STELLENBOSCH
STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

Ref no.3/4/2/5

2025-02-14

MAYORAL COMMITTEE MEETING

WEDNESDAY, 2025-02-19 AT 10:00

TO	The Executive Mayor, Ald J Fasser
	The Deputy Executive Mayor, Cllr M Slabbert
COUNCILLORS	JC Anthony
	R du Toit
	X Kalipa
	T Kumm
	L Nkamisa
	C Manuel
	R Pheiffer
	N Olayi
	J Williams

Notice is hereby given that a Mayoral Committee Meeting will be held **in Council Chamber** on **Wednesday, 2025-02-19 at 10:00** to consider the attached agenda.

EXECUTIVE MAYOR, ALD J FASSER

CHAIRPERSON

AGENDA

MAYORAL COMMITTEE MEETING

2025-02-19

TABLE OF CONTENTS

ITEM	SUBJECT	PAGE
1.	**OPENING AND WELCOME**	
2.	**COMMUNICATION**	
3.	**DISCLOSURE OF INTERESTS**	
4.	**APPLICATIONS FOR LEAVE OF ABSENCE**	
5.	**APPROVAL OF THE MINUTES OF THE PREVIOUS MEETING**	
5.1	The minutes of the Mayoral Committee meeting: 2025-01-21 refers attached as **APPENDIX 1**. **FOR CONFIRMATION**	4
6.	**STATUTORY MATTERS**	
6.1	MONTHLY FINANCIAL STATUTORY REPORTING: DEVIATIONS FOR JANUARY 2025	56
7.	**CONSIDERATION OF ITEMS BY THE EXECUTIVE MAYOR: [ALD J FASSER]**	
7.1	**PROTECTION SERVICES: [PC: CLLR J WILLIAMS]**	
	NONE	58
7.2	**SPORTS, YOUTH AND CULTURE: [PC: CLLR T KUMM]**	
	NONE	58
7.3	**CORPORATE SERVICES: [PC: CLLR L NKAMISA]**	
7.3.1	RETURN ITEM: REQUEST TO RECONSIDER COUNCIL RESOLUTION MADE REGARDING THE LEASING AND MANAGEMENT OF STELMARK PARKING AREA TO THE OWNERS OF THE CENTRE ADJACENT TO THE PARKING AREA	59
7.3.2	APPLICATION FROM HANNA CHARITY AND EMPOWERMENT FOUNDATION TO LEASE A PORTION OF ERF 11705 STELLENBOSCH (CLOETESVILLE)	80
7.3.3	APPLICATION TO LEASE A PORTION OF FARM 183 STELLENBOSCH: CARING AND LEARNING NPC	102
7.3.4	APPLICATION FROM THE EARLY EDUCATION CENTRE (TEEC) TO LEASE A PORTION OF ERF 8915 STELLENBOSCH (CLOETESVILLE)	118
7.3.5	RETURN ITEM: PUBLIC PARTICIPATION FEEDBACK: REQUEST FOR A LONGER-TERM LEASE AGREEMENT: STELLENBOSCH FLYING CLUB**(ITEM WILL BE DISTRIBUTED UNDER SEPARATE COVER)**	
7.3.6	FEEDBACK ON PUBLIC PARTICIPATION PROCESS AFTER THE PUBLICATION OF THE INFORMATION STATEMENT OF THE INTENTION TO DISPOSE OF PORTION OF FARM 528 AND PORTION OF FARM 529C ALSO FORMERLY KNOWN AS MOUNTAIN BREEZE CARAVAN PARK**(ITEM WILL BE DISTRIBUTED UNDER SEPARATE COVER**)	

7.3.7	RETURN ITEM:CONSIDERATION OF INPUTS ON THE INFORMATION STATEMENT AND CONSIDERATION OF FINAL DECISION TO DISPOSE OF TRANSVALIA COMPLEX TO THE PREFERRED BIDDER IN THE TENDER PROCESS THROUGH A 30 YEAR LEASE AGREEMENT**(ITEM WILL BE DISTRIBUTED UNDER SEPARATE COVER**)	
7.4	**FINANCIAL SERVICES: [PC: ALD JC ANTHONY]**	
7.4.1	WRITE-OFF OF IRRECOVERABLE AND PRESCRIBED INDIGENT DEBT OLDER THAN 90 DAYS	128
7.4.2	JONKERSHOEK SPECIAL RATING AREA: APPLICATION FOR THE EXTENSION OF THE TERM FOR A FURTHER PERIOD OF FIVE YEARS, FROM 1 JULY 2025 TO 30 JUNE 2030	140
7.4.3	TECHSTEL SPECIAL RATING AREA: APPLICATION FOR THE EXTENSION OF THE TERM FOR A FURTHER PERIOD OF FIVE YEARS, FROM 1 JULY 2025 TO 30 JUNE 2030	186
7.4.4	STELLENBOSCH IMPROVEMENT AND TRANSFORMATION INITIATIVE (SITI) SPECIAL RATINGS AREA	223
7.5	**HUMAN SETTLEMENTS: [PC: CLLR R DU TOIT]**	
	NONE	274
7.6	**INFRASTRUCTURE SERVICES: [PC: R PHEIFFER]**	
7.6.1	STATUS REPORT ON THE ALTERNATIVE ENERGY GENERATION PROGRAMME – FEBRUARY 2025	275
7.6.2	CONSIDERATION OF EXPENDITURE INCURRED RELATING TO SERVICES RENDERED BY NEIL LYNERS AND ASSOCIATES (PTY) LTD UNDER TENDER: B/SM 13/21- ESP.6 PROFESSIONAL ELECTRICAL ENGINEERING SERVICES FOR THE STELLENBOSCH MUNICIPALITY SELF LOADSHEDDING IMPLEMENTATION PROJECT AND SCOPE AMENDMENT REQUEST AS PER SECTION 116(3)	284
7.7	**PARKS AND OPEN SPACES: [PC: CLLR N OLAYI]**	
	NONE	298
7.8	**PLANNING AND LOCAL ECONOMIC DEVELOPMENT AND TOURISM: [PC: DEPUTY MAYOR M SLABBERT]**	
7.8.1	PUBLIC PARTICIPATION PROCESS FOR STELLENBOSCH MUNICIPALITY: PROPOSED DRAFT PROBLEM PROPERTY BYLAW 2025	298
7.8.2	REPORT: PROPOSED AMENDMENT OF THE STELLENBOSCH MUNICIPAL CATEGORISATION MODEL FOR DECISION MAKING ON LAND USE AND LAND DEVELOPMENT APPLICATIONS	330
7.8.3	REQUEST TO UNDERTAKE PUBLIC PARTICIPATION PROCESS (PPP) IN RESPECT OF THE DRAFT STELLENBOSCH MUNICIPALITY SPAZA SHOP BY-LAW	346
7.9	**COMMUNITY SERVICE: [PC: CLLR X KALIPA]**	
	NONE	395
7.10	**RURAL MANAGEMENT AND ENVIRONMENT: [PC: CLLR C MANUEL]**	
	NONE	395
7.11	**MUNICIPAL MANAGER**	
7.11.1	DRAFT PUBLIC PARTICIPATION POLICY	396
7.11.2	DRAFT INTERGOVERNMENTAL RELATIONS (IGR) AND INTERNATIONAL RELATIONS (IR) POLICY	423
8.	**REPORTS SUBMITTED BY THE EXECUTIVE MAYOR**	
	NONE	443
9.	**URGENT MATTERS**	
	NONE	443
10.	**MATTERS TO BE CONSIDERED IN-COMMITTEE**	
	NONE	

APPENDIX 1

Confirmation of Minutes: Mayoral Committee Meeting: 2025-01-22

STELLENBOSCH
STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

Ref no.3/4/2/5

2025-01-22

MINUTES

MAYORAL COMMITTEE MEETING:

2025-01-22 AT 10:00

MINUTES

MAYORAL COMMITTEE MEETING

2025-01-22

TABLE OF CONTENTS

ITEM	SUBJECT	PAGE
1.	**OPENING AND WELCOME**	
2.	**COMMUNICATION**	
3.	**DISCLOSURE OF INTERESTS**	
4.	**APPLICATIONS FOR LEAVE OF ABSENCE**	
5.	**APPROVAL OF THE MINUTES OF THE PREVIOUS MEETING**	
5.1	The minutes of the Mayoral Committee meeting: 2024-11-22 refers attached as **APPENDIX 1**. **FOR CONFIRMATION**	3
6.	**STATUTORY MATTERS**	
6.1	TABLING OF THE DRAFT ANNUAL REPORT 2023/24	4
6.2	REVISED TOP LAYER SERVICE DELIVERY IMPLEMENTATION PLAN 2024/2025	6
6.3	MFMA SECTION 52 REPORTING UP TO DECEMBER 2024	8
6.4	MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT FOR 2024/2025	10
6.5	MID-YEAR ADJUSTMENTS BUDGET FOR 2024/2025	12
6.6	OVERSIGHT ROLE OF COUNCIL: SUPPLY CHAIN MANAGEMENT POLICY-REPORT ON THE IMPLEMENTATION OF THE SUPPLY CHAIN MANAGEMENT POLICY OF STELLENBOSCH MUNICIPALITY: QUARTER 2 (01 OCTOBER 2024 – 31 DECEMBER 2024)	13
6.7	MANAGEMENT OF CONTRACTS OR AGREEMENTS AND CONTRACTOR PERFORMANCE FOR THE PERIOD 01 JULY 2024 – 31 DECEMBER 2024 MFMA S116(2)(d) REPORT	15
6.8	MONTHLY FINANCIAL STATUTORY REPORTING: DEVIATIONS FOR NOVEMBER & DECEMBER 2024	16
7.	**CONSIDERATION OF ITEMS BY THE EXECUTIVE MAYOR: [CLLR J FASSER]**	
7.1	**PROTECTION SERVICES: [PC: CLLR J WILLIAMS]**	
	NONE	17
7.2	**SPORTS, YOUTH AND CULTURE: [PC: CLLR T KUMM]**	
	NONE	17
7.3	**CORPORATE SERVICES: [PC: CLLR L NKAMISA]**	
7.3.1	RETURN ITEM: DISPOSAL OF ERF 4810 (3 SWAWEL LAAN) STELLENBOSCH	18
7.3.2	PROPOSED LEASE AGREEMENT: ERF 8394 STELLENBOSCH (19 ANDRINGA STREET), REPUBLIQUE CAFÉ (PTY) LTD	20
7.3.3	PROPOSED LEASE AGREEMENT: ERF 13830 STELLENBOSCH (109 DORP STREET), GELATO LAB	23

7.3.4	APPLICATION TO ACQUIRE A PORTION OF ERF 342 KLAPMUTS FOR THE PURPOSE OF ERECTING A POLICE STATION	26
7.3.5	WAY FORWARD: STELLENBOSCH DISTRICT RIDING CLUB: LEASE AREA 502N	28
7.3.6	APPLICATION TO LEASE A PORTION OF ERF 286 GROENDAL (LE ROUX)	30
7.3.7	APPLICATION TO LEASE PORTION OF FARM 528, STELLENBOSCH(MOUNTAIN BREEZE) FOR EXISTING TELECOMMUNICATIONS BASE	32
7.4	**FINANCIAL SERVICES: [PC: CLLR JC ANTHONY]**	
	NONE	34
7.5	**HUMAN SETTLEMENTS: [PC: CLLR R DU TOIT]**	
	NONE	34
7.6	**INFRASTRUCTURE SERVICES: [PC: R PHEIFFER]**	
7.6.1	THE INTEGRATED WASTE MANAGEMENT PLAN FOR STELLENBOSCH MUNICIPALITY	35
7.6.2	STATUS REPORT ON THE ALTERNATIVE ENERGY GENERATION PROGRAMME – DECEMBER 2024	37
7.6.3	ANNUAL WATER SERVICES DEVELOPMENT PLAN PERFORMANCE- AND WATER SERVICES AUDIT REPORT: FINANCIAL YEAR 2023/2024	41
7.7	**PARKS AND OPEN SPACES: [PC: CLLR N OLAYI]**	
	NONE	43
7.8	**PLANNING AND LOCAL ECONOMIC DEVELOPMENT AND TOURISM: [PC: DEPUTY MAYOR M SLABBERT]**	
7.8.1	TO PROVIDE FEEDBACK ON THE PUBLIC PARTICIPATION PROCESS FOR THE OUTSOURCING OF THE MANAGEMENT OF THE INFORMAL TRADING HUBS (CLOETESVILLE, IDA'S VALLEY, KLAPMUTS)	44
7.8.2	CONSIDERATION OF THE SOUTH AFRICAN MOBILE DEVICES DISTRIBUTORS & REPAIRERS ASSOCIATION (SAMDDRA) TO USE THE KAYAMANDI CORRIDOR CONFERENCE FACILITY AS A TRAINING SITE	46
7.9	**COMMUNITY SERVICE: [PC: CLLR X KALIPA]**	
	NONE	48
7.10	**RURAL MANAGEMENT AND ENVIRONMENT: [PC: CLLR C MANUEL]**	
	NONE	48
7.11	**MUNICIPAL MANAGER**	
	NONE	48
8.	**REPORTS SUBMITTED BY THE EXECUTIVE MAYOR**	
	NONE	48
9.	**URGENT MATTERS**	
	NONE	48
10.	**MATTERS TO BE CONSIDERED IN-COMMITTEE**	
	SEE PINK DOCUMENTATION	

PRESENT: Executive Mayor, Ald J Fasser **(Chairperson)**
Deputy Executive Mayor, M Slabbert

Councillors: Ald JC Anthony
R du Toit
X Kalipa
T Kumm
C Manuel
L Nkamisa
R Pheiffer
N Olayi
J Williams

Also Present: Councillor P Crawley (Chief Whip)
Councillor Q Smit (Speaker)
Councillor A Ferns

Officials: Acting Municipal Manager(S Chandaka)
Director: Corporate Services (A de Beer (Ms))
Director: Community & Protection Services (G Boshoff)
Director : Planning and Economic Development (A Barnes)
Acting Chief Audit Executive (M Krige)
Acting Chief Financial Officer (M Steyl)
Senior Manager: Supply Chain Management(D Jacobs)
Senior Administration Officer (B Mgcushe (Ms))

****

1.	**OPENING AND WELCOME**

The Chairperson, The Executive Mayor welcomed everyone present at the Mayoral Committee Meeting.

2.	**COMMUNICATION BY THE EXECUTIVE MAYOR**

-Welcome back to all councillors, officials and residents of the greater Stellenbosch. This new year, 2025 will be a year of challenges but also successes. To ensure success, I want to introduce my Mayco again so that all officials and residents are familiar with the new structure:

Executive Mayor: Jeremy Fasser
Deputy Mayor and MMC for Planning, LED and Tourism: Cllr Mynard Slabbert
MMC for Infrastructure: Cllr Reginald Pheiffer
MMC for Finance: Ald JC Anthony
MMC for Human Settlements: Cllr Rozette du Toit

MMC for Corporate Services: Cllr Lwando Nkamisa
MMC for Protection Services: Cllr James Willliams
MMC for Parks and Open Spaces: Cllr Ndipiwe Olayi
MMC for Rural Management and Environmental Management: Cllr Charles Manuel
MMC for Sport, Youth and Culture: Cllr Tamryn Kumm

-Ek verwelkom ook allle nuwe leerders aan skole in die groter Stellenbosch, sowel as alle studente, beide eerstejaars en terugkerende studente. Stellenbosch is ook julle dorp en ek vra dat julle jul tyd hier moet geniet en vol uit leef, maar dit met agting en versigtig doen. Wees waaksaam en moenie waardevolle artikels oonbeman laat nie. wees te alle tye paraat.

-The Municipality's support contract with the Stellenbosch Citizen App service provider expired at the end of 2024, and we have made the decision not to renew the support contract. This means the app will no longer be available.
The app was launched during the COVID-19 lockdown as an additional platform for public engagement, particularly for inputs on the Integrated Development Plan (IDP). It was highly effective initially, but as conditions normalised and more communication platforms became widely accessible, the need for the app started to diminish. After a detailed cost-benefit analysis, we found that the value of engagement through the app did not justify its expense. The municipality has several other online platforms that have proven to reach far more residents and stakeholders at a fraction of the cost.
The following channels are still available:

- 1. Dedicated IDP Communication Channels:
- 2. Stellenbosch Customer Care Portal:
- 3. Let’s Fix It Lines:
- 4. 24-Hour Control Room:
- The municipal website, Facebook page, Twitter/X page, Instagram page, LinkedIn page and WhatsApp channel are also available.

- Ek het vroeg Maadagoggend saam met Mayco-lid vir Korporatiewe Dienste, rdl. Lwando Nkamisa, 'n spesiale besoek aan die munisipale depot by Beltana gebring. Ons het ontmoet met die ongelooflike amptenare en werkers wat die hartklop van ons munisipaliteit vorm—die spanne aan die voorpunt van dienslewering. Van vullis bymekaarmaak en strate uitvee tot storms trotseer om elektrisiteit te herstel en gebarste pype regmaak, hul onvermoeide pogings hou ons dorp aan die gang. Ek het hierdie onbesonge helde persoonlik bedank vir hul toewyding, harde werk en opofferings, en hulle herinner hoeveel hul pogings vir ons inwoners beteken.

-The deadline to complete spaza shop registrations has been extended to 28 February 2025 across South Africa. If you operate a spaza shop, tuckshop, home shop, or any other informal food handling outlet in the Greater Stellenbosch Municipal Area (WC024), ensure you are properly registered with the municipality before the deadline.

3.	DISCLOSURE OF INTERESTS

NONE

4.	APPLICATIONS FOR LEAVE OF ABSENCE

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

G Mettler (Municipal Manager)

K Carolus (Chief Financial Officer)

5.	CONFIRMATION OF PREVIOUS MINUTES

5.1 The minutes of the Mayoral Committee Meeting held on 2024-11-21 were **confirmed as correct without any amendments.**

6.	STATUTORY MATTERS

6.1	TABLING OF THE DRAFT ANNUAL REPORT 2023/24

Collaborator No:
IDP KPA Ref No: **Good Governance and Compliance**
Meeting Date: **22 January 2025**

1. SUBJECT:TABLING OF THE DRAFT ANNUAL REPORT 2023/24

2. PURPOSE

To table to the Council the draft Annual Report 2023/24 for consideration and approval to be released for public comment.

Furthermore, it is also the purpose of this submission, after the approval of the draft Annual Report 2023/24 by the Council to be released for public comment, to refer the draft Annual Report 2023/24 to the Municipal Public Accounts Committee (MPAC) to fulfil the role of an Oversight Committee and to make a recommendation to the Council as contemplated in terms of Section 129(1) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA).

3. DELEGATED AUTHORITY

Council.

4. EXECUTIVE SUMMARY

The draft Annual Report must be tabled by the executive mayor within seven months after the end of the financial year and be made available for public inspection. The Accounting Officer must invite the public to provide input into the draft annual report. It has become a practice for the MPAC to also invite the public to make verbal representations at meetings where the report is being discussed.

A schedule with proposed dates for the MPAC meetings is also attached hereto as **Annexure A.** The Council resolved that MPAC has, as part of its terms of reference, the role of sitting as the Oversight Committee to consider the draft Annual Report 2023/24.

At the time of this submission to the Council, the socio-economic profile 2024 was not yet made available by the Western Cape Provincial Treasury. It is anticipated that the profile will be released towards the beginning of February 2025. As a result, the socio-economic profile in the draft Annual Report 2023/24 contains information based on the 2023 profile. This information will be updated with the socio-economic profile 2024 in the draft Annual Report 2023/24 during the public participation process.

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2025-01-22: ITEM 6.1

(a) that the Council takes note of the draft Annual Report 2023/24;

(b) that the Council takes note that the Municipal Manager will make the draft Annual Report 2023/24 public for comment on the official website of the Stellenbosch Municipality, the local print media, and at the offices of the municipality for 21 days;

(c) that the commencement of the public participation process will be the date the draft Annual Report 2023/24 is published on the municipal website;

(d) that the Council refers the draft Annual Report 2023/24 **(ANNEXURE B)** to the MPAC to consider the draft Annual Report 2023/24 and to make a recommendation to the Council as contemplated in terms of Section 129(1) of the MFMA;

(e) that the Council takes note of the proposed dates for the MPAC meetings where the draft Annual Report 2023/24 will be discussed, as detailed in **ANNEXURE A**. These dates are subject to change. The final dates will be published on the municipality's website and in the local media;

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

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

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

Tariff	Number of co-opted Members	Not exceeding no. of hours	Remuneration
Per-hour tariff for attendance of meeting as a member	2	45 hours	R 337.00 per hour
Once-off Tariff for duties performed in preparation	2	6 hours	R 2 698 (for six hours)

FOR FURTHER DETAILS CONTACT:

NAME	Geraldine Mettler
POSITION	Municipal Manager
DIRECTORATE	Office of the Municipal Manager
CONTACT NUMBERS	021 808 8025
E-MAIL ADDRESS	Municipal.Manager@stellenbosch.gov.za
REPORT DATE	13 January 2025

6.2	REVISED TOP LAYER SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2024/25

Collaborator No:
IDP KPA Ref No: **Financial Sustainability**
Meeting Date: **22 January 2025**

1. SUBJECT: REVISED TOP LAYER SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2024/25

2. PURPOSE

To obtain the Council's approval for the revisions made to the Top Layer (TL) Service Delivery and Budget Implementation Plan (SDBIP) 2024/25.

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

The TL SDBIP 2024/25 was approved by the Executive Mayor on 25 June 2024. It is common practice for a municipality, as provided for in the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA), to review its performance indicators and targets after approving the adjustments budget.

All the necessary changes, which must be deleted or amended, are indicated with a strikethrough and an underline, respectively (for ease of reference). It should be noted that the TL SDBIP 2024/25 is the in-year plan of the municipality, and amendments made to the TL SDBIP 2024/25 must be read in conjunction with the Integrated Development Plan (IDP). Therefore, changes made in the Revised TL SDBIP 2024/25 are considered to be made in the IDP as well.

The reasons for the amendments to the following KPIs are as follows:

a) KPI002 - The target date of the deliverable was revised from 31 March to 30 June. The target date was revised in line with available resources to realistically achieve the planned target.

b) KPI010 - The indicator was removed as the target was achieved in the previous financial year.

c) KPI063 – This is a new indicator to compliment the phased in approach of KPI010 which was achieved in the previous financial year.

d) KPI055 - The indicator wording was revised to indicate the specific name of the plan.

e) KPI060 - The indicator wording and target date from 28 February to 31 May were revised. The target date was revised in line with available resources to realistically achieve the planned target.

Any detected spelling, grammatical, and / or alignment errors in the document were also corrected where needed.

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2025-01-22: ITEM 6.2

(a) that the Revised TL SDBIP 2024/25 be approved;

(b) that The Revised TL SDBIP 2024/25 be published on the Municipal Website; and

(c) that the Revised TL SDBIP 2024/25 be submitted to:
(i) Internal Audit Unit (for notification);

(ii) Department of Local Government: Western Cape;
(iii) Provincial Treasury: Western Cape;
(iv) Auditor General of South Africa; and
(v) National Treasury.

FOR FURTHER DETAILS CONTACT:

NAME	Geraldine Mettler
POSITION	Municipal Manager
DIRECTORATE	Office of the Municipal Manager
CONTACT NUMBERS	021 – 808 8025
E-MAIL ADDRESS	municipal.manager@stellenbosch.gov.za
REPORT DATE	16 January 2025

6.3	MFMA SECTION 52 REPORTING UP TO DECEMBER 2024

Collaborator No:
IDP KPA Ref No: **Good Governance and Compliance**
Meeting Date: **22 January 2025**

1. SUBJECT: MFMA SECTION 52 REPORTING UP TO DECEMBER 2024

2. PURPOSE

To comply with section 52(d) of the Municipal Finance Management Act and report to Council on the implementation of the budget; and service delivery budget plan of the Municipality for the 2nd quarter of the 2024/25 financial year.

3. DELEGATED AUTHORITY

THE EXECUTIVE MAYOR TO SUBMIT TO COUNCIL

In terms of section 52 (d) of the Municipal Finance Management Act:

"The mayor of a municipality—

(d) must, within 30 days of the end of each quarter; submit a report to the council on the implementation of the budget and the financial affairs of the municipality:"

4. EXECUTIVE SUMMARY

The Executive Mayor must provide general political guidance over the fiscal and financial affairs of the Municipality and is required by Section 52(d) of the Municipal Finance Management Act to submit a report on the implementation of the budget and the financial and non-financial performance of the Municipality, to the Council within 30 days after end of each quarter.

The Section 52 report is a summary of the budget performance. It compares the implementation of the budget to the commitments made and contained in the Service Delivery and Budget Implementation Plan (SDBIP) and is intended to enable Council to give effect to their oversight responsibility.

This report provides the overall performance of the Municipality for the period 1 October 2024 to 31 December 2024.

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2025-01-22: ITEM 6.3

that Council notes Section 52 Report (including quarterly performance report) for second quarter of the financial year.

FOR FURTHER DETAILS CONTACT:

NAME	**Monique Steyl**
POSITION	***Senior Manager Financial Management Services***
DIRECTORATE	***Financial Services***
CONTACT NUMBER	***021 – 808 8512***
E-MAIL ADDRESS	***Monique.Steyl@stellenbosch.gov.za***
REPORT DATE	***22 January 2024***

6.4	MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT FOR 2024/2025

Collaborator No:
IDP KPA Ref No: **Good Governance and Compliance**
Meeting Date: **22 January 2025**

1. SUBJECT:MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT FOR 2024/2025

2. PURPOSE

To submit the Section 72 report (Mid-year Budget and Performance Assessment Report) to Council.

3. DELEGATED AUTHORITY

FOR NOTICE BY MUNICIPAL COUNCIL

In terms of Section 54 of the Municipal Finance Management Act (MFMA), 56 of 2003.

4. EXECUTIVE SUMMARY

This report provides the progress made by the Municipality in terms of the Service Delivery Budget and Implementation Plan (SDBIP) for the period 1 July 2024 to 31 December 2024.

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2025-01-22: ITEM 6.4

(a) that Council take note of the report and more specifically the assessment and forecasts contained in the report,

(b) that Council take note that an Adjustments Budget will be tabled to Council as a result of the following:

- the appropriation of additional allocations received and increased realistically anticipated revenue during the financial year;
- the reprioritization of projects in line with being completed by the communicated cut-off dates to facilitate year- end preparation;

(c) that Council note the performance of the Municipality against the set objectives contained in **APPENDIX 1** - Section 2; and

(d) that the Accounting Officer attend to ensuring that Directors put the necessary corrective measures in place to ensure that projects are managed proactively in a bid to ensure that Council meet its strategic objectives contained in the Service Delivery and Budget Implementation Plan and to report on same at the end of quarter

NAME	**Kevin Carolus**
POSITION	***Chief Financial Officer***
DIRECTORATE	***Financial Services***
CONTACT NUMBERS	***021 – 808 8528***
E-MAIL ADDRESS	***CFO@stellenbosch.gov.za***
REPORT DATE	***22 January 2025***

6.5	MID-YEAR ADJUSTMENTS BUDGET FOR 2024/2025

Collaborator No:
IDP KPA Ref No: **Good Governance and Compliance**
Meeting Date: **22 January 2025**

1. SUBJECT: MID-YEAR ADJUSTMENTS BUDGET FOR 2024/2025

2. PURPOSE

To table the adjustments budget as envisaged by section 28 of the Municipal Finance Management Act (Act No.56 of 2003), for the 2024/2025 financial year, for approval. The Western Cape Adjustments Appropriation Act, 2024, was enacted and arising from this, grant allocations were amended for Stellenbosch Municipality, for the 2024/25 financial year.

3. DELEGATED AUTHORITY

Approval is required by the Municipal Council.

4. EXECUTIVE SUMMARY

Attached as **APPENDIX 1** is an executive summary by the Accounting Officer.

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2025-01-22: ITEM 6.5

(a) that the Adjustments Budget for 2024/2025 as set out in **APPENDIX 1**, be approved;

(b) that the list of capital projects be adjusted over the MTREF (2024/2025), as set out in **APPENDIX 1**;

(c) that that the Adjustments Budget Tables as prescribed by the Budgeting and Reporting Regulations, as set out in **APPENDIX 2**, be approved; and

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

FOR FURTHER DETAILS CONTACT:

NAME	**MONIQUE STEYL**
POSITION	***SENIOR MANAGER: FINANCIAL MANGEMENT SERVICES***
DIRECTORATE	***FINANCIAL SERVICES***
CONTACT NUMBERS	***021 808 8512***
E-MAIL ADDRESS	***Monique.Steyl@stellenbosch.gov.za***
REPORT DATE	***17 January 2025***

6.6	**OVERSIGHT ROLE OF COUNCIL: SUPPLY CHAIN MANAGEMENT POLICY-REPORT ON THE IMPLEMENTATION OF THE SUPPLY CHAIN MANAGEMENT POLICY OF STELLENBOSCH MUNICIPALITY: QUARTER 2 (01 OCTOBER 2024 – 31 DECEMBER 2024)**

Collaborator No:
IDP KPA Ref No: **Financial Sustainability**
Meeting Date: **22 January 2025**

1. SUBJECT: OVERSIGHT ROLE OF COUNCIL: SUPPLY CHAIN MANAGEMENT POLICY-REPORT ON THE IMPLEMENTATION OF THE SUPPLY CHAIN MANAGEMENT POLICY OF STELLENBOSCH MUNICIPALITY: QUARTER 2 (01 OCTOBER 2024 – 31 DECEMBER 2024)

2. PURPOSE

To submit to Council a report for the period 01 October 2024 – 31 December 2024 on the implementation of Council's Supply Chain Management Policy. The report covers the performance of the various delegated functions and the implementation thereof.

3. DELEGATED AUTHORITY

(FOR DECISION BY MUNICIPAL COUNCIL, EXECUTIVE MAYOR AND MAYORAL COMMITTEE, PORTFOLIO COMMITTEE, EXECUTIVE MANAGEMENT, ETCETERA)

Council

Section 6 (3) & 4 of the SCM Policy 2024/2025 determines that the Accounting Officer must within 10 days at the end of each quarter submit a report on the implementation of the SCM Policy to the Executive Mayor. This report must be made public in accordance with section 21A of the Municipal Systems Act (32 of 2000).

4. EXECUTIVE SUMMARY

On a quarterly basis the Accounting Officer must submit a report on the implementation of the Supply Chain Management Policy to the Executive Mayor. In terms of the SCM Regulations and Council's SCM Policy the SCM unit has been delegated to perform powers and functions that related to the procurement of goods and services, disposal of goods no longer needed, the selection of contractors to aid in the provision of municipal services.

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2025-01-22: ITEM 6.6

(a) that Council notes the report and **ANNEXURE A** attached to the report, and

(b) that the report be made public in accordance with section 21A of the Municipal Systems Act.

FOR FURTHER DETAILS CONTACT:

NAME	Dalleel Jacobs
POSITION	***Senior Manager: SCM***
DIRECTORATE	***Financial services***
CONTACT NUMBERS	***021 808 8137***
E-MAIL ADDRESS	***Dalleel.Jacobs@stellenbosch.gov.za***
REPORT DATE	***03 January 2025***

6.7	MANAGEMENT OF CONTRACTS OR AGREEMENTS AND CONTRACTOR PERFORMANCE FOR THE PERIOD 01 JULY 2024 – 31 DECEMBER 2024 MFMA S116(2)(d) REPORT

Collaborator No:
IDP KPA Ref No: **Good Governance and Compliance**
Meeting Date: **22 January 2025**

1. SUBJECT: MANAGEMENT OF CONTRACTS OR AGREEMENTS AND CONTRACTOR PERFORMANCE FOR THE PERIOD 01 JULY 2024 – 31 DECEMBER 2024 MFMA S116(2)(d) REPORT

2. PURPOSE

To report in accordance with MFMA, Section 116(2)(d) on the management of contracts or agreements and the performance of contractors.

3. DELEGATED AUTHORITY

(FOR DECISION BY MUNICIPAL COUNCIL, EXECUTIVE MAYOR AND MAYORAL COMMITTEE, PORTFOLIO COMMITTEE, EXECUTIVE MANAGEMENT, ETCETERA)

None

4. EXECUTIVE SUMMARY

The report indicates the performance of service providers who were active on contracts secured by means of a competitive bidding process for the period 01 July 2024 to 31 December 2024.

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2025-01-22: ITEM 6.7

that the MFMA S116(2)(d) report for the Management of contracts or agreements and contractor performance from 01 July 2024 to 31 December 2024 be noted.

FOR FURTHER DETAILS CONTACT:

NAME	Dalleel Jacobs
POSITION	***Senior Manager: SCM***
DIRECTORATE	***Financial services***
CONTACT NUMBERS	***021 808 8528***
E-MAIL ADDRESS	***Dalleel.Jacobs@stellenbosch.gov.za***
REPORT DATE	***03 January 2025***

6.8	MONTHLY FINANCIAL STATUTORY REPORTING: DEVIATIONS FOR NOVEMBER & DECEMBER 2024

Collaborator No:
IDP KPA Ref No: **Good Governance and Compliance**
Meeting Date: **22 January 2025**

1. SUBJECT: MONTHLY FINANCIAL STATUTORY REPORTING: DEVIATIONS FOR NOVEMBER & DECEMBER 2024

2. PURPOSE

To comply with Regulation 36(2) of the Municipal Supply Chain Management Regulations and Section 36 of the Supply Chain Management Policy 2024/2025 to report the deviations to the Council.

3. DELEGATED AUTHORITY

Council

For noting.

4. EXECUTIVE SUMMARY

Regulation 36(2) of the Municipal Supply Chain Management Regulations and Section 36 of the Supply Chain Management Policy (2024/2025) stipulate that SCM deviations be reported to Council. In compliance thereto, this report presents to the Council the SCM deviations that occurred during November & December 2024.

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2025-01-22: ITEM 6.8

that Council notes with the deviations approved for the month of November & December 2024.

FOR FURTHER DETAILS CONTACT:

NAME	***Dalleel Jacobs***
POSITION	***Senior Manager SCM***
DIRECTORATE	***Finance***
CONTACT NUMBERS	***021 808 8137***
E-MAIL ADDRESS	***Dalleel.Jacobs@stellenbosch.gov.za***
REPORT DATE	***24 December 2024***

7.	**CONSIDERATION OF ITEMS BY THE EXECUTIVE MAYOR: [CLLR J FASSER]**

7.1	**PROTECTION SERVICES: (PC: CLLR J WILLIAMS)**

NONE

7.2	**SPORTS, YOUTH AND CULTURE: [PC: CLLR T KUMM]**

NONE

7.3	CORPORATE SERVICES: (PC: CLLR L NKAMISA)

7.3.1	RETURN ITEM: DISPOSAL OF ERF 4810 (3 SWAWEL LAAN) STELLENBOSCH

Collaborator No: 779038
IDP KPA Ref No: Good Governance
Meeting Date: 22 January 2025

1. SUBJECT: RETURN ITEM: DISPOSAL OF ERF 4810 (3 SWAWEL LAAN) STELLENBOSCH

2. PURPOSE

To provide feedback and obtain Council's final approval for the sale of erf 4810, Stellenbosch also known as Swawel laan 3, Onder Pappegaaiberg.

3. DELEGATED AUTHORITY

For decision by Municipal Council.

4. EXECUTIVE SUMMARY

In May 2021 three properties being erven 4810,4811 and 4812 Stellenbosch were sold on auction as per a resolution made by the Municipal Council. The sale for Erf 4810 was finalised as the purchaser failed to pay the deposit for the property to the auctioneer and after much debate the sale at the auction was cancelled and Council resolved that the erf must go on auction again in February for a price not less than the price reached at the previous auction, being R2.15 million.

On 5 December 2024 an auction was held at the property by Ikapa Auctioneers and the highest bid received on the day was R2.45 million. The purchaser was able to pay the deposit on the day to secure the purchase. Council needs to approve the sale of the property at the offer received from the purchaser and that the sale can continue. The previous resolution already indicates that the Municipal Manager is authorised to sign the sales agreement should the offer be higher than the previous offer received, so there is no need to redelegate that authorisation. As is the Municipal Manager having the authorisation to sign all agreements on Council's behalf.

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2025-01-22: ITEM 7.3.1

(a) that Council takes note of the auction of Erf 4810 Stellenbosch which was held on 5 December 2024; and

(b) that Council accepts the offer received from Christian Jurgens Hanekom which is attached to the item as **APPENDIX 1** and approves the sale of erf 4810 as per the auction.

NAME	**Annalene de Beer**
POSITION	***Director***
DIRECTORATE	***Corporate Services***
CONTACT NUMBERS	***021-8088018***
E-MAIL ADDRESS	***Annalene.deBeer@stellenbosch.gov.za***
REPORT DATE	***13/01/2025***

7.3.2	PROPOSED LEASE AGREEMENT: ERF 8394 STELLENBOSCH (19 ANDRINGA STREET), REPUBLIQUE CAFÉ (PTY) LTD

Collaborator No: 779039
IDP KPA Ref No: Good Governance
Meeting Date: 22 January 2025

1. SUBJECT: PROPOSED LEASE AGREEMENT: ERF 8394 STELLENBOSCH (19 ANDRINGA STREET), REPUBLIQUE CAFÉ (PTY) LTD

2. PURPOSE

To consider an application from Republique Café, to enter into a Lease Agreement with Stellenbosch Municipality, in terms whereof they would be able to use a portion of Council-owned property for outdoor dining purposes.

3. DELEGATED AUTHORITY

In terms of the approved System of Delegations, Council has the delegated the authority to consider applications for Lease Agreements, for a period of less than 10 years and property value not exceeding R5M the Executive Mayor, in consultation with the Executive Mayoral Committee,

The Municipal Manager has the delegated authority to sign lease agreements on behalf of the Municipality and may approve agreements of less than 3 years.

4. EXECUTIVE SUMMARY

An application to use a portion of the street reserve for Outdoor Dining purposes has been received from Republique Café situated on erf 8394, Stellenbosch. The application is not in line with the provisions /requirements of the Outdoor Dining Policy. Although sufficient walkway is left open for pedestrian use there is currently not sufficient space next to the road for car doors to open when parking in the street next to the establishment. The area left open for pedestrian use is not against the shopfront as is the preference in the approved Council resolution. There are however exceptional circumstances as can be seen on the photographs as the sidewalk has built up areas which is not conducive to unobstructed pedestrian use.

The applicant does not currently have a lease agreement with the Municipality and is therefore not paying for the use of the area. The application does not state the term they are applying for and the area they are interested in is 14 m². The applicant has submitted a diagram of the area.

The department has taken the photos provided under 6.2 below.

The department does support the application provided that the applicant must move their tables to allow the 0.8 m are for car doors to be opened.

EXECUTIVE MAYORAL COMMITTEE: 2025-01-22: ITEM 7.3.2

RESOLVED

5.1. That the land (erf 8394) measuring approximately 14m² in extent, be identified as land not needed to provide the minimum level of basic municipal services during the period that the rights are awarded;

5.2 That the application for outdoor dining be considered, for a period of three (3) years, if the applicant complies with the provisions of the Councils resolution on outdoor dining namely:

5.2.1 That no permanent structure or deck be erected without the prior written consent of council, including approved building plans and approval from the Heritage Advisory Committee.

5.2.2 **A minimum of 1.5m (unobstructed walkway) be left open for pedestrian use, adjacent to the street kerb.** In exceptional circumstances, a 1.5m unobstructed walkway adjacent to a shop front, may be allowed, in these instances **a further 0.8m must be left open adjacent to the street kerb.** Any deviations must be approved by the Municipal Manager on application.

The impact of proposed outdoor dining on pedestrian movements, is subject to an assessment in terms of the Municipality's Sidewalk Accessibility Policy and the Municipal Manager is mandated to amend the layout and demarcation of the area when assessing applications.

5.2.3 That a site development plan be submitted for approval which must address at least the following requirements:

(a) Demarcation of the lease area relative to its abutting context with the street, the user property, and neighbouring properties. The demarcation of the outdoor dining area should preferably where possible be demarcated by natural features like for example plants must be clearly demarcated as per the approved site development plan. The type of demarcation must be done in consultation with the Municipal Manager. If natural features such demarcation is not possible the demarcation must be indicated on the plan with lines and applicable measurements. A line indicating the area for outdoor dining may also be used. In the event that the outdoor dining spills over the demarcated area the furniture will be confiscated.

(b) Indicate the accurate location of all existing infrastructure, landscaping features and street furniture. The layout of all furniture and features that will be used for the outdoor dining activity.

5.2.4 Demarcation must be provided and maintained by the lessee.

5.2.5 No advertising signs(including A- frames) to be placed on the sidewalk or displayed against the building without the prior approval of council the Municipal Manager or delegate and if such signs is displayed, it must be within the demarcated area. All signs displayed outside the demarcated area may be removed by law enforcement and outdoor dining furniture outside the demarcated area can be confiscated and repeated offences may result therein that the lease be cancelled forthwith after a 30 day notice period.

5.2.6 All umbrellas to be used has to be at least 2.2m high. and may not have any signage on them.

5.2.7 Any awnings will require pre-approval from council.

5.2.8 Council is indemnified against all possible 3rd party claims.

5.2.9 The municipality or other public service providers must not be prohibited from maintaining, repairing, upgrading and / or installing new public services within the leased area. For planned maintenance and repairs, upgrades or new installations, the applicant will be provided with a 5-day written notice to remove all furniture for the municipality and any other public service provider to gain access. For emergency work the applicant will be required to remove everything immediately for the municipality or other public service providers to gain access.

5.2.10 The municipality reserves the right to end the lease agreement when the need arises, i.e. when the leased area is required for municipal or other public services purposes or when the applicant refuses the municipality or other public service providers access if required.

5.3 That the rental amount be determined by the Municipal Manager in terms of the approved tariffs and an escalation of CPI per annum applies.

5.4 Where the lessee does not comply with the conditions attach to the lease within 30 days after receipt of the approval, the approval may be withdrawn and the lease ended after a 30 day notice period. Such establishment will not be allowed to trade on Municipal Property until they comply and then re-apply for approval.

5.5 The lease agreement with the municipality must be signed within 30 days after receipt of the letter of approval and the draft agreement.

5.6 Where the lessee put furniture or signs outside the demarcated agreed areas such furniture and signs will be removed by Law Enforcement without further notice after a notice was served on the establishment.

FOR FURTHER DETAILS CONTACT:

NAME	**Annalene de Beer**
POSITION	***Director: Corporate Services***
DIRECTORATE	***CORPORATE SERVICES***
CONTACT NUMBERS	***021-8088073***
E-MAIL ADDRESS	***Annalene.debeer@stellenbosch.gov.za***
REPORT DATE	***2025-01-08***

7.3.3	PROPOSED LEASE AGREEMENT: ERF 13830 STELLENBOSCH (109 DORP STREET), GELATO LAB

Collaborator No: 779041
IDP KPA Ref No: Good Governance
Meeting Date: 22 January 2025

1. SUBJECT: PROPOSED LEASE AGREEMENT: ERF 13830 STELLENBOSCH (109 DORP STREET), GELATO LAB

2. PURPOSE

To consider an application from Gelato Lab, to enter into a Lease Agreement with Stellenbosch Municipality, in terms of where they would be able to use a portion of Council-owned property for outdoor dining purposes.

3. DELEGATED AUTHORITY

In terms of the approved System of Delegations the Executive Mayor, in consultation with the Executive Mayoral Committee, has the delegated Authority to consider applications for Lease Agreements, up to a contract value not exceeding R5M and not exceeding a period of 10 years.

The Municipal Manager has the delegated authority to sign lease agreements on behalf of the Municipality and also approve lease agreements for up to 3 years.

4. EXECUTIVE SUMMARY

An application to use a portion of the street reserve for Outdoor Dining purposes has been received from Gelato Lab situated on erf 13830, Stellenbosch. The application is in line with the provisions /requirements of the Outdoor Dining Policy and sufficient walkway is left open for pedestrian use, although they are making use of both sides of the walkway. The walkway on this piece of Dorp Street is much larger than most walkways in Stellenbosch CBD. There is also sufficient space for car doors to open when parked next to the establishment.

The applicant does not currently have a lease agreement with the Municipality and is therefore not paying for the use of the area. The application does not state the term they are applying for and the area they are interested in is 14 m². The photos reflected under 6.2.1 was taken by the department.

The applicant has submitted a diagram of the area. The department supports the application.

EXECUTIVE MAYORAL COMMITTEE: 2025-01-22: ITEM 7.3.3

RESOLVED

5.1. That the land (erf 13830) measuring approximately 14m² in extent, be identified as land not needed to provide the minimum level of basic municipal services during the period that the rights are awarded;

5.2 That the application for outdoor dining be approved for a period of 3 years with the option of a renewal if both parties agrees, subject to the following conditions:

5.2.1 That no permanent structure or deck be erected without the prior written consent of council, including approved building plans and approval from the Heritage Advisory Committee.

5.2.2 A minimum of 1.5m (unobstructed walkway) be left open for pedestrian use, adjacent to the street kerb. In exceptional circumstances, a 1.5m unobstructed walkway adjacent to a shop front, may be allowed, in these instances a further 0.8m must be left open adjacent to the street kerb. Any deviations must be approved by the Municipal Manager on application.

The impact of proposed outdoor dining on pedestrian movements, is subject to an assessment in terms of the Municipality's Sidewalk Accessibility Policy and the Municipal Manager is mandated to amend the layout and demarcation of the area when assessing applications.

5.2.3 That a site development plan be submitted for approval which must address at least the following requirements:

(a) Demarcation of the lease area relative to its abutting context with the street, the user property, and neighbouring properties. The demarcation of the outdoor dining area should preferably where possible be demarcated by natural features like for example plants must be clearly demarcated as per the approved site development plan. The type of demarcation must be done in consultation with the Municipal Manager. If natural features such demarcation is not possible the demarcation must be indicated on the plan with lines and applicable measurements. A line indicating the area for outdoor dining may also be used. In the event that the outdoor dining spills over the demarcated area the furniture will be confiscated.

(b) Indicate the accurate location of all existing infrastructure, landscaping features and street furniture. The layout of all furniture and features that will be used for the outdoor dining activity.

5.2.4 Demarcation must be provided and maintained by the lessee.

5.2.5 No advertising signs(including A- frames) to be placed on the sidewalk or displayed against the building without the prior approval of council the Municipal Manager or delegate and if such signs is displayed, it must be within the demarcated area. All signs displayed outside the demarcated area may be removed by law enforcement and outdoor dining furniture outside the demarcated area can be confiscated and repeated offences may result therein that the lease be cancelled forthwith after a 30 day notice period.

5.2.6 All umbrellas to be used has to be at least 2.2m high. and may not have any signage on them.

5.2.7 Any awnings will require pre-approval from council.

5.2.8 Council is indemnified against all possible 3rd party claims.

5.2.9 The municipality or other public service providers must not be prohibited from maintaining, repairing, upgrading and / or installing new public services within the leased area. For planned maintenance and repairs, upgrades or new installations, the applicant will be provided with a 5-day written notice to remove all furniture for the municipality and any other public service provider to gain access. For emergency work the applicant will be required to remove everything immediately for the municipality or other public service providers to gain access.

5.2.10 The municipality reserves the right to end the lease agreement when the need arises, i.e. when the leased area is required for municipal or other public services purposes or when the applicant refuses the municipality or other public service providers access if required.

5.3 That the rental amount be determined by the Municipal Manager in terms of the approved tariffs and an escalation of CPI per annum applies.

5.4Where the lessee does not comply with the conditions attach to the lease within 30 days after receipt of the approval, the approval may be withdrawn and the lease ended after a 30 day notice period. Such establishment will not be allowed to trade on Municipal Property until they comply and then re-apply for approval.

5.5The lease agreement with the municipality must be signed within 30 days after receipt of the letter of approval and the draft agreement.

5.6Where the lessee put furniture or signs outside the demarcated agreed areas such furniture and signs will be removed by Law Enforcement without further notice after a notice was served on the establishment.

FOR FURTHER DETAILS CONTACT:

NAME	**Annalene de Beer**
POSITION	***Director: Corporate Services***
DIRECTORATE	***CORPORATE SERVICES***
CONTACT NUMBERS	***021-8088073***
E-MAIL ADDRESS	***Annalene.debeer@stellenbosch.gov.za***
REPORT DATE	***2025-01-06***

7.3.4	APPLICATION TO ACQUIRE A PORTION OF ERF 342 KLAPMUTS FOR THE PURPOSE OF ERECTING A POLICE STATION

Collaborator No: 779042
IDP KPA Ref No: Good Governance
Meeting Date: 22 January 2025

1. SUBJECT:APPLICATION TO ACQUIRE A PORTION OF ERF 342 KLAPMUTS FOR THE PURPOSE OF ERECTING A POLICE STATION

2. PURPOSE

To consider an application received from the South African Police Service to acquire a portion of Erf 342 Klapmuts for the purpose of erecting a Police Station.

3. DELEGATED AUTHORITY

Council.

4. EXECUTIVE SUMMARY

The South African Police Service has filed an application to acquire a portion of Erf 342 Klapmuts for the purposes of erecting a new Police Station. They have identified a need to establish a new police station to serve the Klapmuts area as the existing Klapmuts police station does not adequately serve the community and requires upgrading to a fully-fledged facility. The current facility is a leased premises and cannot be upgraded due to certain physical constraints.

They are interested in 1.5 hectares of land which forms a portion of Erf 342 Klapmuts. They further request that Council considers donating the land to them and if this is not possible they will consider a purchase option alternatively a land swap as there is state owned land in Klapmuts.

The application was made in October 2019. It is unclear why the process was not proceeded with. Colonel Govender attended a meeting with the Property Management Department during the last week of November 2024 and indicated that they are still interested in this portion of land and requested that the application be processed for consideration by Council.

Erf 342 Klapmuts is a large property that currently has our multi-purpose centre on it as well as the clinic and Teletubbies Playschool. A new road has been constructed on the property which serves the upcoming development known as Stellenbosch Bridge.

The property must be subdivided to accommodate the request and if Council will be donating the land the department it would only be fair that SAPS must pay for the costs of the subdivision and registration especially as they can use the State Attorney's for this purpose. The current zoning appears to be "utility services" which means municipal use. The responses we received from the Directorate Planning and Economic Development indicate that the Municipality has intentions to use the land for municipal purposes. The ward Councillor also provided input to indicate that the community has indicated in IDP meetings that they do not support the use of that land for the new police station.

In terms of Chapter 3 of the Municipal Asset Transfer Regulations (R878/2008) the transfer of certain assets to another organ of state may be exempted from the provisions of Section 14 of the MFMA.

The department does not support the application given the inputs received from the ward councillor as well as the Directorate Planning and Economic Development.

EXECUTIVE MAYORAL COMMITTEE: 2025-01-22: ITEM 7.3.4

RESOLVED

that this item be referred back to the Administration for further discussions.

FOR FURTHER DETAILS CONTACT:

NAME	**Annalene de Beer**
POSITION	***Director***
DIRECTORATE	***Corporate Services***
CONTACT NUMBERS	***021-8088018***
E-MAIL ADDRESS	***annalene.debeer@stellenbosch.gov.za***
REPORT DATE	***13 -01-2025***

7.3.5	WAY FORWARD: STELLENBOSCH DISTRICT RIDING CLUB: LEASE AREA 502N

Collaborator No: 779045
IDP KPA Ref No: Good Governance
Meeting Date: 22 January 2025

1. SUBJECT: WAY FORWARD: STELLENBOSCH DISTRICT RIDING CLUB: LEASE AREA 502N

2. PURPOSE

The Stellenbosch District Riding Club's lease agreement expired on 31 March 2021 and was renewed on a month-to-month basis until the Sports Council's process was completed. The Riding Club however is not affiliated with the Sports Councils that uses the different Sport Facilities and the process regarding the sport clubs have been completed. The riding club have requested a longer lease also.

3. DELEGATED AUTHORITY

The Executive Mayor in consultation with the Executive Mayoral Committee where the lease is less than 10 years, and the value is less than R5 million. The Municipal Manager has delegations for rental agreements for three years and less.

4. EXECUTIVE SUMMARY

Stellenbosch Municipality and the Stellenbosch District Riding Club concluded a Lease Agreement 17 February 1992 for the period 1 April 1991 to 31 March 2021. The Club applied for a renewal of the agreement for a further period of 9 years and 11 months. On 17 February 2021 council resolved that the current lease agreement be extended on the same terms and conditions on a month-to-month basis until the process for the Sports Councils has been finalised and a property register has been compiled and considered by council to determine the future of Council properties per category. Such property register has now been adopted by council.

The Riding Club is not affiliated with the Sports Councils that uses the different Sport Facilities. That process has also been dealt with. The riding club enquired when Council will now consider their original renewal application for a longer term.

The Stellenbosch District Riding Club has applied for the renewal of the Lease Agreement for a further period of 9 years and 11 months. A copy of their latest application as well as amotivation letter is attached as **APPENDIX 2 and 2.1.**

The application served before Mayco in October 2024 and was referred back to Administration for further discussions and a new property evaluation. The property department only requested a valuation after the opening of offices in January and are still awaiting a response. We have however been requested to resubmit the item to Mayo in January. If there is an intention to provide a longer lease agreement that will have to follow a public participation process, and the rental amount can be determined when the item returns to Council after the public participation process.

EXECUTIVE MAYORAL COMMITTEE: 2025-01-22: ITEM 7.3.5

RESOLVED

that this item be referred back to Administration to wait for the property evaluation.

FOR FURTHER DETAILS CONTACT:

NAME	**ANNALENE DE BEER**
POSITION	***Director: Corporate Services***
DIRECTORATE	***Corporate Services***
CONTACT NUMBERS	***021-8086066***
E-MAIL ADDRESS	***Annalene.deBeer@stellenbosch.gov.za***
REPORT DATE	***14 -01-2025***

7.3.6	APPLICATION TO LEASE A PORTION OF ERF 286 GROENDAL (LE ROUX)

Collaborator No: 779066
IDP KPA Ref No: Good Governance
Meeting Date: 22 January 2025

1. SUBJECT:APPLICATION TO LEASE A PORTION OF ERF 286 GROENDAL (LE ROUX)

2. PURPOSE

For the Executive Mayoral Committee to consider an application from Efata Educare Centre to lease a portion of Erf 286 Groendal for an Early Childhood Development Centre.

3. DELEGATED AUTHORITY

The Executive Mayor in consultation with the Executive Mayoral Committee has the delegated authority to consent to lease agreements for a period not exceeding 9 years 11months and property value less than 5 Million.

