUTED BY ACT 26 OF 1998)
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1. PURPOSE OF REPORT

To enable Council to provide informed comments to the Department: Rural Development and Land Reform on the application for subdivision and designation of land for the proposed Faure Agri Village on Farm No. 1081/3, Stellenbosch (See **APPENDIX 1**). Application for the development was made to the Minister of Rural Development and Land Reform (RD&LR) in terms of the Land Reform: Provision of Land and Assistance Act 1993, Act 126 of 1993 (as amended).

2. BACKGROUND

The development of agricultural hamlets and housing for farm workers has been an issue since 2010, when meetings were held with the MEC for Agriculture, the local councillors, municipal officials and representatives of the agricultural community. At these meetings the concern about the lack of housing provision for farm workers were raised and discussed and this was made a municipal focus.

The Manager: Property Management (Mr Piet Smit) presented a report to the council on possible development options and projects for farm worker housing and the agricultural sector and the Western Cape Department of Agriculture considered furthering the matter through agreements to provide such housing. Asla Devco was provisionally appointed as the developer for the agricultural sector as a turnkey developer, with full power of attorney to act on behalf of the agricultural sector.

At the last meeting held with the agricultural sector on 15 September 2010 at Elsenburg, alternative sites for the possible development of agricultural hamlets and housing were discussed, as a follow-up to the previous meeting, held on 04 August 2010, where the Municipality was widely represented, including the then Mayor, councillors Leon De Villiers, Paul Biscombe and Johanna Serdyn, project managers from IHS (Feziwe Ngquba and Natasha Siyengele), an engineering representative (Kobus Fourie) and planning (Dupré Lombaard). At this meeting it was confirmed that the Municipality would make land available for the development of farm worker housing. It was agreed that the development agent (of the Stellenbosch Agricultural Society), in consultation with the municipal officials, would make recommendations on what land is best suited for the proposed development and give feedback on expected project programmes and costs.

In response thereto, various possibilities were discussed with various officials in the Municipality. From these discussions it was clear that new nodes or hamlets could not be feasibly developed or maintained. With the limited resources available to the municipality, all development would have to fit into the existing urban structure, i.e. become part of the existing projects, like Jamestown, Klapmuts, Lanquedoc and

Vlottenburg. Other opportunities were discussed, e.g. De Novo and Koelenhof, where the municipality does not own land, but where private developers could incorporate housing opportunities into private developments.

The Agricultural Society (through the appointed turnkey service provider) agreed to undertake relevant surveys that would inform the possible development. It was assumed that farm worker housing would cater for predominantly three groups, namely:

- low income farm workers requiring subsidy housing;
- lower middle income farm workers who would not qualify for subsidies and require housing in the GAP-market; and
- retired workers who need housing in proximity of community facilities.

The basic premise was that the farmers financially support the workers by contributing to the development of houses, i.e. that services and land be sourced from the municipality and the private sector. In addition thereto, the housing should not be once-off housing, but rather a long term place of residence where farm workers can reside. The intention was to create suitable stable and secure environments where the workers pay for their services and maintain the properties in a manner that would cause them to retain their value. As workers retire, they would have to move into the retirement complexes, i.e. the housing numbers would remain more or less stable in time to come, but the retirement units would grow.

RESOLVED

That it be recommended to Council:

- (a) that the application in terms of clause 2(1)(c) and (4) of the Provision of Land and Assistance Act (Act 126 of 1993) for:
 - the subdivision of Farm No. 1081/3 into Portion A (8,8064ha), Portion B (0,2105ha) and a Remainder;
 - the subdivision of Farm No. 1081/5, Stellenbosch into Portion C (3,2229ha), Portion D (17,5985ha) and Portion E (0,2869ha);
 - The consolidation of Portion C and E for the Remainder of Farm NO. 1081/3, Stellenbosch;
 - The consolidation of Portion A, B and D (26,6ha) to establish a Agri Village consisting of 7 private open spaces, a 1,67ha sports area, 199 erven for affordable houses, 232 erven for middle income houses, 49 existing houses which will be upgraded for senior staff members and a community facility (See **APPENDIX 2** for the subdivisional plan and **APPENDIX 3** for the site development plan) **is not supported**;
- (b) that the amendment of the municipal boundary between Stellenbosch Municipality and City of Cape to incorporate the above-mentioned consolidation of Portion A, B and D (26.6ha), Portions of Farm No. 1081/3 and 1081/5, Stellenbosch into the municipal area of City of Cape **not be supported**;

- (c) that the applicant and the Department of Rural Development and Land Reform together with the municipality consult on a development proposal that is beneficial to all parties concerned and would not set a precedent for development on or in proximity of the Stellenbosch municipal boundary; and
- (d) that the matter be referred back to Council for consideration of alternative proposals and feedback on the consultation referred to in recommendation (c) above within six months of the decision, or at such date that the Minister decides on the matter if the Department is not willing to further consult with the municipality and the applicant.