The Municipal Manager has the delegation to enter into the lease agreements approved by the Executive Mayoral Committee on behalf of the Municipality and to approve agreements up to 3 years.

4. EXECUTIVE SUMMARY

Erf 286 Groendal (Le Roux) is an unregistered erf which has been sub-divided from Erf 233 Groendal (Le Roux), which was acquired from the Western Cape Government in terms of Section 19 of the Western Cape Housing Development Act. Erf 233 Groendal (Le Roux) is registered in the name of the Municipality (mother erf). Erf 286 is an unregistered portion of erf 233 which is registered in the name of the Stellenbosch Municipality.

Erf 286 has a long history with another Early Child Development Centre, Kabouterland, and an item was before Council in October 2024 to report on the history and current status of Kabouterland. It was mentioned in this item that Efata Educare is currently also making use of the premises however they do not have full and free access to the premises as Kabouterland has locked the gate and are refusing to provide them with a key. Counsil resolved that if this refusal continue the administration can continue with evicting Kabouterland Crèche. The portion of the building that Efata is interested in was built using money from donations from Cape Winelands Biosphere Reserve NPO and Athenee Action Humanitaire NGO with approval from the Executive Mayor on 21 April 2017. Efata ECD moved into the premises in April 2019. The two creches share bathrooms but have their own kitchen and classroom facilities.

Efata Educare has filed an application for a formal lease agreement for their portion of the premises. According to the applicant they were advised by the previous Manager Property Management to sub-lease from Kabouterland however they have not been able to. Since Kabouterland has also shown no interest in entering into a lease agreement with the Municipality it will not be a possibility in future.

Efata has not indicated the timeline that they are interested in to lease the premises. An official lease is required for the crèche to register with the Department that regulates early childhood development.

EXECUTIVE MAYORAL COMMITTEE: 2025-01-22: ITEM 7.3.6

RESOLVED

(a) that the portion of Erf 286 Groendal (Le Roux) be identified on which Efata creche is build, as land not needed to provide the minimum basic level of municipal services;

(b) that Efata Educare be, in principle, allowed to lease the premises for a period of 9 years 11 months;

(c) that a public participation process be followed whereafter the matter will return to the Executive Mayoral Committee for a final decision after consideration of the inputs; and

(d) that a valuator be appointed to determine the fair market rental of the premises and that Efata be allowed to pay 10% of the fair market value as monthly rental.

FOR FURTHER DETAILS CONTACT:

NAME	**Annalene de Beer**
POSITION	***Director***
DIRECTORATE	***Corporate Services***
CONTACT NUMBERS	***021-8088018***
E-MAIL ADDRESS	***annalene.debeer@stellenbosch.gov.za***
REPORT DATE	***2025 – 01 - 13***

7.3.7	APPLICATION TO LEASE PORTION OF FARM 528, STELLENBOSCH(MOUNTAIN BREEZE) FOR EXISTING TELECOMMUNICATIONS BASE

Collaborator No: 779045
IDP KPA Ref No: Good Governance
Meeting Date: 22 January 2025

1. SUBJECT:APPLICATION TO LEASE PORTION OF FARM 528, STELLENBOSCH(MOUNTAIN BREEZE) FOR EXISTING TELECOMMUNICATIONS BASE

2. PURPOSE

To obtain approval to enter into a Lease Agreement with Mast Services (Pty) Ltd for the use of a portion of Council-owned land for an existing Telecommunications Base Station on a portion of farm 528 (Mountain Breeze).

3. DELEGATED AUTHORITY

In terms of the approved System of Delegations the Executive Mayor, in consultation with the Executive Mayoral Committee, has the delegated authority to consider applications for Lease agreements, up to a contract value not exceeding R5M and not exceeding a period of 10 years. The Municipal Manager has the delegated authority to sign lease agreements on behalf of the Municipality and may approve lease agreements up to 3 years.

4. EXECUTIVE SUMMARY

An application has been received from Mast Services (Pty) Ltd for the lease of a portion of municipal land (farm 528) which is more commonly known as a portion of Mountain Breeze for an existing telecommunications base station. The application does not state the duration that they are interested in, however, there is an intention to dispose of the Mountain Breeze property that is currently in a public participation process. The base tower forms part of the Mountain breeze property. An advertisement has been placed calling on the public to provide comments on the possible disposal of the Mountain Breeze property and the closing date for comment is on 7 February 2025 whereafter the matter will return to Council for an in principal decision.

It is therefore recommended that the application for lease only be approved on a month-to-month basis until such time that the property is disposed of. Should Council decide to not dispose of the property then the application can be brought back to the Executive Mayoral Committee to consider a longer lease period.

A previous lease agreement for this telecommunications base was signed by Vodacom and the previous tenant on the property in 2004. That lease was taken over when the lease of Mountain Breeze was seeded. The lease was signed in 2004 for an initial period of 9 years 11 months with an option to renew for a further 5 years. The lease therefore terminated in March 2019. The administration has not been able to locate any further agreements, and it appears that there has been no formal agreement in place since 2019. Payments were made to the previous tenant and in 2024 to the municipality in line with the previous agreement. The amount paid in 2024 was the result of increases that was added to the original amount. The administration is currently busy collecting information on payments.

EXECUTIVE MAYORAL COMMITTEE: 2025-01-22: ITEM 7.3.7

RESOLVED

(a) that the portion on which the telecommunication base station is situated be identified as land not needed for basic municipal services;

(b) that the rental be on month-to-month basis until all the other legislative requirements are taken care off where this property is concerned;

(c) that a valuator be appointed to determine the monthly rental payable by the applicant; and

(d) that the Municipal Manager be authorised to determine the monthly rental based on the valuation report and enter into negotiations with the applicant to finalise the agreement.

FOR FURTHER DETAILS CONTACT:

NAME	***Annalene de Beer***
POSITION	***Director: Corporate Services***
DIRECTORATE	***Corporate Services***
CONTACT NUMBERS	***021-8088073***
E-MAIL ADDRESS	***annalene.debeer@stellenbosch.gov.za***
REPORT DATE	***2025-01-07***

7.4	**FINANCIAL SERVICES: (PC: CLLR JC ANTHONY)**

NONE

7.5	**HUMAN SETTLEMENTS: (PC: CLLR R DU TOIT)**

NONE

7.6	INFRASTRUCTURE SERVICES : (PC : R PHEIFFER)

7.6.1	THE INTEGRATED WASTE MANAGEMENT PLAN FOR STELLENBOSCH MUNICIPALITY

Collaborator No: 778764
IDP KPA Ref No: Good Governance and Compliance
Meeting Date: 22 January 2025

1. SUBJECT: THE INTEGRATED WASTE MANAGEMENT PLAN FOR STELLENBOSCH MUNICIPALITY

2. PURPOSE

Is for Council to adopt the Integrated Waste Management plan (IWMP).

3. DELEGATED AUTHORITY

Municipal Council.

4. EXECUTIVE SUMMARY

In terms of Section 25 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) each council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan (IDP) for the development of the municipality. In relation to waste management, the IDP is required to include sectoral environmental plans which would be an IWMP for waste management. The development of an IWMP is a statutory requirement of the National Environmental Management: Waste Act, 2008 (Act 59 of 2008) (NEM:WA).

Stellenbosch Municipality currently has a 3rd Generation IWMP and had appointed an environmental specialist firm to assist to review and finalize our draft 4th Generation IWMP. This revised 4th Generation IWMP was internally reviewed, circulated for public comment from 14 March 2024 until 15 April 2024. A notice was published on 14 March 2024 in the Eikestad Nuus newspaper and on the Municipal website requesting comments.

Comments were received from the Department of Environmental Affairs and Development Planning and the Franschhoek Heritage and Ratepayers Association. All comments received were incorporated into the final document.

The 4th Generation IWMP has also been successfully endorsed by the Member of the Provincial Executive Council (MEC) of the Department of Environmental Affairs and Development Planning on 12 November 2024 (Copy Attached as **APPENDIX A**).

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2025-01-22: ITEM 7.6.1

(a) that Council adopts the 4th Generation IWMP with all comments being included; and

(b) that Council adopts the 4th generation IWMP as a sectoral plan of the Integrated Development Plan.

FOR FURTHER DETAILS CONTACT:

NAME	**Preshane Chandaka**
POSITION	**DIRECTOR: INFRASTRUCTURE SERVICES**
DIRECTORATE	**INFRASTRUCTURE SERVICES**
CONTACT NUMBERS	**021 -808 8213**
E-MAIL ADDRESS	**Shane.Chandaka@stellenbosch.gov.za**
REPORT DATE	**05 December 2024**

7.6.2	STATUS REPORT ON THE ALTERNATIVE ENERGY GENERATION PROGRAMME – DECEMBER 2024

Collaborator No: 778763
IDP KPA Ref No: Green & Sustainable Valley
Meeting Date: 22 January 2025

1. SUBJECT: STATUS REPORT ON THE ALTERNATIVE ENERGY GENERATION PROGRAMME – DECEMBER 2024

2. PURPOSE

For Council to note the progress of the Municipality's as well as Provincial Government initiatives regarding the Alternative Energy Programme projects which are underway at present.

3. DELEGATED AUTHORITY

Municipal Council.

4. EXECUTIVE SUMMARY

4.1 The draft application for load curtailment was submitted to Eskom on 07 March 2024 and is due to serve at the Eskom Loadshedding Committee. Though the indication from Eskom was that this application would serve at the April 2024 Loadshedding Committee, confirmation has been received from Eskom that the application has not yet served. At the meeting held on 31 July 2024, further proposals were provided by Eskom for the Municipality to amend the current application so that Eskom's Loadshedding Committee can take it into consideration. A revised application was submitted to Eskom on 22 August 2024. The Stellenbosch Load Curtailment Application Finalization meeting with Eskom was held on 15 October 2024 to finalize the load curtailment application. Eskom will respond in writing to the Municipal request submitted previously. The load curtailment application negotiations with Eskom are going nowhere after two years negotiations, despite WCG interventions. Proposal to suspend the Stellenbosch Municipality load curtailment application negotiations at this stage.

4.2 A tender for the purchase of 20MW of electricity from an Independent Power Producer (IPP), was conditionally approved by the BAC on 16th September 2024. A kick-off meeting was held with Energy Partners on 25 October 2024. The draft program and PPA have been received. Consultations to conclude the Power Purchase Agreement have commenced.

4.3 The Supervisory Control and Data Acquisition (SCADA) project is on track with the implementation of remote viewing at six of the seven main substations completed under Phase 1 of the project in the 2023/2024 financial year. Phase 2 of the project commenced in October 2024 and will include the complete plant to master station verification/testing and implementation of remote switching at Gholf-, Jan Marais-, Markotter, Suidwal- and Cloetesville substations as well as the installation of the SCADA system and implementation of remote viewing and remote switching at Franschoek substation, which could not be completed in Phase 1.

The two remaining main substations (Main and University) can only be completed once the project to replace the 66kV switchgear at the two substations are completed.

According to the project programme for implementing the 66kV switchgear at Main- and University substations, the project is planned to be completed in March 2025.

4.4 All municipal buildings that require alternative energy supplies are being investigated as part of the AEG initiatives. The municipality has successfully applied for grant funding of R5 million from DMRE Energy Efficiency Demand Side Management for 2024/25 financial year. This funding will be utilized for the installation of energy efficient lighting in Municipal offices and buildings, retrofitting of LED streetlights and the installation of two PV installations on critical plant buildings. These initiatives are driven by the South African National Energy Development Institute (SANEDI) & Department Mineral Resources and Energy (DMRE). This grant funding will also be utilized to ensure compliance to energy performance certificates (EPC's). The EPC have been completed and is registered on the SANEDI website.

4.5 The tender for the Stellenbosch Fire Station battery storage system has been awarded with a contractual completion date of 13 December 2024. The Main (Neethling Huis Building) and NPK buildings have been earmarked for Business Continuity Initiatives, which entails the installation of BESS, Hybrid Inverters and PV, investigations are currently underway. An assessment report including estimated costs to establish the feasibility of the implementation of the projects was prepared on the 26 August 2024.

- There were certain recommendations made by the user department which will be submitted to the AEG Committee. The revised report for the NPK building is being reviewed by the user department before submitting to the AEG committee. A meeting with the Department: Electrical Services was held on 17 October to consider the options tabled. The Department must decide which option to implement.

4.6 Municipal community buildings – Several community building have been identified for the installation of hybrid inverter and battery storage systems. These systems will provide backup electricity to ensure uninterrupted power supply during outages and/or load shedding.

4.7 Eskom Hot Water Load Control (HWLC)- Eskom is driving the initiative with each Municipality entering into a contract agreement with the project developer.

4.8 Provincial Initiatives

4.8.1 Provincial Initiative to Establish a 50MW Solar Plant:

- Feasibility Study for the 50 MW MIPPP item was approved by Council in August 2024.
- The Transactional Advisory (TA) Team met with Stellenbosch Municipality and Eskom to determine the next procurement steps. An Expression of Interest has been advertised on the 7th of September 2024.
- On the 24th of July 2024 the office of the Premier sent a letter to Eskom regarding the MIPPP projects in the province and the Eskom areas of concern. Eskom acknowledged the letter form the Premier's office but did not adequately address any of the issues, however agreed to an engagement with the Western Cape Government. The TA team met with the Municipality to scrutinize the Eskom response in detail and there was cause for concern regarding the response from

Eskom. Very little detailed responses were provided by Eskom, and they (Eskom) suggested that the Municipality cannot be treated as a load curtailment customer. The Premier's letter request was for a clear written response from Eskom.

- At a follow up meeting with the TA team, Provincial Government officials and the Municipality, the different steps (technical, financial and legal) were discussed and considered. A risk assessment was suggested, which includes legal and finance elements to assist in the drafting of the Request for Proposal (RFP). At this meeting the CFO recommended that the formal SCM processes and BSC will be followed. The RFP document is planned to be completed by January 2025.
- Eskom's stance is a concern for the TA team and further engagements with Eskom are planned to unpack wheeling generation capacity. All the risks indicated in the letter from Eskom will be prepared by prepared the TA team which will be served in the next Council's Alternative Energy Generation Programme item.
- An extreme concern is that there are no decisive answers from Eskom. The Council must be informed that the project cannot be supported without clear answers, because the Provincial Government is expending costs on the Transaction Advisor and Project Management firm consultancy fees. Updates on the project are crucial to keep Council informed. The Provincial Government colleagues were requested to intervene with Eskom on behalf of the Municipality as well.
- The standard PPA clause states "if for any reason the Municipality cannot receive the power the IPP must still be renumerated". This is a major concern, and there is no point in continuing with the 50MW IPP without Eskom approval. The risks must be clearly defined and packaged.

There was a meeting with the General Manager of the System Operator on 20 November 2024. She stated up front that NTCSA will not provide a formal letter but will simply advise and confirmed that NTCSA have no objection to the municipality installing behind-the-meter connections, provided they do not feed back into the grid. The municipality must conduct necessary studies, adhere to grid codes, and ensure the IPP is also grid compliant. NTCSA views Eskom distribution, municipalities, and IPPs as market players, allowing purchases from any source. Western Cape Government will hold steering sessions with transactional advisors and the municipality this week, with outcomes to be presented to the AEG committee for discussion on way forward. The electrical team has offered to prepare a network study, and the transactional adviser has shared previous studies, with plans to collaborate on a joint study or expedite the process.

4.8.2 Provincial Project: Municipal Pooled Buying initiative

Following Stellenbosch's and the City of Cape Town's input after reviewing the Pool Buying report, it was indicated by Province that this project has been put on hold until further notice. A further workshop was held with the Finance colleagues regarding the World Bank financing platform for municipalities. The item is dormant and will be removed from the report and re-added at a later stage should it become active again via the Provincial Department of Infrastructure.

RECOMMENDATION FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2025-01-22: ITEM 7.6.2

that Council notes the Alternative Energy Generation project updates identified by the AEG Committee and the latest progress with the Alternative Energy Generation projects in implementation at present.

FOR FURTHER DETAILS CONTACT:

NAME	***Nombulelo Zwane / Rendani Makungo***
POSITION	***Senior Manager: Electrical Services***
DIRECTORATE	***Infrastructure Services***
CONTACT NUMBERS	***021 808 8770/ 021 808 8333***
E-MAIL ADDRESS	nombulelo.zwane@stellenbosch.gov.za / rendani.makugo@stellenbosch.gov.za
REPORT DATE	***7 November 2024***

7.6.3	ANNUAL WATER SERVICES DEVELOPMENT PLAN PERFORMANCE- AND WATER SERVICES AUDIT REPORT: FINANCIAL YEAR 2023/2024

Collaborator No: 778762
IDP KPA Ref No: Green & Sustainable Valley
Meeting Date: 22 January 2025

1. SUBJECT: ANNUAL WATER SERVICES DEVELOPMENT PLAN PERFORMANCE- AND WATER SERVICES AUDIT REPORT: FINANCIAL YEAR 2023/2024

2. PURPOSE

For Council to note the Annual Water Services Development Plan Performance and Water Services Audit report for the Financial Year 2023/2024.

3. DELEGATED AUTHORITY

Municipal Council.

4. EXECUTIVE SUMMARY

Stellenbosch Municipality is required in terms of Section 18 of the Water Services Act, 1997 (Act No.108 of 1997), as well as the "Regulations relating to compulsory national standards and measures to conserve water", as issued in terms of sections 9(1) and 73(1)(j) of the Water Services Act, to report on the implementation of its Water Services Development Plan (WSDP) during each financial year and to include a water services audit in such an annual report.

The WSDP Performance- and Water Services Audit is designed to monitor the compliance of Stellenbosch Municipality with these regulations. It also assists the communities within Stellenbosch Municipality's Management area and the Department Water and Sanitation to assess how well the Municipality is performing relative to their stated intentions and their capacity. The Water Services Audit Report can be seen as an annexure to the Municipality's Annual Report. The Annual Report is compiled as required by the Local Government Municipal Systems Act, Act no 32 of 2000 (Section 46) and the Local Government: Municipal Finance Management Act, Act no 56 of 2003 (Section 121).

The water and wastewater services of Stellenbosch Municipality is managed in a financially sustainable manner, with the operation and maintenance expenditure less than the income for the last four financial years. The operation and maintenance expenditure for sanitation services was less than the income for the last four financial years except for the 2022/2023 financial year. The Operation and Maintenance budget allocated towards the rehabilitation and maintenance of the existing water and sewerage infrastructure however needs to be increased. An annual budget of approximately 2% of the Current Replacement Cost (CRC) of the infrastructure should be allocated towards the replacement of existing infrastructure (Best Practice). In the case of the operations and maintenance of the systems, a budget of approximately 1% to 2% of the CRC of the infrastructure is typically required to ensure that the infrastructure remain in good condition.

Stellenbosch Municipality performed above average with regard to wastewater quality management, with an overall Green Drop Score of 84% for DWS's 2021 Green Drop

assessment. The Municipality also received their 2023 Green Drop Risk Ratings, as included in the 2023 Green Drop Progress Report. The overall Cumulative Risk Rating of Stellenbosch Municipality was 84.1% (High Risk). The Wastewater Risk Ratings were at high risk (70%-<90%) for Klapmuts, Pniel, Raithby, Stellenbosch and Wemmershoek Wastewater Treatment Works.

Stellenbosch Municipality performed well with regard to DWS's 2023 Blue Drop Assessment (Drinking Water Process and Quality). The overall Blue Drop score for Stellenbosch Municipality was 84.65%. The Blue Drop scores for the Blackheath, Faure and Wemmershoek systems were above 80% and the scores for the Franschhoek and Stellenbosch systems were above 60%. The Blue Drop Risk Ratings for the five systems were in the low-risk category (<50%). The Blue Drop scores were supported by a site assessment score of 71% for the Paradyskloof Water Treatment Works.

Stellenbosch Municipality successfully completed various capital projects over the last financial year. The capital budget expenditure, for the 2023/2024 financial year, was R72.955 million (97,1% of the budget) for the water infrastructure projects and R18.961 million (64.84% of the budget) for the sewerage infrastructure projects.

The implementation of the Municipality's Water Conservation / Water Demand Management (WC/WDM) measures over the last number of years and the water restrictions during the drought periods has been extremely successful, with an average annual decrease of 0.22% of the raw water volume for all the systems over the last fifteen financial years, from 13 233 Ml in 2008/2009 to 12 807 Ml in 2023/2024. The overall Non-Revenue Water (NRW) for all the systems for the 2023/2024 financial year was 3 932 Ml (31.3%). The overall water losses for the last financial year were 3 530 Ml (28.1%). The Municipality is committed to continue with the implementation of specific WC/WDM measures to further reduce the current NRW and Water Losses.

The Western Cape experienced a severe drought over the period 2015 to 2017, with some relief during the winter months of the following years. The drought over the period 2015 to 2017 reduced the assurance of supply from the Western Cape Water Supply System (WCWSS0) to Stellenbosch Municipality and also reduced the yield of the Municipality's own existing surface water resources. The Municipality therefore continued with the implementation of specific Water Conservation & Water Demand Management measures to lower the current water requirements and the planning for the augmentation of the existing water resources. A Bulk Water Resources: Drought Intervention Projects Study was completed in June 2019 for Stellenbosch Municipality. The Study included various recommended future resource augmentation projects for Stellenbosch Municipality.

Comprehensive Operational and Compliance Water Quality and Final Effluent Monitoring Programmes are implemented by Stellenbosch Municipality. The operational water sampling programmes of Stellenbosch Municipality complies with the minimum monitoring requirements of SANS:241-2: 2015 for the various Water Treatment Works and distribution systems. The overall percentage compliance of the water quality samples taken over the period July to June for the last three financial years are indicated in the attached report on page iii.

The overall Microbiological, Chemical and Physical compliance percentages of the final effluent samples taken over the last three financial years at all the Wastewater

Treatment Works, as calculated against the authorisations, are summarised in the report on page iii.

A comprehensive Performance Management System and Customer Services and Complaints system are also in place. The SDBIP is the process plan and performance indicator / evaluation process for the execution of the budget. The SDBIP is being used as a management, implementation and monitoring
tool that assists and guide the Executive Mayor, Councillors, Municipal Manager, Directors, Senior Managers and the community. The plan serves as an input to the performance agreements of the Municipal Manager and Directors. It also forms the basis for the monthly, quarterly, mid-year and the annual assessment report and performance assessments of the Municipal Manager and Directors.

The Municipality has maintained a high and consistent level of service to its urban water consumers. After-hour emergency requests are being dealt with by the Control Room on a twenty-four-hour per day basis. Requests are furthermore captured on an electronic mail or works-order system to ensure the execution thereof. A Customer Care Services Charter is also in place, which include the water and sanitation service standards, which Stellenbosch Municipality and its staff endeavour to meet and adhere to.

RECOMMENDATION FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2025-01-22: ITEM 7.6.3

that the Water Services Development Plan Performance- and Water Services Audit Report for 2023/2024 be noted by Council.

FOR FURTHER DETAILS CONTACT:

NAME	**Shane Chandaka**
POSITION	**Director Infrastructure Services**
DIRECTORATE	**Infrastructure Services**
CONTACT NUMBERS	**021 808 8213**
E-MAIL ADDRESS	shane.chandaka@stellenbosch.gov.za
REPORT DATE	**03 December 2024**

7.7	**PARKS AND OPEN SPACES: (PC: N OLAYI)**

NONE

7.8	**PLANNING AND LOCAL ECONOMIC DEVELOPMENT AND TOURISM :(PC: DEPUTY MAYOR M SLABBERT)**

7.8.1	**TO PROVIDE FEEDBACK ON THE PUBLIC PARTICIPATION PROCESS FOR THE OUTSOURCING OF THE MANAGEMENT OF THE INFORMAL TRADING HUBS (CLOETESVILLE, IDA'S VALLEY AND KLAPMUTS)**

Collaborator No:
IDP KPA Ref No: **Valley of Opportunity**
Meeting Date: **22 January 2025**

1. SUBJECT: TO PROVIDE FEEDBACK ON THE PUBLIC PARTICIPATION PROCESS FOR THE OUTSOURCING OF THE MANAGEMENT OF THE INFORMAL TRADING HUBS (CLOETESVILLE, IDA'S VALLEY AND KLAPMUTS)

2. PURPOSE

To provide feedback on the proposals received for the outsourcing of the management of the Informal Trading Business Hubs (Cloetesville, Ida's Valley and Klapmuts).

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

The item deals with the outcomes of the 'Call for Proposals' process that was followed in terms of chapter 4 of the Asset Transfer Regulations with the intention of following an appropriate process for the outsourcing of the management and operations of the following Informal Trading Hubs:

a) Cloetesville, Ida's Valley and Klapmuts Informal Trading Hubs:

Ida's Valley:

- Two (2) proposals were received for Ida's Valley, of which one met the qualifying criteria and the other not;

Cloetesville:

- One (1) proposal was received for Cloetesville in two parts.
- Part A for Informal Trading Hub, met the qualifying criteria.
- Part B for Education/After Care does not meet the Occupancy Classification in terms of the National Building Regulations as qualifying criteria with regards to the purpose of Informal Trading Hubs who's objective is civic and economic growth in a community.
- Part B is not supported.

Klapmuts:

- no proposals were received

The three Informal Trading Hubs listed above continues to be underutilised. It is of critical importance that the Municipality adopts the correct strategy and operational model for the Informal Trading Hubs in order to bring benefit to the community.

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2025-01-22: ITEM 7.8.1

(a) that Council approve the Ida's Valley Community Trails NPC proposal for the use of the Idas Valley Informal Trading Hub for a period of 6 months with an option of renewal;

(b) that Council approve the Transform Cloetesville Together NPC (TCT) proposal with regards to Part A as specified, for the use of the Cloetesville Informal Trading Hub for a period of 6 months with an option of renewal:

(c) that the Municipality continues to issue trading permits for the Klapmuts and manage the facility with prospective vendors whilst also considering alternative uses of vacant trading spaces for purposes such as Early Childhood Development (ECD) uses; and

(d) that Council mandates the Municipal Manager to conclude the contracts or agreements on any alternative proposals such as ECD uses should such proposals be submitted and be found to be feasible.

FOR FURTHER DETAILS CONTACT:

NAME	**Lesley van Gensen**
POSITION	***Local Economic Development Officer***
DIRECTORATE	***Planning and Economic Division***
CONTACT NUMBERS	***021 808 8179***
E-MAIL ADDRESS	***Lesley.vangensen@stellenbosch.gov.za***
REPORT DATE	***17 January 2025***

7.8.2	CONSIDERATION FOR THE SOUTH AFRICAN MOBILE DEVICES DISTRIBUTORS AND REPAIRERS' ASSOCIATION (SAMDDRA) TO USE THE KAYAMANDI CORRIDOR CONFERENCE FACILITY AS A TRAINING SITE

Collaborator No:
IDP KPA Ref No: **Valley of Opportunity**
Meeting Date: **22 January 2025**

1. SUBJECT: CONSIDERATION FOR THE SOUTH AFRICAN MOBILE DEVICES DISTRIBUTORS AND REPAIRERS' ASSOCIATION (SAMDDRA) TO USE THE KAYAMANDI CORRIDOR CONFERENCE FACILITY AS A TRAINING SITE

2. PURPOSE

The purpose of this report is to request Council's approval for the South African Mobile Devices Distributors and Repairers Association (SAMDDRA) to use the Kayamandi Corridor Conference Facility as a training site from 7 February 2025 until 10 March 2025 at no cost.

3. DELEGATED AUTHORITY

Municipal Council.

4. EXECUTIVE SUMMARY

The presentation outlines the South African Mobile Devices Distributors and Repairers Association (SAMDDRA), which was established to support small, medium, and micro enterprises (SMMEs) in the mobile devices sector, covering areas from manufacturing to repair. Key outcomes and benefits highlighted in SAMDDRA's initiatives include:

b. **Enhanced Accountability and Quality**: SAMDDRA aims to set standards for accountability and service quality in the mobile devices repair industry. This includes a reference and trust system to improve public trust in services.

c. **Job Creation and Economic Impact**: By empowering cell phone repair SMMEs, SAMDDRA projects up to 125,000 jobs if 100 SMMEs are developed across 257 municipalities. This could generate significant income for local communities, potentially reaching R20 billion over five years.

d. **SMME Support and Certification**: SAMDDRA offers professional certifications and designations for various roles in mobile device sales, repair, warehouse operations, and electronic waste management. It also promotes accredited training and certification pathways through partnerships with TVET colleges and industry bodies, enhancing the employability and revenue potential for SMMEs and individuals.

e. **Transformation and Localisation**: The organization's efforts aim to reduce financial outflows and promote economic localization by prioritizing South African ownership and participation in the industry.

f. **Alignment with National Goals**: SAMDDRA's work contributes to South Africa's Economic Reconstruction and Recovery Plan (ERRP) by promoting sustainable jobs, reducing remittances out of the country, and supporting a localized skills base.

The council item could thus emphasize SAMDDRA's potential for economic growth, job creation, local economic development, and its support for economic transformation goals. (See **APPENDIX 1**)

RECOMMENDATION FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2025-01-22: ITEM 7.8.2

that Council approve the request to allow SAMDDRA to use the Kayamandi Corridor as a training facility from 7 February 2025 until 10 March 2025 at no cost.

Name	Lesley van Gensen
Position	*Manager: Economic Development and Tourism*
Directorate	*Planning and Economic Development*
Contact Numbers	*021 808 8179*
E-mail Address	*Lesley.vangensen@stellenbosch.gov.za*
Report Date	*20.12.2024*

7.9	COMMUNITY SERVICES:(PC: CLLR X KALIPA)

NONE

7.10	RURAL MANAGEMENT AND ENVIRONMENT: (PC: CLLR C MANUEL)

NONE

7.11	MUNICIPAL MANAGER

NONE

8.	REPORTS SUBMITTED BY THE EXECUTIVE MAYOR

NONE

9.	URGENT MATTERS

NONE

10.	MATTERS TO BE CONSIDERED IN-COMMITTEE

NONE

The meeting adjourned at 11:45

CHAIRPERSON: ……

DATE: ……

Confirmed on ……

6.	**STATUTORY MATTERS**

6.1	**MONTHLY FINANCIAL STATUTORY REPORTING: DEVIATIONS FOR JANUARY 2025**

Collaborator No:
IDP KPA Ref No: **Good Governance and Compliance**
Meeting Date: **19 February 2025**

1. SUBJECT:MONTHLY FINANCIAL STATUTORY REPORTING: DEVIATIONS FOR JANUARY 2025

2. PURPOSE

To comply with Regulation 36(2) of the Municipal Supply Chain Management Regulations and Section 36 of the Supply Chain Management Policy 2024/2025 to report the deviations to Council.

3. DELEGATED AUTHORITY

Council

For noting.

4. EXECUTIVE SUMMARY

Regulation 36(2) of the Municipal Supply Chain Management Regulations and Section 36 of the Supply Chain Management Policy (2024/2025) stipulate that SCM deviations be reported to the Council. In compliance thereto, this report presents to the Council the SCM deviations that occurred during January 2025.

5. RECOMMENDATION

that the Council notes that there were no deviations approved for the month of January 2025.

6. DISCUSSION / CONTENTS

6.1. Background/Legislative Framework

The regulation applicable is as follows:

GNR.868 of 30 May 2005: Municipal Supply Chain Management Regulations

Deviation from and ratification of minor breaches of, procurement processes

36. (1) A supply chain management policy may **allow the accounting officer**.
(*a*) To **dispense with the official procurement processes** established by the policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only
(i) in an emergency.
(ii) if such goods or services are produced or available from a single provider only.

(iii) for the acquisition of special works of art or historical objects where specifications are difficult to compile.
(iv) acquisition of animals for zoos; or
(v) in any other exceptional case where it is impractical or impossible to follow the official procurement processes; and
(*b*) to ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.

(2) The accounting officer must record the reasons for any deviations in terms of sub regulation (1) (*a*) and (*b*) and **report them to the next meeting of the council**, or board of directors in the case of a municipal entity and include as a note to the annual financial statements.

6.2. Discussion

Reporting the deviations as approved by the Accounting Officer for January 2025:

No deviations were approved as indicated below:

6.3 Legal Implications

The regulation applicable is:

GNR.868 of 30 May 2005: Municipal Supply Chain Management Regulations: Deviations from and ratification of minor breaches of, procurement processes.

6.4 Staff Implications:

No staff implications

6.5 Previous / Relevant Council Resolutions:

None.

6.6 Risk Implications

That the market may not be tested.

The measures in place to deal with deviations mitigate the risk to an acceptable level. The auditor general also audit the deviations during the yearly audit.

6.7 Comments from Senior Management:

The item was not circulated for comment except to Municipal Manager

6.7.1 Municipal Manager

Supports the recommendations.

7.	**CONSIDERATION OF ITEMS BY THE EXECUTIVE MAYOR: [CLLR J FASSER]**

7.1	**PROTECTION SERVICES: (PC: CLLR J WILLIAMS)**

NONE

7.2	**SPORTS, YOUTH AND CULTURE: [PC: CLLR T KUMM]**

NONE

7.3	**CORPORATE SERVICES: (PC: CLLR L NKAMISA)**

7.3.1	**RETURN ITEM: REQUEST TO RECONSIDER COUNCIL RESOLUTION MADE REGARDING THE LEASING AND MANAGEMENT OF STELMARK PARKING AREA TO THE OWNERS OF THE CENTRE ADJACENT TO THE PARKING AREA**

Collaborator No:
IDP KPA Ref No: **Good Governance**
Meeting Date: **19 February 2025**

1. SUBJECT: RETURN ITEM: REQUEST TO RECONSIDER COUNCIL RESOLUTION MADE REGARDING THE LEASING AND MANAGEMENT OF STELMARK PARKING AREA TO THE OWNERS OF THE CENTRE ADJACENT TO THE PARKING AREA

2. PURPOSE

To report back to Council on the negotiations between the applicant and the Municipal Manager and for Council to consider the request from FPG Property Fund (Owners of the shopping centre) to reconsider the lease period and the lease amount as resolved by Council.

3. DELEGATED AUTHORITY

Council.

4. EXECUTIVE SUMMARY

The Municipality had previously investigated its parking strategy and had tabled several Council items that detailed the approach the municipality has taken to implement these strategies. Council completed a process in terms of Section 78 of the Municipal Systems Act to determine the most appropriate method of providing a parking service. The municipality had also previously embarked upon internal parking management models, however these were found to be less favourable and not suitable. As the Municipality is of the intention to improve on parking management Council approved as pilot projects the management of Checkers Parking Complex and the Stelmark Parking Centre by adjacent retail outlets or owners. This approval was done in terms of a resolution taken by Council on 27 July 2022.

As part of the resolution the leasing of the parking areas were approved for a period of three years at a rental price to be determined and the Municipal Manager was authorised to negotiate a rental with the retailers and report back to Council. No mention is made of the maintenance of the area or what the position will be in the event that the lessee invests capital expenditure in the upgrade of the area. As this area is used for parking the tariffs as approved by council per parking bay was used by the accounting officer to determine the lease amount. As this is a set amount the accounting officer cannot change the tariffs to negotiate a different amount. The leases for Checkers and The Stellenbosch Mall were determined in exactly the same manner and the lease periods kept as per the resolutions. A change in the resolution may impact on the other agreements, one which has been signed and the other one which is in finalisation stage.

FPG Property Fund is the owner of the Stelmark shopping centre since 2001. The anchor tenant being Pick ‘n Pay. They have provided the municipality with a proposal

on their suggestions on how to improve the parking area which will result in a large capital investment from their side. Due to this investment, they are requesting that the lease term be extended from three years to nine years eleven months with an option to renew for a further period of nine years and eleven months. They further request that no rental will be payable as the capital spend will offset the monthly rental over the longer period as requested. All capital improvements will vest with the municipality on termination of the lease agreement. The capital investment includes fencing of the area and erecting a guard house, providing parking boom equipment, installing CCTV and electrical work. The lease amount is R46 710.00 per month amounting to R560 520.00 per annum on the current tariffs without taking any increases into account. As their capital investment is R1 000 000 according to their own submission this investment will be covered within two years lease period. The management fees cannot be attributed to the municipality as the company will be earning the fees from the parking that they are managing.

The matter was before Council on 17 Aril 2024 where Council resolved that the matter be referred back for the Municipal Manager for negotiations and whereafter it should be submitted to Council directly. The Municipal Manager has now finalised the negotiations with the applicant and has agreed to the following:

1. The lease agreement be approved for a period of 9 years 11 months;

2. The capital investment of the property can be set off against the monthly rent, which is determined by the approved tariffs;

3. All capital expenditure will first have to be approved by the Municipality in writing via the Property Management Department;

4. Any upgrades done on the premises or capital invested will become the property of the municipality;

5. Once the amount of the capital expenditure has been covered by the monthly rental then payment will be due per parking space as per the prescribed tariffs;

6. There will be no set-off for the annual operating expenses and same should be covered by the parking charges. The annual operating costs will be above and beyond the monthly rental after the capital investment has been set-off; and

7. The applicant can give three months' notice of termination of the agreement.

It should be noted that a Public Participation Process that was followed in terms of the earlier resolution whereby the lease term was only three years and did not deal with 9 years and 11 months as is now requested.

5. RECOMMENDATIONS

For consideration:

(a) That the Council resolution of 27 July 2022 as it relates to the Stelmark parking area, which reads as follows:

(i) That Council takes note that the information statement was published as part of the public participation process that was followed;
(ii) That Council considered the comment received;

(iii) That Council approves the leasing of parking areas (Checkers/Stelmark) to retailers/owners adjacent to the parking areas for a period of three years at a rental price to be determined;

(iv) That the Municipal Manager be authorised to negotiate a rental with the retailers and report back to Council; and

(v) That the lease agreement, with the relevant parties, be compiled and concluded.

Be reviewed and rescinded;

(b) That FPG Property Fund may lease the parking area for a period of 9 years and 11 months as per the terms agreed with by the Municipal Manager namely:

1. The lease agreement be approved for a period of 9 years 11 months;

2. The capital investment of the property can be set off against the monthly rent, which is determined by the approved tariffs;

3. All capital expenditure will first have to be approved by the Municipality in writing via the Property Management Department;

4. Any upgrades done on the premises or capital invested will become the property of the municipality;

5. Once the amount of the capital expenditure has been covered by the monthly rental then payment will be due per parking space as per the prescribed tariffs;

6. There will be no set-off for the annual operating expenses and same should be covered by the parking charges. The annual operating costs will be above and beyond the monthly rental after the capital investment has been set-off; and

7. The applicant can give three months' notice of termination of the agreement.

6. DISCUSSION / CONTENT

6.1 Background

6.1.1 Council resolution

On 27 July 2022 a Council resolution was passed approving a pilot project for a period of three years for the lease of the parking lot located next to Stelmark and mandating the Municipal Manager to negotiate rental. After this Council resolution an application was received from FPG Property Fund which was brought back to Council for consideration in April 2024. The Council resolution mandated the Municipal Manager to enter into further negotiations with the applicant before the matter is brought back to Council for final consideration.

6.2 DISCUSSION

6.2.1 Application from FPG Property Fund and agreement with Municipal Manager

FPG Property Fund is the owner of the Stelmark shopping centre since 2001. The anchor tenant being Pick ‘n Pay. They have provided the municipality with a proposal on their suggestions on how to improve the parking area which will result in a large capital investment from their side. Attached hereto as **APPENDIX 1** is the presentation received from the applicant. Due to this investment, they are requesting that the lease term be extended from three years to nine years eleven months with an option to renew for a further period of nine years and eleven months.

They further request that no rental will be payable as the capital spend will offset the monthly rental over the lease period, if the lease is approved for the longer period as requested. All capital improvements will vest with the municipality on termination of the lease agreement. The suggested capital investment includes fencing off the area and erecting a guard house, providing parking boom equipment, installing CCTV and electrical work.

The lease amount is R46 710.00 per month amounting to R560 520.00 per annum on the current tariffs without taking any increases into account. As their capital investment (see attachment A) is R1 000 000 according to their own submission this investment will be covered within two years lease period. The management fees cannot be attributed to the municipality as the company will be earning the fees from the parking that they are managing.

The following agreement was reached with the Municipal Manager:

1. The lease agreement be approved for a period of 9 years 11 months;

2. The capital investment of the property can be set off against the monthly rent, which is determined by the approved tariffs;

3. All capital expenditure will first have to be approved by the Municipality in writing via the Property Management Department;

4. Any upgrades done on the premises or capital invested will become the property of the municipality;

5. Once the amount of the capital expenditure has been covered by the monthly rental then payment will be due per parking space as per the prescribed tariffs;

6. There will be no set-off for the annual operating expenses and same should be covered by the parking charges. The annual operating costs will be above and beyond the monthly rental after the capital investment has been set-off; and

7. The applicant can give three months' notice of termination of the agreement.

The correspondence between the office of the Municipal Manager and FPG Property Fund in support of the negotiations is attached hereto as **APPENDIX 2** and **APPENDIX 3.**

Council needs to consider the terms as agreed with the Municipal Manager and whether the terms are acceptable or not. Although the previous Mayoral Committee resolution states that the matter go directly to Council after negotiations with the applicant, the administration has though it best to bring it back to the Mayoral Committee for consideration given the changes.

6.2.2 Ownership and Location

The ownership of the parking lot adjacent to the Stelmark Shopping Centre vests with the Stellenbosch Municipality. The Shopping Centre is in the Stellenbosch CBD as per Fig. 1 and Fig. 2 below.



Fig 1. Location



Fig 2. Parking lot

6.3 Financial Implications

In terms of the prescribed tariff the monthly rental for the lease of a parking space in the Stellenbosch CBD is R346.00 and this area consists of 135 parking spaces. The monthly rental will therefore be R46 710.00 on the current tariff.

The lease amount is R46 710.00 per month amounting to R 560 520.00 per annum on the current tariffs without taking any increases into account. As their capital investment (see attachment) is R1 000 000 according to their own submission this investment will be covered within two years lease period. The management fees cannot be attributed to the municipality as the company will be earning the fees from the parking that they are managing.

In the event that the proposal is accepted no monthly payments will be made initially as same will be set off against the capital investment on the property. However, after the capital investment amount is surpassed, a monthly rental will be charged. This will be after two years of rent.

6.4 Legal Implications

The rights requested by the applicant are long-term rights in terms of the Asset Transfer Regulations and a public participation process should be followed if the intended lease agreement is extended beyond the three years and the property is valued at over R10 million.

In terms of paragraph 9.2.2 of the Property Management Policy, the Municipal Council may dispense with the prescribed, competitive process, and may enter into a private treaty agreement through any convenient process, which may include direct negotiations, but only in specific circumstances, and only after having advertised Council's intention so to act.

6.5 Staff Implications

There are no staff implications.

6.6 Previous / Relevant Council Resolutions

SPECIAL COUNCIL: 2022-02-16: ITEM 8.11.2

RESOLVED (nem con)

(a) That the content of this report is noted;

(b) That it is noted that a MSA section 78(3) investigation was done to which Council took a section 78(4) decision on February 2020;

(c) That council now review, rescind and replace 4.5 of the 26 February decision to read as follows:

"4.5 that Council, in terms of the MSA Act 32 of 2000 as amended, section 78(4), accepts that the method of providing parking generally be considered as follows:

a Provision of open one level off-street parking space needs, be performed on an external service delivery Mechanism except where the internal mechanism is clearly more viable and effective;"

(d) that the two requests of management of the following parking spaces:

a Checkers Complex Parking, ANNEXURE A

b Stelmark Centre Parking, ANNEXURE B

be approved in principle as interim pilot projects for a period of not more than three years.

(d) Council confirm that Eikestad multi-level parking will be done through a Public-Private Partnership as envisage in Section 78(3) report;

(e) That given the project life cycle for PPP process the parking be leased out a short-term base until the PPP process is finalised.

(f) That the intention to outsource the management of these areas on an interim basis be advertised for public comment; and

(g) That after the public participation process the comments be considered by Council before a final decision is taken.

6th COUNCIL MEETING: 2022-07-27: ITEM 11.6.1

RESOLVED (majority vote)

(a) That Council takes note that the information statement was published as part of the public participation process that was followed;
(b) That Council considered the comment received;

(c) That Council approves the leasing of parking areas (Checkers/Stelmark) to retailers/owners adjacent to the parking areas for a period of three years at a rental price to be determined;

(d) That the Municipal Manager be authorised to negotiate a rental with the retailers and report back to Council; and

(e) That the lease agreement, with the relevant parties, be compiled and concluded.

MAYORAL COMMITTEE MEETING: 2024-04-17: ITEM 7.3.11:

RESOLVED

That the matter be referred back for the Municipal Manager for negotiations and submitted to Council directly.

6.7 Risk Implications

The risks are addressed in the item.

Appendix 1: Proposal
Appendix 2: Correspondence from Municipal Manager to FPG Property Fund
Appendix 3: Correspondence between Municipality and FPG Group

FOR FURTHER DETAILS CONTACT:

NAME	**Geraldine Mettler**
POSITION	***Municipal Manager***
DIRECTORATE	***Municipal Manager***
CONTACT NUMBERS	***021-808 8025***
E-MAIL ADDRESS	***Municipal.manager@stellenbosch.gov.za***
REPORT DATE	***2025 – 02 – 03***

APPENDIX 1

FPG HQ, 3 Kiepersol Close, Plattekloof 3, Cape Town, 7550 | PO BOX 12668, N1 City, Cape Town, 7463
T 021 595 3000 | F 021 595 3166 | E info@fpggroup.co.za | www.fpggroup.co.za

03 April 2024

BY EMAIL: mayor@stellenbosch.gov.za
CC: charlotte@stellenbosch.go.za

Executive Mayor: Stellenbosch Municipality

Dear Mayor Gesie van Deventer

RE: STELMARK CENTRE – LEASING OF PARKING AREA

We refer to the above, previous correspondence, as well as our meeting dated 22nd February 2024 with yourself regarding the leasing of the municipal parking area at Stelmark Centre depicted in Annexure A as reference

BACKGROUND

Stelmark Centre is a well-known and conveniently located shopping centre in Stellenbosch within close proximity to Stellenbosch University on Merriman Avenue and opposite high traffic public transport nodes in Bird Street. The centre is anchored by Pick 'n Pay, with various other line shops.

We, FPG Holdings (Pty) Ltd acquired the shopping centre in 2001. We are a privately-owned, Level 1 BBBEE Property Fund with over 30 retail convenience centres situated predominantly within the Western Cape. We own and manage all these properties internally and have strict procedures in relation to security, cleaning as well as repairs and maintenance. We have a "hands-on" approach to property management.

Adjoining Stelmark Centre is a public parking area of which ownership vests with the Municipality. The parking area performs the following functions:

- Shopping centre parking for Stelmark Centre customers;
- Parking for other smaller ancillary retail shops adjacent to and across the road from Stelmark Centre;
- Informal Traders utilize the parking to carry out their trade.

Over the past few years, we have seen an increase in crime statistics in Stellenbosch, as in many towns in South Africa. Stelmark Centre has become increasingly popular for both petty and organized crime. We have witnessed armed robberies at our centre, as well as numerous smash and grab complaints from our customers. These security threats have resulted in decreased foot count to the centre, directly impacting the trade of the tenants. As indicated by yourself in our meeting, there was an incident of a robbery of a tourist which has a major negative impact not only for Stelmark but also impacts the tourism perception of the town and our country as a whole. A recent survey undertaken with the tenants and customers cited security concerns in respect of the parking area and parking tariffs as some of their major issues/concerns. Despite the above, there has not been any security measures introduced for the parking area, and we have seen numerous store closures at the centre. Given the current economic times and the exorbitantly high unemployment rates, we predict further security incidents occurring in this parking area if nothing drastically improves.

Therefore, in order to provide an effective and practical security system and promote community development, we are requesting that the Municipality enter into a lease with us for the leasing of the parking area as set out:

Directors: LA Parker (Chairman), E Parker (CEO), R Parker, M Ebrahim
FPG Holdings (PTY) Ltd | Registration Number: 1990/002273/07

OUR PROPOSAL

Should the Municipality enter into a lease agreement with ourselves, we would ensure the following:

- Address the safety concerns mentioned above as we will contract security guards to secure the parking area and act as a deterrent to criminal elements;
- Erect a boundary fence to further secure the site;
- Introduce CCTV monitoring to the area and link it to our 24 hour control room, with direct LPR recognition;
- Introduce remote-jamming devices to prevent vehicle theft;
- Manage parking tariffs to ensure it is appropriately priced for customers of the centre with long-stay parking being prevented;
- Repair and maintain the parking area to market standards;
- We will collaborate with the neighbouring properties (including the Mosque) on the effective use of the parking lot to reach a mutual conclusion.
- Enhance tenant and customer experience by an active management of the parking area;
- Prevent stores from closing (thus retaining jobs and protecting livelihoods); and
- Promote development of the shopping centre and surrounding areas

The above initiatives will require an initial upfront capital spend of approximately R1 million and an annual operational expenditure of approximately R660 000. This can be broken down as follows:

	Capital cost	**Annual Operating Expenses**
	1,000,000	
Fence & guard house	725,000	
Parking boom equipment	125,000	
CCTV	100,000	
Electrical work	50,000	
		660,000
Parking Management		360,000
Parking Equipment Rental		60,000
Repairs and Maintenance		24,000
Cleaning and Landscaping		36,000
Security		180,000

According to the information received from the Municipality, the current parking income is approximately R10 000 per month. Based on the above, this would not be sufficient to cover the monthly operating expenditure, nor recoup any of our capital outlay.

Our proposal is therefore as follows:

- The Municipality lease us the parking area depicted in Annexure A for a period of 9 years and 11 months. As from the Lease Commencement Date, we will undertake the abovementioned measures to secure the parking area.
- All capital spend on the parking area will vest with the Municipality on the Lease Termination Date.
- No rental will be payable as the capital spend will offset the monthly rental over the Lease Period. We would carry the full risk of ensuring that the parking income covers the monthly operating expenses.
- Given the capital spend, we request an option to renew the Lease Agreement for a further period of 9 years and 11 months. At a minimum, we would require a right of first refusal should the Municipality opt to lease or sell the land. We have similar arrangements with Transnet and PRASA on our Leasehold properties.

FPG HQ, 3 Kiepersol Close, Plattekloof 3, Cape Town, 7550 | PO BOX 12668, N1 City, Cape Town, 7463
T 021 595 3000 | F 021 595 3166 | E info@fpggroup.co.za | www.fpggroup.co.za

Additionally, we are currently in the planning stages of a redevelopment of the shopping center that will entail the introduction of more secure parking, additional retail tenancies and possible student accommodation, further demonstrating our commitment to the Stellenbosch area.

Lastly, we would like to highlight that we contribute more than R600,000 per annum in municipal rates and taxes to the Municipality in respect of Stelmark Centre. We are thus invested in improving the area and working together with the Municipality. This Private/Public partnership will promote development and is an uncomplicated example with a reputable property owner that has a vested interest in the Western Cape.

CONCLUSION

Shopping centres play a vital role in how communities' function. This community also includes employees of the shopping centre whose livelihoods depend on it. For the community to feel safe at Stelmark Centre, we ask for the Municipality's favorable consideration to our request.

Happy Mnisi

Yours faithfully
Happy Mnisi – Asset Manager
FPG Holdings (Pty) Ltd

Directors: LA Parker (Chairman), E Parker (CEO), R Parker, M Ebrahim
FPG Holdings (PTY) Ltd | Registration Number: 1990/002273/07

Annexure A


Goejjatul Islam Mosque
Body Elite Fitness
& Boxing Gym
d
e
f
g
h
i

APPENDIX 2

STELLENBOSCH
STELLENBOSCH • PNIEL • FRANSCHHOEK
MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

OFFICE OF THE MUNICIPAL MANAGER
Email: municipal.manager@stellenbosch.gov.za
Contact no.: 021 808 8025
Date: 2024-06-10

FPG PROPERTY FUND
CAPE TOWN

BY EMAIL: [redacted]

Dear Sir / Madam

STELMARK CENTRE – LEASING OF PARKING AREA

We refer to the abovementioned matter as well as your correspondence to the Executive Mayor dated 3 April 2024.

We confirm that the Property Management Department was requested by the Executive Mayor to prepare an item for the Executive Mayoral Committee for consideration of your proposal in said correspondence. The matter was before the Mayoral Committee and was referred to the Municipal Manager for negotiations whereafter it will be submitted to Council for final approval.

After careful consideration of your proposal, we wish to place the following on the table for your consideration:

1. The recommendation to Council will be to approve the lease agreement for a period of 9 years and 11 months with an option to renew;
2. The capital investment to the property can be set off against the monthly rent, which is determined by our approved tariffs;
3. All capital expenditure will first have to be approved by the Municipality in writing via the Property Management Department;
4. Once the amount of the capital expenditure has been covered by the monthly rental then payment will be due per parking space as per our prescribed tariffs;

STELLENBOSCH
STELLENBOSCH • PNIEL • FRANSCHHOEK
MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

5. There will be no set-off for the annual operating expenses and same should be covered by the parking charges. The annual operating costs will be above and beyond the monthly rental after the capital investment has been set-off.

Please note that the current approved rental for a parking space in Stellenbosch CBD is R346.00 per parking space per month and this parking area consists of 135 parking spaces. The rental for this financial year will therefore be R46 710.00 per month. This amount will escalate on an annual basis and will not be charged until such time that the capital investment is covered.

We trust you find this to be in order and look forward to hearing from you.

Yours faithfully;

Geraldine Mettler
Municipal Manager

APPENDIX 3

Nomie Tshefu

From: Kevin Carolus
Sent: Wednesday, 06 November 2024 14:31
To: Nomie Tshefu; mm
Cc: Monique Steyl; Adele Wagenaar; Rochelle Nichols; Yolande van den Berg
Subject: RE: Stelmark - Leasing of Parking Area

Good day,

In response to the letter from FPG Holdings (Pty) Ltd dated 10 July, I acknowledge that the following conditions in the lease agreement are acceptable:

1. The recommendation to Council will be to approve the lease agreement for a period of 9 years and 11 months, with an option to renew.
2. The capital investment in the property can be set off against the monthly rent, which will be determined based on our approved tariffs.
3. All capital expenditure must first be approved in writing by the Municipality via the Property Management Department.
4. Once the capital expenditure has been fully covered by the monthly rental, payment will be due per parking space in accordance with our prescribed tariffs.

However, the request that the rental be based on a percentage of the net income is not acceptable to the Municipality. The tariffs per parking bay are in line with the Council-approved tariff listing and are implemented consistently throughout the Municipality. Please note that this is a lease agreement, and it is standard practice that operational expenses are not set off against rental amounts, in this case, parking bay tariffs.

The Municipality has already extended a concession by allowing the offset of capital expenditure. The parking areas/bays represent a municipal revenue stream, and the revenue generated is used to fund services such as mobility infrastructure and safety. It is essential that these revenue streams are protected, and there must be certainty regarding the amounts to be collected. Under-collection could adversely impact the quality and roll-out of these services.

Kind regards,
Kevin Carolus
Chief Financial Officer
Financial Services

T: +27 21 808 8528
Plein Street, Stellenbosch, 7600
www.stellenbosch.gov.za

Disclaimer and confidentiality note: The legal status of this communication is governed by the terms and conditions published at the following link:
http://www.stellenbosch.gov.za/main_pages/disclaimerpage.htm

From: mm <Municipal.Manager@stellenbosch.gov.za>
Sent: Friday, 18 October 2024 10:48
To: Kevin Carolus <Kevin.Carolus@stellenbosch.gov.za>; **Monique Steyl** <Monique.Steyl@stellenbosch.gov.za>
Cc: Rochelle Nichols <Rochelle.Nichols@stellenbosch.gov.za>; **Nomie Tshefu** <Nomie.Tshefu@stellenbosch.gov.za>;

Adele Wagenaar <Adele.Wagenaar@stellenbosch.gov.za>
Subject: FW: Stelmark - Leasing of Parking Area

Good day CFO

The attached letter from Mr Mnisi refers.

The MM requested that you please advise if the attached request could be considered in the Adjustments Budget.

Looking forward to your response.

Kind regards
Nomie

From: Happy Mnisi <[redacted]
Sent: Tuesday, 15 October 2024 17:23
To: mm <Municipal.Manager@stellenbosch.gov.za>
Subject: [EX] FW: Stelmark - Leasing of Parking Area

CAUTION: This email originated from outside the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

From: Happy Mnisi
Sent: Tuesday, 15 October 2024 17:21
To: municipal.manager@stellenbosch.gov.za
Cc: Yolande van den Berg <Yolande.vandenBerg@stellenbosch.gov.za>; Ziyaad Samsodien <[redacted]>; Lincoln Mudau <[redacted]>; 'Tanatswa Chimanzi' <[redacted]>; Venessa Roux <[redacted]>; Raydine Wenn <Raydine.Wenn@stellenbosch.gov.za>
Subject: RE: Stelmark - Leasing of Parking Area

Good day,

Thank you for the call earlier. Please see attached the email trail as requested.

Regards

Happy Mnisi | Asset Manager |[redacted]
FPG PROPERTY FUND
T [redacted]
www.fpggroup.co.za
Turning Retail Inside Out



FPG HQ | 3 Kiepersol Close, Plattekloof 3, Cape Town, 7500 | PO BOX 12668, N1 City, Cape Town, 7463 | LEVEL 1 B-BBEE

Please note that our banking details have not and will not change, should you have any doubt please confirm the details directly with us.
Disclaimer

From: Happy Mnisi
Sent: Tuesday, 27 August 2024 13:26
To: municipal.manager@stellenbosch.gov.za
Cc: Yolande van den Berg <Yolande.vandenBerg@stellenbosch.gov.za>; Ziyaad Samsodien <[redacted]>; Lincoln Mudau <[redacted]>; Tanatswa Chimanzi <[redacted]>; Venessa Roux <[redacted]>; Raydine Wenn <Raydine.Wenn@stellenbosch.gov.za>
Subject: RE: Stelmark - Leasing of Parking Area

FPG
PROPERTY FUND

[redacted] | www.fpggroup.co.za

10 July 2024

BY EMAIL: municipal.manager@stellenbosch.go.za

Municipal Manager: Stellenbosch Municipality

Dear Miss Geraldine Mettler

RE: STELMARK CENTRE – LEASING OF PARKING AREA

We refer to the above-mentioned matter as well as your correspondence dated 10 June 2024. We appreciate your consideration of our proposal and wish to accept several of the points raised in your letter as well as to place further points for your consideration.

1. We agree with the recommendation for Council to approve a 9 year and 11-month lease agreement with an option to renew the lease agreement on the same terms and conditions.

2. We agree with the capital investment offset against the monthly rental based on your rental rate per parking bay (i.e. R346.00 per parking bay amounting to an amount of R46 710) subject to annual escalation of 5.5% per annum and subject to a review after the capital expense has been offset. Once the capital investment has been repaid, we would recommend that the rental is reset based on a percentage of the actual income achieved, taking into account the operational expenditure incurred on the site and a market-related return on investment.

3. All capital expenditure and plans will be presented to the municipality for approval prior to execution.

4. Subject to clause 2 above, the rental must be a percentage of the net income achieved as the most equitable way to determine the rental.

5. We agree to carry the operating expenses without offsetting against the monthly rental.

We acknowledge the current municipal Tariffs, however based on what the municipality is currently generating monthly from the rental, it would not be sustainable for the rental to be based on the Tariff alone. We therefore propose a review of the rental determination after the capital investment has been repaid, which can be based on the actual income generated. We are comfortable to provide the Stellenbosch Municipality with supporting evidence indicating the actual income generated on site.

We appreciate your engagement with us and are determined to adopt the best approach for the municipality and for the greater Stellenbosch community.

Should you agree with the above, we are comfortable to prepare a Heads of Agreement for your review and approval prior to the issuing of a Lease Agreement.

Please do not hesitate to contact me should you have any further enquiries.

Happy Mnisi

Yours faithfully
Happy Mnisi – Asset Manager
FPG Holdings (Pty) Ltd

7.3.2	**APPLICATION FROM HANNA CHARITY AND EMPOWERMENT FOUNDATION TO LEASE A PORTION OF ERF 11705 STELLENBOSCH (CLOETESVILLE)**

Collaborator No:
IDP KPA Ref No: **Good Governance**
Meeting Date: **19 February 2025**

1. SUBJECT:APPLICATION FROM HANNA CHARITY AND EMPOWERMENT FOUNDATION TO LEASE A PORTION OF ERF 11705 STELLENBOSCH (CLOETESVILLE)

2. PURPOSE

For the Executive Mayoral Committee to consider an application from Hanna Charity and Empowerment Foundation to lease a portion of Erf 11705 Stellenbosch (Cloetesville) for the purposes of erecting a Community Centre with Educare.

3. DELEGATED AUTHORITY

The Executive Mayor in consultation with the Executive Mayoral Committee has the delegated authority to consent to lease agreements for a period not exceeding 9 years 11 months.

The Municipal Manager has the delegation to enter into the lease agreements approved by the Executive Mayoral Committee on behalf of the Municipality.

4. EXECUTIVE SUMMARY

An application has been received from Hanna Charity and Empowerment Foundation to lease a portion of Erf 11705 Stellenbosch which is situated in Cloetesville, next to the open field which is used for parking for the sports grounds.

The Hanna Foundation is a registered Non-Profit Organisation and Public Benefit Organisation which has been in operation in the entire South Africa for 20 years. They have established themselves as one of the oldest and biggest foundations in the country helping thousands of people on a daily basis with food, shelter, education as well as upliftment programs and workshops specifically concentrating on the upliftment and development of women. The organisation also concentrates specifically on job creation in the specific communities they get involved in ensuring that the people in the community help their own community. All services rendered by the foundation is completely free of charge.

The Foundation initially brought an application back in 2020 to lease a different erf in Smartie Town, however this specific property has services on the property, and they would not have been able to erect any structures on the property. They have been operating in the Smartie Town area for several years. The current location they are making use of is too small and several attempts have been made by the foundation as well as the administration and councillors to find a more suitable location.

During 2024 a site visit was conducted by the property management department together with the ward councillor and portfolio councillor for Corporate Services and this specific site was identified. The site has sufficient space for the foundation to erect two containers which can be used as classrooms or community projects as well as after school facilities. The foundation not only provides for early childhood development, but

they also provide different skills training programs for residents from the area to empower them and the community. The foundation is endorsed by the South African Childcare Association.

The identified area is situated next to a municipal play park that is currently in very bad shape and can't be used by the children in the local community. It was discussed that Council look into the possibility of fencing the area and upgrading the play park. This would have to be placed as a need on the IDP to be accommodated on the budget and implemented by Community Services. Children from the local area will still be able to access the play area however there will be a form of access control to ensure the children are kept safe when attending the different activities at the foundation or if they want to play in the play park.

The applicants proposes that it will uplift the area as a whole as this specific site is currently being used for people who are busy with illegal activities such as substance abuse. It will provide a safe space for the children of the area and provide food to the needy from the soup kitchen which they are already operating in Smartie Town. The location also offers a safer route to travel via long street over the current location which is situated in the middle of Smartie Town.

The current Zoning for erf 11705 is "public open space" and is at least partly intended to be used for creational activities like a play park. A public participation process should be followed after an in-principle decision is taken in terms of the asses transfer regulations because there was no public process for rental to the entity and as the area is zoned "public open space".

5. RECOMMENDATIONS

For consideration

6. DISCUSSION / BACKGROUND

6.1 Background

During 2020 an application was received from the Hanna Foundation to either lease or purchase a property in Smarty Town. The specific property they had in mind could not be utilised as there are services on the property and they would therefore not be able to erect any buildings or containers on the property. A copy of the letter requesting the site is attached hereto as **APPENDIX 1**. They were requested to look into alternative sites in the area. A site was identified and together with the administration and councillors a site inspection was conducted in 2024.

At the site inspection it was noted that the site is adjacent to a municipal play park which is completely dilapidated. It was discussed that Council look into the possibility of fencing the area and upgrading the play park. This would have to be placed as a need on the IDP to be accommodated on the budget and implemented by Community Services. The play area will still be open to the members of public however there will be a form of access control by the applicants to ensure that the children attending the foundation as well as other children who wish to make use of the play area are kept safe. This is necessary due to the many issues the area has experiences over the past years. The foundation indicated that they are of the intention of erecting two containers next to the boundary wall of the adjacent property.

A copy of the application to lease this portion of land is attached hereto as **APPENDIX 2**.

6.2. DISCUSSION

6.2.1 Location and context

The property is located next to open field in Long Street, Cloetesville which is mostly being used for parking for the sports grounds. It is situated on the outskirts of Smarty Town however there is a small wooden close by giving easy access to the community. The zoning of the property is Public Open Space.



Fig 1. Location



Fig 2. View of Property

6.2.3 Ownership

The ownership of the property vests with Stellenbosch Municipality.

6.3 Financial Implications

The municipality must rent at a market related price or a % of that to entities like NGO's or an entity that does work for the greater community. As we do not know what that is a valuator will have to be appointed to determine the monthly rental. The valuator will be paid by the Municipality. The full financial implications will only be addressed after the valuation report has been obtained. A registered Non-Profit Organisation can qualify for a rental reduction and only pay 10% of the total market value.

6.4 Legal Implications

6.4.1 Municipal Asset Transfer Regulations

In terms of Section 36 of the Municipal Asset Transfer Regulation, when considering an application for an approval of a right to use municipal property, the following needs to be taken into account, *inter alia*-:

a) whether the capital asset may **be required for the municipality's own use** during the period for which the right is to be granted;

b) the extend to which any compensation to be received for the right, together with the estimated value of improvements or enhancements to the asset, will result in a significant financial benefit to the municipality;

c) the (possible) risks and rewards associated with the use in relation to the municipality's interests;

d) Any comments received from the local community, and

e) Compliance with the legislative regime applicable to the proposed granting of the right.

6.4.2 Property Management Policy

In terms of paragraph 9.2.2 of the Policy, the Municipal Council may dispense with the prescribed, competitive process, and may enter into a private treaty agreement through any convenient process, which may include direct negotiations, but only in specific circumstances, and only after having advertised Council's intention so to act.

6.5 Staff Implications

No additional staff implications.

6.6 Previous / Relevant Council Resolutions

None.

6.7 Risk Implications

The risk of the Executive Mayoral Committee consenting to a lease of a public open space is that it will be setting a precedent for other applicants to apply for these spaces.

6.8 Comments from Senior Management

6.8.1 Director: Infrastructure

No comments received

6.8.2 Director: Planning and Economic Development

No comments received

6.8.3 Director: Community and Protection Services

No comments received.

6.8.4 CFO

No comments received

6.8.5 Municipal Manager

Supports the item

Appendix: **1. Application letter dated 2020**

2. Application to lease Municipal land

FOR FURTHER DETAILS CONTACT:

NAME	**Annalene de Beer**
POSITION	***Director***
DIRECTORATE	***Corporate Services***
CONTACT NUMBERS	***021-8088018***
E-MAIL ADDRESS	***annalene.debeer@stellenbosch.gov.za***
REPORT DATE	***2025-02-11***

APPENDIX 1

hanna
CHARITY & EMPOWERMENT FOUNDATION

[redacted]

2020/07/27

Dear Deputy Executive Mayor (Wilhelmina)

The Hanna Charity and Empowerment foundation was registered in 2008 at the Department of Social Development as a NPO and PBO .We identify poor communities and support them with basic services like soup kitchens, playgroups, libraries and many more. We operate in Wendy houses which we erect in the local community.

We have seven Hanna Stations across South Africa, from Mpumalanga, Gauteng and here in the Western Cape: Stellenbosch, Smartie Town in Cloetesville.

We run quite a few programs, one of them is a playgroup which we call the Pikanini Educare centre. This program is designed to provide a safe and friendly environment for the children of Smartie Town, aged 2 to 5 years old.

We offer this program free of charge to the parents, as some do not have money to send their children to a creche. Through our sponsors and public donations we provide 20 to 25 children with a healthy breakfast, snack, lunch and basic education on a weekly basis. We have three adults who assist in the classes, two teachers and an assistant who helps with basic sanitation and meal preparation. These three ladies get a monthly honorarium from the organisation for their support.

At the moment the playgroup shares a communal space with the library (The space being a small Wendy house we provided in Smartie Town). This space is located at the corner of Hoek Street and Beta Street. The Hanna Charity is bound by Government Rules. In order for us to register the playgroup as an ECD, we must provide running water and electricity. The current climate of Covid 19 requirements for ECD's and playgroups are out of reach for the Charity and we have decided to close the playgroup for the remainder of 2020. We intend to use this time, either to search for a suitable venue or to use the current space and prepare it according to the requirements needed to register as an ECD. If all goes according to plan, the program should re-open in January 2021.

Currently the wendy that we use as a Library, is situated on the spot where we would like to erect a structure for our playgroup. The estimate size of the space we want to use is 15m by 8m. (Please see image attached to email). This spot is an ideal place to run our program. It's physical location is also close to the homes of the children that will be attending the program which makes it more accessible for the participants. We would also like to install electricity and add two bathrooms to the structure.

hanna
CHARITY & EMPOWERMENT FOUNDATION

[redacted]

[redacted]

The Playgroup starts at 7h30 in the mornings and ends at 14h30. The curriculum we follow prescribes lessons to be done in an outside environment therefore we want to erect palisades to provide the safe space we need for our children.

The Hanna Charity and Empowerment Foundation, specifically the Cloetesville branch, would like to apply for authorisation to use this space. We will maitain the area well and would like to ask your favourable consideration to rent/ buy or occupy this space and use it for the playgroup program, which in it's turn supports the community.

Thank you for giving us the opportunity to provide you with our information. We would really appreciate your feedback and once again ask for your positive consideration of our request.

Kindest regards

Johan de Jager
Area Manager (Western Cape, Stellenbosch)
Hanna Charity and Empowerment Foundation
[redacted]

hanna
CHARITY & EMPOWERMENT FOUNDATION

hanna
CHARITY & EMPOWERMENT FOUNDATION

[redacted]

Pikanini Educare Playgroup Centre

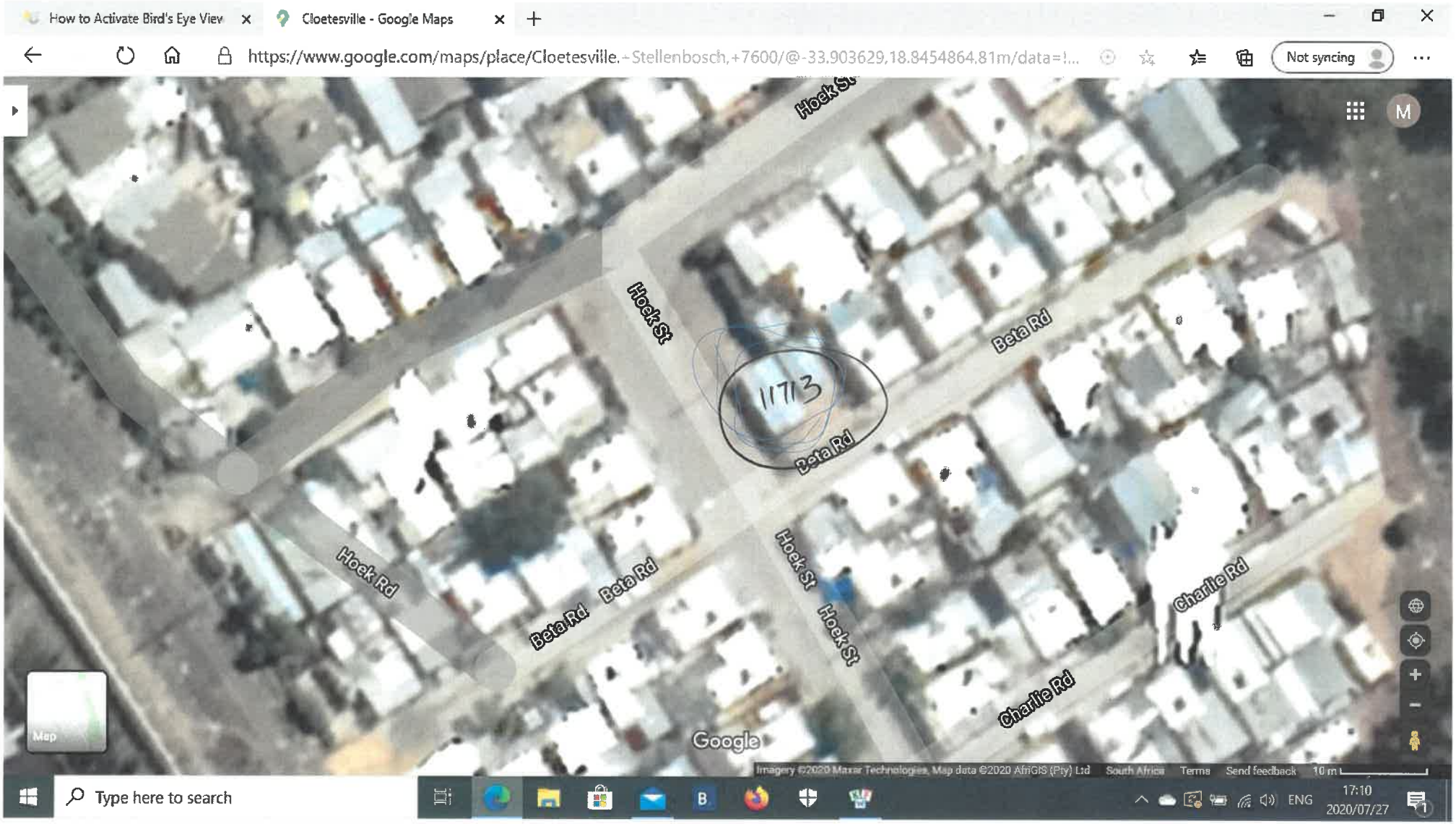











How to Activate Bird's Eye View
Cloetesville - Google Maps
https://www.google.com/maps/place/Cloetesville,+Stellenbosch,+7600/@-33.903629,18.8454864,81m/data=!...
Not syncing
Hoek St
Hoek St
Beta Rd
11713
Beta Rd
Hoek Rd
Beta Rd
Beta Rd
Hoek St
Hoek St
Charlie Rd
Charlie Rd
Google
Map
Imagery ©2020 Maxar Technologies, Map data ©2020 AfriGIS (Pty) Ltd
South Africa
Terms
Send feedback
10 m
Type here to search
ENG
17:10
2020/07/27

hanna
CHARITY & EMPOWERMENT FOUNDATION

[redacted]

INFORMATION SHEET

Hanna Charity and Empowerment Foundation was registered as a Non-Profitable Organization in 2008. We believe in the potential of people living in poverty.

Our Foundation's mission is to take hands with the poor and marginalized people of South Africa.

We provide personal attention and direct benefits to children, youth, the ageing and their families so they may live with dignity, achieve their desired potential and participate fully in society.

Hanna Charity & Empowerment Foundation supports communities with all the basic services such as playgroups, soup kitchens, skills development, job creation, clothing banks, social and psychological support, libraries etc. We start all these projects in a Wendy House, because we want to help the poorest of the poor and most of these people live in RDP houses or squat in somebody's backyard. We use the little space we have as effective as possible and hire the space from the community which in turn, results into a small income for these people. The community then starts working from the Wendy Houses. This is where our Job Creation then takes off for those involved. Someone will run the soup kitchen or clothing bank and somebody else will become an assistant to the teacher or librarian. As soon as a sponsor kindly invests in a more permanent structure we can move our projects out of the Wendy houses. We provide a place of safety to several children (from these communities) and we have now founded our Hanna House of Safety. We have a housefather and mother which are contributing a great deal in providing the structure needed for these children to develope into worthy adults.

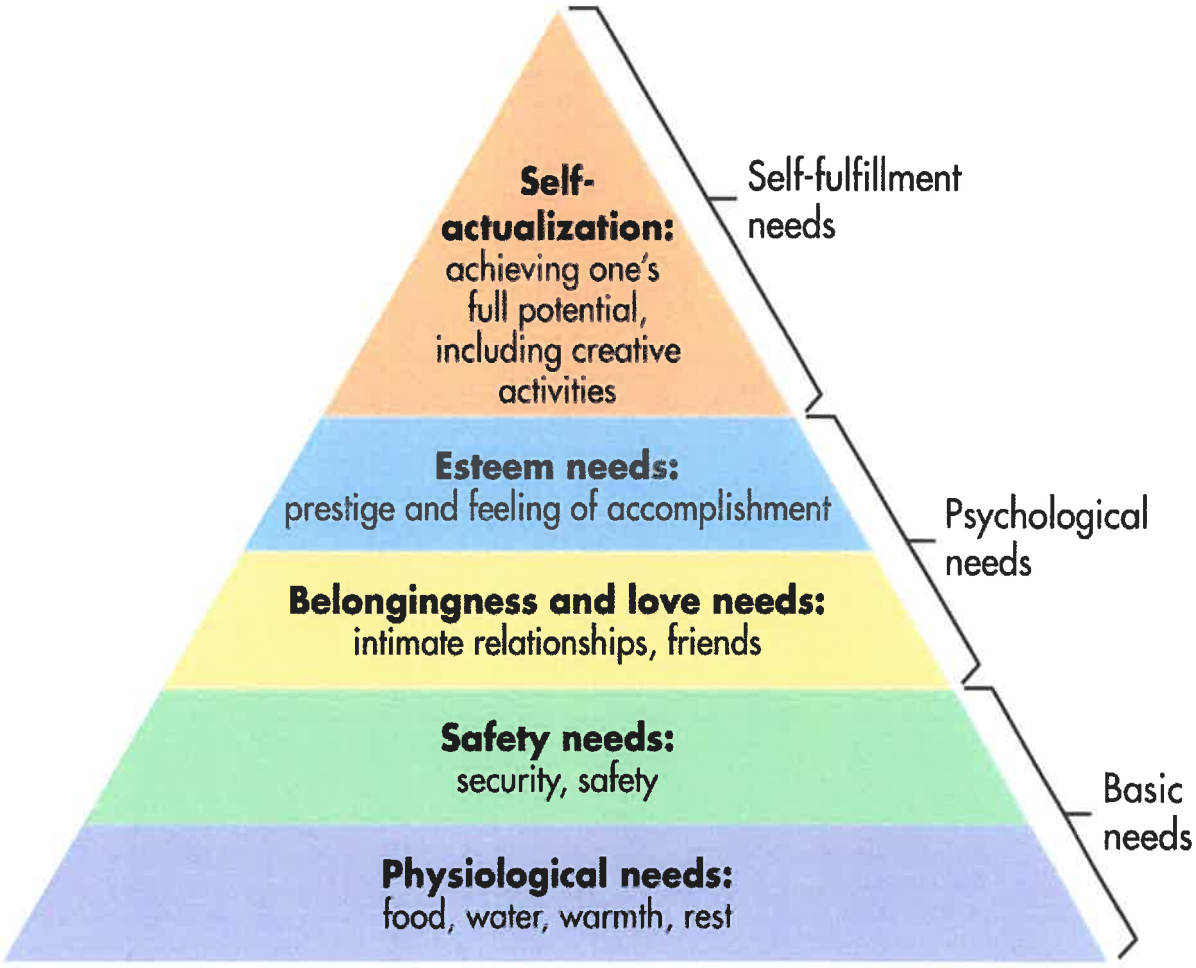
Relationships of mutual respect require acceptance of the equality of all persons. Equality of all persons comes from their essential dignity and is reflected in relationships that are without religious or other prejudice, that are multicultural, reciprocal and empowering.

Sponsorship of children, youth and the ageing is the highest priority of the Hanna Charity and Empowerment Foundation. We receive no support from the Government. Our primary means of support comes from individual sponsors and Companies. Our approach to managing administrative expenses and reserves is one of balanced austerity. The organisation seeks to maximize the amount

sent to the field for sponsored members and projects while allowing for adequate investment so that we have sufficient resources to respond to the urgent needs of sponsored members and their families.

Hanna Charity and Empowerment Foundation is registered with the Department of Social Development as a non-profit organization (NPO) and is a SARS approved organization (PBO) for purposes of section 18A(1)(a) of the Act and donations to the organization will be tax deductible in the hands of the donors in terms of and subject to the limitations prescribed in section 18A of the Act, and donations by or to the organization are exempt from donations tax in terms of section 56(1)(h) of the Act.

We use Maslow's Hierarchy of needs in our community development programmes:



PROJECTS:

Soup Kitchens

We start in a community with a soup kitchen to earn the people's trust and to get to know the families and their specific needs. We provide the whole family with a cooked meal as well as a food parcel depending on sponsorships for that specific soup kitchen. We have permanent staff at our office who cook for all the different communities / schools.

Clothing Bank

We open a clothing bank in a Wendy house where families can come and collect second hand clothing on a monthly basis to meet their specific needs. We also hand out clothes when we have our soup kitchens, depending on the donations we receive.

Pikanini

We start an early childhood development program in each community where parents can bring their little ones to play and to receive two meals a day for free. The kids learn basic skills at our playgroups and receive the love and care they need. We use people from the communities to assist the teacher and this forms part of our job creation program.

Womanhood / Sisterhood

Women come together on a weekly basis to discuss any personal problems they may have with a professional councillor or psychologist. They also learn new skills such as needlework or crafts which they then continue to do during the week. Womanhood is a lot of fun and the ladies sometimes go on outings outside of their community.

With Sisterhood, we support our teenage girls. We teach them very important life skills. Our councillor listens to their problems and specific needs and give guidance where needed. They also receive toiletries and special gifts depending on donations received from our sponsors. We assist them in becoming ladies and aspire to break the cycle of poverty they were born into by building on their dreams.

Prayer Groups

Some of the ladies from the communities get together once a week to pray for that specific community and their families. This changes the mindset of the ladies and instead of fighting, the grow spiritually and support each other to become better wives and mothers to their children.

Libraries

In each community we start a library in a Wendy. Our librarian is usually one of the older ladies from the community who has great people skills and desperately needs an income. The Library has developed into a place where, not only the children can do homework and / or their projects, but the whole family is being motivated to start reading books to empower themselves with knowledge, open up new world and realize new opportunities.

Exercise

Wit our area managers, we encourage people from our communities to become more active. As a result of not having the equipment, the Area Managers occasionally take them out to run through the streets of their specific community. Before a race like, the SPAR women's race or Sisters for Blisters, the community will get together and prepare themselves for the race. Needless to say, our people love these races!! For some of the people from the different communities the day out at the SPAR RACE is their only outing for the year.

Skills Development

We have different programs in our communities where we teach people new skills. The skills taught depends wholly on that of the Volunteers available to assist. Families learn new skills, like paper art, karate, sport pottery, acting, crochet etc. We endeavour to teach them specials skills which they can apply to earn a little bit of extra money. Most of our people own only a few cents as they only sell newspapers for a living.

Job Creation

We employ people from the community to help their own community. In every area we only have one Area Manager and Social Worker. The rest of the people working at all the services we provide are people from that community that can now earn money to make a better living for their families.

PROJECTS PER AREA

PROJECTS	BENONI	EAST LYNNE	ELANDSPOORT	W0LMER	CLOETESVILLE
SOUP KITCHENS	X	X	X	X	X
CLOTHING BANK	X	X	X	X	X
PIKANINI	X	X	X	X	X
WOMANHOOD	X	X	X	X	X
PRAYER GROUPS	X	X	X	X	
LIBRARIES	X	X	X	X	X
SISTERHOOD			X		
EXERCISE	X	X	X	X	
SKILLS DEVELOPMENT		X	X	X	X
JOB CREATION	X	X	X	X	X

Kindest regards
June Du Toit
OFFICE MANAGER
HANNA CHARITY AND EMPOWERMENT FOUNDATION
CEL.NO.[redacted]

G.P.-S. 012-0123

CERTIFICATE OF REGISTRATION OF NONPROFIT ORGANIZATION

In terms of the Nonprofit Organisation Act, 1997, I am satisfied that .....

Hanna Charity and Empowerment Foundation

.....

(*name of the nonprofit organization*)

meets the requirements for registration.

The organisation's name was entered into the register on **27 March 2008**

(*date*)

Registration number

061-590-NPO

.....

Director's signature

.....

Date **27 March 2008**

Department of Social Development

I certify that this document is a true reproduction/copy of the original which was examined by me and that from my observation the original has not been altered in any manner.

14/9/2016

Date / Datum

Handtekening/Signature

TIELMAN FRANCOIS ROUX
Commissioner of Oaths / Kommissaris van Ede
Ex Officio: Financial Planner
Private Wealth Management
721 Duncan Str, Hatfield, Pretoria
Gauteng

Piet Smit

From: Johan[redacted]
Sent: Tuesday, 23 March 2021 18:03
To: Piet Smit
Subject: [EX] FW: Versoek na spasie in Smartie Town vir Speelgroep
Attachments: INLIGTINGSBLAD 2020.pdf; Johan Pikanini brief vir Wilhelmina.pdf; Location of Library in Smartie Town.pdf; Hanna Charity NPO Certificate.jpeg

Beste Piet Smit

Hier is die inligting soos versoek. Dit is wat ek verlede jaar na Wilhelmina toe gestuur het en later ook na jou toe. As die spesifieke area n probleem is, is daar twee ander oop spasies waarvan ek ook weet.

Baie dankie.

Groete

Johan de Jager
Managing Director (Western Cape)
Hanna Charity and Empowerment Foundation
[redacted]

hanna
CHARITY & EMPOWERMENT FOUNDATION

From: Johan de Ja[redacted]
Sent: 24 November 2020 04:11 PM
To: 'Piet Smit'
Subject: FW: Versoek na spasie in Smartie Town vir Speelgroep

Beste Piet Smit

Baie dankie vir jou oproep. Hier is die inligting en versoek wat ek aan Wilhelmina gestuur het. Weet nie of jy dit ontvang het nie.

Groete en baie dankie

Johan de Jager
Managing Director (Western Cape)
Hanna Charity and Empowerment Foundation
[redacted]

hanna
CHARITY & EMPOWERMENT FOUNDATION

From: Johan de Ja[redacted]
Sent: 27 July 2020 05:32 PM
To: 'wilhelmina.petersen@stellenbosch.gov.za'

Cc: 'jan.hendriks@stellenbosch.gov.za'; 'jankarelhendriks@gmail.com'; 'James.Williams@stellenbosch.gov.za'
Subject: Versoek na spasie in Smartie Town vir Speelgroep

Beste Uitvoerende Onderburgemeester (Wilhelmina)

Ek het vroer met U gesels in verband met die moontlikheid van ons speelgroep wat ons wil registreer as ecd, maar ons benodig spasie/grond in Smartie Town. Sien asseblief versoek brief aangeheg. Ek heg ook Hanna Charity inligting aan, area waar die biblioteek staan en dan ook ons bewys van registrasie

Ons ondersteun die gemeenskap van Smartie Town al van 2016 af met die volgende projekte:

Sopkombuis
Speelgroep
Biblioteek
Na-Skoolprogram
Klerebank
Womanhood

Jan Hendrik en James is ge cc net sodat hulle bewus is.

Baie dankie vir hierdie geleentheid.

Vriendelike Groete

Johan de Jager
Managing Director (Western Cape)
Hanna Charity and Empowerment Foundation
Tel: [redacted]
E-mail: [redacted]

hanna
CHARITY & EMPOWERMENT FOUNDATION

APPENDIX 2

STELLENBOSCH
STELLENBOSCH • PNIEL • FRANSCHHOEK
MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

APPLICATION FOR LEASE OF MUNICIPAL LAND APPLICATION FORM

A: APPLICANT'S DETAILS

Name : Hanna Charity and Empowerment Foundation

Physical address: [redacted]

Postal code: [redacted]

Mailing address: [redacted]

Postal code:

E-mail address: [redacted]

Telephone: [redacted]

Cell phone: [redacted]

B: PROPERTY DETAILS OF APPLICANT

Erf/farm number : 11705

Suburb: Clockesville

Town: Stellenbosch

C: PROPERTY DETAILS OF LEASE AREA APPLYING FOR

Erf/farm number : 11705

Suburb: Cloetesville

Town: Stellenbosch

Area applying for .....m²

* To be supplemented with a sketch-plan with dimension in m²

D: TYPE OF APPLICATION:

Please mark the appropriate block

For commercial purposes, other than for parking	☐
For commercial parking purposes	☐
For residential parking purposes	☐
For non-commercial purposes	☑
For projecting structures onto street reserves	☐
For projecting structures onto other council-owned land	☐
Other: please provide description:	☐

Brief description of application: .....

.....

.....

Motivation:.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

E: LIST OF ATTACHEMENTS AND SUPPORTING DOCUMENTS

Please mark the appropriate box

Special Power of Attorney, where Applicant is not the owner	☐
Diagram of proposed area of the lease area	☐
Letters of consent (affected neighbours)	☐
Application fee (non-refundable)	☐

I hereby certify that the information supplied in this application form is correct and that I am property authorized to make this application.

Applicant's signature: ..... Date: 11 Feb 2025

Full name: Handia Kepler

7.3.3	**APPLICATION TO LEASE A PORTION OF FARM 183 STELLENBOSCH: CARING AND LEARNING NPC**

Collaborator No:
IDP KPA Ref No: **Good Governance**
Meeting Date: **19 February 2025**

1. SUBJECT:APPLICATION TO LEASE A PORTION OF FARM 183 STELLENBOSCH: CARING AND LEARNING NPC

2. PURPOSE

For the Executive Mayoral Committee to consider an application from Caring and Learning Development NPC to lease a portion of Farm 183 Stellenbosch for an Early Childhood Development Centre.

3. DELEGATED AUTHORITY

The Executive Mayor in consultation with the Executive Mayoral Committee has the delegated authority to consent to lease agreements for a period not exceeding 9 years 11 months and which has a property value less than 5 Million Rand.

The Municipal Manager has the delegation to enter into the lease agreements approved by the Executive Mayoral Committee on behalf of the Municipality.

5. EXECUTIVE SUMMARY

Caring and Learning Development NPC has filed an application for a lease agreement on a portion of Farm 183 Stellenbosch with the intention of erecting an Early Childhood Development Centre. This is for an existing Early Childhood Development Centre known as Little Givers which is currently also situated on a different portion of Farm 183 Stellenbosch. The applicant has indicated that they have access to funding and they require a larger portion so that they can extend the school. The location where the current school is, is not adjacent to the area which they are applying for now and the school will therefore move in the event that the application for lease is granted.

The Little Givers ECD has been in operation since 2018, and they currently have 34 children from the areas of Devon Valley attending the school. Due to the limited space, they have available at the current location they are not able to take in more children and there is currently a waiting list of 20 children from the area.

Farm 183 Stellenbosch is a large property which has the Municipal Wastewater Plant, staff housing, electrical substations and lease farms on it. It also has the Animal Welfare Society and the portion that the applicant is interested in is adjacent to the Animal Welfare Society next to the Devon Valley Road. This farm is not subdivided into portions.

The applicant has already submitted a Land-Use application as well as a Site Development Plan to the Planning Department for their consideration at the beginning of 2024.

The applicant has not indicated a timeframe they are interested in. The time period will have to justify the investment that is intended. The municipality regards leases longer than 3 years a long term and a public participation process must be followed as there

was no open process through which this applicant earned the right to lease the property. We are awaiting feedback from planning department regarding the zoning of the property. There are various other uses on this undivided piece of land inter alia the animal welfare society. It is according to Infrastructure part of the road reserve of a provincial road and therefore not supported by Infrastructure.

The portion of Farm 183 Stellenbosch measuring 900 square meters be identified as land not needed to provide the minimum basic level of municipal services. The municipality must rent land at a market related price or a percentage thereof for certain entities like NGO's.

5. RECOMMENDATION

For consideration.

6. DISCUSSION / BACKGROUND

6.1 Background

Caring and Learning Development NPC has filed an application for the lease of a portion of Farm 183 Stellenbosch with the intention of moving their current Early Childhood Development Centre to the new location in order to build a larger school as they currently have a waiting list and wish to better serve their community. A copy of the application is attached hereto as **APPENDIX 1**.

Caring and Learning Development NPC is a non-profit organisation and proof of registration as same is attached hereto as **APPENDIX 2**.

The NPC has been running an Early Childhood Development Centre under the name Little Giver since 2018 and they currently have 34 children attending the school.

6.2. DISCUSSION

6.2.1 Location and context

Farm 183 Stellenbosch is located in Devon Valley on the Adam Tas Road. This is a large property where the Municipal Wastewater Plant is built, as well as staff housing, lease farms and electrical sub-stations. The area that the applicant is interested in is adjacent to the Animal Welfare Society. The applicant is only interested in a portion of the Farm as indicated in Fig. 2 below which is roughly 900 square meters.



Fig 1. Location



Fig 2. View of Property

6.2.3 Ownership

The ownership of the property vests with Stellenbosch Municipality.

6.3 Financial Implications

A valuator will have to be appointed to determine the fair market monthly rental. The valuator will be paid by the Municipality. The full financial implications will only be addressed after the valuation report has been obtained. The policy makes provision that Council may allow an institution like this to pay a reduced market related rental.

6.4 Legal Implications

6.4.1 Municipal Asset Transfer Regulations

In terms of Section 36 of the Municipal Asset Transfer Regulation, when considering an application for an approval of a right to use municipal property, the following needs to be taken into account, *inter alia*-:

f) whether the capital asset may **be required for the municipality's own use** during the period for which the right is to be granted;

g) the extend to which any compensation to be received for the right, together with the estimated value of improvements or enhancements to the asset, will result in a significant financial benefit to the municipality;

h) the (possible) risks and rewards associated with the use in relation to the municipality's interests;

i) Any comments received from the local community, and

j) Compliance with the legislative regime applicable to the proposed granting of the right.

6.4.2 Property Management Policy

In terms of paragraph 9.2.2 of the Policy, the Municipal Council may dispense with the prescribed, competitive process, and may enter into a private treaty agreement through any convenient process, which may include direct negotiations, but only in specific circumstances, and only after having advertised Council's intention so to act.

6.5 Staff Implications

No additional staff implications.

6.7 Previous / Relevant Council Resolutions

None

7. Risk Implications

There is a risk in this area that people may erect houses on this portion of land as there is already a small residential area and people are already sleeping on this portion of land.

8. Comments from Senior Management

8.1 Director: Planning and Economic Development

No input received.

8.2 Director: Infrastructure

Comment from Roads:

"The proposed area for leasing falls within the Devon Valley Road Reserve. Devon Valley Road is a Provincial Proclaimed Road that has a road reserve of 50m. The application cannot be supported."

Comment from Waste Management:

"No objections from Waste Management section, as the ECD Centre will be outside of the landfill buffer zone. To noted: Noise levels of barking dogs from the Animal Welfare Society should be consider before establishing the ECD Centre."

8.3 Director: Community and Protection Services

No input received.

8.4 CFO

No input received

8.5 Municipal Manager

Approved the item to be submitted.

Appendix: **1. Application**
2. Proof of registration

FOR FURTHER DETAILS CONTACT:

NAME	**Annalene de Beer**
POSITION	***Director***
DIRECTORATE	***Corporate Services***
CONTACT NUMBERS	***021-8088018***
E-MAIL ADDRESS	***annalene.debeer@stellenbosch.gov.za***
REPORT DATE	***2025 – 02- 11***

APPENDIX 1

STELLENBOSCH
STELLENBOSCH • PNIEL • FRANSCHHOEK
MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

APPLICATION FOR LEASE OF MUNICIPAL LAND
APPLICATION FORM

A: APPLICANT'S DETAILS

Name : C. DAVIDS.

Physical address: [redacted]

Postal code: [redacted]

Mailing address: AS AS ABOVE.

Postal code:

E-mail address: [redacted]

Telephone: [redacted]

Cell phone: [redacted]

B: PROPERTY DETAILS OF APPLICANT

Erf/farm number : 183 FARM.

Suburb: DEVON VALLEY.

Town: STELLENBOSCH

C: PROPERTY DETAILS OF LEASE AREA APPLYING FOR

Erf/farm number : FARM 183

Suburb: DEVON VALLEY

Town: STELLENBOSCH.

Area applying for 900 m²

* To be supplemented with a sketch-plan with dimension in m²

D: TYPE OF APPLICATION:

Please mark the appropriate block

For commercial purposes, other than for parking	☐
For commercial parking purposes	☐
For residential parking purposes	☐
For non-commercial purposes	☐
For projecting structures onto street reserves	☐
For projecting structures onto other council-owned land	☐
Other: please provide description:	☐

Brief description of application: APPLICATION FOR EARLY CHILDHOOD CENTRE.

Motivation: TO DEVELOP THE NEEDS OF UNDER PREVILEGE CHILDREN ON FARMS AND IN THE DEVON VALLEY AREA.

.....

.....

.....

.....

.....

.....

.....

E: LIST OF ATTACHEMENTS AND SUPPORTING DOCUMENTS

Please mark the appropriate box

Special Power of Attorney, where Applicant is not the owner	☐
Diagram of proposed area of the lease area	☑
Letters of consent (affected neighbours)	☑
Application fee (non-refundable)	☐

I hereby certify that the information supplied in this application form is correct and that I am property authorized to make this application.

Applicant's signature: ..... Date: 29.01.2025

Full name: CHRISELENE DAVIDS

APPENDIX 2

Company
CARING AND LEARNING DEVELOPMENT, K2018/265448/08

Lexis® WinDeed

This report is compiled exclusively from the very latest data directly supplied to WinDeed by the Companies and Intellectual Property Commission (CIPC).

Any personal information obtained from this search will only be used as per the Terms and Conditions agreed to and in accordance with applicable data protection laws including the Protection of Personal Information Act, 2013 (POPI), and shall not be used for marketing purposes.

SEARCH CRITERIA

Search Date	2025/01/29 09:54	Company Name	caring and learning
Reference	d	Company Name Search Type	Starts with
Report Print Date	2025/01/29 09:54	Information Source	COMPANIES AND INTELLECTUAL PROPERTY COMMISSION

COMPANY SUMMARY

Name	CARING AND LEARNING DEVELOPMENT	Status	ANNUAL RETURN DEREGISTRATION PROCESS
Registration Number	[redacted]	Registration Date	2018/04/25

DIRECTORS AND OTHER SUMMARY (5)

ACTIVE

Name	ID/Reg. Number	Type	Status
DAVIDS, CHIRSELENE	[redacted]	DIRECTOR	ACTIVE
DAVIDS, HAROLD RICHARD	[redacted]	DIRECTOR	ACTIVE
DAVIDS, HAROLEE ANDREA	[redacted]	DIRECTOR	ACTIVE

INACTIVE

Name	ID/Reg. Number	Type	Status
VALENTINE, ROMEO JEROME	[redacted]	DIRECTOR	RESIGNED
WILLIAMS, JUSTIN DENVER	[redacted]	DIRECTOR	RESIGNED

AUDITOR SUMMARY

No auditor summary to display

COMPANY INFORMATION

Enterprise Name	CARING AND LEARNING DEVELOPMENT	Status	ANNUAL RETURN DEREGISTRATION PROCESS
Registration Number	[redacted]	Enterprise Type	NON PROFIT COMPANY (SECTION 21)
Tax Number	[redacted]	Business Start Date	2018/04/25
Short Name	-	Registration Date	2018/04/25
Translated Name	-	Financial Year End	2

DISCLAIMER
This report contains information provided to LNRM by content providers and LNRM cannot control the accuracy of the data nor the timely accessibility. LNRM will not be held liable for any claims based on reliance of the search information provided. This report is subject to the terms and conditions of LexisNexis Risk Management Agreement. LexisNexis Risk Management (Pty) Ltd is a registered credit bureau (NCRCB26).

Old Registration Number	-	Financial Effective Date	-
Conv. Enterprise Number	-	CK Date Received	-
Region	-	CK Date	-
Country	SOUTH AFRICA	Date of Type	2018/04/25
Country of Origin	-		
Issued Shares	-		
Issued Capital	-		
Authorized Shares	-		
Authorized Capital	-		
Industry Code	-		
Industry	-		
Principal Business	BUSINESS ACTIVITIES NOT RESTRICTED.		
Registered Address	[redacted]	Postal Address	[redacted]

DIRECTORS AND OTHER (5)

DAVIDS, CHIRSELENE — 1 of 5 Directors

Name	CHIRSELENE	Status	ACTIVE
Surname	DAVIDS	Type	DIRECTOR
Initials	C	Appointment Date	2018/05/01
ID/Passport Number	[redacted]	Resignation Date	-
Date of Birth	-	Member Size (%)	-
Profession	-	Member Contribution (R)	-
Country of Residence	SOUTH AFRICA		
Residential Address	[redacted]		
Postal Address	[redacted]		

DAVIDS, HAROLD RICHARD — 2 of 5 Directors

Name	HAROLD RICHARD	Status	ACTIVE
Surname	DAVIDS	Type	DIRECTOR
Initials	H	Appointment Date	2021/01/28
ID/Passport Number	[redacted]	Resignation Date	-
Date of Birth	-	Member Size (%)	-
Profession	-	Member Contribution (R)	-
Country of Residence	SOUTH AFRICA		

DISCLAIMER
This report contains information provided to LNRM by content providers and LNRM cannot control the accuracy of the data nor the timely accessibility. LNRM will not be held liable for any claims based on reliance of the search information provided. This report is subject to the terms and conditions of LexisNexis Risk Management Agreement. LexisNexis Risk Management (Pty) Ltd is a registered credit bureau (NCRCB26).

Residential Address	[redacted]		
Postal Address	[redacted]		

DAVIDS, HAROLEE ANDREA — 3 of 5 Directors

Name	HAROLEE ANDREA	Status	ACTIVE
Surname	DAVIDS	Type	DIRECTOR
Initials	H	Appointment Date	2018/04/25
ID/Passport Number	[redacted]	Resignation Date	-
Date of Birth	-	Member Size (%)	-
Profession	-	Member Contribution (R)	-
Country of Residence	SOUTH AFRICA		
Residential Address	[redacted]		
Postal Address	[redacted]		

VALENTINE, ROMEO JEROME — 4 of 5 Directors

Name	ROMEO JEROME	Status	RESIGNED
Surname	VALENTINE	Type	DIRECTOR
Initials	R	Appointment Date	2018/04/25
ID/Passport Number	[redacted]	Resignation Date	2021/01/28
Date of Birth	-	Member Size (%)	-
Profession	-	Member Contribution (R)	-
Country of Residence	SOUTH AFRICA		
Residential Address	[redacted]		
Postal Address	[redacted]		

WILLIAMS, JUSTIN DENVER — 5 of 5 Directors

Name	JUSTIN DENVER	Status	RESIGNED

DISCLAIMER
This report contains information provided to LNRM by content providers and LNRM cannot control the accuracy of the data nor the timely accessibility. LNRM will not be held liable for any claims based on reliance of the search information provided. This report is subject to the terms and conditions of LexisNexis Risk Management Agreement. LexisNexis Risk Management (Pty) Ltd is a registered credit bureau (NCRCB26).

Surname	WILLIAMS	Type	DIRECTOR
Initials	J	Appointment Date	2018/04/25
ID/Passport Number	[redacted]	Resignation Date	2021/01/28
Date of Birth	-	Member Size (%)	-
Profession	-	Member Contribution (R)	-
Country of Residence	SOUTH AFRICA		
Residential Address	[redacted]		
Postal Address	[redacted]		

AUDITOR

No auditor to display

CAPITAL INFORMATION (1)

Type	No of Shares	Parri Value	Capital Amount (R)	Capital Premium
AUTHORIZED ORDINARY	-	1	-	-

HISTORY (19)

Effective Date	Change Type
2025/01/19	74 (EMAIL NOTIFICATION THAT ANNUAL RETURN IS DUE. COR 40.4 LETTER WAS SEND TO CHIRSELENE DAVIDS. EMAIL ADDRESS - NE**@MYOWN*****.CO.Z*)
2025/01/19	74 (EMAIL NOTIFICATION THAT ANNUAL RETURN IS DUE. COR 40.4 LETTER WAS SEND TO HAROLD RICHARD DAVIDS. EMAIL ADDRESS - JOU***@MYOWN*****.CO.Z*)
2025/01/19	74 (EMAIL NOTIFICATION THAT ANNUAL RETURN IS DUE. COR 40.4 LETTER WAS SEND TO HAROLD RICHARD DAVIDS. EMAIL ADDRESS - JOU***@MYOWN*****.CO.Z*)

DISCLAIMER
This report contains information provided to LNRM by content providers and LNRM cannot control the accuracy of the data nor the timely accessibility. LNRM will not be held liable for any claims based on reliance of the search information provided. This report is subject to the terms and conditions of LexisNexis Risk Management Agreement. LexisNexis Risk Management (Pty) Ltd is a registered credit bureau (NCRCB26).

2025/01/19	74 (EMAIL NOTIFICATION THAT ANNUAL RETURN IS DUE. COR 40.4 LETTER WAS SEND TO HAROLEE ANDREA DAVIDS. EMAIL ADDRESS - JOU***@MYOWN*****.CO.Z*)
2025/01/19	74 (EMAIL NOTIFICATION THAT ANNUAL RETURN IS DUE. COR 40.4 LETTER WAS SEND TO HAROLEE ANDREA DAVIDS. EMAIL ADDRESS - JOU***@MYOWN*****.CO.Z*)
2025/01/19	74 (EMAIL NOTIFICATION THAT ANNUAL RETURN IS DUE. COR 40.4 LETTER WAS SEND TO CHIRSELENE DAVIDS. EMAIL ADDRESS - NE**@MYOWN*****.CO.Z*)
2025/01/19	74 (EMAIL NOTIFICATION THAT ANNUAL RETURN IS DUE. COR 40.4 LETTER WAS SEND TO HAROLEE ANDREA DAVIDS. EMAIL ADDRESS - JOU***@MYOWN*****.CO.Z*)
2025/01/18	AR IN DEREGISTRATION (AR IN DEREGISTRATION COR404)
2021/11/16	CO/CC ANNUAL RETURN (COMPANY / CLOSE CORPORATION AR FILING - WEB SERVICES : REF NO. : 5356369718)
2021/02/11	DIRECTOR/MEMBER/SECRETARY/TRUST/BOTH DIRECTOR AND OFFICER (DIRECTOR ROMEO JEROME VALENTINE - CHANGE WAS MADE.- DIRECTOR / MEMBER STATUS CHANGED FROM ACTIVE TO RESIGNED.)
2021/02/11	DIRECTOR/MEMBER/SECRETARY/TRUST/BOTH DIRECTOR AND OFFICER (DIRECTOR CHIRSELENE DAVIDS - CHANGE WAS MADE.)
2021/02/11	DIRECTOR/MEMBER/SECRETARY/TRUST/BOTH DIRECTOR AND OFFICER (DIRECTOR HAROLD RICHARD DAVIDS WAS ADDED)
2021/02/11	DIRECTOR/MEMBER/SECRETARY/TRUST/BOTH DIRECTOR AND OFFICER (DIRECTOR HAROLEE ANDREA DAVIDS - CHANGE WAS MADE.- CELL NUMBER CHANGED FROM 0823576477 TO 0830000000.)
2021/02/11	DIRECTOR/MEMBER/SECRETARY/TRUST/BOTH DIRECTOR AND OFFICER (DIRECTOR JUSTIN DENVER WILLIAMS - CHANGE WAS MADE.- DIRECTOR / MEMBER STATUS CHANGED FROM ACTIVE TO RESIGNED.)
2021/02/07	RE-INSTATE APPLICATION (COMPANY / CLOSE CORPORATION AR FILING - WEB SERVICES : REF NO. : 5340864258)
2018/05/07	DIRECTOR/MEMBER/SECRETARY/TRUST/BOTH DIRECTOR AND OFFICER (DIRECTOR JUSTIN DENVER WILLIAMS DETAILS WAS CHANGED)
2018/05/07	DIRECTOR/MEMBER/SECRETARY/TRUST/BOTH DIRECTOR AND OFFICER

DISCLAIMER
This report contains information provided to LNRM by content providers and LNRM cannot control the accuracy of the data nor the timely accessibility. LNRM will not be held liable for any claims based on reliance of the search information provided. This report is subject to the terms and conditions of LexisNexis Risk Management Agreement. LexisNexis Risk Management (Pty) Ltd is a registered credit bureau (NCRCB26).

	(DIRECTOR ROMEO JEROME VALENTINE DETAILS WAS CHANGED)
2018/05/07	DIRECTOR/MEMBER/SECRETARY/TRUST/BOTH DIRECTOR AND OFFICER (DIRECTOR HAROLEE ANDREA DAVIDS DETAILS WAS CHANGED)
2018/05/07	DIRECTOR/MEMBER/SECRETARY/TRUST/BOTH DIRECTOR AND OFFICER (DIRECTOR CHIRSELENE DAVIDS WAS ADDED)

DISCLAIMER
This report contains information provided to LNRM by content providers and LNRM cannot control the accuracy of the data nor the timely accessibility. LNRM will not be held liable for any claims based on reliance of the search information provided. This report is subject to the terms and conditions of LexisNexis Risk Management Agreement. LexisNexis Risk Management (Pty) Ltd is a registered credit bureau (NCRCB26).