Meeting: Ref No:	<i>Mayco: 2017-01-18 1081/3 S</i>	Submitted by Directorate: Author: Referred from:	<i>Planning and Economic Development D Lombaard</i>
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5.3.3	VLOTTENBURG RURAL SETTLEMENT – DEVELOPMENT STATUS QUO AND WAY FORWARD
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1. PURPOSE OF REPORT

To inform the Executive Mayor of the status quo on the Vlotenburg nodal development and to mandate respective directorates to comparatively assess development areas around Stellenbosch for housing opportunities and to take appropriate action to enable the conclusion of the priority developments by adequate budget allocation.

2. BACKGROUND

The previous planning authority (Winelands District Municipality) for the Vlotenburg area before the establishment of the Stellenbosch Municipal area (WCO24) in 2000, compiled the Winelands Integrated Development Framework which dealt with sectoral planning for the Vlotenburg Rural Settlement, although no municipal owned land exists in the area.

Several ad hoc residential estate developments were approved (based on the above-mentioned forward planning document) in the area since 2003. Developers offered certain trade-offs for positive consideration of the developments, by making portions of privately owned land available for low cost housing projects through public/private partnerships e.g. Digteby (Farm No. 1307, Stellenbosch), Longlands (Farm No. 393/11, Stellenbosch) and the Ash-Farm development (Portion 2 and 3 of Farm No. 1307, Stellenbosch). In this manner, Digteby and Ash-Farm offered 20 subsidy units each, whereas Longlands offered 106 subsidy units, subsequently increased to 144 in exchange for a further 68 middle income erven.

Through this report the Directorate wishes to achieve a more coherent approach to forward planning, adequate budgeting and public/private partnerships or land swaps to make provision for further extensions and to affective fast tracking processes to enable the development of the Vlotenburg low-cost housing, or which ever other potential subsidy housing project in the Stellenbosch town area is comparatively assessed to be more feasible and of higher priority.

To facilitate a comparative assessment, the Executive Mayor is referred to the approved Integrated Human Settlements housing development pipeline (June 2016). The following is an extract from this pipeline of relevance to the specific area only.

Table 3: Proposed timelines for construction

Proposed Projects	Current project per area	2 - 3 years	3 – 5 years	5 – 10 years	More than 10 years
2053(1): Kayamandi Watergang (295 services) UISP	X				
2053(1): Kayamandi Watergang (193 Units) IRDP	X				
3251.01: Stellenbosch Jamestown	X				

(162 services & units) IRDP					
3110.01: Vlottenburg Longlands (144 services & units) IRDP	X				
3258: Kayamandi Town Centre Regeneration (700 Units)			X		
2053(1): ZONE O (540 services)	X	X			
3259: Kayamandi Enkanini Enhanced Services (1300 services) UISP			X		
3257: Stellenbosch Idas Valley (400 services & 400 units) IRDP / FLISP	X	X		X	
3251.03: Stellenbosch Jamestown (265 services & 265 units)		X			
3251.04: Stellenbosch Jamestown (156 services & 156 units)		X			
xxxx : Stellenbosch Jonkershoek (? Services & ? units) IRDP					
3260 : Stellenbosch Droë Dyke (4000 services & 4000 units) IRDP					X
xxxx: Ptn 3 Farm Idas Valley 1075				X	
xxxx: Remainder Farm 527, Jamestown*			X		
xxxx: Remainder Farm 527, Jamestown**				X	
xxxx: Erf 7001, Cloeteville		X			
xxxx: Nietvoorbij, Stellenbosch					X
xxxx: Northern Extension, Stellenbosch				X	
xxxx: Social Housing: Restructuring Zones, CBD Stellenbosch			X		

* assumed all planning rights received or are in the process of being obtained

** outside urban edge

RESOLVED

that this matter be referred back to Administration for further refinement and then to be re-submitted to Mayco as soon as possible.