7.3.4	**APPLICATION FROM THE EARLY EDUCATION CENTRE (TEEC) TO LEASE A PORTION OF ERF 8915 STELLENBOSCH (CLOETESVILLE)**

Collaborator No:
IDP KPA Ref No: **Good Governance**
Meeting Date: **19 February 2025**

1. SUBJECT:APPLICATION FROM THE EARLY EDUCATION CENTRE (TEEC) TO LEASE A PORTION OF ERF 8915 STELLENBOSCH (CLOETESVILLE)

2. PURPOSE

For the Executive Mayoral Committee to consider an application from The Early Education Centre (TEEC) to lease a portion of Erf 8915 Stellenbosch (Cloetesville) for the erection of an enrichment centre in support of the Early Childhood Development sector in the Winelands area.

3. DELEGATED AUTHORITY

The Executive Mayor in consultation with the Executive Mayoral Committee has the delegated authority to consent to lease agreements for a period not exceeding 9 years 11months.

The Municipal Manager has the delegation to enter into the lease agreements approved by the Executive Mayoral Committee on behalf of the Municipality.

5. EXECUTIVE SUMMARY

An application has been received from The Early Education Centre (more commonly known as TEEC) to lease a portion of Erf 8915 Stellenbosch which is situated in Cloetesville and is zoned as a public open space.

TEEC has been operating in the Cloetesville area for over 16 years, and they currently have an Early Childhood Development Centre in the church building in Rhode Street. The application is to lease the portion of land next to the church in Rhode Street with the intention of erecting an enrichment centre in support of the Early Childhood Development Sector in the winelands area. They motivate their application by claiming they play a pivotal role in the registration process for other Early Childhood Development Centres and the current space that they are in does not have sufficient room for all of their operations.

The application does not state the period they are interested in however during a meeting with the Property Management Department they indicated that they would prefer a longer term (i.e 30 years). They further mentioned that they are of the intention of erecting containers on the site.

Such a long lease and also the fact that there was no open process through which they earned the right to lease the property a public participation process through the publication of an information statement that Council will have to approve will be required. In the event that the Executive Mayoral Committee is considering a longer-term lease agreement the delegated authority to approve the long-term lease will be Council.

Erf 8915 Stellenbosch is a large property, and the zoning is public open space. It should however be noted that the Rhode Street flats are also built on Erf 8915 Stellenbosch. In order for this portion of land to be leased to the applicant the portion of the erf will have to

be rezoned for educational purposes. The portion they are interested in is roughly 3000 square meters.

5. RECOMMENDATION

that the application and the period be considered.

6. DISCUSSION / BACKGROUND

6.1 Background

An application has been received from The Early Education Centre to lease a portion of Erf 8915 Stellenbosch, which is situated next to the Church in Rhode Street, Cloetesville. A copy of the application is attached hereto as **APPENDIX 1.**

The Early Education Centre plays a role in the registration of other Early Childhood Development Centres and they are also currently operating an Early Childhood Development Centre from the basement of the church. They have indicated that they require more space in order to expand their activities. They would prefer a longer-term lease agreement as they are of the intention of erecting buildings on the premises, however they would also consider containers.

6.2. DISCUSSION

6.2.1 Location and context

The property is located next to the Church in Rhode Street in Cloetesville. It is a large property that is zoned public open space. In order for them to lease this portion of land the portion of the property will have to be rezoned and possibly sub-divided. Both the rezoning and subdivision will have to be dealt with by the lessee and considered by the Municipal Planning Tribunal.



Fig 1. Location



Fig 2. View of Property

6.2.3 Ownership

The ownership of the property vests with Stellenbosch Municipality.

6.3 Financial Implications

A valuator will have to be appointed to determine the monthly rental. The valuator will be paid by the Municipality. The full financial implications will only be addressed after the valuation report has been obtained. An information statement will also be required for a period of 30 years lease.

6.4 Legal Implications

6.4.1 Municipal Asset Transfer Regulations

In terms of Section 36 of the Municipal Asset Transfer Regulation, when considering an application for an approval of a right to use municipal property, the following needs to be taken into account, *inter alia*-:

k) whether the capital asset may **be required for the municipality's own use** during the period for which the right is to be granted;

l) the extend to which any compensation to be received for the right, together with the estimated value of improvements or enhancements to the asset, will result in a significant financial benefit to the municipality;

m) the (possible) risks and rewards associated with the use in relation to the municipality's interests;

n) Any comments received from the local community, and

o) Compliance with the legislative regime applicable to the proposed granting of the right.

6.4.2 Property Management Policy

In terms of paragraph 9.2.2 of the Policy, the Municipal Council may dispense with the prescribed, competitive process, and may enter into a private treaty agreement through any convenient process, which may include direct negotiations, but only in specific circumstances, and only after having advertised Council's intention so to act.

6.5 Staff Implications

No additional staff implications.

6.6 Previous / Relevant Council Resolutions

None.

6.7 Risk Implications

The risk of the Executive Mayoral Committee consenting to a lease of a public open space is that it will be setting a precedent for other applicants to apply for these spaces.

6.8 Comments from Senior Management

6.8.1 Director: Infrastructure

No objections.

6.8.2 Director: Planning and Economic Development

Housing Development:

A feasibility study has been conducted for Cloetesville Infill Housing Development. The item was served by Council on 26 May 2021. The outcome of the Feasibility Study for Erf 8915 was that it was not recommended for further development due to the steep slope and the high costs of infrastructural services for the BNG housing market and as a result, the site can be used for other municipality purposes.

Development Planning- Spatial Planning:

It is assumed that this specific Public Open Space resulted from the original subdivision of the township and that it was not utilized for residential properties due to the steep topography of the terrain. A previous investigation to identify land for infill housing opportunities in Cloetesville considered this property for purposes of residential development. However, due to the steep topography of the site and consequently the high cost of providing engineering services and building construction, it was ruled out as a feasible project to provide affordable housing. As a result, the property was not seen as a feasible project. The use of the site for medium-income housing remains an option that can be pursued as the cost of servicing the sites can be recouped from the sales.

However, with the densification of suburbs, the need for public open space increases over time. Such public open space becomes critical for recreational purposes, social integration, and health benefits linked with climate change. The planting of trees to add to the urban forest in suburbs can play a vital role in addressing the greenhouse effect and it has been proved that it can lower the temperature of the immediate environment significantly. To obtain such benefit, the Municipality must maintain and improve the public open space to provide a pleasant and safe environment.

This section is generally not in favour of developing public open space despite the various needs identified by other potential users as the need for and value of public open space to the community within a dense residential environment, cannot by over over-emphasised.

6.8.3 Director: Community and Protection Services

No input received.

6.8.4 CFO

No input received.

6.8.5 Municipal Manager

Requested input from the planning department around open spaces, the proximity of the flats and our SDF.

Appendix: **1. Application**

FOR FURTHER DETAILS CONTACT:

NAME	**Annalene de Beer**
POSITION	***Director***
DIRECTORATE	***Corporate Services***
CONTACT NUMBERS	***021-8088018***
E-MAIL ADDRESS	***annalene.debeer@stellenbosch.gov.za***
REPORT DATE	***2025-01-22***

APPENDIX 1

STELLENBOSCH
STELLENBOSCH • PNIEL • FRANSCHHOEK
MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

APPLICATION FOR LEASE OF MUNICIPAL LAND APPLICATION FORM

A: APPLICANT'S DETAILS

Name : THE EARLY EDUCATION CENTRE (TEEC)

Physical address: [redacted]

Postal code: [redacted]

Mailing address: [redacted]

Postal code: [redacted]

E-mail address: [redacted]

Telephone: [redacted]

Cell phone: [redacted]

B: PROPERTY DETAILS OF APPLICANT

Erf/farm number : 8915

Suburb: CLOETESVILLE

Town: STELLENBOSCH

C: PROPERTY DETAILS OF LEASE AREA APPLYING FOR

Erf/farm number : .....

Suburb: .....

Town: .....

Area applying for .....m²

* To be supplemented with a sketch-plan with dimension in m²

D: TYPE OF APPLICATION:

Please mark the appropriate block

For commercial purposes, other than for parking	☐
For commercial parking purposes	☐
For residential parking purposes	☐
For non-commercial purposes	☐
For projecting structures onto street reserves	☐
For projecting structures onto other council-owned land	☐
Other: please provide description:	☐

Brief description of application: For the construction or erection of an errichment centre in support for the ECD Sector in the Winelands area

Motivation: TEEC has been operating for approximately 16 yrs in the Cloetesville area and is pivitol for the registration of ECD in the area of Stellenbos and the surrounds. The Space is too small for all our operations.

In addition, the numbers to TEEC's Toy library and Character Building Programme has increased. The Playschool serves as facility to support up and coming Preschool Educators.

E: LIST OF ATTACHEMENTS AND SUPPORTING DOCUMENTS

Please mark the appropriate box

Special Power of Attorney, where Applicant is not the owner	☐
Diagram of proposed area of the lease area	☐
Letters of consent (affected neighbours)	☐
Application fee (non-refundable)	☐

I hereby certify that the information supplied in this application form is correct and that I am property authorized to make this application.

Applicant's signature: ..... Date: 20.01.2025

Full name: BONITTA DANIELS

7.4	**FINANCIAL SERVICES: (PC: ALD JC ANTHONY)**

7.4.1	**WRITE-OFF OF IRRECOVERABLE AND PRESCRIBED INDIGENT DEBT OLDER THAN 90 DAYS**

Collaborator No:
IDP KPA Ref No: **Good Governance and Compliance**
Meeting Date: **19 February 2025**

1. SUBJECT: WRITE-OFF OF IRRECOVERABLE AND PRESCRIBED INDIGENT DEBT OLDER THAN 90 DAYS

2. PURPOSE

Council to approve the write-off of irrecoverable and prescribed indigent debt as contained in this report.

3. DELEGATED AUTHORITY

Council to approve in terms of Paragraph 1 and 3(1)(i) of the Irrecoverable Debt Policy.

4. EXECUTIVE SUMMARY

The attached **APPENDIX 1** contains instances where:

- Outstanding indigent debt has prescribed due to various reasons and circumstances and is therefore, no longer recoverable and/or
- It will be no longer financially viable to continue with further litigation to recover these outstanding debt as it will be extremely costly, time consuming and ineffective.

To prevent the municipality from incurring further expenditure that may be regarded as wasteful, it is recommended that the outstanding balances as per **APPENDIX 1** (**R 38 640 013.43**), plus any costs/interest levied after date of this report, be written off as irrecoverable.

5. RECOMMENDATIONS

(a) that the accounts listed in **APPENDIX 1** be regarded as irrecoverable and that the total outstanding balances of R **R 38 640 013.43**, at the time of drafting the report, plus any interest or costs levied after this report, be written off;

(b) that the Engineering Department in conjunction with Finance will continue, where possible, with the installation of Water Management Devices as a matter of urgency for all households as per Appendix 1, that all leaks will be repaired by the Engineering Department, and that such meters be capped at a minimum of 12 kiloliters per month as per Council's Credit Control and Debt Collection Policy; and

(c) that should for any reason the administration discovers any irregularities with the Indigent applications and such indigent status should be cancelled, the write-off of outstanding debt be invalid and immediately be recovered through

the normal legal processes, including the issuing of summons against such debtor.

6. DISCUSSION / CONTENTS

6.1 Background

Debt that is older than three years is prescribed by law in terms of the Prescription Act is no longer considered to be legally recoverable. The approved Irrecoverable Debt Policy allows for the debt in special cases where all applicable credit control and debt collection actions were impossible/impractical to implement, to motivate same for consideration for write-off.

Although the indigent consumers are subsidized for water, electricity, sanitation, refuse and rental monthly, the accumulated debt on these accounts do not decline. Instead, it increases monthly. This is mainly due to socio-economic challenges which make it impossible for the indigent consumers to settle their accounts. Another contributing factor is the high-water consumption levels of the Indigent consumers, due to leakages which they cannot afford to repair by themselves.

The Municipality is in process to repair all leaks of these Indigent consumers and replace the conventional meter with a Water Management Device, capped at 12 kilolitres per month. There are also Indigent consumers who in the past did not pay rent in respect of its Rental Agreements of which some of the consumers have been evicted and others could not be evicted due to national legislation not allowing same. Due to the non-eviction of consumers in rental properties, rental amounts accumulated to it being unaffordable.

All the indigent consumers as per the attached **APPENDIX 1** meet the criteria as set out in the Indigent Policy and they are regarded as the poorest of the poor.

These matters were submitted to the Chief Financial Officer, and it was agreed that the matters be submitted to Council for write-off.

6.2 Discussion

The attached balances as per **APPENDIX 1** (**R 38 640 013.43**) at the time of the report, contains details of indigent customer accounts where normal credit control and debt collection measures and processes will not be successful in recovering the full outstanding debt. Further attempts to recover the debt will also not be cost effective. Some of these debts are also older than three years and have therefore prescribed in terms of Section 11 of the Prescription Act, 69 of 1969.

6.3 Financial Implications

Irrecoverable debt of **R 38 640 013.43** has been provided for in the Provision for Bad Debts, hence there is no real loss for the municipality.

6.4 Legal Implications

None. Write-off is done in terms of the Irrecoverable Debt Policy.

6.5 Staff Implications

None.

6.6 Previous / Relevant Council Resolutions:

None.

6.7 Risk Implications

None.

6.8 Comments from Senior Management:

6.8.1 Director: Corporate Services:

***6.8.1* Chief Financial Officer:**

Support the item.

***6.8.2* Municipal Manager:**

Support the item.

APPENDIX: 1- Prescribed/Irrecoverable Debt

FOR FURTHER DETAILS CONTACT:

NAME	***JP Wagener***
POSITION	***Manager Revenue***
DIRECTORATE	***Finance***
CONTACT NUMBERS	***021 808 8531***
E-MAIL ADDRESS	Pieter.wagener@stellenbosch.gov.za
REPORT DATE	***05 February 2025***

APPENDIX 1

Account No	Group	Acc Close	Acc Final	Total
10248061	INU24	N	N	477 781.79
10401543	INU24	N	N	299 129.35
10071043	INU24	N	N	294 552.23
10163043	INU24	N	N	252 570.95
10102718	INU24	N	N	213 594.47
109914851	INU24	N	N	197 756.63
10248384	INU24	N	N	175 133.27
10274662	INU24	N	N	168 623.42
10281905	INU24	N	N	159 863.28
10422580	INU24	N	N	159 093.01
10149632	INU24	N	N	155 215.38
10270204	INU24	N	N	144 802.55
10160095	INU24	N	N	128 351.92
10235746	INU24	N	N	121 182.64
10437216	INU24		N	118 400.18
10043907	INU24	N	N	109 300.88
10271896	INU24	N	N	98 246.42
10672888	INU24		N	93 945.77
10610617	INU24		N	92 284.16
109863494	INU24	N	N	91 835.17
10171521	INU24	N	N	90 229.11
10163445	INU24	N	N	85 976.53
10200548	INU24	N	N	85 630.08
10703890	INU24	N	N	85 001.88
10270118	INU24	N	N	83 183.60
10163658	INU24	N	N	82 856.04
10705115	INU24	N	N	78 453.50
10704712	INU24	N	N	76 984.59
10235485	INU24	N	N	76 036.39
10669422	INU24		N	75 726.18
10275223	INU24	N	N	73 382.81
22740041	INU24	N	N	72 486.03
10669721	INU24		N	71 516.19
10234776	INU24	N	N	71 412.10
10040351	INU24	N	N	71 360.92
10660739	INU24		N	70 511.66
10712623	INU24	N	N	69 156.23
10672170	INU24		N	68 658.62
10164783	INU24	N	N	68 000.37
10708376	INU24	N	N	67 614.78
10708826	INU24	N	N	67 374.19
10703539	INU24	N	N	66 629.12
10271827	INU24	N	N	66 466.65
10703591	INU24	N	N	66 437.70
461220052	INU24	N	N	66 014.38
703190907	INU24	N	N	65 866.43
10703656	INU24	N	N	64 557.30

Account No	Group	Acc Close	Acc Final	Total
10619379	INU24		N	61 021.47
10235777	INU24	N	N	60 454.72
10712654	INU24	N	N	60 291.20
703203951	INU24	N	N	60 190.91
10704877	INU24	N	N	59 831.89
10672479	INU24		Y	57 833.57
10270888	INU24	N	N	56 915.02
703211408	INU24	N	N	56 438.28
10106633	INU24	N	N	54 513.28
10513967	INU24		N	53 593.54
10513950	INU24		N	52 798.35
10670824	INU24		N	51 216.89
10105890	INU24	N	N	51 123.27
10270022	INU24	N	N	50 010.09
10218569	INU24	N	N	48 991.37
10016941	INU24	N	N	48 611.58
10163201	INU24	N	N	47 506.08
10251582	INU24	N	N	47 057.79
10155613	INU24	N	N	45 889.05
10241624	INU24	N	N	45 889.03
109849131	INU24		N	44 783.61
44842	INU24	N	N	42 533.07
10671636	INU24		N	41 663.94
10251544	INU24	N	N	40 733.27
10871001	INU24	N	N	40 097.33
10677993	INU23		N	334 894.41
10247716	INU23	N	N	251 513.51
10971369	INU23	N	N	237 983.03
10274679	INU23	N	N	210 713.59
10258077	INU23	N	N	207 786.00
10672857	INU23		N	192 956.61
703204158	INU23	N	N	169 327.32
620001124	INU23	N	N	167 234.76
10612183	INU23		N	153 522.36
703207209	INU23	N	N	139 421.92
10163593	INU23	N	N	134 076.74
10246973	INU23	N	N	126 708.33
109844370	INU23	N	N	123 707.15
10234972	INU23	N	N	118 478.93
10670738	INU23		N	109 081.77
43384	INU23	N	N	97 689.32
10427774	INU23	N	N	96 316.30
10285411	INU23	N	N	93 587.86
10218387	INU23	N	N	82 958.98
10670570	INU23		N	81 971.87
10114458	INU23	N	N	73 506.37
10704444	INU23	N	N	69 802.82

Account No	Group	Acc Close	Acc Final	Total
10703247	INU23	N	N	69 531.27
10105687	INU23	N	N	69 286.07
10171064	INU23	N	N	68 037.32
10887312	INU23	N	N	67 962.01
10235959	INU23	N	N	61 395.41
10171600	INU23	N	N	61 154.78
10682351	INU23		N	60 872.78
10195774	INU23	N	N	58 175.60
600223009	INU23	N	N	56 406.16
10611979	INU23		N	55 478.16
10705029	INU23	N	N	55 027.11
703210304	INU23	N	N	54 896.28
10704279	INU23	N	N	54 599.29
620001801	INU23	N	N	53 222.18
10084650	INU23	N	N	51 057.41
10251489	INU23	N	N	50 769.73
10164329	INU23	N	N	49 375.23
10179220	INU23	N	N	48 205.90
10114410	INU23	N	N	47 841.52
10919239	INU23	N	N	43 325.35
442190004	INU23	N	N	42 695.11
10488432	INU23		N	42 230.64
620000336	INU23	N	N	42 083.61
703208509	INP24	N	N	473 033.12
700738564	INP24	N	N	451 468.31
10257904	INP24	N	N	422 562.80
10274514	INP24	N	N	300 244.92
703190859	INP24	N	N	272 213.33
10271700	INP24	N	N	244 625.38
10297869	INP24	N	N	226 117.96
10164154	INP24	N	N	199 288.67
10271195	INP24	N	N	177 078.40
10271944	INP24	N	N	168 616.05
10236149	INP24	N	N	162 717.46
703203559	INP24	N	N	162 651.00
10248243	INP24	N	N	162 524.20
10843525	INP24	N	N	146 010.41
10278628	INP24	N	N	142 555.79
10248913	INP24	N	N	134 146.87
10272172	INP24	N	N	127 635.61
707680871	INP24	N	N	125 571.41
10155943	INP24	N	N	117 417.29
703211453	INP24	N	N	117 025.14
707561633	INP24	N	N	112 769.28
620002651	INP24	N	N	111 267.40
10251111	INP24	N	N	109 428.03
703200707	INP24	N	N	108 902.78

Account No	Group	Acc Close	Acc Final	Total
703191403	INP24	N	N	108 796.04
10084186	INP24	N	N	105 626.66
703206019	INP24	N	N	104 449.06
10271717	INP24	N	N	102 867.87
703209108	INP24	N	N	100 933.81
10278594	INP24	N	N	100 774.49
703202754	INP24	N	N	100 670.57
707671244	INP24	N	N	100 177.54
10271982	INP24	N	N	94 783.11
10843831	INP24	N	N	93 012.41
703205551	INP24	N	N	92 756.25
10257980	INP24	N	N	92 602.93
10141122	INP24	N	N	91 453.96
10250347	INP24	N	N	91 031.21
10235715	INP24	N	N	90 939.99
10247084	INP24	N	N	87 037.57
10162884	INP24	N	N	85 045.84
10277177	INP24	N	N	84 271.18
707561815	INP24	N	N	83 896.57
10661132	INP24		N	83 739.25
10671519	INP24		N	82 663.12
10248164	INP24	N	N	81 651.08
10236235	INP24	N	N	79 403.30
10258060	INP24	N	N	79 003.16
10267484	INP24	N	N	78 738.71
10248102	INP24	N	N	78 229.87
10278563	INP24	N	N	77 524.64
10705218	INP24	N	N	73 012.04
10236170	INP24	N	N	70 480.98
10251166	INP24	N	N	70 215.73
10672039	INP24		N	68 787.00
707680857	INP24	N	N	65 664.73
10277115	INP24	N	N	65 385.61
707680912	INP24	N	N	65 041.20
10270778	INP24	N	N	63 880.06
10155651	INP24	N	N	62 640.44
10235818	INP24	N	N	62 383.51
703203016	INP24	N	N	62 040.85
707680950	INP24	N	N	61 908.82
10703058	INP24	N	N	61 790.76
10164381	INP24	N	N	61 700.08
10164398	INP24	N	N	61 250.48
10721700	INP24	N	N	59 696.30
10514078	INP24		N	59 474.94
10241655	INP24	N	N	58 341.98
10248470	INP24	N	N	58 261.77
10672338	INP24		N	57 961.68

Account No	Group	Acc Close	Acc Final	Total
703191300	INP24	N	N	57 823.29
10277342	INP24	N	N	56 690.10
10084179	INP24	N	N	55 968.94
703212258	INP24	N	N	55 710.40
10267154	INP24	N	N	54 446.15
703200051	INP24	N	N	54 424.48
10042975	INP24	N	N	54 356.72
10270709	INP24	N	N	53 066.85
10297948	INP24	N	N	52 921.52
10246894	INP24	N	N	52 224.78
707561468	INP24	N	N	47 411.59
10043990	INP24	N	N	47 077.64
10267305	INP24	N	N	44 806.88
707392826	INP24	N	N	44 788.70
10271683	INP24	N	N	43 352.66
10270510	INP24	N	N	42 642.44
10272251	INP24	N	N	42 319.49
10247046	INP24	N	N	41 975.11
10247187	INP24	N	N	41 682.05
10271391	INP24	N	N	41 432.83
10235155	INP24	N	N	41 282.82
703822101	INP24	N	N	41 058.23
10247259	INP24	N	N	40 694.18
100277	INP24	N	N	40 429.78
10271669	INP24	N	N	40 321.87
10236321	INP23	N	N	516 330.61
10277225	INP23	N	N	385 316.03
10057508	INP23	N	N	265 386.35
10272268	INP23	N	N	207 447.86
700720402	INP23	N	N	174 535.43
10246825	INP23	N	N	170 257.20
10513895	INP23		N	169 331.73
703205252	INP23	N	N	141 443.14
10246722	INP23	N	N	134 768.66
10155314	INP23	N	N	126 789.17
10156229	INP23	N	N	116 979.26
703205953	INP23	N	N	115 220.49
10693351	INP23	N	N	114 776.63
10246911	INP23	N	N	107 209.90
10163184	INP23	N	N	105 028.19
10167676	INP23	N	N	99 558.67
700704192	INP23	N	N	95 828.86
10171442	INP23	N	N	90 324.45
10274404	INP23	N	N	81 532.66
703612294	INP23	N	N	81 329.84
10246980	INP23	N	N	75 173.13
10171370	INP23	N	N	73 657.57

Account No	Group	Acc Close	Acc Final	Total
10274655	INP23	N	N	72 593.04
10297924	INP23	N	N	72 172.93
707072906	INP23	N	N	71 017.43
10084526	INP23	N	N	70 624.72
10297807	INP23	N	N	64 377.65
10236228	INP23	N	N	57 569.42
372813149	INP23	N	N	57 385.03
45434	INP23	N	N	50 544.72
10168835	INP23	N	N	48 527.25
10830815	INP23	N	N	48 471.94
10631128	INP23		N	43 565.42
10274820	INP23	N	N	43 369.40
40226	INI24	N	N	602 366.61
10084825	INI24	N	N	522 560.26
10250938	INI24	N	N	344 868.67
10251506	INI24	N	N	212 855.35
10513929	INI24		N	132 218.58
10705469	INI24	N	N	122 922.54
10272237	INI24	N	N	111 257.31
10247761	INI24	N	N	110 606.23
10277359	INI24	N	N	107 256.04
10705177	INI24	N	N	87 733.97
10671935	INI24		N	86 535.47
10247242	INI24	N	N	81 646.10
10672754	INI24		N	78 194.36
10241222	INI24	N	N	74 684.41
10983236	INI24	N	N	74 555.58
10703632	INI24	N	N	69 330.31
10251290	INI24	N	N	66 681.68
10661125	INI24		N	64 856.94
10248528	INI24	N	N	63 584.41
10247132	INI24	N	N	62 205.77
10879683	INI24	N	N	54 172.08
10630378	INI24		N	47 597.62
10619647	INI24		N	43 073.64
10042779	INI24	N	N	42 802.63
10270486	INI24	N	N	40 620.53
10267367	INI23	N	N	561 860.86
10164343	INI23	N	N	484 771.30
10312704	INI23	N	N	188 480.43
707556440	INI23	N	N	175 743.79
707561327	INI23	N	N	165 345.78
10274909	INI23	N	N	127 308.88
10081750	INI23	N	N	116 093.86
10247170	INI23	N	N	103 208.39
10267635	INI23	N	N	100 556.48
10042449	INI23	N	N	100 077.34

Account No	Group	Acc Close	Acc Final	Total
10251915	INI23	N	N	88 388.67
10703450	INI23	N	N	87 677.89
10043660	INI23	N	N	82 788.12
10072013	INI23	N	N	79 928.52
10271119	INI23	N	N	75 541.29
10056947	INI23	N	N	75 311.24
10235674	INI23	N	N	72 454.04
703190158	INI23	N	N	71 980.67
10672936	INI23		N	69 953.46
703205159	INI23	N	N	69 585.65
10200531	INI23	N	N	67 215.34
10714357	INI23	N	N	59 685.68
10728549	INI23	N	N	53 133.50
10270527	INI23	N	N	48 331.89
703202606	INI23	N	N	44 208.39
10236211	INI23	N	N	43 538.78
10236273	INI23	N	N	41 614.52
10235193	INI23	N	N	40 033.32
703202455	ILU24	N	N	525 211.98
10247950	ILU24	N	N	267 686.73
10270259	ILU24	N	N	156 802.23
10178470	ILU24	N	N	131 486.62
10247785	ILU24	N	N	119 656.34
10251520	ILU24	N	N	115 114.50
44110	ILU24	N	N	104 436.20
10251276	ILU24	N	N	91 740.70
44079	ILU24	N	N	90 580.17
13930	ILU24	N	N	86 633.01
10274459	ILU24	N	N	85 069.33
706010086	ILU24	N	N	81 426.86
10333758	ILU24	N	N	79 546.35
370700663	ILU24	N	N	76 756.39
10250244	ILU24	N	N	76 311.29
10678145	ILU24		N	73 851.17
10672307	ILU24		N	66 853.90
10043811	ILU24	N	N	64 244.16
703201258	ILU24	N	N	63 158.95
10251025	ILU24	N	N	61 868.58
707620004	ILU24	N	N	57 768.21
10171033	ILU24	N	N	56 425.42
10267178	ILU24	N	N	55 499.98
10407350	ILU24	N	N	49 299.92
10286412	ILU24	N	N	46 821.55
10247792	ILU24	N	N	45 936.65
703217600	ILU24	N	N	45 475.82
10705713	ILU24	N	N	43 418.25
10418484	ILU23	N	N	168 225.32

Account No	Group	Acc Close	Acc Final	Total
370731850	ILU23	N	N	112 031.04
703190505	ILU23	N	N	107 601.89
600336101	ILU23	N	N	107 266.98
10671423	ILU23		N	100 946.90
707561808	ILU23	N	N	88 739.56
370171658	ILU23	N	N	83 127.66
10155211	ILU23	N	N	82 078.12
10294031	ILU23	N	N	72 802.78
703612373	ILU23	N	N	70 890.44
703210854	ILU23	N	N	42 839.72
11835	ILU23	N	N	41 758.13
707561516	ILP24	N	N	323 736.25
10271786	ILP24	N	N	198 265.10
703217019	ILP24	N	N	194 221.77
10257681	ILP24	N	N	48 906.10
10250330	ILP23	N	N	122 177.68
703210751	ILP23	N	N	113 410.17
10251355	ILP23	N	N	71 627.20
10170764	ILP23	N	N	69 329.42
10236194	ILI24	N	N	203 196.67
10176083	ILI24	N	N	145 922.22
10278635	ILI24	N	N	100 501.99
370752677	ILI24	N	N	87 336.09
10270723	ILI24	N	N	81 704.26
10246942	ILI24	N	N	67 071.74
707680792	ILI24	N	N	64 892.49
10278556	ILI24	N	N	63 868.69
372183318	ILI24	N	N	60 632.35
10251018	ILI24	N	N	52 222.81
22870045	ILI24	N	N	51 126.53
10274686	ILI24	N	N	43 450.89
10271779	ILI24	N	N	41 259.32
600098003	ILI23	N	N	451 436.46
10140451	ILI23	N	N	121 749.36
10155163	ILI23	N	N	88 813.41
707260150	ILI23	N	N	84 490.13
				38 640 013.43

7.4.2	**JONKERSHOEK SPECIAL RATING AREA: APPLICATION FOR THE EXTENSION OF THE TERM FOR A FURTHER PERIOD OF FIVE YEARS, FROM 1 JULY 2025 TO 30 JUNE 2030**

Collaborator No:
IDP KPA Ref No: **Good Governance and Compliance**
Meeting Date: **19 February 2025**

1. SUBJECT: JONKERSHOEK SPECIAL RATING AREA: APPLICATION FOR THE EXTENSION OF THE TERM FOR A FURTHER PERIOD OF FIVE YEARS, FROM 1 JULY 2025 TO 30 JUNE 2030

2. PURPOSE

That Council approve in terms of paragraph 15(a) of the Special Rating Area By-law, the extension of the Jonkershoek Special Rating Area for a further period of five years, with effect from 1 July 2025 to 30 June 2030.

3. DELEGATED AUTHORITY

Council to approve.

4. EXECUTIVE SUMMARY

4.1 The Jonkershoek Special Rating Area (SRA) was first established in 2015 and has been successfully operating for the past ten years. The management body has now applied for the SRA to be extended for a further period of five years, ending on 30 June 2030.

4.2 There are no financial implications for the municipality, SRA's are community driven initiatives and are financed by the property owners within the boundaries of the SRA. The municipality pays the approved budget over to the management body in twelve equal, monthly installments and recovers the money from property owners via the monthly consumer accounts. Normal credit control and debt collection processes are followed in instances of nonpayment and retention is also withheld from the budget to offset any potential losses of the municipality. In the first five years of the SRA being in operation, this measure was not necessary.

4.3 Applications for the extension of term are done in terms of paragraph 15(a) of the SRA By-law. Such Council approval can only be given in terms of Chapter 1 of the By-law. For good reason, the Council may exempt the management body of the SRA from compliance with Chapter 1, which mainly deals with the process to be followed when first establishing a SRA. Such an exemption is requested by the management body of the SRA.

5. RECOMMENDATIONS

(a) that Council notes the Jonkershoek SRA application for the extension of the SRA for a further period of five years and exempts the management body in terms of paragraph 15(a) of the SRA By-law, from compliance with the provisions of Chapter 1 of the SRA By-Law;

(b) that Council approves the extension of the Jonkershoek SRA for a further period of five years beginning from 1 July 2025 and ending on 30 June 2030; and

(c) that Council approves the proposed five-year budget with a combined total of R46 205 191.57 (VAT excluded) as detailed in **ANNEXURE A** of the report.

6 DISCUSSION/ CONTENTS

6.1 Background

Special Rating Areas (SRAs) are established by Council in terms of Section 22 of the Municipal Property Rates Act, 6 of 2004 as amended.

The Jonkershoek SRA was originally established by the Council by means of a resolution on 30 April 2015 for a five-year term beginning from 1 July 2015 and ending 30 June 2020. Further approval was granted in March 2020 for the extension of the term to 30 June 2025.

6.2 Discussion

6.2.1 Since first being established in 2015, the Jonkershoek SRA has functioned very well and has proven its viability by implementing the strategic business objectives within budget. However, the needs continue to be present and therefore it has been agreed by stakeholders that the SRA should be renewed for a further period of five years.

6.2.2 The SRA is a sustainable and established organization within the community and continues to provide a service in addition to municipal activities in the area. Management of the SRA has fulfilled its mandate as outlined in the business plan and the SRA has been well accepted by property owners of Jonkershoek. This is clearly proven by the fact that the payment levels of the SRA levies are regular and high.

6.2.3 Attached is a letter of Application received from the Jonkershoek SRA. This application:

a) Points out what the keys goals and objectives of the SRA are and that these align with the IDP.

b) Provides a summary of the documentation attached to the application.

6.2.4 Annexure A is the Business Plan itself that is compiled in line with the requirements of the SRA Policy and By-law, together with the 5-year budget.

6.2.5 Annexure B is a circular to the members of the AGM.

6.2.6 Annexure C is the Minutes of the Annual General Meeting held on 18 November 2024, where the following resolutions relevant to this application were adopted:

a) That application must be made to extend the SRA for a further period of five years.

b) That the 5-year budget is approved.

c) That the Municipal Council must be requested to be exempt from the SRA in terms of paragraph 15(A) of the SRA By-law from compliance with the provisions of Chapter 1 of the SRA By-law.

6.2.7 Application for the extension of a Special Rating Area is done in terms of paragraph 15(a) of the SRA By-law. It can only be approved by Council in accordance with the provisions of Chapter 1 of the By-law. The Council may, however, and for good reasons, on written application by the management body, exempt the management body from complying with any such provisions.

6.2.8 Chapter 1 of the By-law deals with the process to be followed when first making application for the establishment of an SRA. As this is not a new SRA being established for the first time but an extension of terms for an existing SRA, Council should find good reason to consider exempting the management body from these provisions:

a) The concept of the SRA is well established; the management of the SRA being done effectively and all initial teething problems have been taken care of.

b) The SRA is accepted and well supported by the community and property owners as is clear from the excellent payment of SRA levies.

c) The SRA management body is providing a service to the community in line with the business plan and in addition to any municipal services being rendered. The need for these services is on-going and will continue to be met by the management body.

d) The application, business plan and budget has been supported and adopted at the AGM.

6.3 Financial Implications

There are no financial implications for the municipality. The approved budget of the SRA is paid over to the management body in 12 equal monthly installments by the municipality and recovered from the residents by means of the monthly consumer accounts. Retention of 3% is withheld by the municipality to offset any possible irrecoverable debt. In the first ten years of the SRA's existence, this was not necessary.

The total five-year budget amounts to R46 205 191.57,(Vat Excluded) which is an increase of 50% from the previous five-year term budget. This amount will be levied and paid by the property owners which form part of the SRA over the five-year term.

6.4 Legal Implications

None.

6.5 Staff Implications

None.

6.6 Previous/Relevant Council Resolutions:

Establishment of the Jonkershoek SRA was first approved by the Council on 30 April 2015, Item 7.6.

A further five-year extension was granted during a Council meeting on 25 March 2020 as per Item 8.2.

6.7 Risk Implications

None.

7. Comments from Senior Management:

7.7.1 Director: Corporate Services:

7.7.2 Chief Financial Officer:

Support the Item.

7.7.3 Municipal Manager

Support the item.

8. CONCLUSION

The application for the further extension of the Jonkershoek Special Ratings Area complies with all the requirements that is set out in the council's approved SRA policy and promulgated By-law.

If the council finds that there is merit in the legislation and that the proposed SRA will add value and is in line with the spirit of its policy, it should consider approving the extension of the Jonkershoek Special Ratings Area in terms of Section 22 of the Municipal Property Rates Act, 2004.

ATTACHMENTS

Attached find the letter of application for the next five years, together with the following **Annexures:**

Annexure A- Renewal Business Plan and Budget
Annexure B- Circular to Members
Annexure C- Minutes of AGM

FOR FURTHER DETAILS CONTACT:

NAME	Henry Mitchell
POSITION	***Senior Manager: Revenue & Expenditure***
DIRECTORATE	***Finance***
CONTACT NUMBERS	***021 808 8016***
E-MAIL ADDRESS	***Henry.Mitchell@stellenbosch.gov.za***
REPORT DATE	06 February 2025

ANNEXURE A

BUSINESS PLAN FOR THE JONKERSHOEK

Special Rating Area

SRA
JONKERSHOEK

Renewal October 2024

Compiled in accordance with the By-Law for establishment of Special Rating Areas, promulgated in the Provincial Gazette 7015/2012

This Business Plan covers the period 1 July 2025 to 30 June 2030 as set out in the following parts:
Part 1: Background and Introduction
Part 2: Motivation
Part 3: Implementation Plan and Budget

JONKERSHOEK SPECIAL RATING AREA Information:

Name:	Jonkershoek Special Rating Area
Contact Person:	Ms Thea Jordaan
Contact Telephone No:	021 8872486
Commencement Date:	1 July 2025
Municipality:	Stellenbosch

Principal Contacts

Ms Thea Jordaan (administration)
thea@jpstrust.co.za
Ms Belinda Hattingh (manager)
manager@jonkershoeksra.co.za
Mr Willem Jacobus van Aswegen (chairman of the board of directors)
jacques839@gmail.com

Directors

Charl Daniel Cillie	Michael John Ehret
Jannes de Wet	Michiel Wilhelm Dreijer
Frans Krone Krige	Petrus Johannes Dirkse Bekker
Gretha Groenwald	Willem Jacobus van Aswegen

Boundaries of the JONKERSHOEK Special Ratings Area (Map 1 and 2 below)

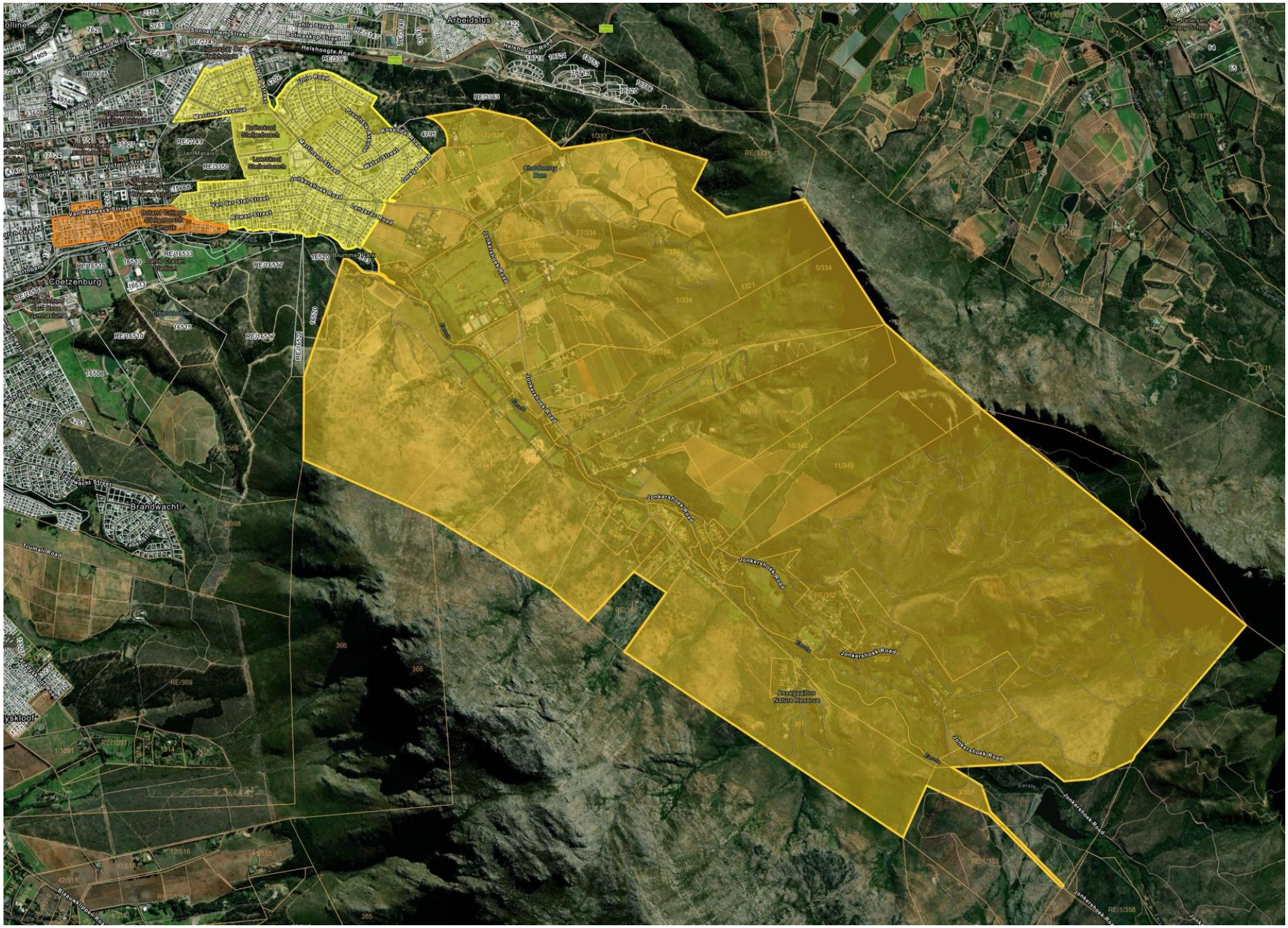
The boundaries are outlined below:

Northern Boundary – From the intersection of Merriman Avenue and Cluver Road along Cluver Road then following the northern boundary of erf 4165 and all erven facing Kommandeurs Avenue up to Simonsberg Street and then along Simonsberg Street and the northern boundary of erven bordering Unie Avenue and Rozendal Avenue up to Omega Street. Then, on the agricultural area, stretching all along farm erfs into Jonkershoek valley to the border of erf 352.

Eastern Boundary – Agricultural eastern boundaries run along erf 352. Residential eastern boundaries run from the intersection of Rozendal Avenue and Omega Street along the watershed boundary of all agricultural properties in the Jonkershoek Valley to include all residential and agricultural erven to the west until the boundary intersects with the Eerste River at the Karindal neighbourhood.

Southern Boundary – Along the agricultural area from erf 361 in Jonkershoek valley to erf 321. Residential southern boundaries stretch from Eerste River at Bosch-en-dal street to westward all along the river to Noordwal Oos and Die Laan to the intersection of Die Laan and Pastorie Street.

Western Boundary – From the intersection of Pastorie Street and Die Laan Avenue along Utopia and Minserie Street, including all residential properties in Minserie Street until the boundary intersects with the Van Riebeeck Street, then running from Neethling Street to Murray Street. Then from Van Riebeeck's Eastern border intersecting with Jonkershoek Road, along Jonkershoek Road and from erf 1540 along the northern boundary of the erven on the northern side of Jonkershoek Road to Jannasch Street and northwards up to the intersection with Merriman Avenue and along Merriman Avenue to the intersection with Cluver Road.



Map 1 Boundary of the Jonkershoek Special Rating Area including the agricultural area



Map 2 Boundary of the residential component of the Jonkershoek Special Rating Area, including the JSRA Extension in orange, included since 1st of July 2024

Executive Summary

Over a number of years the Stellenbosch area increasingly became the target of criminal elements wishing to exploit the area and its residents. Property owners adjacent to nature reserves, green belts and rivers have been hit by criminals accessing neighbourhoods from these areas.

In 2012 the Stellenbosch Municipality approved the Special Rating Area By-law for the town thereby setting the platform for property owners to establish such areas in Stellenbosch. The first Business Plan for the Jonkershoek Special Rating Area was drawn up in 2014, approved by the requisite 60%+ majority of property owners within the boundaries and its first five year term started on 1 July 2015. The JSRA has been substantially successful in addressing problems and countering any potential for further urban decay and the further increase of crime in the area. The main purpose of the JSRA is to manage and implement additional public safety and urban management operations in addition to those services provided by the Stellenbosch Municipality. The additional municipal services typically include the provision of additional public safety, cleansing services, maintenance and/or upgrading of the urban public environment and/or infrastructure and social services that addresses social issues in the area. The area of the JSRA includes the rural farming area of the Jonkershoek valley.

The Jonkershoek SRA NPC was incorporated on 6 August 2015 as a Non Profit Company in terms of the Companies Act 71 of 2008.

During 2023 the JSRA Board of Directors was approached by community members of Die Laan Area. They requested permission to apply for an SRA border Extension, to include Die Laan Area to the greater Jonkershoek Special Ratings Area. As per discussion on the 2023 Annual JSRA meeting, the Board of Director granted permission to proceed with the application to the Municipality. The new Extended Jonkershoek Special Ratings Area was approved by the requisite 60%+ majority of property owners within the extended boundaries and the Municipality approved the application. The Extended Jonkershoek Special Ratings Area was incorporated from the 1st of July 2024 to the original Jonkershoek SRA NPC.

This Business Plan is the second renewal for the third 5-year term of the Jonkershoek Special Ratings Area for the period 1 July 2025 to 30 June 2030.

The boundaries of the Jonkershoek SRA have been adjusted as per the new Extended Jonkershoek Special Ratings Area that was incorporated from the 1st of July 2024.

Vision, and Goals of the JSRA

The vision of the JSRA is to establish and maintain a safe, clean, and attractive residential area. The continued operations of the JSRA will support the vision of the Stellenbosch Integrated Development Plan (see part 3.3 below).

The JSRA has the following goals:

- Reducing crime significantly by proactive visible patrolling and cooperation with existing SAPS and Stellenbosch Municipality Law Enforcement efforts as well as other security service providers in the area.
- Creating a safe and clean public environment by addressing issues of maintenance and cleaning of streets, pavements and public spaces.
- Manage existing and new public infrastructure for the future benefit of all the users of the area.
- Protect property values.
- Support the promotion of the area as a safe and clean environment by promoting greening, energy efficiency and recycling.
- Support and promote social responsibility in the area
- The sustained and effective management of the area.

Contents

Executive Summary. Vision and Goals of the SRA 6

Part 1: BACKGROUND AND INTRODUCTION 8

Part 2: HISTORIC MOTIVATION 9

2.1 Urban Challenges 9
- Safety and Security .....
- Litter and cleanliness of the public environment .....
- Area lighting and traffic .....
- Urban Management .....
- The social environment .....
- Conclusion of survey .....

2.2 Establishment of the JSRA and the first business plan 10
2.2.1 What is a Special Rating Area (SRA)? 10
2.2.2 JSRA established 11
2.2.3 How are the additional rates (JSRA Levy) calculated 11
2.2.4 Term renewal process 12

Part 3: IMPLEMENTATION PLAN AND BUDGET 12

3.1 Focus for the first five years 13

3.2 Operational results for the first 4 years 1 July 2015 to 30 June 2019 13

3.3 Operational plan for the next 5 years 1 July 2020 to 30 June 2025 18

3.4 Financial 20
3.4.1 The first 5 years: 1 July 2015 to 30 June 2020 20
3.4.2 The second 5 years: 1 July 2020 to 30 June 2025 21
3.4.3 The third 5 years: 1 July 2025 to 2030

5-Year Budget of the SRA ..... Annexure A

Part 1 : BACKGROUND AND INTRODUCTION

Stellenbosch has grown to be recognised today for its wine production and it is also renowned for its academic institutions. The University of Stellenbosch has approximately 32,000 students, and the surrounding communities and agricultural industries interact with the town and its business and academic institutions on a daily basis. While the central business district and industrial nodes offer support to industry the residential neighbourhoods offer a unique lifestyle opportunity for residents linked to spectacular mountain and rural scenery, access to nature on their doorstep and supported by all the modern amenities that this town can offer.

Unfortunately, the area also became the target of criminal elements wishing to exploit the area and its residents. Most residents are aware of crime, concerned about crime or have been directly affected by crime in the area. Property owners adjacent to nature reserves, green belts and rivers have been hit by criminals accessing neighbourhoods from these areas and even the student community have experienced its fair share of criminal activity.

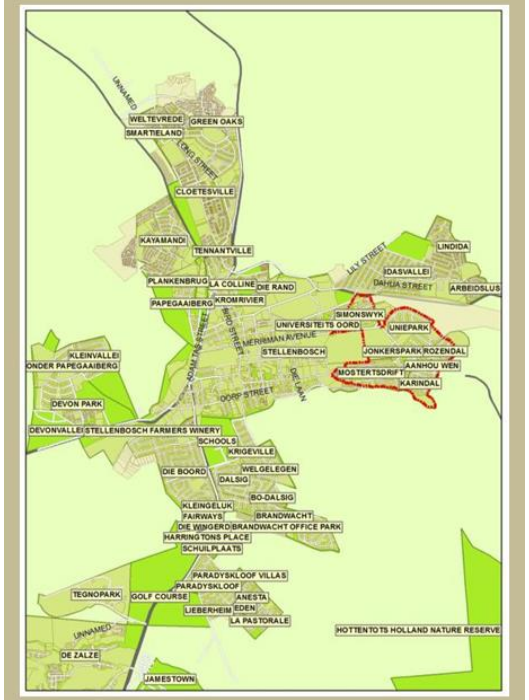


Figure 1 Locality map showing the position of the JSRA relative to the greater Stellenbosch area.

Together the residential communities of a number of Stellenbosch residential suburbs established Stellenbosch Watch with the intention to increase cooperation between neighbourhood watches and to ensure a coordinated fight against crime in Stellenbosch through improved communication between the Stellenbosch Watch, the South African Police Service (SAPS) and other law enforcement agencies.

In 2012 the Stellenbosch Municipality approved the Special Rating Area By-law for the town thereby setting the platform for property owners to establish such areas in Stellenbosch. Certain suburbs in cooperation with Stellenbosch Watch has identified the Special Rating Area (SRA) model as a basis to address problems and counter any potential for further urban decay and the further increase of crime in the area. The first Business Plan for the Jonkershoek Special Rating Area was drawn up in 2014, approved by the requisite 60%+ majority of property owners within the boundaries and its first five-year term started on 1 July 2015. The main purpose of the JSRA is to manage and implement additional public safety and urban management operations in addition to those services provided by the Stellenbosch Municipality. The property owners from the area pay an additional rate (JSRA Levy) to fund additional municipal services for that specific area as set out in this business plan. The additional municipal services typically include the provision of additional public safety, cleansing services, maintenance and/or upgrading of the urban public environment and/or infrastructure and social services that addresses social issues in the area.

The Jonkershoek SRA NPC was incorporated on 6 August 2015 as a Non Profit Company in terms of the Companies Act 71 of 2008. The first renewal for the second 5-year term of the JSRA was for the period 1 July 2020 to 30 June 2025. This Business Plan is the second renewal for the third 5-year term of the JSRA for the period 1 July 2025 to 30 June 2030.

The JSRA Levy is collected by the Municipality from property owners in the area and paid over to the JSRA Non-Profit Company (NPC). The budget is dedicated to the specific area only. The JSRA Levy paid by the property owners in the area means an equitable split based on municipal property valuation. The cost of the additional services allows individual property owners to benefit from a well-managed and safe neighbourhood including a shared sense of communal pride, safety and social responsibility.

The implementation of a properly managed SRA most often results in:

- A safer public environment to the benefit of all residents, visitors, businesses and property owners.
- Proactive and co-ordinated communication and direct consultation with the Municipal service directorates regarding service delivery to the area.
- An equitable distribution of the cost to all property owners for providing supplementary and additional services in the area in proportion to the municipal valuation of the property.
- The protection and tangible growth in property values and capital investments which encourages economic development in the area.

Part 2 : HISTORIC MOTIVATION

2.1 Urban Challenges

During 2014 and as part of the process to develop the first business plan, the Steering Committee commissioned a perception survey amongst property owners of the then proposed area. The survey focused on five general urban issues namely:

- Safety and security
- Litter and cleanliness
- Area lighting & traffic
- Urban management
- Social environment

Participants were also asked to rank the importance of the above listed issues at the end of the survey questionnaire. The survey questionnaire also provided the opportunity to express general comments and concerns in writing. The results of the perception survey along with additional research, newspaper reports and information available to the Steering Committee was used to develop an overall analysis of the urban challenges of the area.

During 2023 a second survey was done, to make sure that the JSRA is still on the right track as indicated during the 1st survey. The second perception survey results showed that the community is still satisfied with the JSRA service and focus.

Safety and Security

The survey results indicated a substantial concern amongst participants that crime was on the increase in the area. Overall reported crime showed an upward trend in Stellenbosch and property related crime such as residential burglaries and theft from motor vehicles showed significant increases. In general, crimes such as property related crime, house robberies and theft out of motor vehicles have a negative impact on the sense of safety in a neighbourhood. These are typically crimes that directly and negatively influence the attraction to and perception of safety in the area and significantly detract from the desirability of the area. Crime statistics illustrated the fact that the area experienced crime, high incidents of which could occur or originate from the public domain including assault, theft, theft from motor vehicles, robbery and house and business burglaries.

The survey also tested participant's opinion on the effectiveness of the then current policing efforts and also asked participants to provide a reason for their rating. 70% Regarded the security situation as fair to poor and noted the lack of SAPS visibility most frequently as a reason for the ineffectiveness of the SAPS.

Litter and cleanliness of the public environment

Most participants regarded the general state of cleanliness as very good. Only isolated incidents of litter were found in the area. Some participants indicated illegal dumping of mostly household and garden waste and builders' rubble was problematic.

The survey also indicated some problems with bin picking: Bin picking is mostly associated with the presence of homeless and unemployed people that frequent the area, especially on refuse collection days, to find food and recyclable materials from refuse bins. Sadly, this practice also results in additional littering when bin pickers sort the waste on sidewalks leaving the area littered and dirty. Significant numbers of homeless people and bin pickers frequent the Stellenbosch residential areas, especially on waste collection days.

Area lighting and traffic

The lighting of streets and pavements and the standards of traffic signs and road markings were regarded as mostly sufficient. Isolated incidents of poor lighting on public open spaces (parks) and overgrown street signage were mentioned.

Urban Management

Further to the issues of lighting, signage and cleaning in the public environment, some urban management problems were present in some of the public spaces in the area. Street furniture such as litter bins and benches were in a state of disrepair and some public open spaces had long grass and trees and shrubs that needed pruning and maintenance. It is clear that sidewalks were mostly maintained by the property owners themselves and the general impression of the area was of a green, attractive and well- maintained residential neighbourhood.

The social environment

50% of survey participants perceived homelessness as a problem in this part of Stellenbosch. The most frequently identified issues in the area in order of priority was begging, bin picking, theft and alcohol and drug abuse.

Bin picking creates various problems in any urban area as it supports vagrant communities through recycling of small amounts of material from bins. This in turn leads to anti-social behaviour including littering, aggressive begging and opportunistic criminal activity such as theft.

Conclusion of survey

The perception survey concluded with an opportunity for participants to rank each of the general themes of the survey in terms of its importance. 93% of the respondents ranked safety and security as the most important issue. The cleanliness of public areas was selected as the second highest priority area.

2.2 Establishment of the JSRA and the first business plan

2.2.1 What is an SRA?

The SRA model is based on international best practice aimed at preventing the degeneration of neighbourhoods and facilitating their upliftment, economic growth and sustainable development. The continuing success of this model is demonstrated by the fact that there are an increasing number of SRA's being established in Cape Town, currently numbering 43.

The Stellenbosch Municipality's first Special Rating Area By-Law was approved in 2012. It was designed to enable self-funded community initiatives within a clearly defined geographic area that aim to improve and or upgrade neighbourhoods by making use of a non profit company to manage the implementation supported by property owners in the SRA in accordance with the procedure set out in the By-Law and approved by the Town Council.

In the Stellenbosch Municipal area the JSRA and Techstel SRA (Technopark area) were both established in 2015. Other Stellenbosch residential and business areas are currently investigating the possibility of establishing SRA's.

2.2.2 JSRA established

After the survey mentioned in 2.1 above, the steering committee drew up the first 5 year business plan for the Jonkershoek Special Rating Area which was approved by the Stellenbosch Municipality. After the required public meetings and written approval from the requisite 60%+ majority, the Stellenbosch Town Council approved the business plan to commence on 1 July 2015.

Jonkershoek Special Ratings Area NPC was incorporated on 6 August 2015 as a non profit company in terms of the Companies Act 71 of 2008 of which the main purpose is to provide Community Based Private Urban Management within the public areas of the Special Ratings Area. The first board of directors was appointed and operations in accordance with the approved business plan commenced. Just prior to the final approval of the business plan the Northern boundary of the area was slightly amended by excluding the Simonsrust shopping centre and the Simonsrust cluster housing estate.

In order to vote at the members' meetings of the JSRA, property owners need to apply to become members of the JSRA. Membership ceases, inter alia, when the property is sold and hence new owners would need to apply to become members. Voting at the meetings of the JSRA occurs by show of hands, or if required, by each member having one vote per R5m of municipal valuation of their property. Owners in arrears with their municipal accounts by more than 60 days are not allowed to vote, unless a payment arrangement is in place with the Municipality. Full details of the legal requirements surrounding membership, eligibility to vote and the manner of voting are contained in the Memorandum of Incorporation which is available on request and will be on the JSRA website soon.

The JSRA manages its own finances and appoints its own auditors. The interests of members of the JSRA NPC are protected by the provisions of the Companies Act and the Special Rating Area By-Law which include the following:

- The JSRA retains control over the funds received for the implementation of the business plan, which monies may only be spent within the JSRA and only in accordance with the approved budget and business plan.
- The responsibility for the collection of rates and additional rates in terms of the JSRA business plan vests with the Municipality.
- The Municipality monitors the compliance of the Board with the provisions of the SRA By-Law and the Companies Act and the Finance agreement concluded between the Municipality and the JSRA.
- A councilor of the town council appointed by the Executive Mayor as observer is entitled to attend the board meetings (but not vote) of the JSRA.
- The JSRA is required to submit a 5-year business plan for approval by the Town Council.
- The JSRA is required to prepare audited annual financial statements and submit this to the Municipality.

2.2.3 How are the additional rates (JSRA Levy) calculated?

The current municipal valuation roll is used to determine the properties comprising the JSRA and the JSRA additional rate (levy) payable by each property owner is calculated using the current municipal valuation of that specific property.

The JSRA management prepares an annual budget taking into account the additional supplementary services required as identified in the business plan. The individual contributions by each property owner accordingly represents the value of that property owner's municipal valuation of his property, divided by the total municipal valuation of all properties within the geographic boundary of the JSRA multiplied by the total expenditure budget of the JSRA for a particular year commencing on 1 July.

The JSRA budget and proposed additional rates (levy) must be approved by the Town Council and advertised for comments and objections as part of the Council's budget process for implementation on 1 July.

2.2.4 Term renewal process

Each business plan under the SRA By-Law has a duration of 5 years. The initial business plan of the JSRA was in respect of the period 1 July 2015 to 30 June 2020. The second business plan of the JSRA was for the period 1 July 2020 to 30 June 2025. Approval by members of a new business plan for the period 1 July 2025 to 30 June 2030 is therefore required. This will work as follows:

- The JSRA management compiles a new 5-year business plan, consisting of a motivation report, implementation plan and budget.
- The new plan is approved by the Board and submitted to the Municipality for comment.
- Once reviewed by the Municipality, the renewal is advertised along with the notice of the annual general meeting in year 10 of the JSRA 's term.
- At the AGM, the members can then vote to adopt the next 5-year plan and budget and approve the intention to renew.
- Formal application is lodged with the Municipality for approval by the Town Council and exemption by the Council from the compliance of certain of the provisions of Chapter 1 of the By-Law.
- The renewal plan is considered by the full Stellenbosch Town Council.
- Once the renewal plan has been approved by the Town Council, the JSRA commences with the new term on 1 July 2025.

Part 3 : IMPLEMENTATION PLAN AND BUDGET

3.1 Focus for the first 10 years.

The Jonkershoek Special Rating Area NPC ('JSRA') has been in existence since 2015 and focused on the following areas:

- The management of the JSRA operations
- The provision of extensive safety and security measures
- The cleaning, greening and maintenance of the public spaces in the area
- Monitor urban management issues related to public infrastructure in the area in co-operation with the relevant Municipal departments
- Assist with social upliftment in the area

It is proposed that these main areas of focus be retained, although the extent, content and budget allocation for the different areas will change as set out in the proposed budget.

3.2 Operational results for the past 9 years - 1 July 2015 to 30 June 2024

Management

After incorporation of the Jonkershoek SRA NPC and the appointment of the first Board of Directors, JPS Trust (Ms Thea Jordaan) was appointed to attend to the JSRA administrative functions: in particular to deal with financial matters including arrangements with the Stellenbosch Municipality regarding the levy collection, banking arrangements, payments, secretarial work etc. A manager with the specific focus on the security operations was appointed in March 2016. Ms Belinda Hattingh joined the team in this capacity and brought her extensive experience as an officer in the SAPS, supervising the security contractors with excellent results.

Safety and security

Patrol vehicles:
The contracted security company started out with 2 vehicles and 2 bicycles on patrol in the area. It was soon found that the bicycles were not very effective and the arrangement
was amended to 3 vehicles. The arrangement up to December 2023 was for the security company to supply 3 dedicated vehicles with an armed officer per vehicle patrolling 24/7 in two shifts. Since the 1st of December 2023 an extra vehicle allocated to the JSRA extension area was added to the contract. All the vehicles are highly visible and have been branded with the JSRA logo and signage. Three of the vehicles (cars) mostly patrol the residential areas and the fourth (a pick-up truck) concentrate on the agricultural areas in the Jonkershoek valley. The 12 dedicated officers have undergone extensive training and operate under the supervision of the JSRA manager. The vehicles are in constant radio and mobile phone contact with the operational control room and can respond to any emergency within minutes.



Control Room:

At first the JSRA used the services of the Stellenbosch Watch control room. When our security cameras became fully functional and online in 2018 we had to set up a dedicated control room for the JSRA. The control room is currently situated at the University of Stellenbosch Campus Security premises where we have 3 operators doing shift duty 24/7 (one operator per shift). These operators are employed and have been trained by our contracted security company under supervision of our JSRA Manager. The control room operators monitor our security cameras, monitor our WhatsApp groups and telephones and react to suspicious activities and complaints/ information received from residents. Since December 2022 JSRA also placed an extra control room operator/s on ad-hoc days to assist in the Control Room of the Municipality. These member/s assist to monitor the cameras at the open spaces and parks (for ex. Brummerspark & Koloniesland River Area) Both Control Room operators are in radio contact with each other and the 4 security patrol vehicles and dispatch them accordingly. They also monitor various other crime alert groups linked to the SAPS and Law Enforcement and react if needed. The JSRA Control Room arrange emergency units as required by incidents. All incidents and patrols are captured in an incident management system.



Security cameras:

The steering committee setting up the JSRA in 2015 realised that the JSRA operational budget would not be able to fund the capital cost of a security camera network and they approached JSRA members and residents for donations to fund the initial purchase thereof. Some R4.5 million was contributed by individuals and businesses. The first cameras were installed in 2016 with communication to the control room via wireless data links. This proved to be problematic as broadband, speed, weather, trees etc., all affected the stability and quality of the images communicated. Fiber was the only option and the JSRA initiated the installation of a fiber network by Frogfoot, one of the bigger fiber operators. Frogfoot agreed to supply camera points at a nominal fee if the number of fiber internet users justified such a business model. Although the installation of the fiber network was disruptive in the neighbourhood, residents now have access to fast and reliable fiber internet service. The same concept and contract are now been rolled out to the extended JSRA area. The security cameras had to be reconfigured for fiber and the improved communication made a big difference to the effectiveness and stability of our camera surveillance. Soon the extended JSRA area will also be on the same level as the JSRA. We are upgrading from 41 camera positions and 63 cameras to 68 camera positions and 157 cameras linked to the JSRA control room. The camera surveillance substantially improved the effectiveness of our security and crime prevention.



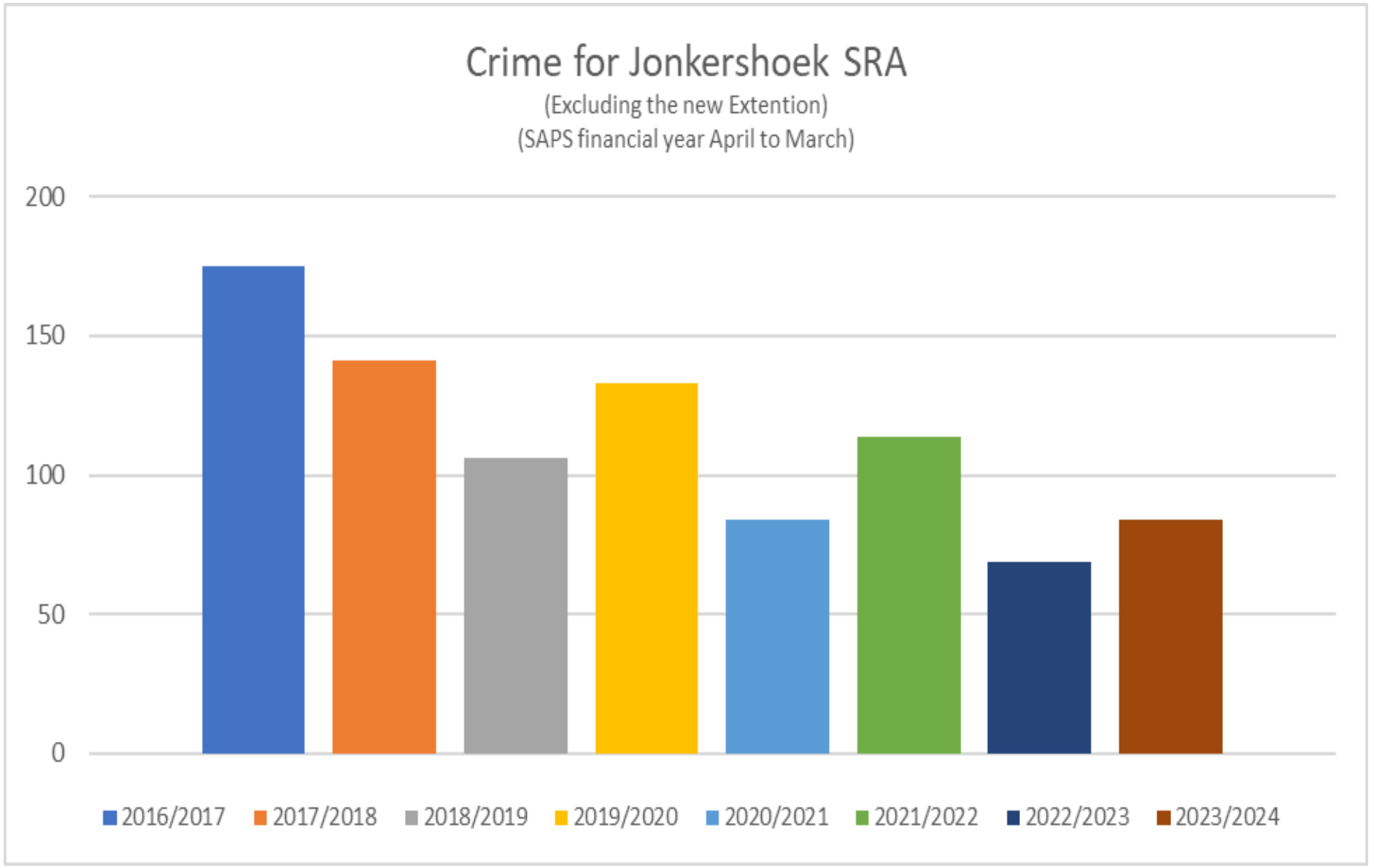


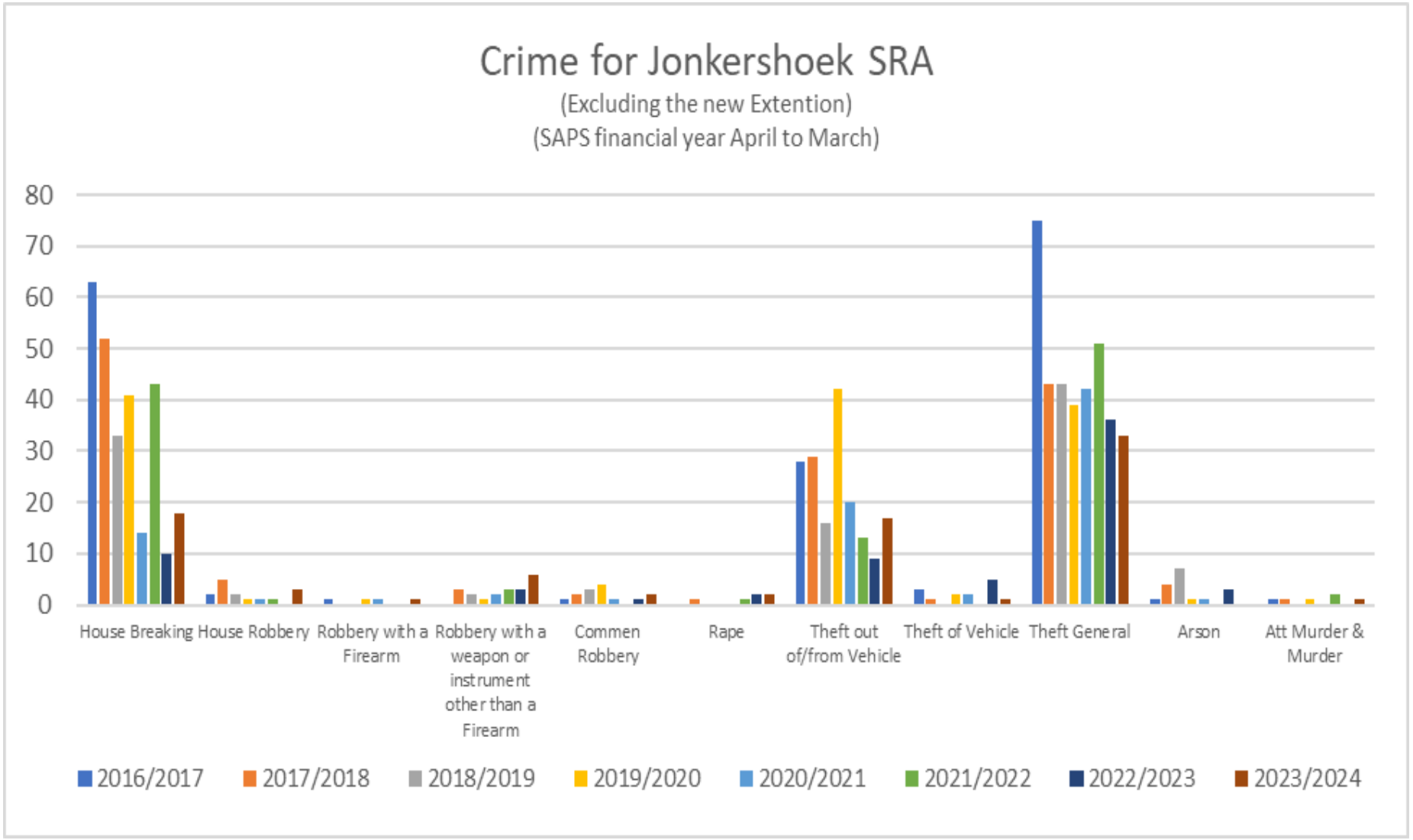


The original camera project envisaged the installation of License Plate Recognition (LPR) cameras at certain entry points to the JSRA area but it proved too expensive to acquire and maintain the software required to run a LPR system. The Stellenbosch Municipality installed a number of LPR cameras in and around the Stellenbosch area.

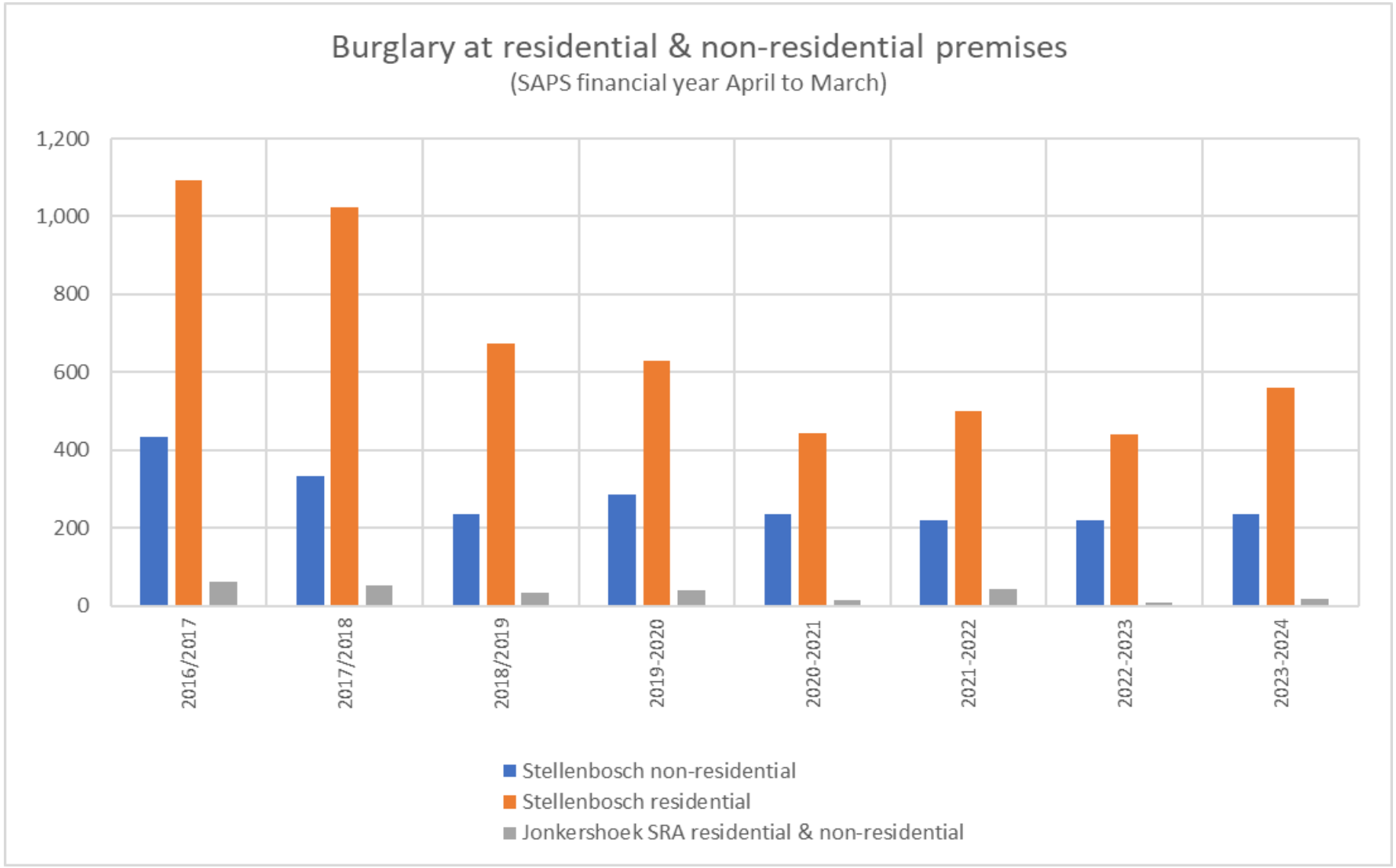


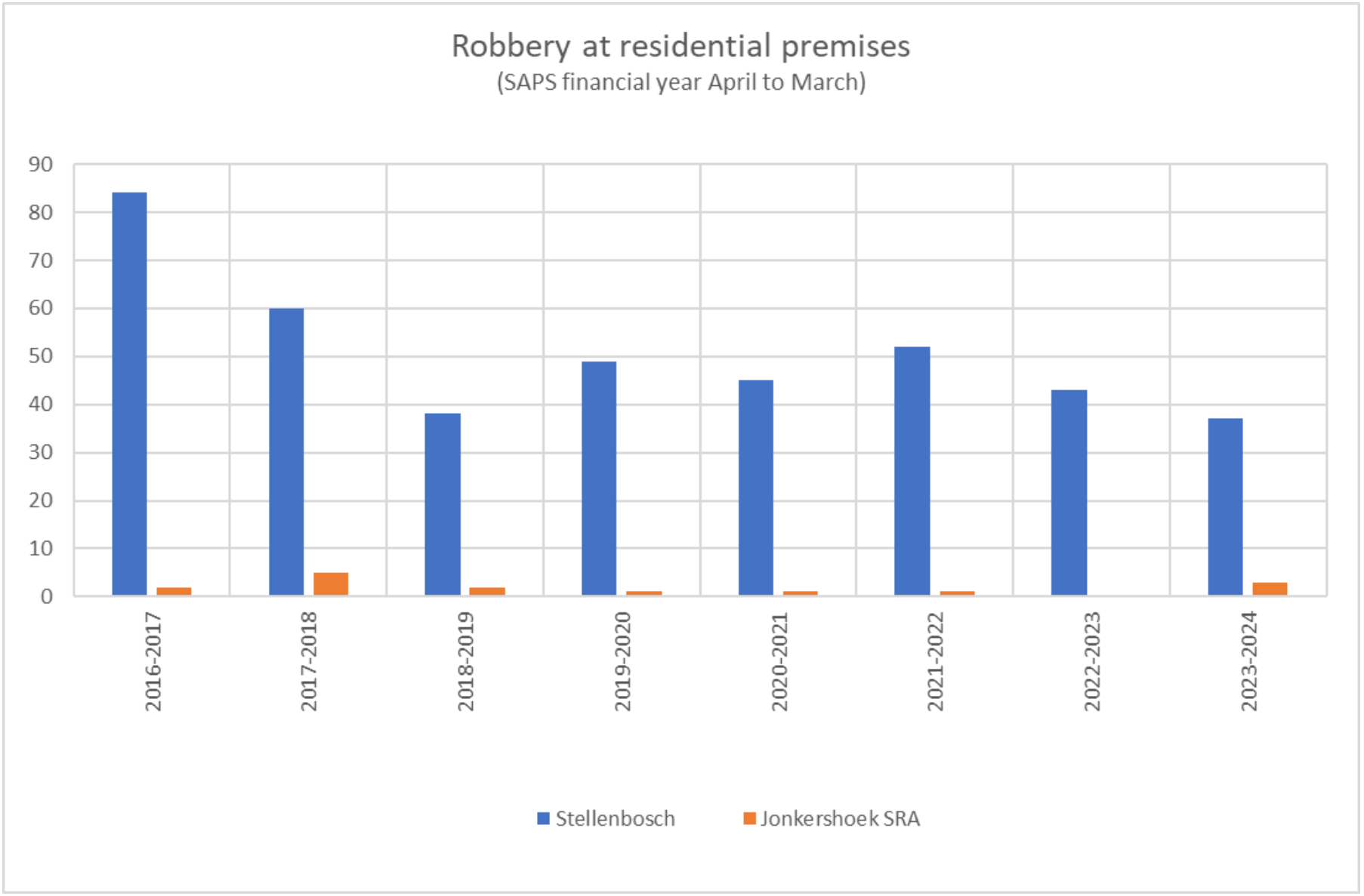



Crime for Jonkershoek SRA
(Excluding the new Extention)
(SAPS financial year April to March)
200
150
100
50
0
2016/2017
2017/2018
2018/2019
2019/2020
2020/2021
2021/2022
2022/2023
2023/2024


Crime for Jonkershoek SRA
(Excluding the new Extention)
(SAPS financial year April to March)
80
70
60
50
40
30
20
10
0
House Breaking
House Robbery
Robbery with a Firearm
Robbery with a weapon or instrument other than a Firearm
Commen Robbery
Rape
Theft out of/from Vehicle
Theft of Vehicle
Theft General
Arson
Att Murder & Murder
2016/2017
2017/2018
2018/2019
2019/2020
2020/2021
2021/2022
2022/2023
2023/2024

Reduction in crime:
The success in reducing crime in the area during the 8 years of the JSRA existence can be clearly seen from the bar charts above. These figures have been compiled on the SAPS financial year basis by the JSRA staff from its own incident management system. Reliable statistics for the JSRA area for the period before the introduction of the JSRA is not available but all indications are that crime reduced considerably. In comparison to other areas in the Stellenbosch district, the JSRA seems to have significantly less crime. This can be seen from the following charts compiled from information (also on SAPS financial year basis) obtained from cimestatssa website regarding the whole of Stellenbosch with the JSRA's own information on crime in its area in the last 7 years (other crime categories show similar trends):





Another indicator of the success the establishment of the JSRA had, is insurance companies reporting significant reduction in insurance claims from our area and improvement in their loss ratio (relationship between premium and claims) since the establishment of the JSRA. The JSRA area is regarded as a “low risk” area and this should lead to a reduction in insurance premium cost to residents.

Cleaning and greening

Langverwacht Landscaping has been contracted to assist in the maintenance of the 6 parks in the JSRA area. A team of 10 staff are on duty one day a week and rotate the parks and other ad hoc areas as required. JSRA provided funding to STF to assist with the upgrade and maintenance of the foot/bicycle paths.

Urban management

The JSRA Manager is in frequent contact with the relevant municipal departments regarding infrastructure such as road sign maintenance, picking up rubbish in streets and on sidewalks etc. In 2016 a fence was erected on the North-eastern border of the JSRA area. The JSRA was also instrumental in the Stellenbosch Municipality erecting improved lighting at a number of public parks in the JSRA area. The JSRA staff participate in a number of urban management and security initiatives and committees in the Stellenbosch area.

Social upliftment

Workshops for domestic workers regarding safety and security have been held for workers in the area. Funding was provided to the Prochorus Community Development project in the Jonkershoek valley enabling them to tile their facility, upgrade ablution facilities, repair damage from riots and install new shelves in their library. The LAP Neighbourhood Watch (patrolling the areas of Lavanda, Aurora, Phyllaria Flats and the surrounding residential area) was supplied with windbreaker jackets sponsored by the JSRA. JSRA assisted the Safehouse in the JSRA area with the upgrade of their security.

Communication

The 9 Security WhatsApp groups and 1 Telegram group are well supported by residents in the area and give a quick indication of any security related problem that may arise. There are also 4 Social WhatsApp groups and 1 Social Telegram group, a Facebook page and website (http://www.jonkershoeksra.co.za) . Crime bulletins are published monthly via email and WhatsApp groups.

3.3 Operational plan for the next 5 years: 1 July 2025 to 30 June 2030

Vision, and Goals of the JSRA

The vision of the JSRA is to establish and maintain a safe, clean, and attractive residential area.

The goals:

- Reducing crime significantly by proactive visible patrolling and cooperation with existing SAPS and Stellenbosch Municipality Law Enforcement efforts as well as other security service providers in the area.
- Creating a safe and clean public environment by addressing issues of maintenance and cleaning of streets, pavements and public spaces.
- Manage existing and new public infrastructure for the future benefit of all the users of the area.
- Protect property values.
- Support the promotion of the area as a safe and clean environment by promoting greening, energy efficiency and recycling.
- Support and promote social responsibility in the area
- The sustained and effective management of the area.

Intention of the JSRA

The continued operation of the JSRA will not reinforce previously existing inequalities nor be a substitute for Municipal services. The services of the JSRA will be 'over and above and on top of' services provided by the Municipality.

Consistency with Integrated Development Plan:
It is believed that the continued operation of the JSRA will support the vision of the Stellenboch IDP as follows:

- The JSRA initiatives will enhance the security and cleanliness of the area and hence contribute to the safe and dignified living of residents and visitors.
- The JSRA initiatives will stimulate employment creation as a result of the appointment of contractors to attend to the cleaning and greening 'top up' services and safety and security patrols.
- The JSRA is subject to the Companies Act and the Stellenbosch Municipal By-Law and oversight by the Municipality and as such contribute to good governance and compliance

Operations:

Management

The management will continue to build on its successes from the past terms. Directors are elected by members for a 3 year term. Directors are not remunerated. The board will endeavor to ensure that all the required skills are contributed by directors. The appointed Manager and contractors will continue to contribute to the smooth running of operations.



Safety and security

Patrol vehicles:
It is not envisaged to change the number of patrol vehicles in the nearby future but it may be necessary to increase the km travelled by vehicles during a shift. Visibility of armed patrols are of the utmost importance and routes, standing time and patrolling time will be closely monitored by the JSRA Manager. The new extended area will also be monitored and recommendations will be made by the JSRA Manager to the Board of Directors if any changes need to be done.



Control Room:
Although the JSRA are very thankful for the University of Stellenbosch Campus Security for allowing our control room operators to share their facilities, it is envisaged that we may have to increase our operators from one per shift currently to two per shift. With the increase in the number of cameras to be monitored it is becoming difficult for one operator to monitor effectively. Limitations on space at Campus Security may result in the JSRA setting up its own control room at other premises and provision has been made in the budget for this. Since December 2022 JSRA also placed extra control room operator/s on ad-hoc days to assist in the Control Room of the Municipality. These member/s assist to monitor the cameras at the open spaces and parks (for ex. Brummerspark and Koloniesland River area) and act as necessary.

Security cameras:
The cameras and related equipment purchased with the funds raised from donations were acquired in 2016. Most of these cameras are now reaching the end of their useful lives and will require replacement. Most of the original cameras was upgraded to more up to date technology with better clarity and zoom functionality. Some of the older cameras were moved to other positions. The installed cameras also require maintenance from time to time i.e. cleaning, adjustments, focus etc.
The expected cost of the replacement, upgrading and maintenance has been included in the JSRA operational budget.
Certain high-risk areas are not sufficiently covered by the existing cameras, constant upgrading will be done and JSRA will expand the camera project until every area is covered. This is an ongoing project.

Reduction in crime:
As mentioned above, the JSRA has succeeded in its first 9 years to substantially reduce crime in our neighborhoods. We should build on this success with the objective to reduce crime ever further and aim at having a totally crime free JSRA.
Property owners and residents should note that the JSRA may only focus on the public areas within the JSRA boundaries. The work of the patrol vehicles and cameras are to keep the streets and other public areas safe and free from crime. The JSRA will never replace the alarm companies and their armed response services to individual properties and residents.

Cleaning and greening

The JSRA landscaping contractor will continue to provide services in addition to the normal services provided by the Stellenbosch Municipality.

Urban management and social upliftment

The JSRA management will continue its good relationship with the various Municipal departments and continually look at projects to improve the social environment.

Communication

The successful WhatsApp groups and email communications will be continued. The JSRA website will be upgraded and in the near future provide members and residents with access to a number of JSRA documents.

3.4 Financial

3.4.1 The first 5 years: 1 July 2015 to 30 June 2020

The original 5 year plan and budget was compiled by the steering committee at that time with the assistance of a consultant from Cape Town who assisted a number of newly established SRA's in the Cape Town area. They had no historical data to work from and the SRA concept was also new to Stellenbosch Municipality (the JSRA was the first residential SRA established in the Stellenbosch Municipal area).
The final 5 year budget approved by the JSRA members and the Stellenbosch Town Council was (minor adjustments were made to the first 2 years after a late change in the final Northern boundary):

2015/16	2016/17	2017/18	2018/19	2019/20
R 3,105,567	R 3,392,328	R 3,668,927	R 3,965,568	R 4,237,461
	+9.2%	+8.1%	+8.1%	+6.9%

This budget was compiled without taking VAT (14% at that time) into account. A misunderstanding/mistake then resulted in the municipality deducting 14% VAT from these numbers in calculating the amounts levied on property owners and paid over to the JSRA. The reason for this was the fact that property tax rates are by law exempt from VAT and additional rates (such as SRA levies) are subject to VAT. The payments from the municipality to the JSRA was thus reduced by the VAT amount. This resulted in a shortfall in JSRA funding for the first 3 years of some R850,000. This was reduced by approx. R313,000 excess collected by the municipality in 2016/17. After discussion agreement was reached with the municipality to increase the budgets in the last two years in an attempt to recover some of this shortfall. All these mistakes and corrections resulted in the actual year on year increase property owners saw in their JSRA Levy as per their individual municipal bills not matching the gradual increase as per the above percentages.
The amended annual budget for the final year (2019/20) excluding VAT amounted to R4,418,614 (R5,081,406 VAT inclusive)

The main factor that influences individual property owner's JSRA Levy as per their municipal bills is the property valuations. As explained in 2.2.3 above the Levy is calculated with reference to individual property valuations. The Stellenbosch Municipality annually compiles the valuation roll from then current valuations. During the JSRA's first 5 year term there was a general property re-valuation, which took effect on 1 July 2017. If a particular property received an above average increase in valuation it would have noted a larger increase in property tax and in JSRA levy. If a particular property did not receive an increase in valuation its property tax and JSRA levy would have reduced.

The rate of SRA Levy paid expressed as a Rand amount per month (excluding VAT) per R1million of property valuation is usually a good indicator of how the SRA levy compares to property tax. In the first 5 years the the amounts were approximately:

2015/16	2016/17	2017/18	2018/19	2019/20
R 69	R 87	R 65	R 79	R 82

Audited annual financial statements

The Audited annual financial statements for the first 3 years have been completed and received a clean and unqualified audit report. Copies are available and will soon be on the JSRA website. The statements for year 4 (year ended 30 June 2019) is currently being finalized and will be presented at the AGM on 26 November 2019.

3.4.2 The 2nd 5 years: 1 July 2020 to 30 June 2025

The budget for the next 5 year period has been prepared on the same basis as for the first 5 years, again exclusive of VAT. Security services again make up the biggest expense item. It is estimated that there will be some R1m in cash in the bank accounts of the JSRA on 1 July 2020. This resulted from the adjustments made to the budgets of the last two years of the first 5 year period. It is proposed to utilize that cash to reduce the annual budgets in next 5 years by R200,000 per year resulting a modest 3.1% increase for the first year (2020/21) over the last year of the first term (2019/20)

2020/21	2021/22	2022/23	2023/24	2024/25
R 4,555,685	R 4,849,690	R 5,162,024	R 5,493,842	R 5,846,387
+3.1%	+6.5%	+6.4%	+6.4%	+6.4%

The rate of SRA Levy paid expressed as a Rand amount per month (excluding VAT) per R1million of property valuation. These amounts are based on the current valuation roll. Another general property re-valuation is expected in 2021 which will affect these amounts.

2020/21	2021/22	2022/23	2023/24	2024/25
R 84	R 89	R 95	R 101	R 107

Stellenbosch monthly Municipal accounts are presented on a basis of including the VAT in the amounts shown and then indicating the amount of VAT included in a column to the right. If the table above is presented on the basis of including VAT it would amount to the following:

2020/21	2021/22	2022/23	2023/24	2024/25
R 96	R 102	R 109	R 116	R 124

3.4.3 The next 5 years: 1 July 2025 to 30 June 2030

The 5 year budget for the extended JSRA is attached as annexure A

2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30**
8,131,442.06	8,651,854.36	9,205,573.03	9,794,729.71	10,421,592.41

Annexure A.

JSRA BUDGET FOR PERIOD: 2025 - 2030

	2025/26 Total Excluding VAT JSRA Budget as per Business Plan	2026/27 Total Excluding VAT JSRA Budget as per Business Plan	2027/28 Total Excluding VAT JSRA Budget as per Business Plan	2028/29 Total Excluding VAT	2029/30 Total Excluding VAT JSRA Budget as per Business Plan
EXPENDITURE					
1. Employee Related	**737,261**	**784,446**	**834,651**	**888,068**	**944,905**
Salaries	680,657	724,219	770,569	819,885	872,358
Bonus Provision	56,604	60,227	64,082	68,183	72,547
2. Core Business	**6,362,452**	**6,769,649**	**7,202,906**	**7,663,892**	**8,154,381**
Landscaping & Environmental Upgrade	390,875	415,891	442,508	470,828	500,961
Security Services	**5,944,144**	**6,324,570**	**6,729,342**	**7,160,020**	**7,618,261**
- Patrols	*5,061,087*	*5,384,997*	*5,729,637*	*6,096,334*	*6,486,499*
- Camera Monitoring	*698,454*	*743,155*	*790,717*	*841,323*	*895,167*
- Camera Maintenance	*184,603*	*196,418*	*208,988*	*222,364*	*236,595*
Social Upliftment	27,433	29,188	31,056	33,044	35,159
3. Depreciation	**40,854**	**43,468**	**46,250**	**49,210**	**52,360**
4. General Expenditure	**363,865**	**387,153**	**411,930**	**438,294**	**466,345**
Accounting & administration Fee	118,991	126,607	134,709	143,331	152,504
Advertising, Marketing & Promosions	6,680	7,108	7,563	8,047	8,562
Auditor's remuneration	20,056	21,339	22,705	24,158	25,704
Bank charges	4,263	4,536	4,826	5,135	5,463
Computer expenses (including Website)	18,453	19,634	20,891	22,228	23,651
Insurance	31,383	33,391	35,528	37,802	40,222
Meeting expenses	5,035	5,357	5,700	6,064	6,453
Printing and stationery	6,680	7,108	7,563	8,047	8,562
Vehicle Expences	78,871	83,919	89,290	95,004	101,084
Telephone and fax	37,153	39,530	42,060	44,752	47,616
Other	36,301	38,624	41,096	43,726	46,525
5. Capital Expenditure	**383,066**	**407,582**	**433,668**	**461,422**	**490,953**
6. Bad Debt Provision 3%	**243,944**	**259,556**	**276,168**	**293,842**	**312,648**
TOTAL EXPENDITURE	**8,131,442**	**8,651,854**	**9,205,573**	**9,794,730**	**10,421,592**
INCOME					
	-8,131,442.06	**-8,651,854.36**	**-9,205,573.03**	**-9,794,729.71**	**-10,421,592.41**
% Increase	**6.40%**	**6.40%**	**6.40%**	**6.40%**	**6.40%**

ANNEXURE B

"B"

JONKERSHOEK SRA NPC
Registration number 2015/279913/08
("the Company")

CIRCULAR TO MEMBERS

1. NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that an Annual General Meeting for the Members of the Company will be held at Hoërskool Stellenbosch on **Monday, 18 November 2024 at 17:30**.

2. MEMBERS

In terms of paragraph 9.2 of the MOI of the Company, Membership of the Company is limited to persons (including trustees of trusts) who are registered owners of a Property situated within the SRA. Persons who qualify for Membership in terms of paragraph 9.2 of the MOI will furthermore be required to apply for Membership in writing, which must be done by completing and submitting the Application for admission of Membership as per Annexure A.

All property owners may attend but only admitted Members will have voting rights at the Annual General Meeting. Tenants do not have Membership of the Company, nor will they have voting rights, unless appointed as a proxy by an owner (see 3 below). A list of admitted members is available at the offices of JPS Trust and will be available before the start of the AGM.

Please note: Owners who have already applied for membership in prior years do not need to apply again. Owners who still need to apply must complete Annexure A and send it to JPS Trust before the 15 November 2024 to enable them to confirm authentication and make sure that all financial obligations towards the SRA have been met.

3. VOTING RIGHTS AND PROXIES

Each Member present at a Member's Meeting, whether in person or by proxy, may exercise his / her right to vote. Voting at the meeting will be by show of hands unless voting by ballot is indicated. An appointed proxy need not be a Member of the Company.

If you are unable to attend the Annual General Meeting you should complete and return the attached Proxy Form (Annexure B) by no later than 13:00 on 15 November 2024 to JPS Trust.

4. DIRECTORS

In terms of the Company's Memorandum of Incorporation (MOI), the minimum number of directors are 3 with the maximum number of directors being 10.

The current directors registered with the CIPC are as follows:

1. JANNES DE WET
2. CHARL DANIËL CILLIÉ
3. MICHIEL WILHELM DREIJER
4. MICHAEL JOHN EHRET
5. GRETHA GROENEVELD
6. PETRUS JOHANNES DIRKSE BEKKER
7. WILLEM JACOBUS VAN ASWEGEN
8. FRANS KRONE KRIGE

The following directors retire by rotation ito the MOI and will be available for re-election:

1. CHARL DANIËL CILLIÉ

The following new Directors will be appointed to represent the JSRA extension
:

1. MARINUS LOUW
2. RENSKE MINNAAR

JONKERSHOEK SRA NPC

Registration number 2015/279913/08
(Non Profit Company incorporated in terms of the Companies Act 2008)
("the Company")

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that an Annual General Meeting for the Members of the Company will be held at Hoërskool Stellenbosch on Monday, 18 November 2024 at 17:30 for the purpose of considering and, if deemed fit, of passing, with or without modification, the following resolutions:

1. Ordinary Resolution Number One

"IT WAS RESOLVED THAT the Annual Financial Statements for the year ended 30 June 2024 were noted."

2. **Ordinary Resolution Number Two**

"IT WAS RESOLVED THAT Smith and Associates be appointed as auditors for the ensuing financial year"

3. Ordinary Resolution Number Three

"IT WAS RESOLVED THAT the following persons for whom nominations were received, be and are hereby elected and / or re-elected as directors of the Company."

(List of Nominated Directors will be made available at the Annual General Meeting. Also see Circular to members)

4. Ordinary Resolution Number Four

"IT WAS RESOLVED THAT the renewal of the Jonkershoek SRA for another 5 year term (2025 to 2030) and the Business Plan as presented for that term be approved."

5. Ordinary Resolution Number Five

"IT WAS RESOLVED THAT the Budget for the next 5 year term (2025 to 2030) as presented be approved.

6. Ordinary Resolution Number Six

"IT WAS RESOLVED THAT the submission of a written application to the Stellenbosch Town Council for the renewal of the Jonkershoek SRA for a another 5 year term and for exemption from compliance with certain of the provisions of Chapter 1 of the Stellenbosch Municipality By-Law, be approved

By order of the directors of JONKERSHOEK SRA NPC.

Chairman: Jacques van Aswegen
Date: 18 October 2024

Registered office:
JPS TRUST
Valerida Center 210
Piet Retief Street Stellenbosch

Postal address
PO Box 3075
Matieland 7602

JONKERSHOEK SRA NPC

Registration number 2015/279913/08
(Non Profit Company incorporated in terms of the Companies Act 2008)
("the Company")

AGENDA FOR ANNUAL GENERAL MEETING ON MONDAY, 18 NOVEMBER 2024 AT 17H30

1 Welcome and Apologies

2 New members and resignations

3. Confirmation of Quorum present

4. Ordinary Resolution One – Noting of the Annual Financial Statements

Please note that copies of the Annual Financial Statements are available from JPS Trust, on the website (www.jonkershoeksra.co.za) and at the meeting.

5. Ordinary Resolution Two - Appointment of the Auditors

6. Ordinary Resolution Three – Election of Directors

7. Chairman's Report

8. Presentation of the renewal 5 year Business Plan

9. Ordinary Resolution Four - Approval of the New Business Plan for the term 2025 – 2030

10. Ordinary Resolution Five - Approval of the New 5 Year Budget

11. Ordinary Resolution Six – Approval for written application to Council for the renewal term and exemption from compliance with provisions of Chapter 1 of the By-Law

12. General

13. Adjournment

ANNEXURE A

JONKERSHOEK SRA NPC

Registration number 2015/279913/08

APPLICATION FOR ADMISSION OF MEMBERSHIP BY JURISTIC PERSON / OTHER BODY

To the Board of the JonkershoekSRA NPC

_____ hereby applies for membership and to be
Insert name of Juristic Person/Other Body
entered into the NPC's Membership Register.

General Note on Information

In terms of the Companies Act, the Members' Register must contain the following information in respect of each member: (a) name; (b) business, residential or postal address; (c) email address (*unless person has declined to provide an email address*); and (d) an identifying number unique to that person (*e.g. in the case of a company, the company registration number or representatives ID number*).

However, the JonkershoekSRA NPC will keep any email address provided confidential when any member or outside third party requests access to the Members' Register under the Companies Act, unless you give your written consent.

Details of Juristic Person / Other Body

Name of Company/ Close Corporation/ Trust/ Sectional Title Body Corporate/ Partnership/ Other Body (*circle whichever is applicable*):

_____
Insert name

Registration no. (*if any*): _____

Physical Address: _____ Postal Address: _____

_____ _____

_____ _____

_____ _____

NOTE: Where the body's physical address differs from its postal address, only its postal address will be recorded in the Members' Register.

Website address (*if any*): _____

Details of Representatives

Representative: _____ Designation: _____

ID number: _____

Contact Details of Representative:

Business tel.: _____ Fax: _____

Cell. No.: _____

Email address: _____

Notices and communication need to be addressed to the (tick appropriate choice):

The physical address ____
The postal address ____
The email address ____

Details of Property

The aforesaid body is the registered owner/ co-owner (*strike through whichever is not applicable*), of the

following property located within the JonkershoekSRA NPC.

Erf No. _____

Physical Address _____

_____

Warranty by Signatory
I am the authorised signatory of the abovementioned juristic person/ body (by resolution or letter of authorisation, a copy of which is attached hereto), and warrant that I have the necessary authority to apply for membership of the JonkershoekSRA NPC

Name: _____ **Surname:** _____

Email address: _____

ID number: _____ **(Note: your identity number will be kept confidential and not disclosed to third parties, without your written consent).**

Signature: _____

Signed at _____ **on this the** _____ **day of** _____ **2024**

Submission of application

Completed forms and documents to be sent to JPS Trust by Friday, 15 November 2024 at thea@jpstrust.co.za or by hand at Valerida Center 210, Piet Retief Street, Stellenbosch.

Any registration or administrative queries to be addressed 30 minutes prior to the meeting at the venue.

ANNEXURE A

JONKERSHOEK SRA NPC

Registration number 2015/279913/08

APPLICATION FOR ADMISSION OF MEMBERSHIP BY A PRIVATE INDIVIDUAL

To the Board of the JonkershoekSRA NPC,

I,_____ hereby applies for membership and to be
Insert name
entered into the NPC's Membership Register.

General Note on Information

In terms of the Companies Act, the Members' Register must contain the following information in respect of each member: (a) name; (b) business, residential or postal address; (c) email address (*unless person has declined to provide an email address*); and (d) an identifying number unique to that person

However, the JonkershoekSRA NPC will keep any email address provided confidential when any member or outside third party requests access to the Members' Register under the Companies Act, unless you give your written consent.

Details of Owner Representing the property

Name _____ Surname _____

ID nr. _____

Physical Address: _____ Postal Address: _____

_____ _____

_____ _____

_____ _____

NOTE: Where the residential address differs from your postal address, only your postal address will be recorded in the Members' Register.

Contact Details of Representative:

Home tel.: _____ Work Tel.: _____

Cell. No.: _____ Fax.: _____

Email address: _____

Notices and communication need to be addressed to the (tick appropriate choice):

The physical address ____
The postal address ____
The email address ____

Details of Co-owner (s)

Owner 2 – Name (s): _____ Surname: _____

ID number: _____ Email address: _____

Notices and communication to be mailed: Yes ___ No ___

Owner 3 – Name (s): _____ Surname: _____

ID number: _____ Email address: _____

Notices and communication to be mailed: Yes ___ No ___

Details of Property

I, _____, am the registered owner/ co-owner (*circle whichever is applicable*), of the following property located within the JonkershoekSRA NPC.

Erf No. _____

Physical Address _____

_____

Signed at _____ **on this the** _____ **day of** _____ **2024**

Signature: _____

Submission of application

Completed forms and documents to be sent to JPS Trust by Friday, 15 November 2024 at thea@jpstrust.co.za or by hand at Valerida Center 210, Piet Retief Street, Stellenbosch.

Any registration or administrative queries to be addressed 30 minutes prior to the meeting at the venue.

ANNEXURE B

PROXY APPOINTMENT FORM

"I/We _____being a Member of JONKERSHOEK SRA

(NPC) and owners of property _____ , Erf nr. _____
(Street and nr.)

do hereby appoint _____

or failing him/her _____

or failing him/her, the chairperson of the meeting as my/our proxy to vote or abstain from voting on my/our behalf at the meeting of the Company to be held at Hoërskool Stellenbosch on Monday, 18 November 2024 at 17:30 and at any adjournment thereof as follows:-

	In favour of	Against	Abstain
Ordinary Resolution 1	.....	.....	.....
Ordinary Resolution 2	.....	.....	.....
Ordinary Resolution 3	.....	.....	.....
Ordinary Resolution 4	.....	.....	.....
Ordinary Resolution 5	.....	.....	.....
Ordinary Resolution 6	.....	.....	.....

(Indicate instruction to proxy by way of a cross in space provided above). Except as instructed above or if no instructions are inserted above, my/our proxy may vote as he/she thinks fit.

SIGNED this _____day of _____ 2024.

_____

MEMBER'S SIGNATURE

(Note: A Member entitled to attend, speak and vote is entitled to appoint a proxy to attend, speak and vote in his/her stead, and such proxy need not be a Member of the Company.)

Proxy forms to be sent to JPS Trust by Friday, 15 November 2024 at thea@jpstrust.co.za by or by hand at Valerida Center 210, Piet Retief Street, Stellenbosch

ANNEXURE C

JONKERSHOEK SRA NPC

Registration number 2015/279913/08

DIRECTORS NOMINATION

A. Member Declaration

I, ……, registered owner of property situated within the boundaries of the special ratings area of JONKERSHOEK SRA NPC, hereby nominate the following person with details below to be appointed as a director of the Company.

Signed: ……..... Date: ……2024
(To be signed by Member personally)

B. Person Nominated to act as Director

1. Surname: ……

2. Full forenames: ……

Nomination accepted: ……

A member may nominate more than one director, but each nomination must be on a different nomination sheet to be sent to JPS Trust before the Friday, 15 November 2024 to thea@jpstrust.co.za or by hand at Valerida Center 210, Piet Retief Street, Stellenbosch

ANNEXURE C

DRAFT!! "C"

SRA JONKERSHOEK

Valeridasentrum 210 Valerida Centre, Piet Retiefstraat / Street, Stellenbosch
Posbus / PO Box 3075, Matieland, 7602

JONKERSHOEK SRA NPC

Registration number 2015/279913/08

(Non Profit Company incorporated in terms of the Companies Act 2008)
("the Company")

MINUTES OF THE ANNUAL GENERAL MEETING ON MONDAY 18TH NOVEMBER 2024 HELD AT STELLENBOSCH HIGH SCHOOL, STELLENBOSCH

ATTENDANCE

The required notice had been given and meeting was duly constituted in terms of the Company's MOI (10% of the Members to be present in person or by proxy)

Members Registered by Acceptance of Membership - 419

- Proxies received 73 with Membership Acceptance
- Present in person 15 with Membership Acceptance

1. INTRODUCTION AND WELCOME

Jacques van Aswegen, as chairman, welcomed everybody present.

2. CONFIRMATION OF QUORUM

It is duly established that the requirement of 10% of members for quorum is met and the meeting is duly constituted.

3. ACCEPTANCE OF MEMBERS

For the benefit all attendees, The Chairman explained the membership and company structure:

- NPC incorporated i.t.o. Companies Act 2008
- Company pays no Income Tax
- Not registered to issue Sec 18A tax certificates
- Membership limited to property owners in JSRA
- Must apply for membership in writing
- Only registered members may vote
- Members may appoint a proxy

4. FINANCIAL REPORT

4.1 ACCEPTANCE OF THE FINANCIAL STATEMENTS

Ordinary Resolution Number one: approved unanimously

"IT WAS RESOLVED THAT the Annual Financial Statements for the year ended 30 June 2024 were noted."

4.2 BUDGET 2024/25

The Chairman provided an overview of the funding of the Company since inception, including the under recovery of levy income due to problems with inclusion of VAT in the original 5 year plan.

The budget for the year 1 July 2024 to 30 June 2025 is the final year of the first 5 year Business Plan which started on 1 July 2020. A new 5 year Business Plan will start on 1 July 2025.