Meeting: Ref No:	Mayco: 2017-01-18 17/4/4/11	Submitted by Directorate: Author: Referred from:	Planning and Economic Development D Lombaard
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5.3.4	APPLICATION FOR URGENT ADDITIONS TO THE SYSTEM OF DELEGATIONS
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1. PURPOSE OF REPORT

To enable the Executive Mayor (Council) to make an urgent decision on granting additional delegations to the administration to consider land use planning matters.

2. APPLICATION FOR CONSIDERATION

The amendment of the existing system of delegations by including the following delegation:

That all the powers of Council to consent to or grant its approval in terms of any condition of title or condition of establishment of a Township, imposed in terms of the Townships Ordinance 33 of 1934, are hereby delegated to the **Director: Planning and Economic Development**.

RESOLVED

That it be recommended to Council:

- (a) that all the powers of Council to consent to or grant its approval in terms of any condition of title or condition of establishment of a Township, imposed in terms of the Townships Ordinance 33 of 1934, are hereby delegated to the **Director: Planning and Economic Development**; and
- (b) that the delegation shall be subject to the following limitations, conditions and directions, namely:
 - (i) All conditions of delegations as contained in the current system of delegations of the Municipality, including the right to sub-delegate a power, duty or function.
 - (ii) Excluded from this delegation, is the power to consent to or grant approval in terms of a restrictive Title condition, in terms of which the Provincial Government acquires private law rights.

REASONS FOR RECOMMENDATION

The delegation of this power to the Director: Planning and Economic Development will enable the Land Use Department to dispose of a number of Land Use and Building Plan applications without having to refer them to Council for a decision. The delegation of this power to the Director: Planning and Economic Development will also enable him to comply with the legal directive by taking full advantage of administrative and operational efficiency.

Meeting: Ref No:	Mayco: 2017-01-18 3/5/1/2	Submitted by Directorate: Author: Referred from:	Planning and Economic Development D Lombaard
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5.4	FINANCIAL SERVICES: (PC: CLLR S PETERS)
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5.4.1	SUPPLY CHAIN REPORTING: DEVIATIONS AND RATIFICATIONS
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1. PURPOSE OF REPORT

To comply with Regulation 36(2) of the Municipal Supply Chain Management by reporting the deviations and ratifications for the months of October 2016 to December 2016.

2. DISCUSSION

To comply with Regulation 36(2) of the Municipal Supply Chain Management by reporting the deviations and ratifications for the months of October 2016 to December 2016. (attached as **APPENDIX 1**).

RESOLVED

That it be recommended to Council:

that the monthly financial statutory reporting on deviations and ratifications, **be noted.**

Meeting: Ref No:	Mayco: 2017-01-18 8/1Financial	Submitted by Directorate: Author: Referred from:	Financial Services CFO
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5.4.2	MID-YEAR ADJUSTMENTS BUDGET FOR 2016/17
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1. PURPOSE OF REPORT

To table the adjustments budget as envisaged by section 23(1) of the Municipal Budget and Reporting Regulations, for the 2016/2017 financial year, for approval.

2. BACKGROUND: LEGAL CONTEXT

In terms of section 28 of the Municipal Finance Management Act (Act no. 56 of 2003), a municipality may revise an approved budget through an adjustments budget process. Only the mayor may table an adjustments budget in the Municipal Council (within the prescribed framework). The latter is regulated by means of the Municipal Budget and Reporting Regulations that came into effect on 1 July 2009.

In terms of section 28(2) of the Municipal Finance Management Act, an adjustments budget:

- a) must adjust the revenue and expenditure estimates downwards if there is material under collection of revenue during the current year;
- b) may appropriate additional revenue that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for;
- d) may authorize the utilization of projected savings in one vote towards spending in another vote;
- f) may correct any errors in the annual budget;

In terms of section 23(1) of the Municipal Budget and Reporting Regulations, the above mentioned adjustments can only be done after the mid-year budget and performance assessment has been tabled to Council, but not later than 28 February.

RESOLVED

That it be recommended to Council:

- (a) that the Annual Budget Tables as prescribed by the Budgeting and Reporting Regulations, as set out in **APPENDIX 2**, be approved;
- (b) that Council takes note that the Municipality will not be taking up a finance facility (Loan) due to a strong financial position and a positive projected cash flow;
- (c) that the following capital projects be adjusted over the MTREF (2017/2018 & 2018/2019), as follows:

Projects	Funding	2017/2018	2018/2019
Bulk Water Supply Pipe Reservoir: Johannesburg / Kylemore / Pniel	External Loan	9,750,000	0
Bulk Water Supply Pipe Reservoir: Johannesburg / Kylemore / Pniel	MIG	4,725,219	0
Bulk Water Supply Pipe Reservoir: Johannesburg / Kylemore / Pniel	CRR	4,524,781	0
Bulk Sewer Outfall: Jamestown	MIG	4,000,000	0
Bulk Sewer Outfall: Jamestown	CRR	9,500,000	0
Bulk Sewer Outfall: Jamestown	External Loan	-	8,000,000
Extension Of WWTW: Stellenbosch	External Loan	75,276,712	5,000,000
Idas Valley Merriman Outfall Sewer	CRR	8,630,925	0
Idas Valley Merriman Outfall Sewer	MIG	3,569,075	2,000,000
New Plankenburg Main Outfall Sewer	CRR	4,836,650	0
New Plankenburg Main Outfall Sewer	External Loan	9,607,355	0
New Plankenburg Main Outfall Sewer	MIG	9,412,000	26,643,995
Multi-purpose centre Klapmuts	CRR	9,000,000	0
Purchase of Land- Cemeteries	CRR	900,000	0
Major Drop off FH	CRR	9,200,000	0
Resource Centre	CRR	1,250,000	0
Upgrade Gravel Roads- Jamestown	CRR	1,300,000	0
Klapmuts Public Transport Interchange	MIG	2,882,456	0
Klapmuts Public Transport Interchange	CRR	2,404,474	0
Electricity Network: Pniel	CRR	10,300,000	0

- (d) that the Service Delivery and Budget Implementation Plan be adjusted accordingly, inclusive of the non-financial information (performance measurement).

Meeting:	<i>Mayco: 2017-01-18</i>	Submitted by Directorate:	<i>Financial Services</i>
Ref No:	<i>8/1Financial</i>	Author:	<i>CFO</i>
		Referred from:	

5.4.3	AMENDMENT TO TARIFF STRUCTURE WITH REGARDS TO RENTAL CATEGORY
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1. PURPOSE OF REPORT

To request council approval for an amendment in the current tariff structure, with regards to the Rental Category.

2. BACKGROUND

An application has been received from a NPO to lease space at the Kayamandi Corridor at a discounted rate of 40%. This effectively translates to a discount of 60% whereas the current tariff structure makes provision for a discount of 30% to Non Profit organisations.

3. DISCUSSION

The application is supported by both the CFO and Director: Planning and Economic Development as this is a large group that will be leasing space on a regular basis.

Section 28(6) of the MFMA determines that Municipal Tax and Tariffs may not be increased during a financial year. The proposed amendment to the tariff structure is however, not an increase.

It is being proposed that the general discount to Non Profit Organisations with regards to rental of municipal property remain at 30%, but that the Accounting Officer be mandated to grant a larger discount in meritorious, individual instances.

Should this proposal be accepted, the change in tariff structure would have to be advertised for public participation and the due process would have to be followed before implementation.

4. LEGAL IMPLICATION

No negative implication. The amendment to the tariff structure will be incorporated into the new tariff book of the 2017/18 Budget.

5. FINANCIAL IMPLICATION

There should be a negligible impact on the revenue generated from rental of council venues and space. The loss of income due to increased discounts, will in all likelihood be offset by increase use of council property by Non Profit Organisations.

6. COMMENTS FROM OTHER RELEVANT DEPARTMENTS

Legal Services:

The item and recommendation are supported.

7. CONCLUSION

Enabling the Accounting Officer to use own discretion in this regard will do away with cumbersome administrative processes and also improve service delivery to the community and community driven organisations.

RESOLVED

That it be recommended to Council:

- (a) that the Sundry Tariffs with regards to the Kayamandi Economic Tourism Corridor as stipulated on page 40 of the 2016/17 Tariff book be amended by the insertion of the following sentence under paragraph (g):

"In meritorious cases, the Accounting Officer may grant discounts larger than 30% as indicated above".

- (b) that the amendment be advertised for comments and objections for consideration before actual implementation.

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5.5	HUMAN SETTLEMENTS: (PC: CLLR PW BISCOMBE)
5.5.1	IDENTIFICATION OF POSSIBLE TRUST LAND IN PNIEL: STATUS REPORT

1. PURPOSE OF REPORT

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

- a) To provide Council with the legal requirements pertaining to so-called trust land; and
- b) To provide Council with a progress report insofar as it relates to the identification of possible trust land.

2. BACKGROUND

2.1 Promulgation of rural areas

In terms of the Rural Areas Act (House of Representatives), No 9 of 1987, there are 23 rural areas in the country, classified as so-called “*coloured reserves*”, where certain land is (was) held in trust for the respective communities, of which 12 are in the Western Cape.