JSRA
5 Yr Budget 2021 to 2025

		Year 1 Total Excluding VAT	Year 2 Total Excluding VAT	Year 3 Total Excluding VAT	Year 4 Total Excluding VAT	Year 5 Total Excluding VAT
	EXPENDITURE					
1.	**Employee Related**	**420 036**	**453 639**	**489 930**	**529 124**	**571 454**
	Salaries	387 725	418 743	452 243	488 422	527 496
	Bonus Provision	32 310	34 895	37 687	40 702	43 958
2.	**Core Business**	**3 669 570**	**3 889 744**	**4 123 129**	**4 370 517**	**4 632 748**
	Landscaping & Environmental Upgrade	243 461	258 068	273 553	289 966	307 364
	Security Services	3 410 440	3 615 066	3 831 970	4 061 888	4 305 602
	- Patrols	*2 837 011*	*3 007 232*	*3 187 666*	*3 378 926*	*3 581 661*
	- Camera Monitoring	*448 675*	*475 595*	*504 131*	*534 379*	*566 442*
	- Camera Maintenance	*124 754*	*132 239*	*140 174*	*148 584*	*157 499*
	Social Upliftment	15 670	16 610	17 606	18 663	19 782
3.	**Depreciation**	**30 414**	**32 238**	**34 173**	**36 223**	**38 396**
4.	**General Expenditure**	**262 562**	**278 316**	**295 015**	**312 716**	**331 479**
	Accounting & administration Fee	88 583	93 898	99 532	105 504	111 834
	Advertising, Marketing & Promosions	4 973	5 271	5 588	5 923	6 278
	Auditor's remuneration	14 930	15 826	16 776	17 782	18 849
	Bank charges	3 173	3 364	3 566	3 780	4 006
	Computer expenses (including Website)	13 738	14 562	15 436	16 362	17 343
	Insurance	22 571	23 925	25 361	26 882	28 495
	Meeting expenses	3 352	3 553	3 766	3 992	4 232
	Printing and stationery	4 973	5 271	5 588	5 923	6 278
	Vehicle Expences	54 755	58 040	61 523	65 214	69 127
	Telephone and fax	26 074	27 638	29 297	31 055	32 918
	Other	25 440	26 966	28 584	30 299	32 117
5.	**Capital Expenditure**	**230 435**	**244 261**	**258 916**	**274 451**	**290 919**
6.	**Bad Debt Provision 3%**	**142 669**	**151 492**	**160 861**	**170 811**	**181 392**
	TOTAL EXPENDITURE	**4 755 685**	**5 049 690**	**5 362 024**	**5 693 842**	**6 046 388**
	INCOME					
		-4 755 685.47	**-5 049 690.17**	**-5 362 023.83**	**-5 693 842.20**	**-6 046 387.55**
	Estimated surplus 01 July 2020	**200 000.00**	**200 000.00**	**200 000.00**	**200 000.00**	**200 000.00**
1	**Nett revenue - SRA Levy**	**-4 555 685.47**	**-4 849 690.17**	**-5 162 023.83**	**-5 493 842.20**	**-5 846 387.55**
	% Increase	**3.10%**	**6.45%**	**6.44%**	**6.43%**	**6.42%**

5. APPINTMENT OF AUDITORS

Ordinary Resolution Number two: approved unanimously

"IT WAS RESOLVED THAT Smith & Associate Incorporated be appointed as auditors for the ensuing financial year."

6. APPOINTMENT OF DIRECTORS

Ordinary Resolution Number three: approved unanimously

"IT WAS RESOLVED THAT the following persons for whom nominations were received, be and are hereby elected and/or re-elected as directors of the Company.

The current directors registered with the CIPC are as follows:

1. JANNES DE WET
2. FRANS KRONE KRIGE
3. MICHIEL WILHELM DREIJER
4. MICHAEL JOHN EHRET
5. GRETHA GROENEVELD
6. PETRUS JOHANNES DIRKSE BEKKER
7. WILLEM JACOBUS VAN ASWEGEN

The following directors retire by rotation ito the MOI and will be available for re-election:

1. CHARL DANIËL CILLIÉ

The following new Directors will be appointed to represent the JSRA extension
:

1. MARINUS LOUW
2. RENSKE MINNAAR

7. **CHAIRMAN'S REPORT**

The vision of the JSRA is to establish and maintain a safe, clean and attractive residential area. The previous boundaries were extended and now includes Die Laan area

Die Laan extension Benefits:

- Die Laan safety – benefits from JSRA experience
- Economies of scale – combined utilization of resources
- Move boundaries and increased our security capabilities
- Now Includes river routes used by school children, recreation ext.
- Moving towards creating a safe corridor into town
- Create an extended camera network

New control room at Hoërskool Stellenbosch-2025

- Central in our area
- Increased capacity to monitor cameras
- Centralize our operations (currently share 2 control rooms, no office and shift changes at different location)
- Benefits for school
- Longer term opportunities

Patrol Vehicles:

- 4 patrol vehicles in area 24/7 on 3 shifts
- AM Security appointed contractor

Control Room:

- JSRA control room becoming too small
- New premises being investigated
- Currently 1 operator per shift on 3 shifts 24/7

- Operators contracted from AM Security

Municipal Control Room:

- Currently 1 operator per shift on 3 shifts 24/7
- Operators contracted from AM Security
- 160 Cameras monitored live
- Control Room is too small. New premises are being investigated
- All images recorded and kept for a minimum of five days
- Cameras assist patrol vehicles with surveillance
- Increasing incidents where operators identified suspicious activity on camera and dispatched patrol vehicles to investigate
- Surveillance of public areas only
- Ongoing requirement of upgrading and expansion
- Camera project in Die Laan Area – to bring the cameras up to standard
- A donation was made to Prochorus in 2023-2024 financial year to build a new class room.
- They still need funds for all the projects.

Acknowledgements & special thanks

- JSRA Directors & Manager
- SAPS and all Law Enforcement agencies
- Stellenbosch Municipality
- Stellenbosch University
- All service providers and contractors
- All Members & Residents

8. PRESENTATION OF THE RENEWAL 5 YEAR BUSINESS PLAN: 1 July 2025 to 30 June 2030

First 5 years: 1 July 2015 to 30 June 2020
Second 5 years term : 1 July 2020 to 30th June 2025
The third term : 1 July 2025 – 30th June 2030
Renewal Plan next 5 years approved by JSRA Board on 8 Oct 2024
Boundaries were extended in July 2024 to include Die Laan Extension and will remain exactly as was approved in the latest Business Plan.

9. APPROVAL OF THE NEW BUSINESS PLAN 2025 to 2030

Ordinary Resolution number four: approved unanimously

"IT WAS RESOLVED THAT the renewal of the Jonkershoek SRA for another 5 year term (2025 to 2030) and the Business Plan as presented for that term be approved."

10. APPROVAL OF THE NEW 5 YEAR BUDGET

Budget prepared on the same basis as first 5 yr (Excl VAT) plus the extra budget to accommodate the new Die Laan Extension.

JSRA BUDGET FOR PERIOD: 2025 - 2030	2025/26 Total Excluding VAT JSRA Budget as per Business Plan	2026/27 Total Excluding VAT JSRA Budget as per Business Plan	2027/28 Total Excluding VAT JSRA Budget as per Business Plan	2028/29 Total Excluding VAT	2029/30 Total Excluding VAT JSRA Budget as per Business Plan
EXPENDITURE					
1. **Employee Related**	**737,261**	**784,446**	**834,651**	**888,068**	**944,905**
Salaries	680,657	724,219	770,569	819,885	872,358
Bonus Provision	56,604	60,227	64,082	68,183	72,547
2. **Core Business**	**6,362,452**	**6,769,649**	**7,202,906**	**7,663,892**	**8,154,381**
Landscaping & Environmental Upgrade	390,875	415,891	442,508	470,828	500,961
Security Services	**5,944,144**	**6,324,570**	**6,729,342**	**7,160,020**	**7,618,261**
- Patrols	*5,061,087*	*5,384,997*	*5,729,637*	*6,096,334*	*6,486,499*
- Camera Monitoring	*698,454*	*743,155*	*790,717*	*841,323*	*895,167*
- Camera Maintenance	*184,603*	*196,418*	*208,988*	*222,364*	*236,595*
Social Upliftment	27,433	29,188	31,056	33,044	35,159
3. **Depreciation**	**40,854**	**43,468**	**46,250**	**49,210**	**52,360**
4. **General Expenditure**	**363,865**	**387,153**	**411,930**	**438,294**	**466,345**
Accounting & administration Fee	118,991	126,607	134,709	143,331	152,504
Advertising, Marketing & Promosions	6,680	7,108	7,563	8,047	8,562
Auditor's remuneration	20,056	21,339	22,705	24,158	25,704
Bank charges	4,263	4,536	4,826	5,135	5,463
Computer expenses (including Website)	18,453	19,634	20,891	22,228	23,651
Insurance	31,383	33,391	35,528	37,802	40,222
Meeting expenses	5,035	5,357	5,700	6,064	6,453
Printing and stationery	6,680	7,108	7,563	8,047	8,562
Vehicle Expences	78,871	83,919	89,290	95,004	101,084
Telephone and fax	37,153	39,530	42,060	44,752	47,616
Other	36,301	38,624	41,096	43,726	46,525
5. **Capital Expenditure**	**383,066**	**407,582**	**433,668**	**461,422**	**490,953**
6. **Bad Debt Provision 3%**	**243,944**	**259,556**	**276,168**	**293,842**	**312,648**
TOTAL EXPENDITURE	**8,131,442**	**8,651,854**	**9,205,573**	**9,794,730**	**10,421,592**
INCOME					
	-8,131,442.06	**-8,651,854.36**	**-9,205,573.03**	**-9,794,729.71**	**-10,421,592.41**
% Increase	**6.40%**	**6.40%**	**6.40%**	**6.40%**	**6.40%**

Ordinary Resolution number five: approved unanimously

"IT WAS RESOLVED THAT the Budget for the next 5 year term (2025 to 2030) as presented be approved."

11. APPROVAL OF WRITTEN APPLICATION TO COUNCIL FOR THE RENEWAL TERM AND EXEMPTION FROM COMPLIANCE WITH PROVISIONS OF CHAPTER 1 OF THE MUNICIPALITY OF STELLENBOSCH SPECIAL RATINGS AREAS BY-LAW

Ordinary Resolution number six: approved unanimously

"IT WAS RESOLVED THAT the submission of a written application to the Stellenbosch Town Council for the renewal of the Jonkershoek SRA for another 5 year term and for exemption from compliance with certain of the provisions of Chapter 1 of the Stellenbosch Municipality By-Law, be approved."

Chairman: Jacques van Aswegen
Date: 13 th January 2025

Registered office:
JPS TRUST
Valerida Center 210
Piet Retief Street Stellenbosch . 7600

7.4.3	**TECHSTEL SPECIAL RATING AREA: APPLICATION FOR THE EXTENSION OF THE TERM FOR A FURTHER PERIOD OF FIVE YEARS, FROM 1 JULY 2025 TO 30 JUNE 2030**

Collaborator No:
IDP KPA Ref No: **Good Governance and Compliance**
Meeting Date: **19 February 2025**

1. SUBJECT: TECHSTEL SPECIAL RATING AREA: APPLICATION FOR THE EXTENSION OF THE TERM FOR A FURTHER PERIOD OF FIVE YEARS, FROM 1 JULY 2025 TO 30 JUNE 2030

2. PURPOSE

That Council approve in terms of paragraph 15(a) of the Special Rating Area By-law, the extension of the Techstel Special Rating Area for a further period of five years, with effect from 1 July 2025 to 30 June 2030.

3. DELEGATED AUTHORITY

Council to approve.

4. EXECUTIVE SUMMARY

4.1 Techstel Special Rating Area (SRA) was first established in 2015 and has been successfully operating for the past ten years. The management body has now applied for the SRA to be extended for a further period of five years, ending on 30 June 2030.

4.2 There are no financial implications for the municipality, SRA's are community driven initiatives and are financed by the property owners within the boundaries of the SRA. The municipality pays the approved budget over to the management body in twelve equal, monthly installments and recovers the money from property owners via the monthly consumer accounts. Normal credit control and debt collection processes are followed in instances of nonpayment and retention is also withheld from the budget to offset any potential losses of the municipality. In the first ten years of the SRA being in operation, this measure was not necessary.

4.3 Applications for the extension of term are done in terms of paragraph 15(a) of the SRA By-law. Such Council approval can only be given in terms of Chapter 1 of the By-law. For good reason, the Council may exempt the management body of the SRA from compliance with Chapter 1, which mainly deals with the process to be followed when first establishing a SRA. Such an exemption is requested by the management body of the SRA.

5. RECOMMENDATIONS

(a) that Council approves the extension of the Techstel SRA for a further period of five years beginning from 1 July 2025 and ending 30 June 2030; and

(b) that Council approves the proposed five-year budget with a combined total of R29 239 757.00 (VAT excluded) as detailed in **ANNEXURE A** of the report.

6. DISCUSSION/ CONTENTS

6.1 Background

Special Rating Areas (SRAs) are established by Council in terms of Section 22 of the Municipal Property Rates Act, 6 of 2004 as amended.

The Techstel SRA in Technopark was originally established by Council by means of resolution on 30 April 2015 for a five-year term beginning 1 July 2015 and ending 30 Junne 2020. Further approval was granted for the extension of the term to 30 June 2025.

6.2 Discussion

6.2.1 Since first being established in 2015, Techstel SRA has functioned very well and has proven its viability by implementing the strategic business objectives within budget. However, the needs continue to be present and therefore it has been agreed by stakeholders that the SRA should be renewed for a further period of five years.

6.2.2 The SRA is a sustainable and established organization within the community and continues to provide a service in addition to municipal activities in the area. Management of the SRA has fulfilled its mandate as outlined in the business plan and the SRA has been well accepted by property owners of Technopark. This is clearly proven by the fact that the payment levels of the SRA levies are regular and high.

6.2.3 Attached is a letter of Application received from the SRA. This application:

a) Points out what the keys goals and objectives of the SRA are and that these align with the IDP and further it provides a summary of the documentation attached to the application.

6.2.4 **Annexure A** is the Business Plan itself that is compiled in line with the requirements of the SRA Policy and By-law, together with the 5-year budget.

6.2.5 **Annexure B** is a circular to the members of the Annual General Meeting.

6.2.6 **Annexure C** is the Minutes of the Annual General Meeting held on 1 November 2024, where the following resolutions relevant to this application were adopted:

a) That application must be made to extend the SRA for a further period of five years.

b) That the 5-year budget is approved.

c) That the Municipal Council consider the SRA in terms of paragraph 15(A) of the SRA By-law with exemptions from the provisions of Chapter 1 of the SRA By-law.

6.2.7 The application for the extension of a Special Rating Area is done in terms of paragraph 15(a) of the SRA By-law. It can only be approved by Council in accordance with the provisions of Chapter 1 of the By-law. The Council may, however, and for good reasons, on written application by the management body, exempt the management body from complying with any such provisions.

6.2.8 Chapter 1 of the By-law deals with the process to be followed with the first application for the establishment of an SRA. As this is not a new SRA being established for the first time but an extension of terms for an existing SRA, Council should find good reason to consider exempting the management body from these provisions:

a) The concept of the SRA is well established; the management of the SRA being done effectively and all initial teething problems have been taken care of.

b) The SRA is accepted and well supported by the community and property owners as is clear from the excellent payment of SRA levies.

c) The SRA management body is providing a service to the community in line with the business plan and in addition to any municipal services being rendered. The need for these services is on-going and will continue to be met by the management body.

d) The application, business plan and budget have been supported and adopted at the Annual General Meeting.

e) The exemption application by the SRA does comply with the requirements as set out in Chapter 1 of the SRA-Bylaw.

6.3 Financial Implications

There are no financial implications for the municipality. The approved budget of the SRA is paid over to the management body in 12 equal monthly installments by the municipality and recovered from the residents by means of the monthly consumer accounts. Retention of 3% is withheld by the municipality to offset any possible irrecoverable debt. In the first ten years of the SRA's existence, this was not necessary.

The total five-year budget amounts to R29 239 757(Vat excluded) which is an increase of 86% from the previous five-year term budget. This amount will be levied and paid by the property owners which form part of the SRA over the five-year term.

6.4 Legal Implications

None.

6.5 Staff Implications

None.

6.6 Previous/Relevant Council Resolutions:

Establishment of the Techstel SRA was first approved by the Council on 30 April 2015, Item 7.6.

A further five-year extension was granted during a Council meeting that was held on 25 March 2020 as per Item 8.2.

6.7 Risk Implications

None.

7. Comments from Senior Management:

7.1 Director: Corporate Services:

7.2 Chief Financial Officer:

Support the item.

7.3 Municipal Manager

Support the item

8. CONCLUSION

The application for the further extension of the Techstel Special Ratings Area complies with all the requirements that is set out in the council's approved SRA policy and promulgated By-law.If the council finds that there is merit in the legislation and that the proposed SRA will add value and is in line with the spirit of its policy, it should consider approving the extension of the Techstel Special Ratings Area in terms of Section 22 of the Municipal Property Rates Act, 2004.

ATTACHMENTS

Attached find the letter of application for the next five years, together with the following **Annexures:**

Annexure A - Renewal Business Plan and Budget

Annexure B - Circular to Members

Annexure C - Minutes of AGM

FOR FURTHER DETAILS CONTACT:

NAME	Henry Mitchell
POSITION	***Senior Manager: Revenue & Expenditure***
DIRECTORATE	***Finance***
CONTACT NUMBERS	***021 808 8016***
E-MAIL ADDRESS	***Henry.Mitchell@stellenbosch.gov.za***
REPORT DATE	06 February 2025

ANNEXURE A

"A"

Stellenbosch Technopark Special Ratings Area (SRA) Business Plan

[RENEWAL: 1 July 2025 - 30 June 2030]

Compiled in accordance with the By-Law for establishment of

Special Rating Areas, promulgated in the Provincial Gazette 7015/2012

TECHNO PARK

Compiled by Francois Smuts

September 2024

Principal Contacts:

Ernst Wolfaardt (Chairperson TechStelSRA)
ernstwolfaardt@capitecbank.co.za
Francois Smuts (Treasurer)
francois@evesis.com
Thea Jordaan (Administrating body JPS Trust)
thea@jpstrust.co.za
Alita Bothma (General Manager TechStelSRA)
alita@technopark.co.za

Directors:

1. Barbara Fassler
2. Francois Smuts
3. Jacob Jacobus Cornelis Pietersen
4. Alan Geoff Manning
5. Ernst Wolfaardt
6. Deleur Stander
7. Erik Loubser
8. Gustav Wilhelm Bester









Contents

Principal Contacts: 2
List of Terms & Abbreviations 4
Executive Summary 5
1 Introduction 5
1.1 Location & boundary of existing SRA 5
1.2 Background & Current Situation 6
1.3 Vision & Mission 7
1.4 Goals 7
2 Motivation for renewal of Technopark SRA 8
2.1 Current Issues Addressed in Technopark 8
2.2 Benefits pertaining to the renewal of the TechstelSRA 10
2.3 Tasks and Milestones 10
2.3.1 Administration and JPS 10
2.3.2 Marketing and Business Forum 11
2.3.3 Projects 12
2.3.4 Parking and Roads 12
2.3.5 Finances 12
2.3.6 Security 13
2.3.7 Maintenance and Garden 13
3 Budget Plan & Financial Impact 13
4 Conclusion 14
The values contained in the table below excludes VAT. 15
Appendix A 15

List of Terms & Abbreviations

AGM – Annual General Meeting
CID – City Improvement District
ICT - Internet & Communications Technology
IDC – Industrial Development Cooperation
IDP – Integrated Development Plam
NPC – Not for profit company
SID – Stellenbosch Innovation District
SRA – Special Ratings Area

Executive Summary

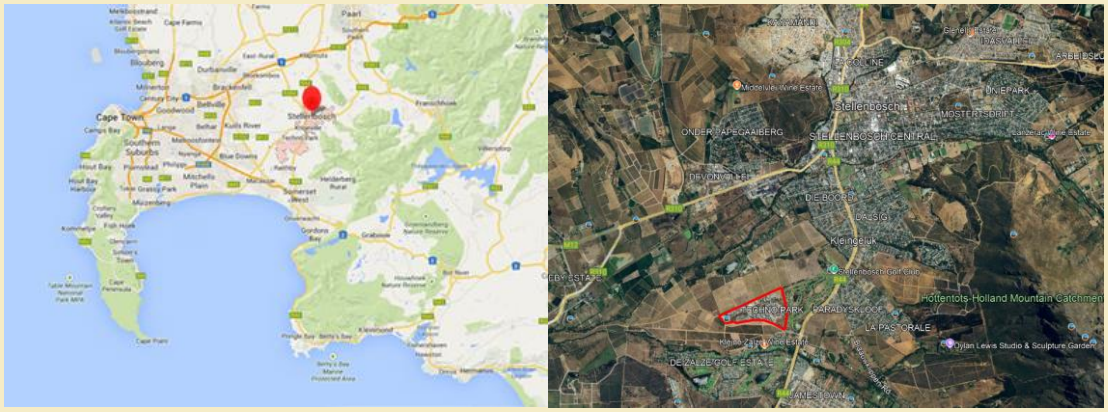
TechstelSRA aims to extend its Special Ratings Area (SRA) status for Technopark, Stellenbosch, from 2025 to 2030. This renewal is vital for preserving property owners' rights and continuing enhancements in safety, infrastructure, and overall value. It aligns with Stellenbosch's Integrated Development Plan (IDP), promoting a Valley of Possibility, Sustainability, Safety, Dignified Living, and Good Governance. Managed by an NPC with a dedicated CEO and directors, TechstelSRA ensures responsible spending and implementation.

1 Introduction

Founded in 1985, Technopark in Stellenbosch is a leading science and technology park. TechstelSRA has been key in partnering with the municipality to manage and improve the park. The 2025-2030 business plan details strategies to continue and expand these efforts for owners and the community.

1.1 Location & boundary of existing SRA

Technopark is located on the outskirts of Stellenbosch, about 7 kilometres from the University of Stellenbosch. It provides easy access to the R44, a key road linking the Southern Cape Metropolitan areas such as Somerset West and Strand to northern regions like Paarl and Bellville via the N1. Technopark is also roughly a 30-minute drive from Cape Town International Airport and 45 minutes from Cape Town's central business district. Surrounded by vineyards and featuring stunning views of the Stellenbosch Mountains, this business innovation park is an attractive spot for companies.



Technopark is located in Stellenbosch Town, in a neighbouring municipality to Cape Town Metropol. The SRA boundary is equal to the current Technopark boundary depicted below.



1.2 Background & Current Situation

Technopark was initially conceptualised as a science park in the late 1970s when Professor Christo Viljoen, who was then the dean of the engineering faculty at Stellenbosch University, visited Taiwan. Inspired by the successful Shinshu Science Park, he brought the idea back to Stellenbosch and garnered support from both local and national governments. Established in 1985 with the assistance of the Industrial Development Corporation (IDC), Technopark included an incubator and innovation lab. Initially overseen by a committee and the local municipality, the park experienced slow firm entry due to stringent controls and a lack of understanding of the science park concept among the business community. Economic downturns and other external influences led to a more market-oriented approach in the 1990s, resulting in eased entry criteria for firms.



Today, Technopark is a well-developed business hub, hosting a variety of companies, from satellite manufacturers and engineering firms to banks, design schools, and ICT companies. Almost three hundred businesses operate there, with many owning their properties.

Technopark remains designated as a special zone-one or science park, where municipal land is divided among properties, with open areas not yet specifically zoned but intended for parks and recreation. Although intended as a science park with designated open spaces for recreation, these areas are poorly maintained by the municipality. The creation of a Special Rating Area (SRA) over the past five years has been beneficial, and property owners want to continue using its advantages for the next five years.

1.3 Vision & Mission

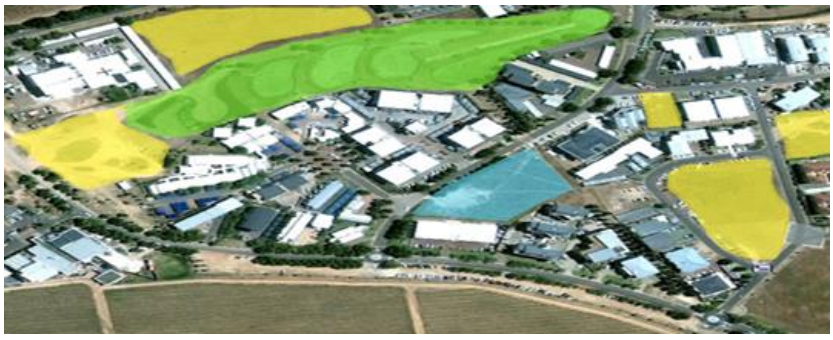
Vision: To be the premier business park in the Winelands, characterised by competitiveness, innovation, and sustainability.

Mission: To promote, manage, and maintain Technopark, ensuring a prosperous, innovative, and sustainable business community.

1.4 Goals

- **Increase Security:** Enhance safety measures to provide a secure environment for businesses and employees.
- **Improve Public Areas:** Upgrade and maintain infrastructure and green spaces to boost the park's aesthetic appeal.
- **Promote Social Upliftment:** Contribute to the well-being of the surrounding community.
- **Ensure Good Governance:** Maintain transparency and accountability in all operations.





2 Motivation for renewal of Technopark SRA

Achievements of the Past Term

1. **Security Enhancements:** Installed security cameras, 2 LPR cameras, deployed armed security guards, and established a 24/7 surveillance system.
2. **Infrastructure Improvements:** Maintained roads and installed footpaths within the park.
3. **Increased Safety:** Conducted traffic studies, motivated additional parking areas, non-motorised transport studies and developed plans for additional road access.
4. **Environmental Initiatives:** Upgraded dam restoration, health and irrigation systems, beautified green areas.
5. **Marketing and Communications:** Effectively promoted Technopark, enhancing its image and attracting investment.

The establishment of TechstelSRA has brought significant benefits to Technopark. We illustrate these benefits by focusing on the problem areas and how TechstelSRA addresses them through the allocation of their budget.

2.1 Current Issues Addressed in Technopark

Safety and security: Despite efforts to patrol Technopark, there have been several break-ins and thefts, including valuable items like computers and vehicles. Also, due to the park's lack of activity after 5 pm, it creates an unsafe environment for tenants and businesspeople. This situation is not conducive to a high-quality business park. As TechstelSRA, we have taken significant measures to ensure a safe working environment, including the installation of 15 security cameras (and one license recognition camera LPR) for surveillance purposes. We have armed security guards patrolling on scooters 24/7 and on motorcycles from 6 pm to 6 am, five days a week, and full-time on weekends.

Through ongoing investment in security measures to mitigate crime and enhance safety, we aim to maintain this secure environment and request the renewal of the SRA to continue our efforts.

Infrastructure maintenance at Technopark remains problematic despite collaboration with the Municipality and funding efforts. Issues involve deteriorating roads, invisible road markings causing accidents, and loose brick edges. Stormwater drainage failures during rains erode topsoil, while leaf blockages in parking areas also contribute to erosion, requiring ongoing upkeep.

Additionally, we are collaborating with the Municipality to entirely redesign and restore the six dams that form a crucial part of the Park’s green spaces. This effort is necessary due to a lack of upkeep and the severe drought from six years ago that caused cracks in the dams' bentonite lining, leading to leaks.

Moreover, we regularly clear shrubs and grass that become fire hazards during dry months and maintain the green spaces as much as our budget allows. We also contracted an outside specialist (VULA) to rehabilitate and clear the Fynbos Garden opposite the dams, which posed a significant fire risk to nearby buildings. This work will extend over three years to avoid disrupting the garden’s existing ecosystem.

Parking: The issue of parking is a significant challenge in The Park, primarily due to the initial requirement of only 3 parking spaces per 100 m² of office space. The rising number of vehicles necessitates consolidated parking areas. Currently, vehicles are parked on open lots and municipal land along road edges, diminishing The Park's aesthetic appeal and creating safety hazards. Additionally, visitors often face difficulties navigating to their destinations on foot.

Establishing designated public or visitor parking zones with security personnel and a park map would greatly mitigate these problems. This initiative can be aligned with a potential parking space audit commissioned by Techstel, which has been shared with the municipality.

We are actively working in collaboration with the Municipality to enhance parking and general upkeep within The Park. A dedicated committee has been appointed to address these concerns, and an application for a designated parking area on Techno Ave has been submitted to tackle these issues.

Ongoing cooperation with the municipality via TechstelSRA is crucial to addressing road maintenance, drainage, parking challenges, and overall upkeep.

Access and Mobility in The Park: Currently, there's only one entrance for accessing The Park. Though part of the entrance road has been widened, there's a need to integrate solutions into the town's spatial development framework. Plans for additional entrances from the South or West could improve safety and provide escape routes during emergencies.

On-foot mobility is minimal, and fast-driving traffic is an issue, necessitating traffic calming measures. Creating footpaths between buildings and open spaces would enhance attractiveness, sociability, and safety by increasing visibility—a key aspect for fostering innovation and community.

So far, we have established a well-paved footpath from the R44 to the second traffic circle on Electron Road and plan to extend it throughout The Park, following a NMT plan by Techstel available to the municipality, but need more budget to continue.

Dams, Gardens and Open spaces: In 2011, a study was conducted on the state of health of the dams in Technopark, by a Stellenbosch University student (which showed a willingness to collaborate with the University). These dams were found to be unhealthy and required urgent assistance to rehabilitate not only the life in the dams, but the water quality as well. The primary reason was, due to the lack of flow of water into the dams, which at the time was connected to a pipeline from Theewaterskloof dam and since been discontinued. Furthermore, the irrigation system, and pump, that is meant to circulate water in the dams were broken.

Ensuring the dams and irrigation systems (linked to them) work on a constant basis will require continued maintenance by the municipality, which is not happening. Solving the dam issue would also solve many of The Park’s problems in terms of beautification. In summer The Park becomes extremely dry and dusty, which is a nuisance for tenants, and potentially devalues the properties.

Techstel funded a study to investigate and solve the dams' leakage issues and created design drawings with a bill of quantities. Techstel views dam restoration as maintenance for the municipality, not capital expenditure, but is willing to collaborate with them. Providing irrigation to The Park will help revive struggling plants and beautify open spaces, attracting tenants and businesses. Techstel has initiated a project to reconnect Wynland Water's irrigation system, partially funding new irrigation pipes.

Lighting: Unfortunately, there are still problems in various areas with insufficient lighting and even a whole street (along Neutron Rd) with faulty street lighting. It has been reported on numerous occasions, but without ratification.

Marketing & Business Forum: A space like Technopark, requires marketing because of its unique set-up, as well as being close to the University of Stellenbosch. Currently a proper marketing and communication plan has been put into practice and is being maintained on an ongoing basis. We would like to market Technopark more aggressively and on a larger scale to make it more attractive, especially as an innovation and technology park which is aligned with the broader goals of The Municipality.

General issues: Persistent problems frequently surpass the municipality's resources, prompting the establishment of TechstelSRA to tackle them. Contributions from property owners to the SRA serve as a short-term investment that boosts long-term property values, benefiting the entire community. The future possibilities and the role of Technopark within the Stellenbosch community need to be clarified to facilitate ongoing planning and inform decision-making. A vision plan was developed by the SRA to serve as a foundation for discussions among stakeholders in the SRA.

2.2 Benefits pertaining to the renewal of the TechstelSRA

Below is a list of general benefits pertaining to SRA's which could translate into improving the current situation in Technopark:

- ✓ Improved property values,
- ✓ Improved investor confidence,
- ✓ Improved Safety,
- ✓ Improved community atmosphere,
- ✓ Stakeholder collaboration,
- ✓ Capacity to investigate, document and deal with local problems affecting the area,
- ✓ Provide authority to engage with local municipality,
- ✓ A clear and dedicated plan, as well as budget to improve the local area,
- ✓ Improved accountability of performance, and development of the area.
- ✓ The SRA programme usually creates a positive sentiment, which attracts additional support and investment into the area,
- ✓ Promote Technopark as a premium business park in the Winelands.

2.3 Tasks and Milestones

The identified problem areas have been assigned to specific portfolios. Each portfolio committee is overseen by one or multiple directors on the Board of Directors of TechstelSRA. JPS Trust, serving as the management agent, assists in the daily operations of TechstelSRA, with decisions made at a Directors' Meeting held every six weeks. Annual General Meetings (AGMs) are conducted annually in October.

The following portfolio committees have been allocated budgets to spend on the identified tasks:

2.3.1 Administration and JPS

JPS Trust was appointed in terms of the requirements of the Financial Agreement as Executive Officer to administrate and operate the affairs of the SRA. Although not limited to their main responsibility will be the financial and secretarial administration of the SRA.

Day to day management is separated from financial and administrative governance through the appointment of a General Manager.

A. <u>Financial governance</u>

1. JPS Trust, as Executive Officer of the SRA, and who is accountable to the Board of Directors, administer the bank account and all monthly income and payments.
2. JPS Trust calculate and pay the monthly VAT obligations and provide all contractors and consultants with a VAT registration number. They also submit a copy of the SRA's VAT 103 certificate yearly to the Municipality.
3. JPS Trust monitor that the Municipality pay all SRA income into a bank account in the name of the SRA monthly.

4. JPS Trust conduct a yearly audit after which the audited financial statements are presented to the board of directors for approval.
5. Once approved by the Board of Directors in respect of the SRA's previous financial year, JPS Trust must submit a set of financial statements to the Municipality.

B. Administration

JPS Trust as Executive Officer of the SRA is responsible for the financial management of the SRA. This responsibility includes implementing and monitoring the SRA's annual budget and ensuring-

1. that resources are used effectively;
2. full and proper financial records are kept, including the monthly reconciliation of all revenue received and accounts to be paid;
3. the development and maintenance of appropriate expenditure management systems;
4. that a monthly income and expenditure progress report is submitted to the Municipality by the 15th of the following month;
5. that audited financial statements, approved by the board of directors, are submitted to the Municipality annually;
6. that a tax clearance certificate is submitted to the Municipality annually;
7. that a reviewed property database is submitted to the Municipality by 31 December annually;
8. that appropriate control systems are maintained;
9. that unauthorised, irregular or fruitless and wasteful expenditure is prevented;
10. that disciplinary or other legal proceedings are instituted when required;
11. that the Annual General Meeting be advertised as per section 8.2.6(d) of the Special Rating Area Policy; and
12. that within two months after Annual General Meeting was held, the Executive Officer reports to the Municipality the SRA's annual financial statements and annual report.

JPS Trust is responsible for all secretarial and meeting requirements which includes:

1. Scheduling, arranging and recording the yearly Annual General Meeting.
2. Scheduling, arranging and recording the Bi-monthly Directors meetings.
3. Advising the board of directors of all procedural matters required for meetings, notices , quorum and voting.
4. JPS Trust to keep all records for minimum of 5 years and make it available on request to the Municipality.

The general manager is responsible for the day-to-day management activities such as attending to stakeholder request, engaging with stakeholder meetings, review contractor progress, facilitate meetings with the Municipality and coordinate the community projects.

2.3.2 Marketing and Business Forum

The TechstelSRA Marketing and Business Forum Committee services Technopark by:

Creating, communicating and delivering content that creates value for Technopark's target market:

- Owners
- Potential owners
- Tenants

Delivering community events and facilitating administrative coordination of tenants in The Park. We also maintain an up-to-date database of tenants and stakeholders for purposes related to:

- Marketing of events

- Security communication
- Functions for communal benefit

We coordinate the collective goals of:

- Improving the property values of Technopark
- Improving the marketing and image of Technopark (as a top business address)

This is done through managing written and visual communications of the Technopark brand by building awareness through social media, newsletters, advertising, blogs, etc. and in turn this creates value for investors by informing them on current affairs.

To achieve awareness and add value, we work on several different platforms:

- Management of Technopark's website
- Management of Technopark's mobile App
- Content creation, general website updates and maintenance
- Update new Business Directory entries
- Manage Technopark's Facebook and LinkedIn accounts
- Structure new content. Source and design curated content for Social Media platforms
- Schedule Social Media posts. Respond to messages on Facebook
- Manage Website and Social Media advertisers
- Schedule & boost posts for advertisers on Social Media
- Customer communication
- News Articles/Blog Posts
- Create supportive marketing collateral
- Compile and send email newsletters

2.3.3 Projects

All forms of project are contained herein, such as projects related to specific events: art, new footpaths, special security, restoration of the dams, secure parking spaces, etc. This section also makes provisioning for appointment of consultants for use in more professional park related activities. Projects may include major undertakings form the other portfolios

2.3.4 Parking and Roads

Our goal is to improve the access to Techno Park, and to formalise The Parking in Technopark.

Communications with the Municipality continue in respect of the Adam Tas Link Road as well as formalising of The Parking in Technopark. Approximately 1 000 vehicles are currently parking on municipal land, open space and other property owners' verges. This is due to the inadequate parking ratio set out by the Municipality in the original zoning scheme of Technopark being 1 parking bay for every 40 square meters of lettable office space.

The first step is to identify areas where we can relocate and develop formal parking pockets to accommodate the 1 000 odd and increasing, illegally parked vehicles. This can be done in accordance with a potential parking space audit, that was commissioned by Techstel, and made available to the municipality.

2.3.5 Finances

The finances of the past four years were handled meticulously. The audited annual financial statements for these four years met all requirements and received a clean audit report. Copies can be obtained from JPS Trust's Executive Officer or the Manager of the Treasury Office in the Finance Directorate at the Municipality. This same level of accuracy and precision will continue to assure the owners within the SRA about the management of the funds.

2.3.6 Security

There has been a drastic increase in break-ins and theft incidents not only in Technopark, but throughout the Western Cape, during 2024 thus far.

In an endeavour to counter, as far as possible, the negative impact of crime on property values as well as making Technopark a safer place for business operations, we have allocated additional funds for the deployment of visible security officers.

We unfortunately experienced several motor vehicle theft incidences over the last year. This is concerning and our license plate recognition system will be improved to allow for two LPR cameras on both entry and exit routes.

2.3.7 Maintenance and Garden

This budget will be spent on

1. The continuous maintenance of the areas that fall under the jurisdiction of the SRA, eg the green areas around the dams, sidewalks, cleaning of waterways
2. Maintenance and cleaning of the dam areas, as well as the continuous planting of new plants as needed.
3. Planting trees on green areas
4. Application of irrigation so that specific points can be wetted. (Supplies (hardware) required for this to be provided by the Municipality.
5. Providing specific benches and seating areas around and on green areas for recreation
6. Improving the footpaths around the dams to be more secure.
7. Allow for a specialist landscaper (Vula) to clear vegetation in the fynbos area.

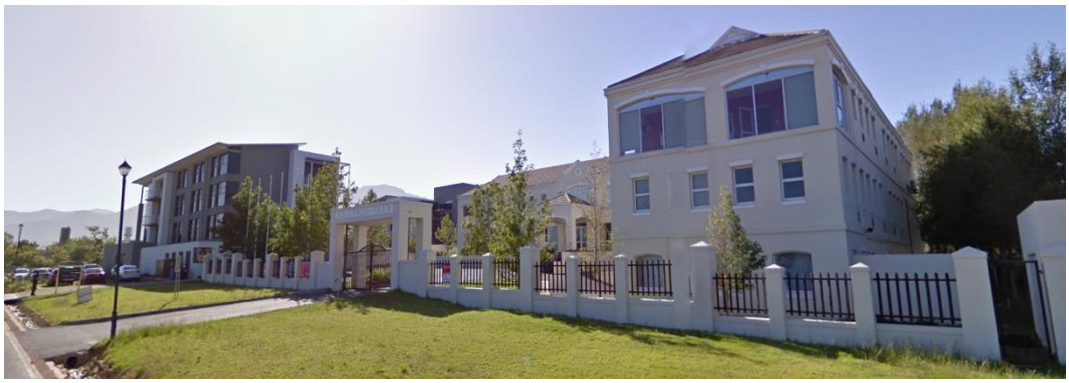
3 Budget Plan & Financial Impact

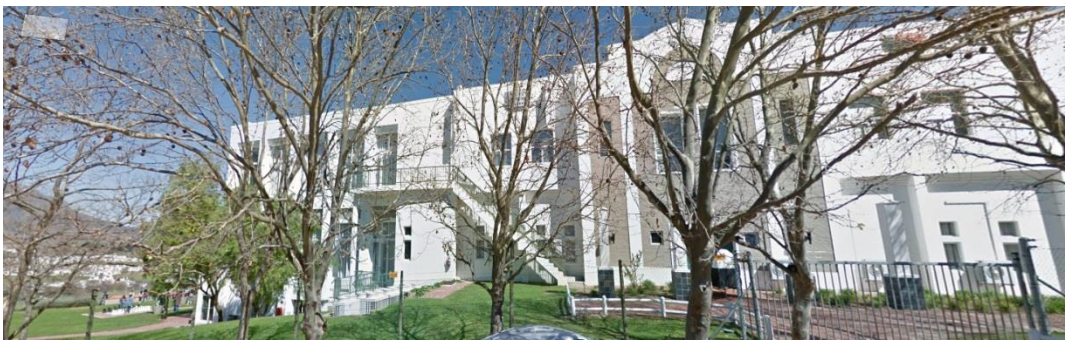
The budget line-items associated to the above goals and milestones are as per Appendix 1.

4 Conclusion

Renewing TechstelSRA for the next five years is crucial for maintaining and enhancing the value and functionality of Technopark. The achievements of the past term have demonstrated the viability and effectiveness of TechstelSRA, making a strong case for continued investment. This business plan provides a comprehensive guide for the future development and management of Technopark, ensuring it remains a premier business address in South Africa.







Appendix 1: Budget Cost

The values contained in the table below excludes VAT.

PORTFOLIO	FINANCIAL YEAR SUMMARY				
	2025/26	2026/27	2027/28	2028/29	2029/30
Marketing and Business	375,195	403,859	434,745	468,028	503,898
Admin	376,050	409,895	446,785	486,996	530,825
Special Projects	1,320,000	1,386,000	1,455,300	1,528,065	1,604,468
JPS	177,815	190,262	203,580	217,831	233,079
Parking and Roads	127,625	134,007	140,707	147,742	155,129
Maintenance and Garden	1,286,496	1,350,821	1,418,362	1,489,280	1,563,744
Security	1,456,896	1,584,132	1,722,492	1,872,996	2,036,652
	5,120,077	**5,458,975**	**5,821,971**	**6,210,938**	**6,627,796**

ANNEXURE B

"B"

TECHSTELSRA NPC

Registration number 2015/259104/08
(Non Profit Company incorporated in terms of the Companies Act 2008)

("the Company")

CIRCULAR TO MEMBERS OF THE ANNUAL GENERAL MEETING

Regarding:

- The application of Membership & Voting Rights
- The appointment and election of Directors
- The approval of the New 5 Year Budget
- The approval of the New Business plan 2025 – 2030
- Approval for written application to Council for exemption to comply to Chapter 1's provisions as per the Special Ratings Area By-Law

and Including:

- Notice of the Annual General Meeting of members
- Agenda for Annual General Meeting of members
- Acceptance of Membership (Annexure A)
- Proxy Form (Annexure B)
- Nomination of Director (Annexure C)

1. INTRODUCTION

The purpose of this document is to provide members of the Company with all the necessary information in order to enable them to make an informed decision at the forthcoming Annual General Meeting to be held at 13:00 Friday, 1st November 2024 at the Protea Hotel, Technopark.

2. MEMBERS

In terms of paragraph 10.2 of the MOI of the Company, Membership of the Company is limited to, persons (including trustees for the time being of trusts or sectional title bodies corporate) who are registered owners of a Property situated within the SRA, for so long as they are owners of such property. These Members will have voting rights in the Company.

Persons who qualify for Membership and subscribe to the objects of the Company as set out in paragraph 5 of the MOI, will furthermore be required to confirm their Membership in writing, which must be done by completing and submitting the Acceptance of Membership as per Annexure A. Member who have already signed up as a member in the previous year do not need to do this again.

3. VOTING RIGHTS

Each Member present at an Annual General Meeting, whether in person or by proxy, may exercise his / her right to 1 (one) vote.

For the passing of an ordinary resolution or decision, a majority (more than 50%) of votes by the Members in support of such resolution or decision will be required.

For the passing of a special resolution, at least 75% of the votes by the Members in support of such resolution will be required.

4. DIRECTORS

In terms of the Company's Memorandum of Incorporation (MOI), the minimum number of directors are 6 (six), with the maximum number of directors being 10 (ten).

The current directors registered with the CIPC are as follows:

1. BARBARA FASSLER
2. FRANCOIS SMUTS
3. JACOB JACOBUS CORNELIS PIETERSEN
4. ALAN GEOFF MANNING
5. DELEUR STANDER
6. GUSTAV WILHELM BESTER
7. ERNST WOLFAARDT
8. ERIC LOUBSHER

The following directors have tendered their resignations and will not stand for re-election:

During the year:
1. ILZEMARIE KNOETZE

The following directors have been nominated to act as directors:

- To be communicated later (J Jooste / D Jonker)

Should you wish to nominate a Member to act as director of the Company, you must complete your Nomination of Director as per attached Annexure C by no later than 13:00 on Wednesday the 30th October 2024.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

1. **If you are uncertain as to what action to take, you are advised to consult your attorney or other professional advisors.**

2. **You must complete and submit your Acceptance of Membership (Annexure A) at the Annual General Meeting so that we have all your details for the Members Register if you had not done so in the past.**

3. **Should you wish to nominate a Member to be appointed as a director of the Company, you must complete and submit your Nomination of Director (Annexure C) by no later than 13:00 on Wednesday the 30th October 2024.**

4. **If you are unable to attend the Annual General Meeting to be held on Friday, 1st November 2024 at 13:00 at the Protea Hotel Stellenbosch, you should complete and return the attached Proxy Form (Annexure B) by no later than 13:00 on Wednesday the 30th October 2024.**

5. **All forms are to be submitted for the attention of Thea Jordaan to the office of JPS Trust, situated at Valerida Center 210, Piet Retief Street, Stellenbosch, by hand, or by email to the following email address: thea@jpstrust.co.za.**

TECHSTELSRA NPC

Registration number 2015/259104/08
(Non Profit Company incorporated in terms of the Companies Act 2008)
("the Company")

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that an Annual General Meeting of Members of the Company will be held at Protea Hotel Stellenbosch at 13:00 on Friday the 1st November 2024 for the purpose of considering and, if deemed fit, of passing, with or without modification, the following resolutions –

1. Ordinary Resolution Number One

"IT WAS CONFIRMED THAT the registered owners of Property within the boundaries of the SRA are the Members of the Company in terms of paragraph 10.2.1 of the MOI of the Company."

(The Members Register will be made available within 14 days after the Annual General Meeting in order to confirm the Members of the Company in terms of paragraph 10.5 of the MOI)

2. Ordinary Resolution Number Two

"IT WAS RESOLVED THAT the Financial Statements for the financial Year July 2023 – June 2024 were noted."

3. Ordinary Resolution Number Three

"IT WAS RESOLVED THAT the following persons for whom nominations were received, be and are hereby elected and / or re-elected as directors of the Company."

(List of Nominated Directors will be made available at the Annual General Meeting)

4. Ordinary Resolution Number Four

"IT WAS RESOLVED THAT owners approve of the renewal of the SRA for another 5 year term and accept the budget as presented."

5. Ordinary Resolution Number Five

"IT WAS RESOLVED THAT owners approve of the new proposed Business Plan for the next 5 year term .

6. Ordinary Resolution Number Six

"IT WAS RESOLVED THAT owners approve of the written application to Council for exemption to comply to Chapter 1's provisions as per the By-Law

By order of the directors of TECHSTELSRA NPC.

Chairman: Ernst Wolfaardt
Date: 1st October 2024

Registered office:
JPS TRUST
Valerida Center 210
Piet Retief Street,
Stellenbosch, 7600

Postal address
PO Box 3075
Matieland
7602

TECHSTELSRA NPC

Registration number 2015/259104/08
(Non Profit Company incorporated in terms of the Companies Act 2008)

("the Company")

AGENDA FOR ANNUAL GENERAL MEETING ON FRIDAY 1ST NOVEMBER 2024 AT 13H00 AT THE PROTEA HOTEL, TECHNOPARK

1 **Welcome and Apologies**

2 **Ordinary Resolution One- Acceptance of Members**

3. **Ordinary Resolution Two – Notice of the Audited Financial Statements**

4. **Appointment of the Auditors for the ensuing financial Year**

5. **Acceptance of the Chairman's Report**

6. **Ordinary Resolution Three– Election of Directors**

7. **Ordinary Resolution Four - Approval of the New 5 Year Budget**

8. **Ordinary Resolution Five - Approval of the New Business Plan for the term 2025 – 2030**

9. **Ordinary Resolution Six – Approval for written application to Council for exemption to comply to Chapter 1's provisions as per the By-Law**

10. **General**

ANNEXURE A

TECHSTELSRA NPC

Registration number 2015/259104/08

ACCEPTANCE MEMBERSHIP

A. Member Declaration

I, ……., registered owner of property situated within the boundaries of the special ratings area of TECHSTELSRA NPC, with property details below, hereby confirm that I am a member of the Company in terms of paragraph 10.2 of the Memorandum of Incorporation (MOI) of the Company.

I further confirm that I understand the objects of the Company as set out in paragraph 5 of the MOI of the Company, and that I accept and subscribe to those objects.

Signed: …….. Date: ……..
(To be signed by Member personally)

B. Details of Member and Property

1. Surname: ……
2. Full forenames: ……
3. Nationality: ……
4. Identity number: ……..
5. Passport number, if not South African ……..
6. Residential address: ……
   ……
7. Business address: ……
   ……..
8. Postal address: ……
9. Occupation: ……
10. Property owned within the SRA: ……
11. Email address: .....

C: Proof of Ownership of Property and South African ID / Passport to be attached in support of application.

ANNEXURE B - PROXY APPOINTMENT FORM

"I/We _____

being a Member of TechstelSRA (NPC) do hereby appoint

_____

or failing him/her

_____

or failing him/her, the chairperson of the meeting as my/our proxy to vote or abstain from voting on my/our behalf at the meeting of the Company to be held at .....on and at any adjournment thereof as follows:-

	In favour of	Against	Abstain
Ordinary Resolution 1	.....	.....	.....
Ordinary Resolution 2	.....	.....	.....
Ordinary Resolution 3	.....	.....	.....
Ordinary Resolution 4	.....	.....	.....
Ordinary Resolution 5	.....	.....	.....
Ordinary Resolution 6	.....	.....	.....

(Indicate instruction to proxy by way of a cross in space provided above). Except as instructed above or if no instructions are inserted above, my/our proxy may vote as he/she thinks fit.

SIGNED this _____day of _____ 2024

_____

MEMBER'S SIGNATURE

(Note: A Member entitled to attend, speak and vote is entitled to appoint a proxy to attend, speak and vote in his/her behalf, and such proxy need not be a Member of the Company)

ANNEXURE C

TECHSTELSRA NPC

Registration number 2015/259104/08

DIRECTORS NOMINATION

C. Member Declaration

I, ……., registered owner of property situated within the boundaries of the special ratings area of TECHSTELSRA NPC, hereby nominate the following person with details below to be appointed as a director of the Company.

Signed: …….. Date: ……2024
(To be signed by Member personally)

D. Person Nominated to act as Director

Surname:

……..

Full forenames:

……

Property Owner Erf nr: ……..

Nomination accepted: ……

Email: ……..

Cellphone nr. : ……..

MINUTES OF THE ANNUAL GENERAL MEETING
OF THE MEMBERS OF TECHSTELSRA NPC WHICH WAS HELD
ON 3 NOVEMBER 2023 AT THE PROTEA HOTEL, STELLENBOSCH

1. INTRODUCTION AND WELCOME

All necessary information was provided to the members of the Company to enable them to make an informed decision at this Annual General Meeting.

The Chairman welcomed everybody present.

2. ATTENDANCE AND ACCEPTANCE OF MEMBERSHIP

For the benefit all attendees, The Chairman explained the membership and company structure:

- NPC incorporated i.t.o. Companies Act 2008
- Company pays no Income Tax
- Membership limited to property owners in TechstelSRA
- Must apply for membership in writing
- Only registered members may vote
- Members may appoint a proxy

The required notice had been given and meeting was duly constituted in terms of the Company's MOI (10% of the Members to be present in person or by proxy)

Members Registered by Acceptance of Membership - 184
- Proxies received 175 with Membership Acceptance
- Present in person 35 with Membership Acceptance

Ordinary Resolution Number ONE - Approved unanimously

"IT WAS CONFIRMED THAT the registered owners of Property within the boundaries of the SRA are the Members of the Company in terms of paragraph 10.2.1 of the MOI of the Company."

(The Members Register will be made available within 14 days after the Annual General Meeting in order to confirm the Members of the Company in terms of paragraph 10.5 of the MOI)

3. FINANCIAL REPORT

3.1 ACCEPTANCE OF THE FINANCIAL STATEMENTS

Highlights from the Annual financial Statements were presented by the chairman, Ernst Wolfaardt. It was made clear that the main source of income is levies.

Ordinary Resolution Number TWO - Approved unanimously

"IT WAS RESOLVED THAT the Annual Financial Statements for the year ended 30 June 2022 were noted."

4. APPOINTMENT OF AUDITORS

"IT WAS RESOLVED THAT Smith & Associate Incorporated be appointed as auditors for the ensuing financial year."

5. ACCEPTANCE OF THE CHAIRMAN's REPORT

5.1 Overview of SRA role and achievements

Continue to fill the gap between SRA's expectations and Municipal Services provided

- Increase occupancy rates Promote the vision
- Planning for landscaping
- Irrigation
- Footpaths/NMT
- Security
- General infrastructure
- Promote access

5.2 Promote Technopark an asset to the town and Winelands

- Marketing/Exposure
- Engage potential new tenants/property owners
- Open to facilitate applications to Municipality
- Business events
- Web presence and App

5.3 Increase occupancy rates

Make Techno Park operationally sound and attractive for property owners and people working in the park.

5.4 Promote the vision

Short term:

- Promoting Techo Park as the premier business estate in the winelands Longer term.
- Improve property values
- Sustainability
- Safe & Secure
- Well maintained
- Accessible

5.5 Major Achievements

- Working with the Municipality
- Remains challenging
- Delayed work
- Activity in Technopark limited
- Requires continuous interaction
- Appointment of General Manager for SRA
- Paths/NMT
- Planning for Open Spaces
- Irrigation
- Networking eventS
- Occupancy ratios improving

5.6 Infrastructure and Public relations Portfolio

- Parking (To be expanded on by Gustav and/or Alan)
- Non-Motorised-Transport (NMT) (To be expanded on by Ernst)
- Irrigation water
- Landscaping plan for dams are
- Interactions with Municipality
- Western by-pass
- Eastern link road

5.7 Parking

- UDS investigation
- 8 Parking areas
- 1167 Bays
- R22m
- Presented to SMun 2021
- No response/action yet
- Area2 incorporated in Dam area landscape plan
- Boom entrance in process for Area 3
- Solar canopies will work in Area

5.8 Irrigation Water

- UDS investigation
- Wynland Water connection located
- Connection fixed & pressurized
- Could not resuscitate 1989 system, therefore:
- PS not usable for irrigation, perhaps dams recycling?
- Irrigation pipe North of dams in process (R460k – red pipe)
- Irrigation pipe link with entrance in process (R572k – blue pipe)
- SM assisting with finance of Blue/Red pipes

6. APPOINTMENT OF DIRECTORS

Ordinary Resolution Number **THREE- Approved majority**

"IT WAS RESOLVED THAT the following persons for whom nominations were received, be and are hereby elected and / or re-elected as directors of the Company.

In terms of the Company's Memorandum of Incorporation (MOI), the minimum number of directors are 6 (six), with the maximum number of directors being 10 (ten) but make provision for more, should the members so agree.

The current directors registered with the CIPC who will remain on as Directors are as follows:

1. BARBARA FASSLER
2. FRANCOIS SMUTS
3. JACOB JACOBUS CORNELIS PIETERSEN
4. ALAN GEOFF MANNING
5. DELEUR STANDER
6. ILZEMARIE KNOETZE
7. GUSTAV WILHELM BESTER
8. ERNST WOLFAARDT
9. ERIC LOUBSHER

Johan Schutte resigned as Director .

Management
It was noted that JPS Trust has been appointed as the managing agent of TechstelSRA.

7. CONCLUSION

The Chairman thanked all the members for their attendance and support.

By order of the directors of TECHSTELSRA NPC, Ernst Wolfaardt was re-appointed as Chairman and Jacques Pietersen as Vice-Chairman

ANNEXURE C

DRAFT

"C"

p/a JPS Trust
Valeridasentrum 210 Valerida Centre
Piet Retiefstraat · Street, Stellenbosch
Posbus · PO Box 3075, Matieland, 7602

TECHSTELSRA NPC
Reg No · 2015/259104/08
Tel · 021 887 2486, Fax · 021 883 9540
info@technopark.org.za · www.technopark.org.za

TECHSTELSRA NPC

Registration number 2015/259104/08
(Non Profit Company incorporated in terms of the Companies Act 2008)
("the Company")

MINUTES OF THE ANNUAL GENERAL MEETING
OF THE MEMBERS OF TECHSTELSRA NPC WHICH WAS HELD
ON 1ST NOVEMBER 2024 AT THE PROTEA HOTEL, STELLENBOSCH

1. INTRODUCTION AND WELCOME

All necessary information was provided to the members of the Company to enable them to make an informed decision at this Annual General Meeting.

The Chairman welcomed everybody present.

2. ATTENDANCE AND ACCEPTANCE OF MEMBERSHIP

For the benefit all attendees, The Chairman explained the membership and company structure:

- NPC incorporated i.t.o. Companies Act 2008
- Company pays no Income Tax
- Membership limited to property owners in TechstelSRA
- Must apply for membership in writing
- Only registered members may vote
- Members may appoint a proxy

The required notice had been given and meeting was duly constituted in terms of the Company's MOI (10% of the Members to be present in person or by proxy)

Members Registered by Acceptance of Membership - 192

- Proxies received 158 with Membership Acceptance
- Present in person 34 with Membership Acceptance

Ordinary Resolution Number ONE - Approved unanimously

"IT WAS CONFIRMED THAT the registered owners of Property within the boundaries of the SRA are the Members of the Company in terms of paragraph 10.2.1 of the MOI of the Company."

(The Members Register will be made available within 14 days after the Annual General Meeting in order to confirm the Members of the Company in terms of paragraph 10.5 of the MOI)

3. FINANCIAL REPORT

3.1 ACCEPTANCE OF THE FINANCIAL STATEMENTS

Highlights from the Annual financial Statements were presented by the Financial Director, Francois Smuts. It was made clear that the main source of income is levies.

Ordinary Resolution Number TWO - Approved unanimously

"IT WAS RESOLVED THAT the Annual Financial Statements for the year ended 30 June 2024 were noted."

3.2 BUDGET 2024/25

The Chairman provided an overview of the funding of the Company since inception.

Details of the budgets of the various years were given.

	Year1	Year2	Year3	Year4	Year5
Marketing and communication	R134 800.00	R141 540.00	R148 617.00	R156 047.85	R163 850.24
Events	R20 407.50	R21 427.88	R22 499.27	R23 624.23	R24 805.44
Admin	R 171 610.50	R180 191.03	R189 200.58	R198 660.61	R208 593.64
Business forum	R20 407.50	R21 427.88	R22 499.27	R23 624.23	R24 805.44
Future planning	R20 599.50	R21 629.48	R22 710.95	R23 846.50	R25 038.82
JPS	R156 000.00	R163 800.00	R171 990.00	R180 589.50	R189 618.98
Projects	R428 537.24	R449 964.10	R472 462.30	R496 085.42	R520 889.69
Parking and roads	R 100 000.00	R105 000.00	R110 250.00	R115 762.50	R121 550.63
Security	R 753 408.00	R828 748.80	R911 623.68	R1 002 786.05	R1 103 064.65
Maintenance & Garden	R 588 000.00	R617 400.00	R648 270.00	R680 683.50	R714 717.68
TOTAL (ex VAT)	**R2 393 770.24**	**R2 551 129.15**	**R2 720 123.04**	**R2 901 710.38**	**R3 096 935.20**
TOTAL (incl VAT)	R2 752 835.77	R2 933 798.52	R3 128 141.50	R3 336 966.94	R3 561 475.48

4. APPOINTMENT OF AUDITORS

"IT WAS RESOLVED THAT Smith & Associate Incorporated be appointed as auditors for the ensuing financial year."

5. ACCEPTANCE OF THE CHAIRMAN's REPORT

The role of the SRA over the past year can be broken down into two main areas. Firstly, we continued with our operational activities, which include security, projects, landscaping, and handling various requests from stakeholders. This constitutes the majority of our efforts to maintain a safe and aesthetically pleasing office park, and it consumes most of our annual budget.

Secondly, it is vital that we focus on shaping our future as a hub of innovation and growing potential. Ensuring Technopark's integration within the Stellenbosch community and its immediate neighbours is crucial for our sustainability. We actively promote Technopark as a valuable asset to Stellenbosch and the premier business estate in the Winelands. Our goal remains to meet the demand for land or office space in Technopark, enhancing asset growth for our property owners. Achieving this will require fostering a vibrant community for the thousands of people working in Technopark.

As part of this report, various directors will present on each operational portfolio. We are fortunate to have directors willing to dedicate their time to support the SRA's objectives without charge, benefitting all stakeholders involved. The portfolios are:

- Public Relations – Ernst Wolfaardt
- Roads, Parking and Traffic – Gustav Bester, Erik Loubser, Alan Manning
- Irrigation and dams – Erik Loubser, Gustav Bester
- Webpage, marketing and business forum – Jacques Pietersen, Francois Smuts
- Security – Deleur Stander

- Gardens and common green spaces – Barbara Fassler and Ilsemarie Knoetze
- Finance and legal – Francois Smuts
- Corporate Social Investment – Alita Bothma

Here are some highlights from our operational activities over the past year:

Security remains a priority for the SRA. Despite experiencing vehicle thefts this year, break-ins significantly decreased. We appreciate Deleu Stander's collaboration with ABC Security in providing security services. While securing vehicles parked along the roads remains a challenge due to limited patrol coverage, we are effectively containing crime within the park.

Landscaping continues to progress despite a limited budget. We take pride in our achievements given the scarcity of water and resources. Enhancing the park's aesthetic appeal through landscaping remains pivotal for visitors and workers.

Our promotional efforts through media, web presence, and public events have solidified our recognition as a valued town asset. Last year, we secured municipal support to install two irrigation lines, aiding landscaping during dry months. The project is now complete, supporting ongoing landscaping work.

Collaboration with the Municipality to provide secure parking continues, though delays in approval remain frustrating. Professional engineers prepared these proposals at the SRA's expense, highlighting the need for timely municipal action.

Through our general manager's efforts, we've engaged in corporate social investment by supporting local schoolgirls with monthly sanitary packets, positively impacting their dignity.

As property owners in Stellenbosch, we aim to influence Technopark's future, ensuring it remains relevant and beneficial to our communities and fosters innovation. Two initiatives highlight these objectives:

We appointed a professional consultancy to develop a vision plan addressing challenges such as restrictive zoning and unclear land use. This plan explores the needs and trends of future workers, envisioning a hybrid workspace that supports living, working, and playing. Stakeholder engagement is encouraged, although the vision plan serves more as a discussion document than a legally binding framework.

A comprehensive vision plan, developed collaboratively with urban planners and municipal representatives, outlines Technopark's long-term future. This manifesto expresses commitment to beginning a conversation about shaping Technopark's future, aiming to eventually establish a legally recognized spatial framework.

The complete vision plan is available on our website.

Emphasizing landscaping's importance, we note the significant deterioration of dams over the past decade. A specialist landscaper has proposed options to repair or modify the dams and improve surrounding areas. This proposal, alongside motivation from the SRA, was submitted to the Municipality. Engagement and funding decisions are anticipated in the upcoming fiscal year.

This overview summarizes our operational activities and strategic initiatives for Technopark's future. I would like to extend my gratitude to the directors for their dedication, Alita for her operational contributions, and Thea along with the JPS Trust team for ensuring our administrative and statutory compliance.

6. APPOINTMENT OF DIRECTORS

Ordinary Resolution Number **THREE- Approved unanimously**

"IT WAS RESOLVED THAT the following persons for whom nominations were received, be and are hereby elected and / or re-elected as directors of the Company.

In terms of the Company's Memorandum of Incorporation (MOI), the minimum number of directors are 6 (six), with the maximum number of directors being 10 (ten) but make provision for more, should the members so agree.

The current directors registered with the CIPC who will remain on as Directors are as follows:

1. BARBARA FASSLER
2. FRANCOIS SMUTS
3. JACOB JACOBUS CORNELIS PIETERSEN
4. ALAN GEOFF MANNING
5. ERIC LOUBSHER
6. DELEUR STANDER
7. ERNST WOLFAARDT
8.. GUSTAV WILHELM BESTER

The following Directors were nominate and elected:

1. JAN JOOSTE
2. DIRK JONKER

The following directors have tendered their resignations and will not stand for re-election:

1. ILZEMARIE KNOETZE

Management

It was noted that JPS Trust has been appointed as the managing agent of TechstelSRA.

7. APPROVAL OF THE NEW 5 YEAR BUDGET 2025 - 3030

Ordinary Resolution number FOUR - Approved unanimously

"IT WAS RESOLVED THAT the Budget for the next 5 year term (2025 to 2030) as presented be approved."

PORTFOLIO	FINANCIAL YEAR SUMMARY				
	2025/26	2026/27	2027/28	2028/29	2029/30
Marketing and Business	375,195	403,859	434,745	468,028	503,898
Admin	376,050	409,895	446,785	486,996	530,825
Special Projects	1,320,000	1,386,000	1,455,300	1,528,065	1,604,468
JPS	177,815	190,262	203,580	217,831	233,079
Parking and Roads	127,625	134,007	140,707	147,742	155,129
Maintenance and Garden	1,286,496	1,350,821	1,418,362	1,489,280	1,563,744
Security	1,456,896	1,584,132	1,722,492	1,872,996	2,036,652
	5,120,077	**5,458,975**	**5,821,971**	**6,210,938**	**6,627,796**

8. PRESENTATION AND APPROVAL OF THE RENEWAL 5 YEAR BUSINESS PLAN

First 5 years was 1 July 2015 to 30 June 2020
The second 5 year term was 1 July 2020 to 30th June 2025
The renewal application is for the term 1 July 2025 until 30th June 2030
Renewal Plan next 5 years was approved by TechstelSRA Board of Directors 9th October 2024

Requirements for a SRA Business Plan prescribed by Stellenbosch Municipality Special Rating Area By-Law:

- Background and Introduction
- Motivation
- Implementation Plan and Budget

Boundaries will remain exactly as in first Business Plan

Benefits to the owners, community and environment

- Improved property values,
- Improved investor confidence,
- Improved Safety,
- Improved community atmosphere,
- Stakeholder collaboration,
- Capacity to investigate, document and deal with local problems affecting the area,
- Provide authority to engage with local municipality,
- A clear and dedicated plan, as well as budget to improve the local area,
- Improved accountability of performance, and development of the area.
- The SRA programme usually creates a positive sentiment, which attracts additional
- support and investment into the area,
- Promote Technopark as a premium business park in the Winelands.

APPROVAL OF THE NEW BUSINESS PLAN 2025 to 2030

Ordinary Resolution number FIVE - Approved unanimously

"IT WAS RESOLVED THAT the renewal of the Jonkershoek SRA for another 5 year term (2025 to 2030) and the Business Plan as presented for that term be approved."

9. APPROVAL OF WRITTEN APPLICATION TO COUNCIL FOR THE RENEWAL TERM AND EXEMPTION FROM COMPLIANCE WITH PROVISIONS OF CHAPTER 1 OF THE MUNICIPALITY OF STELLENBOSCH SPECIAL RATINGS AREAS BY-LAW

Ordinary Resolution number SIX - Approved unanimously

"IT WAS RESOLVED THAT the submission of a written application to the Stellenbosch Town Council for the renewal of the TechstelSRA for another 5 year term and for exemption from compliance with certain of the provisions of Chapter 1 of the Stellenbosch Municipality By-Law, be approved."

10. CONCLUSION

The Chairman thanked all the members for their attendance and support.

By order of the directors of TECHSTELSRA NPC, Ernst Wolfaardt was re-appointed as Chairman and Jacques Pietersen as Vice-Chairman

_____

Chairman: **Ernst Wolfaardt**
Date: 13 th January 2025

7.4.4	**STELLENBOSCH IMPROVEMENT AND TRANSFORMATION INITIATIVE (SITI) SPECIAL RATINGS AREA**

Collaborator No:
IDP KPA Ref No: **Good Governance and Compliance**
Meeting Date: **19 February 2025**

1. SUBJECT: STELLENBOSCH IMPROVEMENT AND TRANSFORMATION INITIATIVE (SITI) SPECIAL RATINGS AREA

2. PURPOSE

Is for the Council to consider and possibly approve the establishment of a Special Ratings Area to be known as Stellenbosch Improvement and Transformation Initiative (SITI) Special Rating Area (SRA) in terms of Council policy and section 22 of the Municipal Property Rates Act (MPRA), Act 6 of 2004.

3. DELEGATED AUTHORITY

COUNCIL.

4. BACKGROUND

An application was received from the steering committee of the SITI Special Rating Area, to get formal approval from the municipality to establish an SRA.Section 22 of the Municipal Property Rates Act, Act 6 of 2004, as well as council policy and bylaw do make provision for the establishment of special rating areas within the boundaries of Stellenbosch Municipality.

Below is an extract of Section 22, MPRA, 2004.

"22. Special rating areas. ___ (1) A municipality may by resolution of its

council-

(a) Determine an area within that municipality as a special rating area;
(b) Levy an additional rate on property in that area for the purpose of raising funds for improving or upgrading that area; and
(c) Differentiate between categories of properties when levying an additional rate referred to in paragraph (b).
(2) Before determining a special rating area, a municipality must-
(a) Consult the local community, including on the following matters:
(i) The proposed boundaries of the area; and
(ii) The proposed improvement or upgrading of the area; and

(b) Obtain the consent of the majority of the members of the local community in the proposed special rating area who will be liable for paying the additional rate.
(3) When a municipality determines a special rating area, the municipality-
(a) Must determine the boundaries of the area;
(b) Must indicate how the area is to be improved or upgraded by funds derived from the additional rate;
(c) Must establish separate accounting and other record-keeping systems regarding-
(i) the revenue generated by the additional rate; and
(ii) the improvement and upgrading of the area; and

(d) May establish a committee composed of persons representing the community in the area to act as a consultive and advisory forum for the municipality on the improvement and upgrading of the area, provided that representation, including gender representation, is taken into account when such a committee is established. Such a committee must be a subcommittee of the ward committee or committees in the area.

(4) This section may not be used to reinforce existing inequities in the development of the municipality, and any determination of a special rating area must be consistent with the objectives of the municipality's integrated development plan.

(5) This section must be read with section 85 of the Municipal Systems Act if this section is applied to provide funding for an internal municipal service district established in terms of that section of the Municipal Systems Act.

Further to the provisions of the MPRA, council approved a Special Ratings Area (SRA) policy and also an SRA Bylaw that was promulgated in Provincial Gazette 7015 of 20 July 2012. The policy is reviewed every year as part of the budget related policies of the municipality. The current policy was approved by council on 28 May 2014, and it is annually reviewed through the budget process.

5. RECOMMENDATIONS

(a) that the council approves the application, and the budget received for the establishment of the SITI Special Ratings Area in, Stellenbosch with effect from 1 July 2025 until 30 June 2030; and

(b) that the approval of the SRA will be on condition that a Financial Agreement as envisaged in Paragraph 14.3 of the SRA policy be entered into between the Municipality and the management structure of the SITI SRA before any payments are made towards the operating of the SRA.

6. DISCUSSION

WHAT IS A SPECIAL RATINGS AREA (SRA)?

A special Ratings Area is a provision within the law that allows for a specific

demarcated geographical area to collect additional rates, over and above the current rates being paid to the municipality. Each municipality writes its own by-law that governs the rules and framework of acceptance and governance. Stellenbosch Municipality has a specific policy that provides guidance for the establishment, implementation and maintenance of a SRA.

The SRA provides an opportunity for each property owner to pay an additional percentage, or rate, of what they currently pay to the municipality. The aim of this is to provide additional finance to pay for value-adding services. It is a democratic process that requires a majority of property owners in the demarcated area to support this initiative by means of a written vote, for the establishment of the SRA. If approved by the municipality this would then enforce an additional SRA rate on all the property owners of the SRA area.

Approval of the establishment of an SRA lies exclusively with the municipal council.

WHAT ARE THE BENEFITS OF A SPECIAL RATINGS AREA (SRA)?

This arrangement allows for a degree of management autonomy and self-control of urban or residential spaces that require improvement or in cases where the residents as a collective, wish to bring about improvement to their area.

This is beneficial to both the residents of the SRA as well as the municipality. Areas are improved by the residents themselves without there being any additional financial burden to the municipality.

HOW DOES A SPECIAL RATINGS AREA (SRA) WORK?

The full process is quite complex and involves a high degree of public participation, especially in the phases before the SRA is approved by council and established. The full process is set out and guided by the municipality's SRA policy, but can be summarised as follows:

- Support is gathered by property owners of a specific area for the establishment of a SRA. If a majority vote is obtained, application is made to the municipality in this regard.
- The council considers the application and approves or turns down the application.
- Assuming the application is approved, the SRA is established. A not-for-profit company (NPC) is registered. The management of this company is then responsible for implementing the business plan and achieving the goals of the SRA. All activities are performed by the NPC or employees and service providers. The municipality is not involved in the day-to-day operations of the NPC in any way.
- The approved budget of the SRA gets paid over to the NPC in equal monthly instalments while the municipality then recovers the money from property owners in the form of the SRA rates. The municipality adds the additional SRA rates to the consumer accounts of the property owners whose property fall within the boundaries of the newly established SRA. This is a legally constituted rate in terms of the Municipal Property Rates Act and all affected property owners are obliged to pay. Money is then recovered by the municipality via the normal processes. Should a property owner default on these compulsory rates, normal debt collection process will apply. There is therefore no cost to the municipality as the full cost of running the SRA is borne by the property owners themselves.

APPLICATION RECEIVED

In terms of the above-mentioned legislation and policy, an application to register a SRA in the area known as the SITI SRA was submitted to the municipality on 31 October 2024.

Attached, find the following Annexures.
Annexure A – Letter of Application
Annexure B – Business Plan
Annexure C - Budget
Annexure D- Minutes and presentation of public meeting

The broad goals of the SRA can be summarised as follows:

- Reducing crime significantly;
- Creating a safe and clean public environment;
- Managing existing and new public infra-structure for the future benefit of all users of the area;
- Protecting property values;
- Supporting the promotion of the are as a safe and clean environment by promoting greening, energy efficiency and recycling;
- Supporting and promoting social responsibility in the area; and
- The sustained and effective management of the area.

The Boundaries of the proposed SITI SRA are as follows:

The proposed geographic area of the SITI SRA runs from the corner of Bird and Merriman streets in the north to the Eerste River in the South and the SU Theology faculty and the Moederkerk in the East to the R44 in the West.

7. FACTORS TO BE CONSIDERED BY THE MUNICIPALITY

Paragraph 5 of the approved SRA policy sets out the factors that must be considered by the municipality when determining a special rating area. These are:

“ 5 FACTORS CONSIDERED WHEN DETERMINING A SPECIAL RATINGS AREA.

The council will consider instituting a special rating area where the requirements of Section 22 of the MPRA are complied with, including that –

7.1 the purpose of the special rating area is to allow an additional rate to be levied on property in the defined area to raise funds for improving or upgrading the area;

7.2 the special rating area will not be used to reinforce existing inequities in the development of the Stellenbosch Municipality’s (WCO24) area of jurisdiction;

7.3 the determination of the special rating area is consistent with Stellenbosch Municipality’s IDP;

7.4 residential special rating areas mean an area in which more than 40% (forty percent) of the rates based municipal valuation value consists of Residential Property as defined in the Rates policy.

7.5 any residential special rating area must comply fully with the provision of the By-Law, save that, with reference to the majority support the applicant must provide written proof to the Council that owners of rateable property within the boundary of the special rating area who own not fewer than 60% (sixty percent in number of such properties, approve the formation of the special rating area.

7.6 the majority of the members of the local community who will be liable for paying any additional rate in the special rating area have consented to its establishment.

7.7 the procedural requirements of Section 22 of the MPRA 5 as well as the By-Law and the Policy are complied with, including the community consultation requirements, as determined by the Municipality’s Chief Financial Officer (CFO);

7.8 The proposed improvement or upgrade has been clearly and fully defined;

7.9 the proposed improvement or upgrade can be clearly and logically linked to a geographical area, the boundaries of which must be clearly determined;

7.10 there is evidence that it will be financially viable to use a special rating area to raise funds for the proposed improvement or upgrade;

7.11 Stellenbosch Municipality is satisfied with the institutional arrangements proposed in respect of the special rating area; and

7.12 ultimately, the decision whether to determine a special rating area rest with the Council in its sole discretion.

CONSULTATION WITH COMMUNITY

Section 22(2) of the MPRA requires that the municipality consult with the community on several issues. To this end, several meetings were held with the public where all aspects pertaining to the boundaries, the proposed areas of improvement and upgrade, the actual additional rates to be paid, based on the proposed budget were discussed in detail. Advertisements were also placed in newspapers in compliance with the SRA policy wherein the public was invited to submit any comments or objections in connection with the establishment of the SRA directly to the community.

No objections were received as to the proposed SITI SRA and the boundaries thereof. The SRA will consist of both residential and commercial property owners. More than 60% of the owners within the boundaries of the proposed SRA voted in favour of the establishment of the proposed SRA.

The Administration is satisfied that there was sufficient consultation with the community.

DETERMINATION OF ADDITIONAL RATE

Calculations were made based on the proposed budget as submitted and the properties situated within the boundaries of the proposed SRA.

The total proposed budget of the SITI SRA amounts to R58 617 449.00(VAT excluded) over the five-year period. As is the case with normal property rates, SRA rates are also based on the municipal valuation of a property**.**

SRA rates are payable in addition to the normal property rates, and it will be accrued and recovered from property owners via the normal billing cycle of the Municipality.

LEGAL IMPLICATION

Section 22, MPRA 2004 makes provision that a municipality may approve the establishment of a Special Ratings Area.

Further to the provisions of the MPRA, council approved a Special Ratings Area

(SRA) policy and an SRA Bylaw that was promulgated in Provincial Gazette 7015 of 20 July 2012. The policy is reviewed every year as part of the budget related policies of the municipality. The current policy was approved by council on 28 May 2014, and it is annually reviewed during the budget process.

In terms of paragraph 14.3 of the SRA policy a written financial agreement must be entered into between the municipality and the management structure of the SRA before any additional rates collected are paid over to the management structure by the municipality.

This agreement must regulate:

- The mechanisms and manner of payment.
- How the additional rate is to be held by the management structure.
- Any parameters relating to the expenditure; and
- Any obligations on the management structure to take out and maintain appropriate insurance.

The SITI SRA will follow the model as set out in paragraph 8.2 of the SRA policy. With this model, the SRA establishes a Not-for-profit company (NPC) and the management structure of this company undertakes the planning, contracting, financial control and administrative functions within the Special Ratings Area.

It is important to note that the municipality will in no way be involved in the daily operations of the SRA. No additional services will be rendered, and no additional resources will be made available to the management of the NPC of the SRA. The municipality is in no way obliged to provide or make available any of its own resources in order to cooperate with any of the SRA initiatives.

Apart from the stipulations in the financial agreement, the municipality's function will be limited to paying the annual budget over to the NPC management structure in twelve equal monthly instalments and collecting the SRA rates from property owners by means of its billing and debt collection processes.

8 FINANCIAL IMPLICATIONS

In terms of various policies and legislation, the municipality will levy an additional rate

on the properties that fall within the boundaries of the proposed SRA. This levy will be

in addition to normal monthly levies for rates and services and will be included in monthly accounts sent to property owners.

Collection of the additional rate will be done via the normal channels. Property owners who fail to pay their accounts will be subjected to the normal debt collection procedures as per the Credit Control and Debt Collection Policy of the municipality. In addition, provision will be made in the finance agreement as envisaged in paragraph 14.3 of the SRA policy that the municipality will not be liable to carry the burden of the irrecoverable debt.

The municipality will pay over to the NPC that has been established to manage the SRA monthly, 8.33% (1/12) of the proposed budget. The proposed budget of the SRA for the five-year period amounts to R58 617 449.00. The Financial Reporting of the levies and payments will be accounted for in a manner that is compatible with the requirements of the GRAP Accounting Framework.

9. COMMENTS FROM OTHER RELEVANT DEPARTMENTS

9.1 Legal Implications

As per Council Bylaws and Policy as well as the MPRA, Act 6 of 2004.

9.2 Staff Implications

None

9.3 Previous/Relevant Council Resolutions:

Item 12.2 of the council Meeting that was held on 23 August 2024, gave approval to extend the submission date for the application of the SRA until 31 October 2024.

9.4 Risk Implications

None

9.5 Comments from Senior Management:

9.6 Director: Corporate Services:

9.7 Chief Financial Officer:

Support the item.

9.8 Municipal Manager

Support the item.

10. CONCLUSION

The application for the establishment of a special ratings area complies with all the requirements set out in the council's approved SRA policy and promulgated by-law.

If the council finds that there is merit in the legislation and that the proposed SRA will add value and is in line with the spirit of its policy, it should consider approving the establishment of the SITI Special Ratings Area in terms of Section 22 of the Municipal Property Rates Act, 2004.

FOR FURTHER DETAILS CONTACT:

NAME	Henry Mitchell
POSITION	***Senior Manager: Revenue & Expenditure***
DIRECTORATE	***Finance***
CONTACT NUMBERS	***021 808 8016***
E-MAIL ADDRESS	***Henry.Mitchell@stellenbosch.gov.za***
REPORT DATE	06 February 2025

ANNEXURE A

31 October 2024

The Chief FInancial Officer
Stellenbosch Municipality
Plein Street
STELLENBOSCH

Attention: Mr Kevin Carolus

Dear Sir,

APPLICATION FOR THE ESTABLISHMENT OF THE STELLENBOSCH CENTRAL SPECIAL RATING AREA (SRA), SITI.

I, Mias van der Westhuyzen, registered trustee of ERF SB2051, Plein Street, Stellenbosch, hereby wish to make application to the Stellenbosch Municipality for approval of the establishment of the Stellenbosch Central Special Rating Area (SRA), SITI.

This application is made to the Municipality in terms of the Stellenbosch Municipality Special Rating Area By-Law, 2023/2024, read together with the Stellenbosch Municipality Special Rating Area Policy, 2022/2023.

The proposed SRA is to support the functions of the Municipality through the delivery of coordinated supplemental municipal services. The key objectives are to safeguard the property owners, tenants and residents as well as to grow economic opportunities and employment for all Stellenbosch residents by:

- Providing effective law enforcement to make the community safer.
- Enhancing the environment and thus economic growth through landscaping and modernized infrastructure.
- Supporting lasting social initiatives through reintegration into places of safety and, where possible, creating employment opportunities.

In support of the application, I attach the following:

1. The Business Plan consisting of a Motivation Report, Implementation Plan and 5-year Budget, marked as "**A**";
2. The property list indicating properties that are liable for paying the additional rate and who support the Implementation- and Business-Plan, within the SRA boundaries, marked "**B**";
3. Advertisements and notices of Public meeting(s), presentations and agendas/minutes thereof, marked "**C**";
4. The written consent forms of at least 60% + 1 properties who supported the SRA application, handed in as physical forms;

Stellenbosch Municipality's approval of this application would be greatly appreciated.

Regards



.....

Mias van der Westhuyzen
SITI STEERING COMMITTEE MEMBER

ANNEXURE B

BUSINESS PLAN FOR THE STELLENBOSCH IMPROVEMENT AND TRANSFORMATION INITIATIVE (SITI) SRA

STELLENBOSCH
IMPROVEMENT INITIATIVE

September 2024

Compiled in accordance with the By-Law for establishment of Special Rating Areas, promulgated in the Provincial Gazette 7015/2012

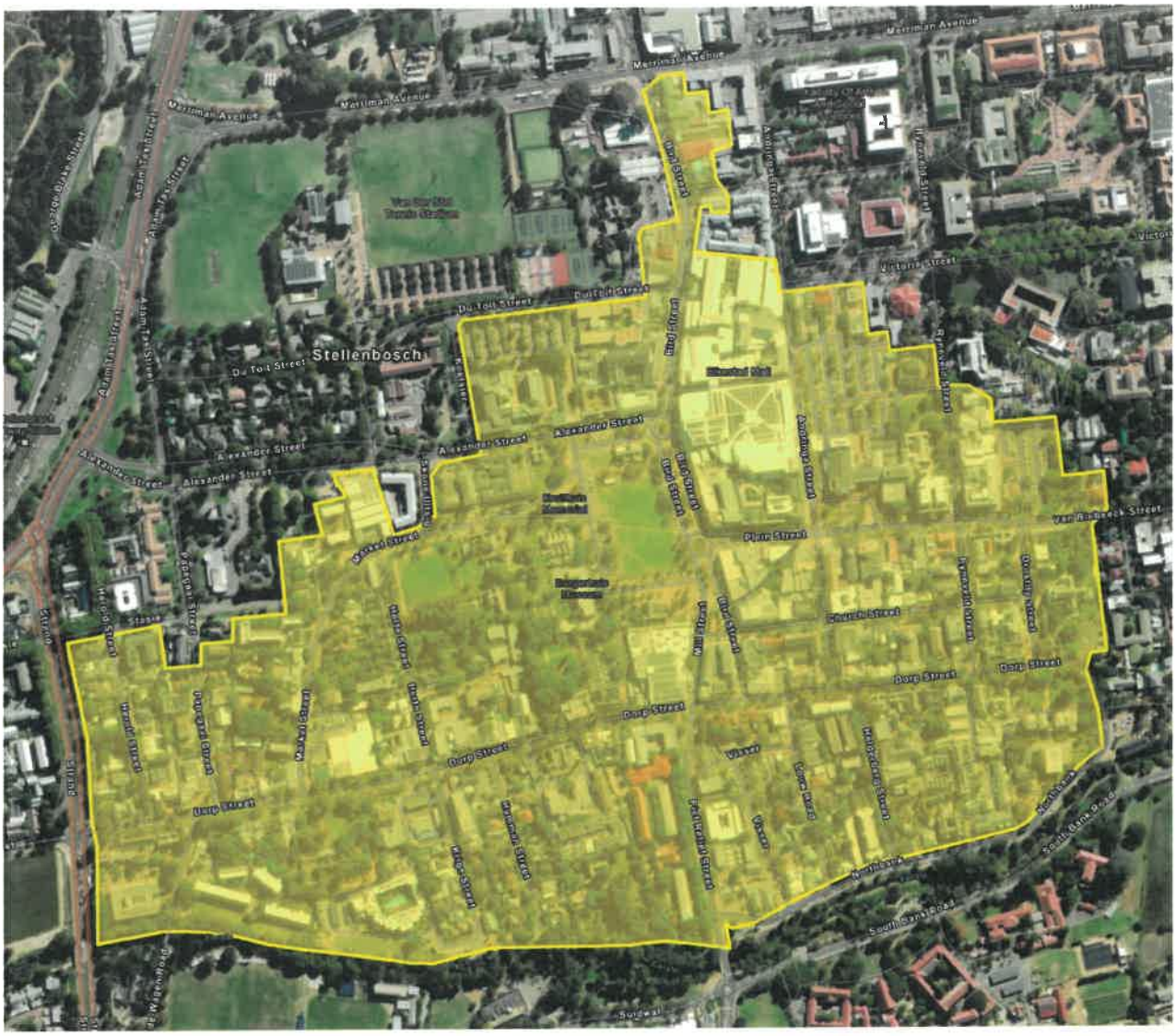
This Business Plan covers the period 1 July 2025 to 30 June 2030 as set out in the following parts:
Part 1: Background and Introduction
Part 2: Motivation
Part 3: Implementation Plan and Budget

SITI Information:

Name: The Stellenbosch Improvement and Transformation Initiative (SITI)
Website: siti.org.za
Contact Person: Mr Marinus Louw
Contact Telephone No: 021 882 9872
Commencement Date: 1 July 2025
Municipality: Stellenbosch

Principal Contacts	Ms Thea Jordaan (administration) thea@jpstrust.co.za
Steering Committee	Ben-Carl Haveman Daniël Lutz Hannes van Zyl Jeanneret Momberg Marinus Louw Mias van der Westuyzen

Boundaries of the proposed SITI SRA area:



Boundaries Description:

The proposed geographic area of the SRA runs from the corner of Bird and Merriman in the north to the Eerste River in the South, and the SU Theology faculty and Moederkerk in the East to the R44 in the West.

Contents

Background and Introduction....4
Part 1: Special Rating Area Model....5
1. What is a SRA?....5
2. Formation and operation of a Special Rating Area....5
3. Typical services offered within a Special Rating Area....6
a. Improved public safety....6
b. Cleaning and maintenance....6
c. Urban monitoring....6
d. Place Marketing and branding....6
e. Social services....6
Part 2: Urban Management Survey....7
1. Safety and Security....7
2. Litter and cleanliness of the public environment....11
3. The Social Environment....12
4. Urban Management....14
Conclusion of Survey....14
Part 3 : Business & Implementation Plan....15
1. Vision, and Goals of the SRA....15
2. Impact on existing inequities....15
3. Operations of the SRA....15
3.1. Public Safety....16
3.1.1. Patrols....16
3.1.2. Dedicated law enforcement officers....16
3.1.3. CCTV camera infrastructure....16
3.1.4. Control room monitoring....17
3.2. Maintenance and Cleansing....17
3.3. Environmental Development....18
3.4. Promotion of Social and Economic Development....19
3.5. Other Services....20
4. Financial Impact of the SRA....20

Background and Introduction

Stellenbosch is well-known for its wine and academic institutions, particularly the University of Stellenbosch, which boasts around 20,000 students. The town's close relationship with surrounding communities and agricultural industries fosters daily interaction with its business and academic institutions. The central business district and industrial nodes provide vital support to industries, accompanied by all the modern amenities the town has to offer.

However, Stellenbosch Central, especially the Central Business District (CBD), has unfortunately become a target for criminal elements seeking to exploit the area. Crime is a concern for most property owners and CBD users, with many having either experienced or witnessed its impact firsthand. Most owners, residents and visitors making use of the business area are aware of crime or have been directly affected by crime. This hinders residents, visitors and tourists to freely support local businesses, especially during night time. These concerns can be addressed through better cooperation from the private sector, using a funding vehicle such as the SRA model. Sustainability is only possible if the triple bottom line, human well-being, environmental integrity and economic viability are balanced. One of the outcomes are thus explicitly to grow the Stellenbosch economy through its main economic source of income and activity, the central business district. Thus leading to a larger and growing flow of funds into the local Stellenbosch economy, creating the demand for more jobs, alleviating poverty and reducing inequality.

In 2012, the Stellenbosch Municipality approved the Special Rating Area By-law, which allowed property owners to establish special rating areas in Stellenbosch. Areas like Jonkershoek and Techno Park have already implemented the Special Rating Area (SRA) model to address existing problems and prevent further urban decay and crime in their respective areas, resulting in notable improvements.

Establishing an SRA in Stellenbosch Central would enable the creation of a statutory body responsible for managing and implementing additional public safety and urban management operations beyond what the Stellenbosch Municipality currently provides. Property owners within the area would pay an additional rate to fund these extra municipal services, as outlined in the business plan. These services typically include enhanced public safety measures, cleaning services, maintenance/upgrading of the urban environment and infrastructure, and social services addressing community concerns such as addictions and unemployment.

The Municipality collects the additional rates from property owners within the SRA area and channels them to a Non-Profit Company (NPC). The budget generated is dedicated solely to serving the specific area's needs. The additional rates are divided equitably among property owners based on municipal property valuations. This cost ensures that individual property owners can benefit from a well-managed and secure neighborhood, fostering a shared sense of pride, safety, and social responsibility.

Part 1: Special Rating Area Model

1. What is a SRA?

In essence, the SRA (Special Rating Area) enables the creation of a statutory body in the form of a Non-Profit Company. This body is managed by a board elected by its members and operated by a management team appointed by the board, following the guidelines outlined in the SRA By-law of the Stellenbosch Municipality. The SRA encompasses a clearly defined geographical area where property owners contribute an additional rate to finance extra municipal services aimed at improving and enhancing that specific area, as specified in the SRA's business plan.

The additional municipal services provided typically include bolstered public safety measures, cleaning services for public areas, maintenance/upgrades of the urban environment and infrastructure, as well as social services that address community issues within the area. The SRA additional rates, which are subject to VAT, are collected by the Stellenbosch Municipality from property owners in the designated area and then transferred to the SRA's Non-Profit Company (NPC). The budget generated is exclusively dedicated to the needs of the specific area.

The SRA additional rates paid by property owners are distributed equitably based on the municipal property valuations. The cost of these extra municipal services allows individual property owners to enjoy the benefits of a well-managed neighborhood, fostering a shared sense of pride, safety, and social responsibility among the community.

It's worth noting that an SRA can be dissolved in accordance with Chapter 4 of the SRA By-law of the Stellenbosch Municipality.

2. Formation and operation of a Special Rating Area

The procedure for establishing and managing a SRA is described below.

- The geographic boundaries of the SRA have to be established.
- All property owners within the defined area should be consulted and exposed to the proposed intervention.
- A perception survey measures the perception of people in the area and highlights specific needs and shortcomings.
- A comprehensive business plan must be developed to address the needs of the area.
- A consent and objection period has to occur and a pre-determined majority (50% plus 1 in the case of commercial areas and 60% plus 1 in the case of residential areas) of the properties must vote in favour of the SRA in order to apply for the establishment of an SRA.
- Additionally, the full council has the final approval of the SRA.
- Every property owner needs to be informed about the establishment of the SRA.
- Once a SRA is approved, all of the property owners within the SRA have to pay the additional rate, starting on the first day of the new financial year.
- Once legally constituted, the local authority will collect the additional rate from all property owners within the demarcated area.
- The local authority collects the additional rates from the property owners within the boundary of the SRA and pays the SRA (NPC) monthly one twelfth of its approved budget less 3% which is retained as a provision for bad debt.
- Each SRA has its own board of directors, elected by the members of the SRA.
- A Board of Directors consists of property owners within the SRA and a political representative from the Stellenbosch Municipality appointed to the Board by the municipality.
- A Non-Profit Company (NPC), which is responsible for the management of the SRA, within the framework of the approved SRA business plan will oversee the implementation thereof. The board can appoint service providers and staff to manage the day-to-day operations within the SRA.
- The supplementary services provided by the SRA should represent the actual needs of the area according to the vision of the property owners for the area. The services provided are decided by the property owners as SRAs are property-owner driven.

- The local authority must maintain its current level of service and must continue providing similar services when the SRA is in operation. This is to ensure that the SRA services remain supplementary and are not a replacement for local authority baseline services.
- The SRA is established for an initial period of five years. Annual and term renewals are required. An SRA may be dissolved after establishment in accordance with Chapter 4 of the SRA By-law of the Stellenbosch Municipality.

3. Typical services offered within a Special Rating Area

Services offered within a SRA do not replace the services of the Stellenbosch Municipality but rather complement and supplement them. Typically SRAs provide the following services:

a. Improved public safety

SRAs provide supplementary public safety services to enhance services from the national and local policing services. With the assistance of Neighbourhood Safety Ambassadors (also known as Neighbourhood Safety officers) and private security companies, SRAs effectively provide visible policing in conjunction with metro police, SAPS and existing community policing forums.

b. Cleaning and maintenance

SRAs provide cleaning and maintenance services over and above those provided by local government. This could include frequent pavement and street sweeping, daily trash and litter removal, weeding of pavements, removal of illegal posters/pamphlets in the area and graffiti from buildings and public amenities.

c. Urban monitoring

Urban monitoring aims to regularise the quality and management of the environment producing management information that contributes to increasing the urban management know-how and capacity in a given area. This is achieved through a system of breakdown and incident identification, reporting, tracking and resolution carried out by the management team.

d. Place Marketing and branding

The identity or the "DNA" of a place is what distinguishes it from another, providing people with a richly layered sense of that place and what connects them to it, giving them a stake and a sense of ownership within. The identity of a place equals its distinctiveness, and distinctiveness only occurs when the features and character of that place have been used creatively to develop and promote it. Whatever they are, these individual qualities can quite literally transform the economy of an area and the way it is promoted. Identity, and the way it is used to market a place brings opportunities for community development, with property owners and stakeholders participating in projects that not only develop that locality but the network of relationships within it.

e. Social services

SRAs form alliances and partnerships with local NGOs and institutions and help to address common social issues within the immediate and surrounding area.

Part 2: Urban Management Survey

The Steering Committee commissioned a perception survey to understand the urban challenges in the proposed area.

The survey of 2023, completed by 102 participants, focused on four key urban issues:

- Safety and security
- Litter and cleanliness
- Urban management
- Social environment

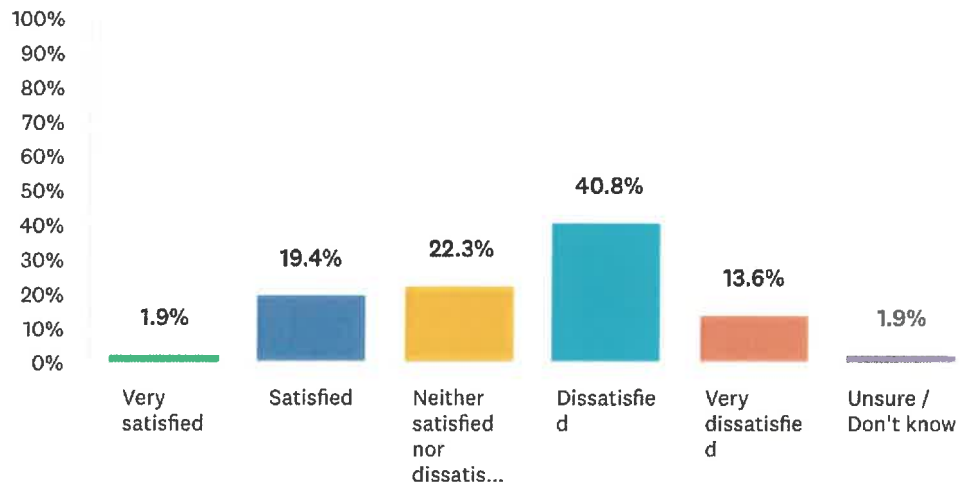
The results of the perception survey along with additional research, newspaper reports and information available to the Steering Committee was used to develop an overall analysis of the urban challenges of the area.

The survey findings revealed the following key insights for each of the four urban issues:

1. Safety and Security

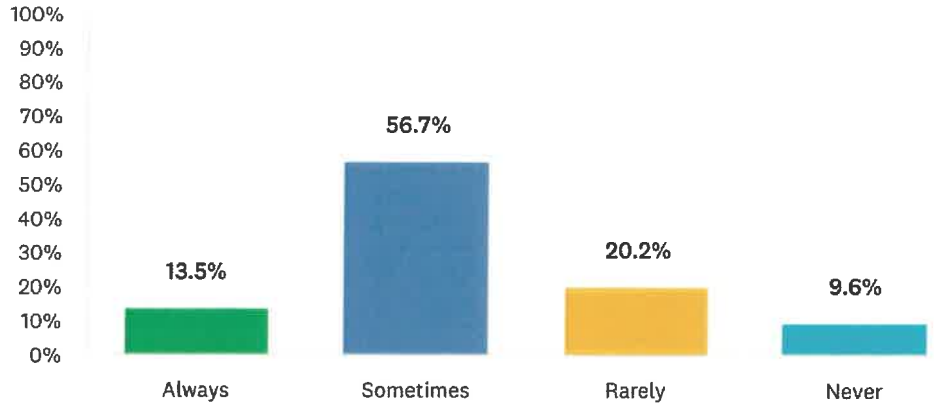
Safety and security emerged as a significant concern among the survey participants. As a point of departure, participants were asked to rate the overall security situation in the Stellenbosch Central area. The responses painted a concerning picture: only 21.3% of participants expressed satisfaction with the current security situation, while a significant 54.4% expressed dissatisfaction (figure 1). Furthermore, the survey revealed that a substantial proportion of respondents felt safe in public spaces only sometimes, with a worrying 29.8% rarely or never feeling safe (figure 2). These findings underscore the urgent need for improved safety measures in the area.

Figure 1 - Question: Please rate overall public safety in Stellenbosch Central.



The survey delved into respondents' perceptions of various public safety issues, including the use of public spaces and the efficacy of current policing efforts. A notable portion of respondents conveyed that their sense of safety in public spaces was inconsistent, with feelings of safety only occurring sometimes. Alarmingly, nearly a third of respondents, 29.8% to be precise, reported that they rarely or never feel safe when utilizing public spaces (refer to Figure 2 for more details).

Figure 2 - Do you feel safe using public spaces in Stellenbosch Central?



Respondents were also asked to evaluate the effectiveness of the South African Police Service (SAPS) and the Stellenbosch Municipality Law Enforcement. The feedback was less than favorable. For SAPS, a mere 3.8% of respondents rated their effectiveness as 'very good', while a significant 25% rated them as 'very poor' (refer to Figure 3 for more details). Similarly, for Law Enforcement, only 8.7% of respondents rated their effectiveness as 'very good', with 20.2% rating them as 'very poor' (see Figure 4). This feedback underscores a prevailing perception of ineffectiveness of both SAPS and Law Enforcement in the area.

Figure 3 - Question: How effective is the SAPS in Stellenbosch Central and specifically in your area?

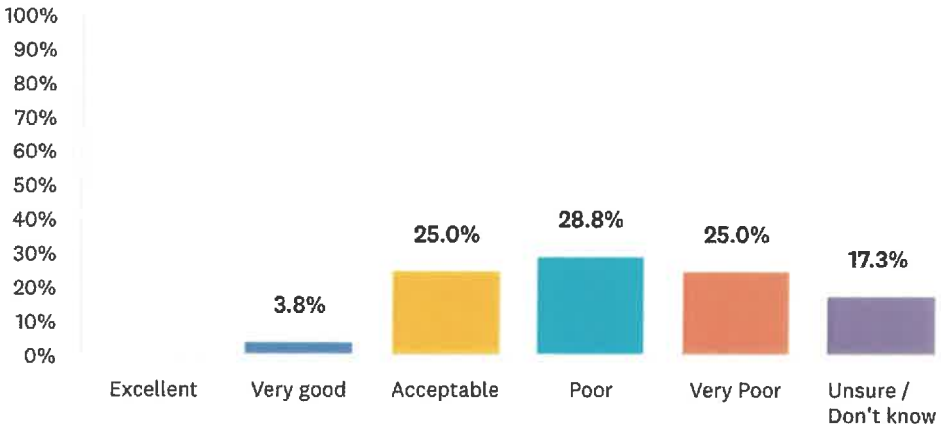
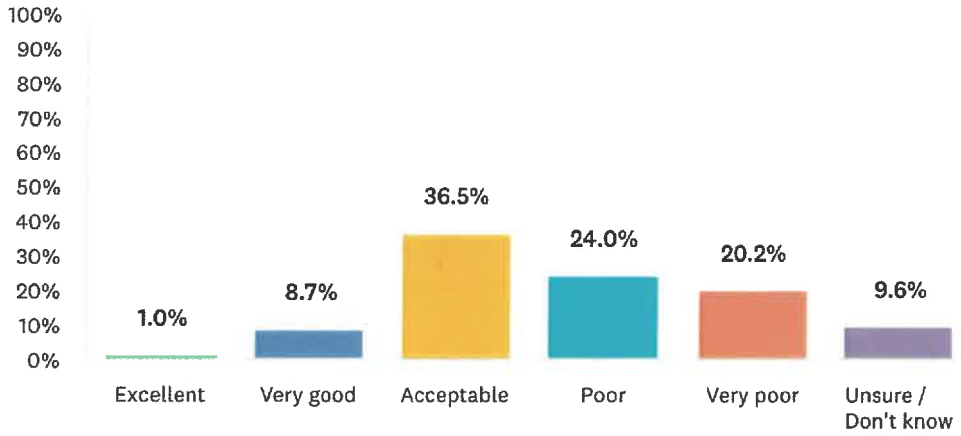
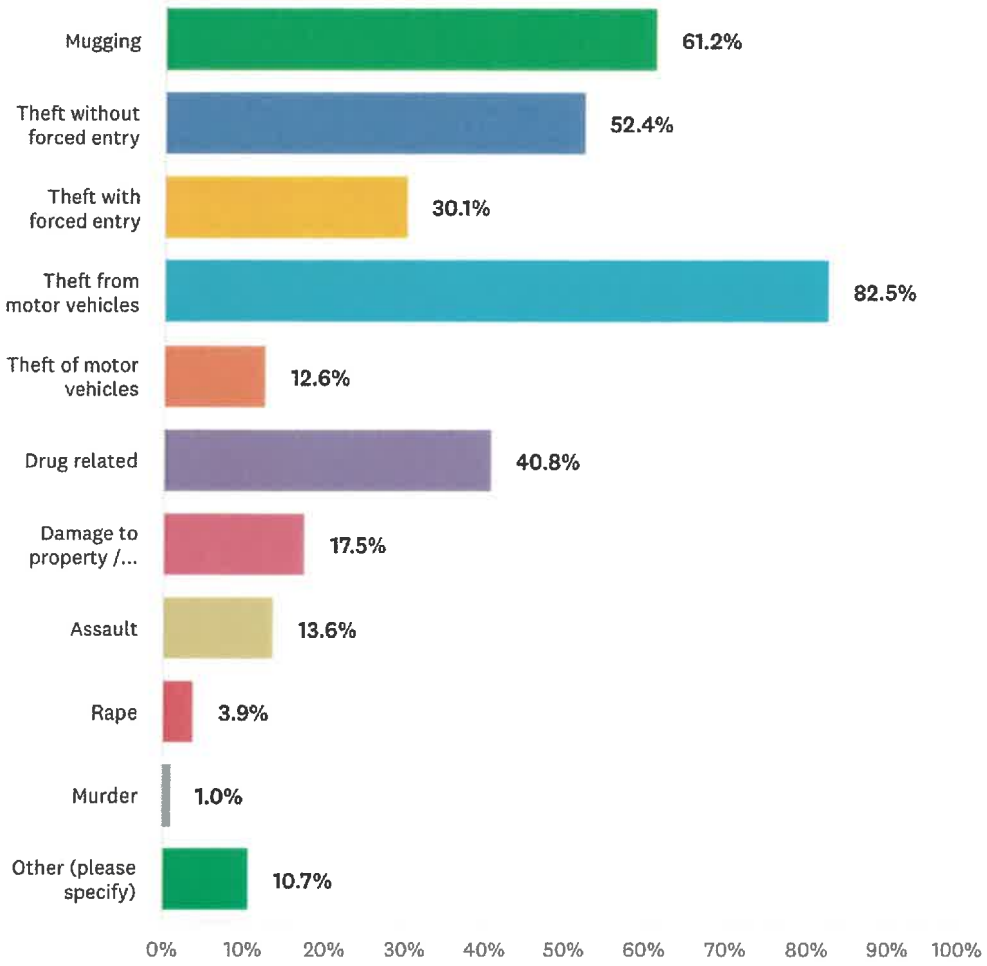


Figure 4 - Question: How effective is Municipal Law Enforcement in Stellenbosch Central and specifically in your area?



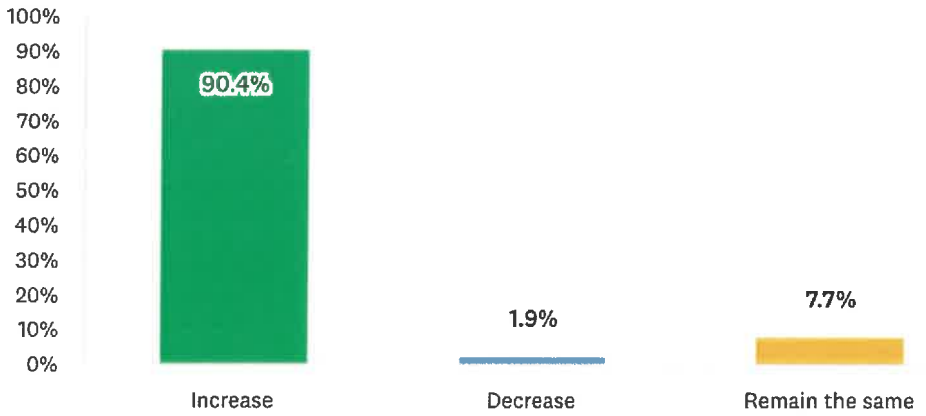
Survey participants were prompted to share if they had experienced any criminal activity and to identify the types of crime that occur most frequently in their area. The responses, depicted in Figure 5, highlight a range of criminal activities. While these figures do not serve as precise crime statistics or empirical evidence of crime, they do provide a snapshot of perceived criminal activity in the area. The data suggests that theft from motor vehicles, muggings, and theft without forced entry are perceived as the most prevalent problems in the area.

Figure 5 - Which types of crimes (or attempted crimes) are the biggest problem in Stellenbosch Central? (you can choose multiple options)



As depicted in Figure 6, a substantial majority of respondents, amounting to 90.4%, anticipate an increase in crime in Stellenbosch Central over the next five years (refer to Figure 6 for more details).

Figure 6 - Over the next 5 years, do you expect crime in Stellenbosch Central to increase or decrease from its current levels?