2.2 Establishment of Pniel

The Pniel Management Board was subsequently established in terms of the said Act. On 30 December 1994 the Pniel Transitional Local Council was established in terms of the Local Government Transitional Act, No 2009 of 1993.

In terms of this proclamation (No 142/1994), read with PN 58/1995, the Pniel Transitional Local Council replaced the Pniel Management Board. As from 17 March 1995 the Transitional Local Council was established, with the powers, duties and function of a Management Board contemplated in the Rural Areas Act.

Further, in terms of this proclamation all asset, liabilities, rights and obligations of the Management Board was devolved and was assigned to the Transitional Local Council. In terms of section 116, specifically, it is stated that “*the ownership of all immovable property of the aforesaid Management Board shall vest in the Transitional Local Council*”.

2.3 Establishment of Stellenbosch Municipality

In terms of Establishment Notice P.N. 489/2000, the Stellenbosch Municipality was established. With effect from the effective date Stellenbosch Municipality became the successor in law of the dis-established municipalities (*inter alia* Pniel Transitional Local Council).

In terms of Section 16(5) of the Establishment Notice it was specifically recorded that Stellenbosch Municipality would be the successor in law with reference to the matters set out in the Transformation of Certain Rural Areas Act and the Rural Areas Act.

RESOLVED

That it be recommended to Council:

- (a) that the content of the notice of the Minister be noted;
- (b) that the process plan as set out in par. 3.1.5, submitted to the Minister, be endorsed;
- (c) that the Municipal Manager be authorised to attend to the public participation process as set out in paragraph 3.1.5;
- (d) that the proposed allocations, as set out in paragraph 3.1.4, be supported in principle; and
- (e) that, following the public participation process, a progress report be submitted to Council to deal with the submissions received as a consequence of the public participation process, whereupon final recommendations will be made to the Minister regarding the allocation/transfer of so-called Section 3 Trust land.

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5.6	INFRASTRUCTURE: (PC: CLLR J DE VILLIERS)
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NONE

5.7	PROTECTION SERVICES: (PC: CLLR Q SMIT)
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NONE

5.8	YOUTH, SPORTS AND CULTURE: (PC: XL MDEMKA (MS))
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NONE

6.	REPORTS SUBMITTED BY THE MUNICIPAL MANAGER
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6.1	APPOINTMENT AS MUNICIPAL ELECTORAL OFFICER (MEO) FOR STELLENBOSCH MUNICIPAL AREA
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1. PURPOSE OF REPORT

To consider a request by the Provincial Electoral Offices: Western Cape for the nomination of a candidate for the position of Municipal Electoral Officer for the Stellenbosch Municipal Area.

2. BACKGROUND

Since the resignation of Ms EC Liebenberg, the former Municipal Manager, who was also appointed as MEO by the IEC, as well as the resignation of Mr Raymond Esau who was appointed by Council as MEO on 27 January 2017, there is no serving MEO for the Stellenbosch Municipal Area.

3. DISCUSSION

As it is common practice at Stellenbosch Municipality, the Municipal Manager always served as the MEO for this Municipal Area, acting as a liaison between the Municipality and the Electoral Commission. Any senior manager may however also be appointed as MEO, as it is the prerogative of the Council to nominate to the IEC a person to be appointed to this position.

See **APPENDIX 1** (SALGA Circular 12/ 2011) for more details.

4. COMMENTS BY RELEVANT DEPARTMENTS

None

5. CONCLUSION

The IEC prefers that Council nominate a person to be appointed as MEO in order for him/her to manage, in consultation with the Provincial Electoral Officer, whatever political matters related to the work of the IEC may arise within the Municipality.

RESOLVED

That it be recommended to Council:

- (a) that it be recommended to the IEC that Ms Geraldine Mettler be nominated to the IEC for appointment as MEO for the Stellenbosch Municipal area; and
- (b) that approval be granted that the appointed MEO may receive the honorarium payable to a MEO by the IEC.

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7.	REPORTS SUBMITTED BY THE EXECUTIVE MAYOR
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NONE

8.	MOTIONS AND QUESTIONS RECEIVED BY THE MUNICIPAL MANAGER
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NONE

9.	URGENT MATTERS
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NONE

10.	MATTERS TO BE CONSIDERED IN-COMMITTEE
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NONE

The meeting adjourned at 11:22.

CHAIRPERSON:

DATE:

Confirmed on with/without amendments.