A thorough safety and security plan has been developed to tackle the safety and security challenges in the area. This plan places a significant emphasis on enhancing visibility and fostering public safety partnerships, all with the ultimate goal of fostering a safer environment in Stellenbosch Central.

2. Litter and cleanliness of the public environment

Figure 7 provides a summary of respondents' opinions concerning litter and cleanliness in the area. A significant portion of participants deemed the general state of cleanliness as either 'not good enough' (35.6%) or 'unacceptable' (7.7%). Conversely, 32.7% of respondents found it 'acceptable', and 21.2% rated it as 'good'. The area has numerous instances of littering, as evidenced by the examples provided in Figure 8.

Figure 7 - Please rate the overall public cleanliness of Stellenbosch Central.

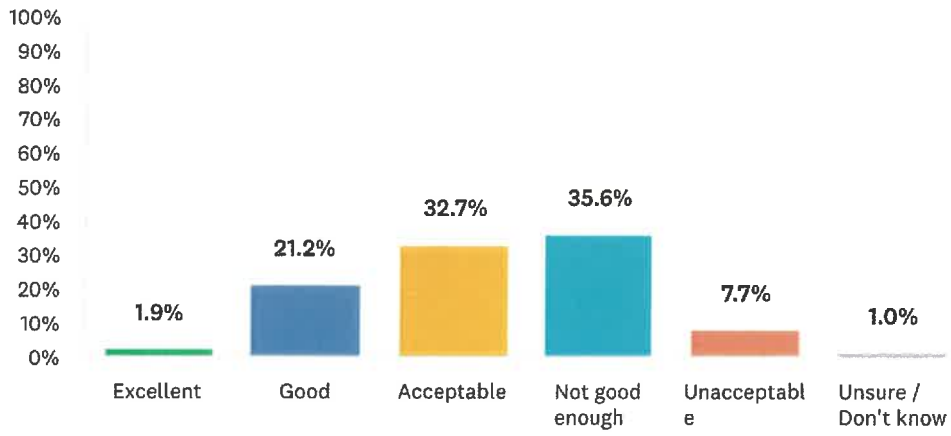


Figure 8 - Litter and man-made fire behind the Stellenbosch Town Hall.



3. The Social Environment

Homelessness is a prevalent issue in most areas, with individuals often resorting to begging for food and money. Public spaces such as parks and alleyways often serve as makeshift shelters for these individuals, who tend to congregate in areas with potential income sources, such as parking lots, traffic signals, and shopping malls. A significant 89.3% of survey participants identified loitering and vagrancy as a problem in this part of Stellenbosch. When asked to identify the most concerning municipal by-law breach, a majority of 68% pointed to loitering and vagrancy. As depicted in Figures 9 and 10, the most frequently identified issues in the area, in order of priority, are loitering and vagrancy, followed by the unlawful dumping of rubbish.

Figure 9 - Do you consider the current level of loitering, and vagrancy in Stellenbosch Central a problem?

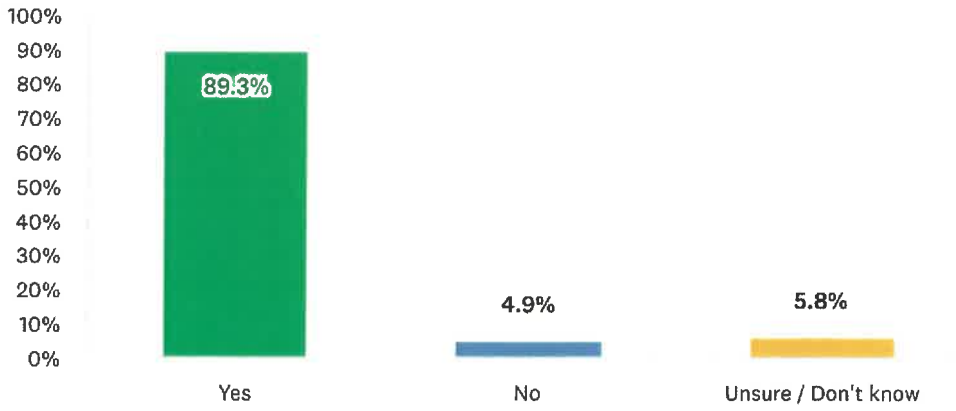


Figure 10 - Which type of municipal by-law breach is the biggest problem?

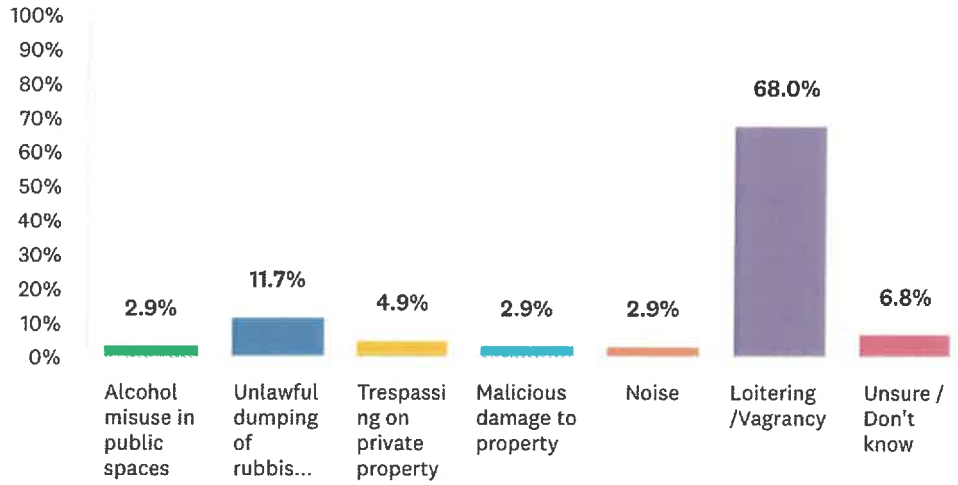


Figure 11 - Vagrants building shelters on the Stellenbosch Magistrate Offices in Alexander Street



4. Urban Management

In addition to the issues of loitering and vagrancy, respondents also highlighted several urban management problems. When asked to rate the maintenance of public parks, rivers, walkways, pavements, and public litter bins, the majority of respondents expressed a less than satisfactory view. Specifically, 55.8% of respondents rated the maintenance of these public spaces as somewhere between 'acceptable' and 'not good enough'. See figure 12.

Figure 12 - How well maintained are our public parks, rivers, walkways, pavements and public litter bins?

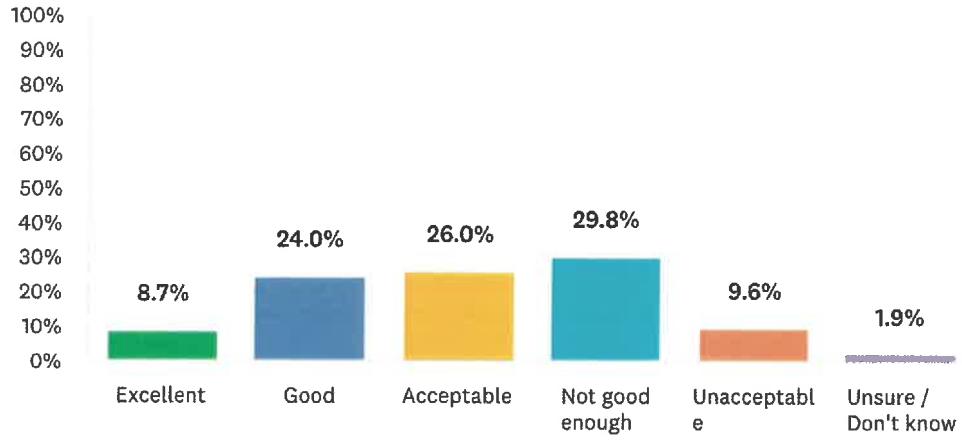


Figure 13 - Litter on Eerste River bank



Conclusion of Survey

The perception survey concluded with participants ranking the importance of each of the general themes of the survey. The results were telling: a significant 93% of respondents ranked safety and security as the most important issue, followed closely by the cleanliness of public areas. These findings have guided the focus of the SRA's efforts and will continue to shape our strategies moving forward.

Part 3 : Business & Implementation Plan

1. Vision, and Goals of the SRA

To create a vibrant, inclusive, and sustainable urban environment that enhances the quality of life for all residents, businesses, and visitors in the town of Stellenbosch.

SITI have the following goals:

- Reducing crime significantly by proactive visible patrolling and cooperation with existing SAPS and Stellenbosch Municipality Law Enforcement efforts as well as other security service providers in the area.
- Creating a safe and clean public environment by supplementing shortcomings of maintenance and cleaning of streets, pavements and public spaces.
- In close collaboration with the Stellenbosch Municipality, manage existing and new public infrastructure for the future benefit of all the users of the area.
- Protect property values and rental income.
- Support the promotion of the area as a safe and clean environment by promoting greening, energy efficiency and recycling.
- Support and promote social responsibility in the area.
- The sustained and effective management of the area.

2. Impact on existing inequities

No aspect of this plan is expected to reinforce existing inequities within Stellenbosch. Job creation, a safet environment and the social development portion of the proposed SRA's activities are expected to contribute to the reduction of inequities.

3. Operations of the SRA

Once the Stellenbosch Municipality has approved the establishment of the SRA, its operations will commence. It is envisaged that this will occur from the 1st of July 2025.

The Implementation Plan is based on the results of the perception survey compiled in June 2023 with due recognition of the specific management issues, safety, cleaning, urban management and social needs of the area. In addition, the Business and Implementation Plans incorporate service delivery standards to be provided by the Stellenbosch Municipality directorates and specific projects and capital investments for the duration of the Business Plan lifecycle.

In order to address these needs the SRA will be directed to address five main focus areas namely:

- Management of the SRA operations,
- Provision of extensive safety and security measures,
- Cleaning, greening and maintenance of the public spaces in the area,
- In co-operation with the relevant Stellenbosch Municipality departments, actions will be taken to address and monitor urban management issues related to the public infrastructure in the area,
- Through constructive partnerships with all the role-players in the area, we aim to develop an urban cleaning and maintenance service, creating employment opportunities and social upliftment in the area.

The specific actions to achieve the above operations are set out below. In addition, a detailed implementation schedule is provided in Appendix B.

3.1. Public Safety

Public safety related services consist of four integrated subservices – 24-hour patrols, dedicated Stellenbosch Municipal law enforcement officers with powers of arrest, camera infrastructure and a control room for camera monitoring and communication with security members and members of the public.

Stellenbosch SAPS have reported that most crime incidents in Stellenbosch Central occur between 09:00 and 15:00 on Tuesdays, Wednesdays and Fridays. SITIs approach to reducing crime will focus on crime statistics and patterns for the effective and the optimal use of available resources.

The public safety component of SITI will integrate with the various other initiatives within the area, including:

- Community Policing Forum (CPF) community safety plan.
- SAPS
- Municipal Law Enforcement
- Other identified safety initiatives such as that of Winelands Safety Initiative (WSI).

The total estimated cost of the Public Safety services over the initial 5-year term of the SRA is shown in figure Appendix A.

3.1.1. Patrols

Patrolling will be outsourced to a third-party PSIRA accredited service provider that would be selected via a price competitive tendering process. Patrolling of the public areas using SITI dedicated and suitably marked vehicles will be a key pro-active security measure. Patrols will have a direct link with the control room with 24/7 monitoring of public spaces. SITI patrolling vehicles will primarily focus on public safety in the designated area.

Patrols can comprise of the following:

- 3-4 dedicated SITI branded patrol vehicles
- 1-2 armed security officer per vehicle, per shift, 24/7
- 1 communication device in each vehicle
- 4-8, 12-hour shift foot/bicycle/electric-scooter/motorcycle patrollers, per day

3.1.2. Dedicated law enforcement officers

Law Enforcement officers are responsible for enforcing the municipality's by-laws and traffic laws, clamping down on offences such as loitering, illegal informal trading, general nuisances, alcohol offences, driving under the influence of alcohol, speeding, reckless driving, illegal parking and problem building. Peace Officers have the power to confiscate, arrest, issue compliance notices and fines, and shut down illegal operations where by-laws are infringed upon.

In addition to the dedicated patrols operated by private sector providers, dedicated Stellenbosch Municipal Law Enforcement officers will also be deployed. These officers will be dedicated exclusively to the area of the Stellenbosch Central SRA. The fully-loaded cost of these officers to the SRA is estimated, based on 23/24 figures, to be R250,000 per officer per year.

LE Officers can comprise of the following:

- 2-4 x dedicated LE officers per shift

3.1.3. CCTV camera infrastructure

It's envisaged that SITI will work closely with the municipality to utilise and expand the current CCTV infrastructure. Provision in the first year is made for the installation of four new camera points that will integrate with the existing network, with additional cameras points to follow each year. The budget provision for installation is R50,000 per camera site, which includes communication and electricity infrastructure.

3.1.4. Control room monitoring

We envisage a sharing agreement and partnership with the municipality to monitor the existing CCTV infrastructure within the SRA boundaries. Camera monitoring for the first year is thus envisaged to be at the Municipal Control Room by a CCTV controller.

Scope of the service can comprise the following:

- Monitoring will be undertaken in a control room by dedicated staff on a 24/7 basis
- 1x skilled surveillance officer per shift, 24/7

3.2. Maintenance and Cleansing

The objectives for Maintenance and Cleansing are to enhance and provide additional municipal services and to ensure a clean, attractive and well-maintained area we can all be proud of.

This proposal covers the following:

- Parks and playgrounds;
- Areas surrounding commercial zones;
- Public Open Spaces;
- The water canals running through town;
- All streets within the SRA

Objectives for Maintenance and Cleanliness are:

1. Parks and Playgrounds (providing quality and safe parks and recreation facilities)
    a. Rubbish removal and cleaning on a more frequent basis
    b. Improve current bin picking activities
    c. Annual equipment maintenance
2. Areas surrounding commercial zones (promote recycling and cleanliness)
    a. Removal of waste and recyclables
    b. Upgrade existing waste bins
    c. Enhance signage regarding littering
3. Public Open Spaces (providing a healthy and sustainable environment)
    a. Rubbish removal and cleaning on a more frequent basis
    b. Removal of Graffiti
4. The water canals running through town (cleaner rivers and waste removal from water sources)
    a. Cleaning
5. Streets (safe and quality roads for vehicles, cyclists and pedestrians)
    a. Develop and implement a robust street cleaning program for the road reserves in the SRA
    b. Regular (weekly) street sweeping and cleaning of main roads and removal of waste
    c. Frequent sweeping of other roads (bi-weekly or monthly) and removal of waste
    d. Increase the frequency of cleaning storm water gullies

We aim to achieve this by collaborating with the municipality and other organizations to provide maintenance and cleaning services. Most established Special Rating Areas that have appropriate budgets available have deployed the services of a dedicated public cleaning service to provide the "top-up" or additional cleaning services required in their areas. Given that these boundaries of Stellenbosch require minimal "top-up" services, we aim to establish the most effective cleaning strategy through supporting existing waste management services by identifying specific management problems and areas. An assistance plan will then be developed to assist additional waste management and cleaning services for the area on an ad-hoc and on-demand basis.

The plan will be executed by establishing a small team to:

- Decrease waste and grime in the area through a sustainable cleaning programme.
- Provide additional street sweeping and waste picking in all the public areas as and when required.

All areas of the SRA will be served on an equal basis by all the Maintenance and Cleansing services to the extent that the services in question are relevant.

The total estimated cost of the Maintenance and Cleansing services over the initial 5-year term of the SRA is shown in Appendix A.

Urban infrastructure will be improved by:

- Developing and implementing a plan to identify and monitor the status of public infrastructure such as roads, pavements, streetlights, road markings and traffic signs.
- Coordinating actions with the relevant Stellenbosch Municipal departments to address infrastructure defects. This will be done through liasing with the necessary departments and officials in addition to the reporting and monitoring of repairs identified by the SRA Manager.
- After a base level of repair and reinstatement has been achieved the SRA team will implement local actions to correct minor issues.

In addition, the urban management team will assist with:

- Graffiti removal from non-municipal infrastructure where possible.
- Removal of illegal posters and pamphlets from public spaces and non-municipal infrastructure.

The cleaning and urban maintenance team includes:

- 2-4 urban management workers for a set time per day. The shifts will run 5-days a week and will be adjusted depending on requirements. The following equipment will be required:
    - General cleaning equipment such as spades, picks, and general grass cutting tools such as a lawn mowers and/or brush cutters.
    - General maintenance tools such as scrapers, paint brushes, spanners and materials such as paint, cement, cold asphalt and cleaning materials such as plastic bags.

3.3. Environmental Development

The objectives of the Environmental Development Plan are to enhance and provide additional municipal services with regards to upgrading the environment.

Of great importance is that we align our activities and collaborate with the various departments in the Stellenbosch Municipality and our local sub-council.

This proposal covers the following:

- Parks and playgrounds;
- Bus stops, bridges and other areas used as shelters; and
- All streets within SITIs boundaries

Objectives for Environmental Development are (with approval of/in consultation with the appropriate municipal departments):

- Parks and Playgrounds (Providing quality and safe parks and recreation facilities).
- Install appropriate safe surfaces around all park equipment.
- Install additional or appropriate lighting where required.
- Improve park and recreational space signage.
- Enhance landscaping by planting more trees.
- Ensure all walking surfaces (grassed and paved) are safe (repairs)
- Fix or provide park benches and waste bins where required.
- Enhance lighting along the river paths and parking areas.

- Ensure ongoing Tree Maintenance (pruning, removal of dead trees etc).
- Planting/replacing dead trees.

All areas of the SRA will be served on an equal basis by all the Environmental Development services to the extent that the services in question are relevant.

The total estimated cost of the Environmental Development services over the initial 5-year term of the SRA is shown in Appendix A.

The Environmental Development team includes:

- Four personnel who would be provided with the appropriate workwear and safety wear for summer and winter conditions.
- All employees must easily be identifiable as employees of the SRA.
- Tools and equipment as well as consumable items would be provided.

3.4. Promotion of Social and Economic Development

The urban management survey conducted indicates that street people, homelessness and vagrancy is a concern in Stellenbosch. In this regard there is an understanding and a willingness to assist in dealing with this problem by partnering with NPO's / NGOs and other initiatives capable of addressing the issue.

Homelessness has a devastating impact on the health of people who directly experience it including increased illness, higher use of health services and early death. While some people become homeless as a result of mental illness, it is also well known that the experience of homelessness can exacerbate existing problems and lead to new mental health problems, including addiction.

Drivers of Homelessness in South Africa include (source: un.org/development):

- Historical disadvantage
- Migration pattern
- Unemployment and low wages
- Social exclusion and cultural rights
- Loss of parents or household bread winner
- Home desertion
- Lack of Civic identification document
- Natural Disasters (Climate change related risks – flash flood, gully erosion, wind etc)

During the survey it was observed that there is a general understanding that vagrancy is a factor for which the solution is not immediately apparent. SITI aims to support the current network of NGOs and other initiatives. These include Ranyaka, Usikos, Bergzicht Training, Stellemploy, StellCARE, The Homeless Forum, Stellenbosch Nightshelter, ABBA Network, Winelands Safety Initiative (WSI), Stellenbosch Civil Advocacy Network (SCAN), etc.

SITI programmes in partnership with stakeholders will include:

- Re-uniting individuals with relatives
- Relocation back home (bus ticket)
- Registering an ID Card
- Finding employment
- Access to shelters
- Job readiness training programmes
- Life skills training programmes

SITI will form partnerships and support the local organisations. This approach removes the stigma attached to the homeless and offers them sustainable solutions. SITI will coordinate social intervention programmes and develop a comprehensive strategy for addressing social issues in conjunction with the Stellenbosch municipality, all relevant social welfare organisations and institutions. SITI management will assist to facilitate

and monitor the strategy and implement social rehabilitation. Social intervention and development can only be achieved by offering unemployed and/or homeless people an alternative.

Through the development of pro-active programmes to create work opportunities for homeless people certain NGOs have presented the opportunity to direct their work programmes to include cleaning and maintenance services to SRAs. These partnerships between SRAs and NGOs create a more cost effective approach to the provision of a "topup" service to the municipal cleaning services when large area clean-ups or specific maintenance tasks are required. It is therefore suggested that in addition to the permanent maintenance team a social work programme is used to deploy previously homeless people from NGOs for specific clean-up projects in the area.

The total estimated cost of the Social Development services over the initial 5-year term of the SRA is shown in Appendix A. This spend is subject to the following conditions:

1. Spend and benefit must be within the area of the SRA;
2. The spend must directly address identified social issues within the borders of the SRA;
3. Spend may be directed to NGOs operating in the area, or programmes directly administered by the SRA.

3.5. Other Services

In addition to the primary services relating to safety and security, cleaning and maintenance, environmental and landscaping, social and economic, the CID will also provide a number of additional services. These will include:

- **Communication**. The primary form of communication between SITI and the community will be electronic communication. A website, www.siti.org.za along with a Facebook page has already been created. These along with Whatsapp and email will be used in order to inform the members of information, news, progress and planned initiatives, etc.
- **Monitoring**. The SRA will monitor service delivery within the defined area and communicate with the Stellenbosch municipality as required.
- **Information services** via WhatsApp, social links, website links, surveys, etc.

4. Financial Impact of the SRA

Under Section 22 of the Municipal Property Rates Act (MPRA) the legislation allows a municipality to determine a defined area, within the municipal area, as a Special Rating Area (SRA) for the purpose of improving or upgrading the area. The municipality will collect additional rates as part of the approved Business Plan from the property owners within the defined area (in addition to the property rates) and direct that money back to that area.

Both residential and business properties will be subject to the additional rate, as determined by the Stellenbosch Municipality.

Costs of the SRA

1. The **amount of the additional rate** is calculated by the Stellenbosch municipality, based on the budget contained in the business plan to cover the anticipated expenditure of the SRA. Specific rates for (a) residential and (b) non-residential properties are set with a view towards ensuring that the additional rates are distributed across the community on a fair and equitable basis.
2. The **calculation of the additional rate** in respect of the first year of the SRA's term is based on the expected expenditure in that year. Additional rates per property are based on a percentage of the property value. So, e.g., a property with twice the value of another property will attract twice the additional rates.
3. There is a **possibility of year-on-year increases or decreases** in the additional rate during the second to fifth years of the SRA's term. This may result from:
    a. variations in the municipal rates base of the area pursuant to municipal valuations;
    b. inflation;

c. increases expressly provided for in the term budget, as well as additional developments in the area;

4. The SRA policy explicitly caps the additional rates to a maximum of 25% of the normal rate.
5. Certain properties are **exempt** from the additional rates. The SRA policy requires that all properties except (a) municipal properties predominantly used for municipal purposes or (b) properties exempted from paying property rates or receiving partial rates relief will form part of the property database of the proposed Special Rating Area. Any property owner who resides within the defined area that receives any form of property rates relief from the municipality will be exempt from paying the additional rate. It is however incumbent on the property owner to seek such relief from the municipality under the Stellenbosch Municipality Rates Policy.

The Expenditure Budget for each year of the Business Plan:

Year 1	Year 2	Year 3	Year 4	Year 5
R9,938,510	R10,963,866	R11,731,336	R12,552,530	R13,431,207

The additional rates required to fund the annual budget escalates with an average of 7% over the 5-year term.
Budget allocation per Portfolio in the first year:

- Public Safety 76.3%
- Cleansing Services 0.9%
- Environmental Upgrading & Urban Maintenance 2.2%
- Social Upliftment 1.5%
- Employee Related 6.6%
- General Expenditure 1.3%
- Capital Expenditure 3%
- Contribution to the Rolling Bad Debt Reserve 3%

The budget is funded by an additional property rate levied on the municipal valuation of all properties within the Stellenbosch Central SRA boundary. Additional rates attract VAT @ 15%.

The additional property rate is calculated by the municipality annually during the municipality`s budget process. The additional rate is expressed as a Rand-in-the-rand and is calculated by dividing the Stellenbosch Central SRA budget total with the total municipal valuation of properties in the SRA.

The SRA By-law allows for differentiated additional rates between categories of rateable property and as such a residential and non-residential additional rate is applicable in the Stellenbosch Central SRA.

The Stellenbosch Central SRA budget and additional rates are approved by Council with the municipality's budget and is applicable over a financial year, which starts on 1 July.

Proposed SRA Monthly Tarrifs
The proposed monthly SRA residential (RES) and business (BUS) tariffs are estimated as follows and based on the Stellenbosch Municipality 2023/2024 Tarrifs (https://stellenbosch.gov.za/download/wc024_2023_appendix-3-final-tariff-proposals-2023-2024/):

RES

- R0.001293
- R0.001293 x R1m / 12 months = R107.75 (VAT incl.) per month per R1m property valuation.

BUS

- R0.002586
- R0.002586 x R1m / 12 months = R215.5 (VAT incl.) per month per R1m property valuation.

Proposed Management Structure
For financial management and prudence, a non-profit company (NPC) is registered under the Companies Act. A twelfth (1/12) of the allocated annual budget is paid over to the SRA as per the approved business plan per month less 3% provision for bad debt to provide the additional services to improve and upgrade the area.

The non-profit company is managed by a board of directors elected by other property owners in the area. The board of directors are responsible for the implementation of the Business Plan. The activities of the NPC are strictly monitored by the municipality to ensure conformance to the legislation and the approved business plan.

Membership of the SRA NPC
Any registered property owner is eligible to be a member of the NPC, on application to the board – there are no costs involved nor risk of liability.

The entire community is allowed to participate at meetings but only contributing members of the NPC are eligible to vote at members meetings of the NPC. Proxies are allowed.

Composition and election of Directors
An inaugural board consisting of the members of the steering committee will manage the NPC for the initial period of six months, after which a Members Meeting will be held to elect Board members for SITI.

- The Board is mandated to implement the business plan.
- Each Board director will be dedicated to a specific portfolio (programme).
- Directors will not be remunerated for their services.
- Any deviation from the agreed Business Plan needs to be supported by a formal board resolution at a SITI members meeting with the agreed quorum of attendance (as defined in the MOI guidelines).

Director's portfolios will include:

1. Chairman
2. Chief Financial Officer
3. Public Safety
4. Cleaning and Maintenance
5. Environmental Development
6. Social Development

If appropriate, portfolios may be combined under a single person.

Service manager and service providers
A services manager will be appointed to take care of the day-to-day business of the NPC. The services manager will also manage the service providers appointed to implement to work defined in the business plan.

These service providers will be appointed by the Board following a competitive process. Competitive quotations will be obtained for evaluation, scoring and decision by the Board. Contractor selection decisions will be recorded in the minutes of the meetings.

Measures to ensure inclusivity
Measures to ensure inclusivity will include:

1. Local community members will be invited to members' meetings and board meetings regardless of whether or not they are
2. additional ratepayers;
3. Agendas, notices and minutes of members' meetings will be published on SITI's website;

Financial and Performance Reporting requirements vis-à-vis the municipality.
Financial reporting will occur as follows:

1. The progressive monthly income and expenditure reports will be tabled at Board meetings and forwarded to the municipality on a monthly basis.

2. The NPC is required to obtain approval for annual budgets and its implementation plan for the next financial year at the AGM. Thereafter it is submitted to the municipality for inclusion in the municipality's budget process.
3. The SRA will appoint a service provider (using a competitive process) for accounting services.
4. The SRA will be externally audited; the NPC will appoint (using a competitive process) an external IRBA registered auditor at the AGM.
5. Annual Financial Statements need to be audited and presented at the AGM to the members submitted to the municipality by 31 August each year.
6. The performance of the Board of Directors, in achieving the objectives as detailed in the Business Plan will be monitored by the members, the community and the municipality.
7. The NPC will have a memorandum of incorporation (MOI) as prescribed by the municipality and as regulated in terms of the Companies Act 71 of 2008.

Permissible Amendments to the Business Plan

The By-Law allows amendment of certain limited business plan provisions by the Council at the request of the SRA company board without the need to obtain further consent from additional ratepayers, provided that such amendment is presented to the AGM for approval.

5-Year Budget and 5-Year Implementation Plan

The 5-year budget for the implementation and operations of the SRA is set out in Appendix A. It reflects the identified needs of the operations in as cost effective a manner as possible. Income in the form of additional rates will be derived from all properties in the area and this attracts VAT. Should property owners receive partial or full relief in respect of rates they would enjoy full exemption from payment of any SRA additional rates. The 5-year implementation plan for the implementation and operations of the SRA is set out in Appendix B.

SITI SRA 5 YEAR IMPLEMENTATION PLAN
1st July 2025 to 30th June 2030

PROGRAM 1 - SRA MANAGEMENT & OPERATIONS

ACTION STEPS	RESPONSIBLE	FREQUENCY per year	DURATION IN WEEKS, MONTHS OR YEARS					PERFORMANCE INDICATOR	COMMENTS
			Y1	Y2	Y3	Y4	Y5		
1. Appointment of staff	SRA Manager / SRA Board	Ongoing	>	>	>	>	>		Staff appointment will be done as required
2. Continued operation of the SRA Management Office	SRA Manager / SRA Board	Ongoing	>	>	>	>	>	Operation SRA Office	
3. Appointment of relevant service providers	SRA Manager / SRA Board	1	1Y		1Y			Appointment of appropriately qualified service providers	Service providers to be reappointed or new providers to be appointed at end of initial contracts (3 Years)
4. Board meetings	SRA Manager / SRA Board	12	12	12	12	12	12	Monthly Board meetings	
5. Financial reports to Stellenbosch Municipality	SRA Manager	12	12	12	12	12	12	Submit reports timeously	Refer to Financial Agreement
6. Audited Financial Statements	SRA Manager	1	1Y	1Y	1Y	1Y	1Y	Unqualified Financial Audits	
7. Communicate SRA Arrears List	SRA Manager	12	12	12	12	12	12	Observe and report concern over outstanding amounts	
8. Feedback to Members and Annual General Meeting	SRA Manager / SRA Board	1	1Y	1Y	1Y	1Y	1Y	Host successful AGM	
9. Submit Management Report and Annual Financial Statements to Stellenbosch Municipality	SRA Manager / SRA Board	1	1Y	1Y	1Y	1Y	1Y	Unqualified Financial Audits and comprehensive management reports	
10. Successful day-to-day management and operations of the SRA	SRA Manager	Ongoing	>	>	>	>	>	Monthly feedback to SRA Board at Directors present at every meeting	
11. Monthly Reports to the SRA	SRA Manager	12	12	12	12	12	12	Report back on all SRA related	Provide monthly

PROGRAM 1 - SRA MANAGEMENT & OPERATIONS									
ACTION STEPS	RESPONSIBLE	FREQUENCY per year	DURATION IN WEEKS, MONTHS OR YEARS					PERFORMANCE INDICATOR	COMMENTS
			Y1	Y2	Y3	Y4	Y5		
Directors								business to be measured and signed off	reports to the SRA Directors
12. Manage and monitor defects to the Stellenbosch Municipality	SRA Manager	12	12	12	12	12	12	Complete daily reports of defects and monitor existing issues	
13. Communicate with property owners	SRA Manager	Ongoing	>	>	>	>	>	Keep property owners informed through monthly newsletter	
14. Visit SRA members	SRA Manager	Ongoing	>	>	>	>	>	Communicate and visit SRA members	
15. Promote and develop SRA NPC membership	SRA Manager / SRA Board	Ongoing	>	>	>	>	>	Have a NPC membership that represents the SRA community	
16. Build working relationships with Stellenbosch Municipality Management and relevant officials and departments that deliver services in the SRA	SRA Manager	Ongoing	>	>	>	>	>	Successful and professional relationships with sub-council management and officials resulting in enhance communication, cooperation and service delivery	
17. Compile the SRA renewal application.	SRA Manager / SRA Board	In year 4				1Y		Submit a comprehensive renewal application for approval by municipality council memebers.	

PROGRAM 2 - SRA SECURITY / LAW ENFORCEMENT INITIATIVES									
ACTION STEPS	RESPONSIBLE	FREQUENCY per year	DURATION IN WEEKS, MONTHS OR YEARS					PERFORMANCE INDICATOR	COMMENTS
			Y1	Y2	Y3	Y4	Y5		
1. Identify the root causes of crime in conjunction with the SAPS, Local Authority and existing security service using their experience as well as available crime statistics	SRA Manager/ Security Service Provider	Ongoing	3M	>	>	>	>	Incorporate in Security Management Strategy Plan	This is done comprehensively at the beginning of term and then modified continuously
2. Determine the Crime Threat Analysis of the SRA area in conjunction with the SAPS	SRA Manager/ Security Service Provider	Ongoing	3M	>	>	>	>	Incorporate in Security Management Strategy Plan	
3. Determine strategies by means of an integrated approach to address / decrease crime	SRA Manager/ Security Service Provider	Ongoing	3M	>	>	>	>	Incorporate in Security Management Strategy Plan	
4. In liaison with other security role players and the South African Police Service, identify current security and policing shortcomings and develop and implement effective crime prevention strategy	SRA Manager/ Security Service Provider	Ongoing	>	>	>	>	>	Incorporate in Security Management Strategy Plan	
5. Develop a Security Management Strategy with clear deliverables and defined performance indicators to guide safety services by the appointed service provider and evaluate levels of service provided.	SRA Manager/ Security Service Provider	Revise as often as required but at least annually	3M	1Y	1Y	1Y	1Y	Documented Security Management Strategy with clear deliverables and defined performance indicators to guide safety services by the appointed service provider and evaluate levels of service provided.	This is done comprehensively at the implementation of the SRA and then modified continuously
6. Maintain a manned centrally located office(s) open to the members and residents of the SRA to request security assistance or report information	SRA Manager/ Security Service Provider	Ongoing	>	>	>	>	>	Appropriately manned and equipped control room with skilled staff	
7. Deploy security resources accordingly and effectively on visible patrols. Security personnel and patrol vehicles to be easily identifiable	SRA Manager/ Security Service Provider	Ongoing	>	>	>	>	>	Effective safety and security patrols in the SRA	
8. Utilise the "eyes and ears" of all security and gardening/street cleaning staff, as well as own staff, to identify any breaches	SRA Manager/ Security Service Provider	Ongoing	>	>	>	>	>	Incorporate feedback and information in security and safety initiatives of the SRA	
9. Assist the police through participation by SRA in the local Police sector crime forum	SRA Manager/ Security Service Provider	Monthly	12	12	12	12	12	Incorporate feedback and information in security and safety initiatives of the SRA Report on any security information of the SRA to the CPF	
10. Monitor and evaluate the security strategy and performance of all service delivery on a quarterly basis	SRA Manager/ Security Service Provider/ SAPS Crime Intelligence Officer	Quarterly	4	4	4	4	4	Report findings to the SRA Board with recommendations where applicable	
11. On-site inspection of Security Patrol officers	SRA Manager/ Security Service Provider	Daily	>	>	>	>	>	Report findings to the SRA Board with recommendations where applicable	
12. Weekly Security Reports from Contract Security Company	Security Service Provider	Weekly	52	52	52	52	52	Report findings to the SRA Board with recommendations where applicable Provide feedback to forum meeting	Incorporate into monthly management report to SRA Board

PROGRAM 3 - SRA CLEANSING INITIATIVES									
ACTION STEPS	RESPONSIBLE	FREQUENCY per year	DURATION IN WEEKS, MONTHS OR YEARS					PERFORMANCE INDICATOR	COMMENTS
			Y1	Y2	Y3	Y4	Y5		
1. Develop a cleansing strategy document with clear deliverables and defined performance indicators to guide cleansing and delivery from the appointed service provider.	SRA Manager/ Cleansing Service Provider	annually	1Y	1Y	1Y	1Y	1Y	Cleansing strategy document with clear deliverables and defined performance indicators to guide cleansing and delivery. Revise as often as required but at least annually	This is done comprehensively at the term renewal and then modified continuously
2. Monitor and evaluate the cleansing strategy and performance of all service delivery on a quarterly basis	SRA Manager/ Cleansing Service Provider	Quarterly	4	4	4	4	4	Modify Cleansing Strategy to guide cleansing and delivery	
3. Co-ordinate the provision of additional litter bins and	SRA Manager/ Solid Waste Department	Quarterly	4	4	4	4	4	Quarterly status reports to Local Authority regarding	
emptying of litter bins service providers and the relevant municipal departments.								progress of identified shortcomings	
4. Cleansing each of the streets within the SRA Boundary according to the cleaning strategy and schedule.	SRA Manager/ Cleansing Service Provider	Bi annually	6	6	6	6	6	Provide clean streets and sidewalks in the SRA	
5. Identifying Health and safety issues within the area and reporting to Council.	SRA Manager	Ongoing	>	>	>	>	>	Monthly evaluations and inspections Provide an improved healthy urban environment in the SRA	
6. Monitor and combat Illegal Dumping	SRA Manager/ Cleansing Service Provider/ Law Enforcement Officers	Ongoing	>	>	>	>	>	Removal of illegal dumping as required and applying applicable penalties through law enforcement against transgressors	
7. Encourage property owners to act responsibly in terms of waste management and encourage recycling initiatives	SRA Manage	Ongoing	>	>	>	>	>	Monthly evaluations and inspections Report findings	

PROGRAM 4 - SRA URBAN MANAGEMENT INITIATIVES									
ACTION STEPS	RESPONSIBLE	FREQUENCY per year	DURATION IN WEEKS, MONTHS OR YEARS					PERFORMANCE INDICATOR	COMMENTS
			Y1	Y2	Y3	Y4	Y5		
1. Identify problem areas with respect to: a. street lighting; b. missing drain covers / cleaning of drains c. maintenance of road surfaces; sidewalks	SRA Manager	Ongoing	>	>	>	>	>	Urban management plan with clear deliverables and defined performance indicators to guide delivery	This is done comprehensively at the implementation of the SRA and then modified continuously
d. cutting of grass / removal of weeds e. road markings / traffic signs Use the established service levels to design the provision of supplementary services without duplication of effort									
2. Identify and report infrastructure supplementing existing Council Services: a. Street lighting b. Dumping c. Refuse Removal d. Waterworks e. Sewerage f. Roads and Storm water g. Traffic signals and line painting h. Pedestrian safety i. Road repairs	SRA Manager	Daily / weekly and monthly reports to the Stellenbosch Municipality and daily recording of references in the register						Monitor and evaluate. Report findings to the SRA Board with recommendations where applicable	
3. Greening campaigns - Arbor Day	SRA Manager	1	1Y	1Y	1Y	1Y	1Y	Report to the SRA Board with recommendations where applicable	
4. Work in conjunction with local social welfare and job creation organization and develop the delivery of the supplementary services to improve the urban environment	SRA Manager	Ongoing	>	>	>	>	>	Development of a long term sustainable work program	This is done comprehensively at the term renewal and then modified and managed continuously
5. Illegal Poster Removal Notify and monitor the removal of illegal posters by the Stellenbosch Municipality	SRA Manager	Ongoing	>	>	>	>	>	Area free from illegal posters	

PROGRAM 5 - SRA SOCIAL INTERVENTION INITIATIVES

ACTION STEPS	RESPONSIBLE	FREQUENCY per year	DURATION IN WEEKS, MONTHS OR YEARS					PERFORMANCE INDICATOR	COMMENTS
			Y1	Y2	Y3	Y4	Y5		
1. Identify and determine strategies by means of an integrated approach to address / homelessness and the relief measures available, current and future.	SRA Manager/ NGOs	Ongoing	>	>	>	>	>	Social intervention plan with clear deliverables and defined performance indicators to guide delivery	This is done comprehensively at the implementation of the SRA and then modified continuously
2. Work in conjunction with local social welfare and job creation organization and develop the delivery of the supplementary services to improve the urban environment	SRA Manager/ NGOs	Ongoing	>	>	>	>	>	Social intervention plan with clear deliverables and defined performance indicators to guide delivery	This will be a long term plan of action that will take time to develop

PROGRAM 6 - SRA MARKETING INITIATIVES

ACTION STEPS	RESPONSIBLE	FREQUENCY per year	DURATION IN WEEKS, MONTHS OR YEARS					PERFORMANCE INDICATOR	COMMENTS
			Y1	Y2	Y3	Y4	Y5		
1. Regular and monthly newsletters	SRA Manager	Monthly	12	12	12	12	12	Informative newsletters	
2. Regular Press releases in local Newspapers covering: a. Local Development b. Promoting local Projects c. Social Issues	SRA Manager	Ongoing	>	>	>	>	>	Regular media exposure	
3. Establish and maintain Website	SRA Manager	Ongoing	>	>	>	>	>	Informative website	
4. Regular Member visits and meetings	SRA Manager	Ongoing	>	>	>	>	>	Monthly feedback to SRA Board at Directors Meeting	

ANNEXURE C

STELLENBOSCH IMPROVEMENT AND TRANSFORMATION INITIATIVE
5-Year Budget

	2025/26		2026/27	7.00%	2027/28	7.00%	2028/29	7.00%	2029/30	7.00%
INCOME	R		R		R		R		R	
Income from Additional Rates	-9 938 510		-10 634 206		-11 378 600		-12 175 102		-13 027 359	
Other: Accululated Surplus	0		0		0		0		0	
TOTAL INCOME	-9 938 510		-10 634 206		-11 378 600		-12 175 102		-13 027 359	
EXPENDITURE	R		R		R		R		R	
Employee Related	657 108	6.6%	703 105	6.4%	752 323	6.4%	804 985	6.4%	861 334	6.4%
Salaries and Wages	498 959		533 886		571 258		611 246		654 033	
PAYE, UIF, SDL & COIDA	107 329		114 842		122 881		131 483		140 687	
Bonus Provision	50 820		54 377		58 184		62 257		66 614	
Core Business	8 514 963	85.7%	9 111 010	83.1%	9 748 781	83.1%	10 431 196	83.1%	11 161 379	83.1%
Cleansing services	91 060		97 434		104 255		111 552		119 361	
Environmental upgrading	110 880		118 641		126 946		135 832		145 341	
Urban Maintenance	110 880		118 641		126 946		135 832		145 341	
Law Enforcement Officers	480 479		514 112		550 100		588 607		629 810	
Public Safety	7 576 782		8 107 156		8 674 657		9 281 883		9 931 615	
Social upliftment	144 883		155 025		165 876		177 488		189 912	
Depreciation, Repairs & Maintenance	48 306	0.5%	152 482	1.4%	247 150	2.1%	334 447	2.7%	416 188	3.1%
General Expenditure	132 132	1.3%	141 381	1.3%	151 278	1.3%	161 867	1.3%	173 198	1.3%
Accounting fees & Admininistration	18 480		19 774		21 158		22 639		24 223	
Advertising costs	9 240		9 887		10 579		11 319		12 112	
Auditor's remuneration	12 936		13 841		14 810		15 847		16 956	
Bank charges	4 620		4 943		5 289		5 660		6 056	
Insurance	13 860		14 830		15 868		16 979		18 168	
Marketing and promotions	4 620		4 943		5 289		5 660		6 056	
Motor vehicle expenses	11 088		11 864		12 695		13 583		14 534	
Office rental	0		0		0		0		0	
IT Expenses & Website	18 480		19 774		21 158		22 639		24 223	
Meeting expenses	6 468		6 921		7 405		7 924		8 478	
Cleaning costs	9 240		9 887		10 579		11 319		12 112	
Printing / stationary / photographic	9 240		9 887		10 579		11 319		12 112	
Telephone	13 860		14 830		15 868		16 979		18 168	
Capital Expenditure (PPE)	296 531	3.0%	526 228	4.8%	479 068	4.1%	442 607	3.5%	415 260	3.1%
CCTV / LPR Cameras	241 531		520 878		473 344		436 482		408 706	
Computer Equipment	50 000		0		0		0		0	
Office Equipment and Furniture	5 000		5 350		5 725		6 125		6 554	
Bad Debt Provision 3%	298 155	3.0%	329 660	3.0%	352 737	3.0%	377 428	3.0%	403 848	3.0%
TOTAL EXPENDITURE	9 938 510	100%	10 963 866	100%	11 731 336	100%	12 552 530	100%	13 431 207	100%
(SURPLUS) / SHORTFALL	0		0		0		0		0	

BUDGET (incl VAT)	**R11,429,286**
BUDGET (Excl VAT)	**R9,938,510**

ANNEXURE D

SITI Special Rating Area (SRA)

MINUTES OF THE PUBLIC MEETING HELT AT HOFMEYERSAAL IN CHURCH STREET ON 21 NOVEMBER 2023

OPENING AND WELCOME:
Kabous Meiring opened the meeting at 18:00 and facilitated the session.

ATTENDANCE:
Marinus Louw - SITI SRA
Jeanneret Momberg - SITI SRA
Mias van der Westhuyzen - SITI SRA
Daniel Lutz - SITI SRA
Hannes van Zyl - SITI SRA
Ben-Carl Haveman - SITI SRA
Henry Mitchell - Stellenbosch Municipality
Pieter Wagner - Stellenbosch Municipality

PROGRAMME:

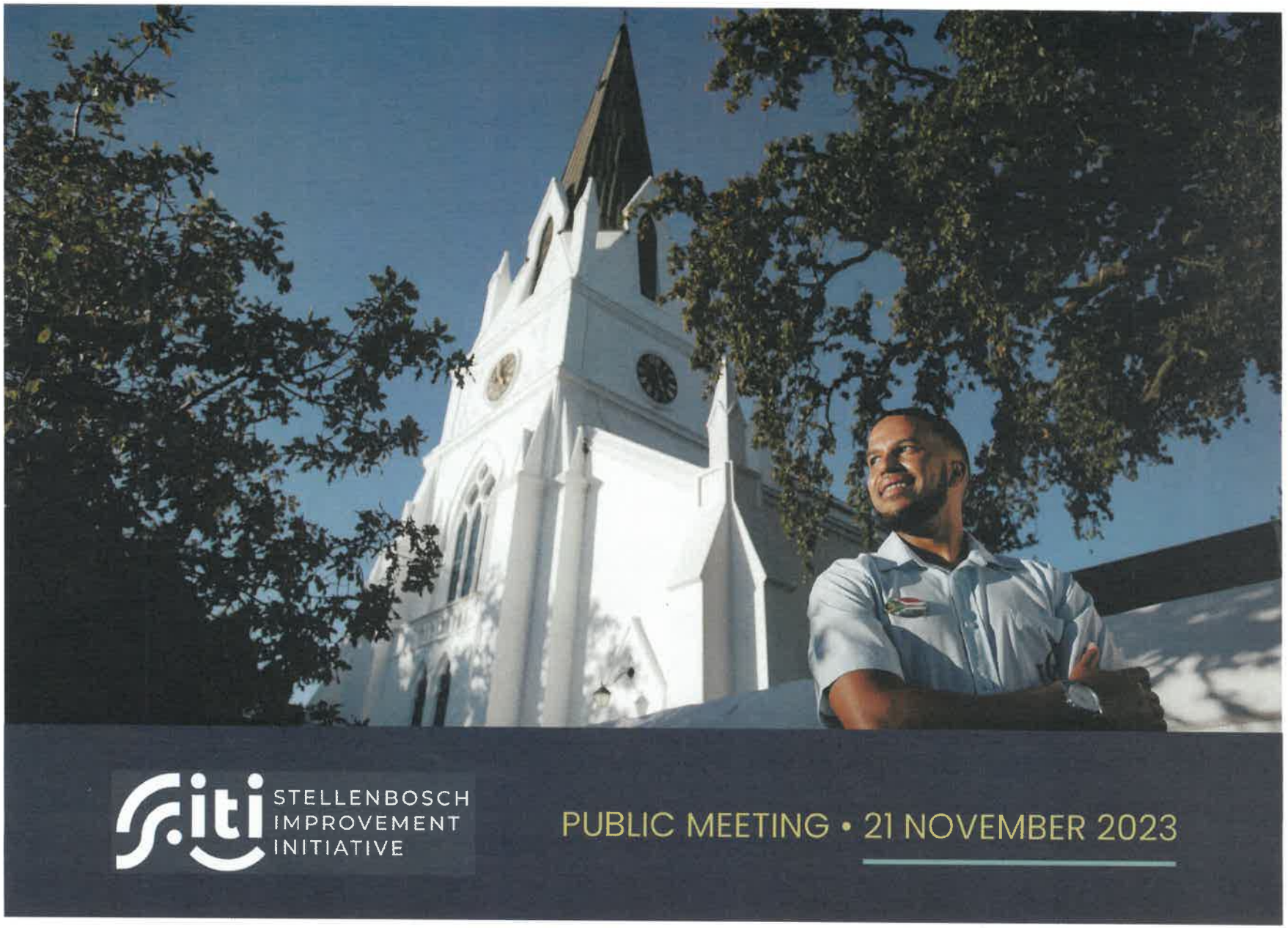
- Cobus Venter discussed the economic impact and benefits of having an SRA. He then gave an overview of SITI.
- Marinus Louw presented on the boundaries, process, timelines, core business.
- Marinus Louw then outlined the budget.

Q&A's:
Kabous Meiring opened the floor for a discussion, providing the opportunity for questions and answers, aimed at the panel consisting of Cobus Venter and Marinus Louw.

CLOSING:
Kabous Meiring closed the meeting at 19:00.

SITI Special Rating Area (SRA)
Agenda: Public Meeting 23 November 2023
Programme

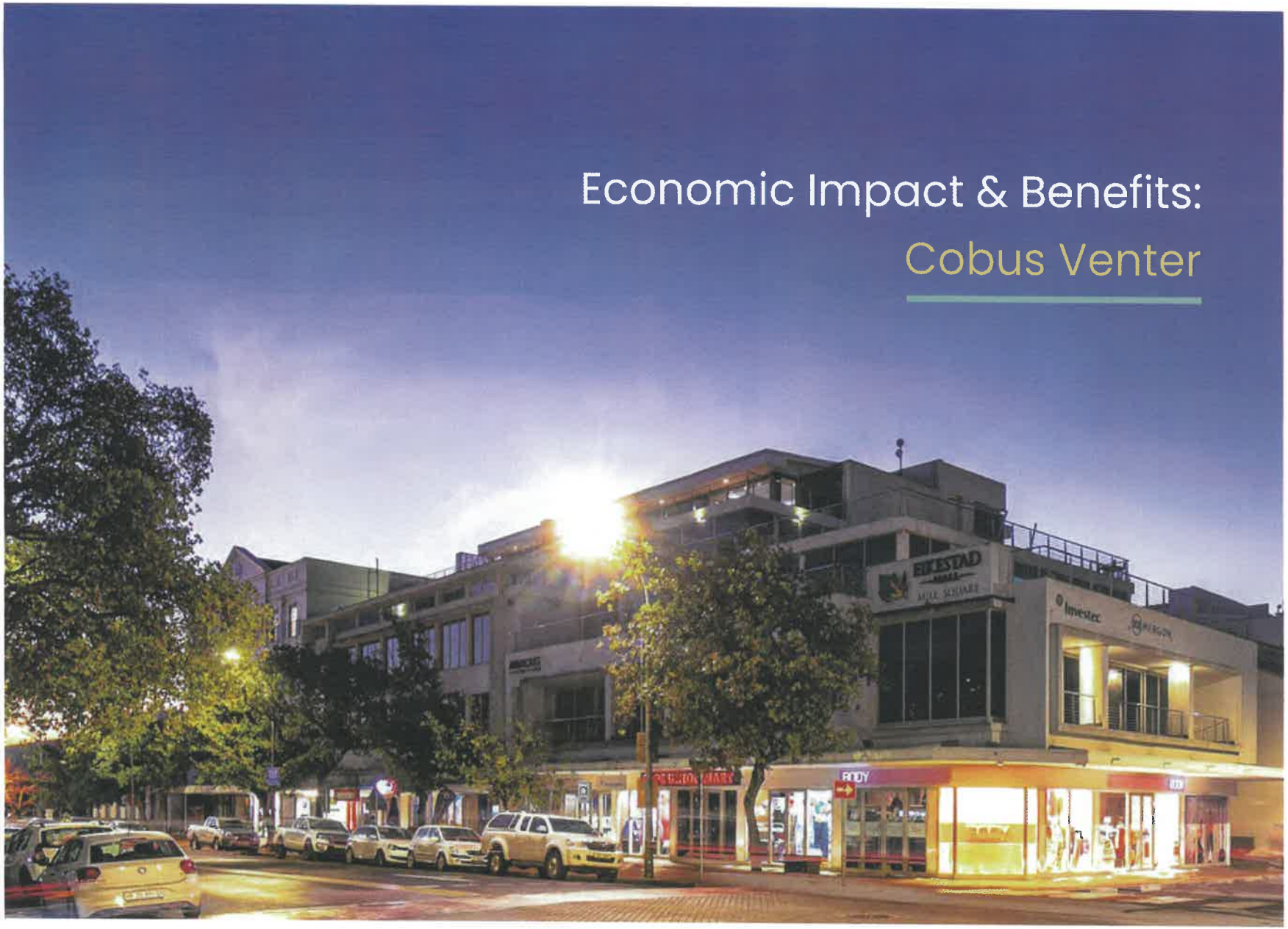
Time	Item	Presenter
18:00	Part 1: Welcome and introduction	
	Welcome and introductions Introducing the Municipal officials & Steering Committee	Kabous Meiring
18:15	Part 2: Presentation	
	Economic impact & benefits SITI Overview Boundaries Process and timelines Core Business Budget Summary	Cobus Venter Cobus Venter Marinus Louw Marinus Louw Marinus Louw Marinus Louw
18:40	Part 3: Discussion and Q&A's	
	Questions from the audience	Kabous Meiring
18:55	Part 4: Closing and thanks	
	Closing and thanks	Kabous Meiring


STELLENBOSCH
IMPROVEMENT
INITIATIVE
PUBLIC MEETING • 21 NOVEMBER 2023


Introduction:
Kabous Meiring
Besoekers
Visitors

STELLENBOSCH
IMPROVEMENT INITIATIVE

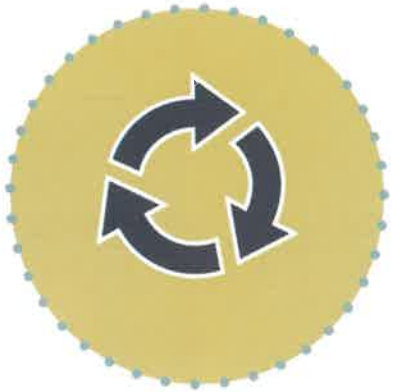
Through collaboration, creativity, and effective implementation, Siti will create a safe, clean, caring, and vibrant environment in the area known as the "middedorp" for all that work, visit, live, and study here.


Economic Impact & Benefits:
Cobus Venter
EDGESTAD
MALL
MAIN SQUARE
Investec
BODY

ECONOMICS OF STELLENBOSCH



One of the highest average incomes and internal Gini coefficients in SA.



The town has three main activities: The University, Tourism and Business

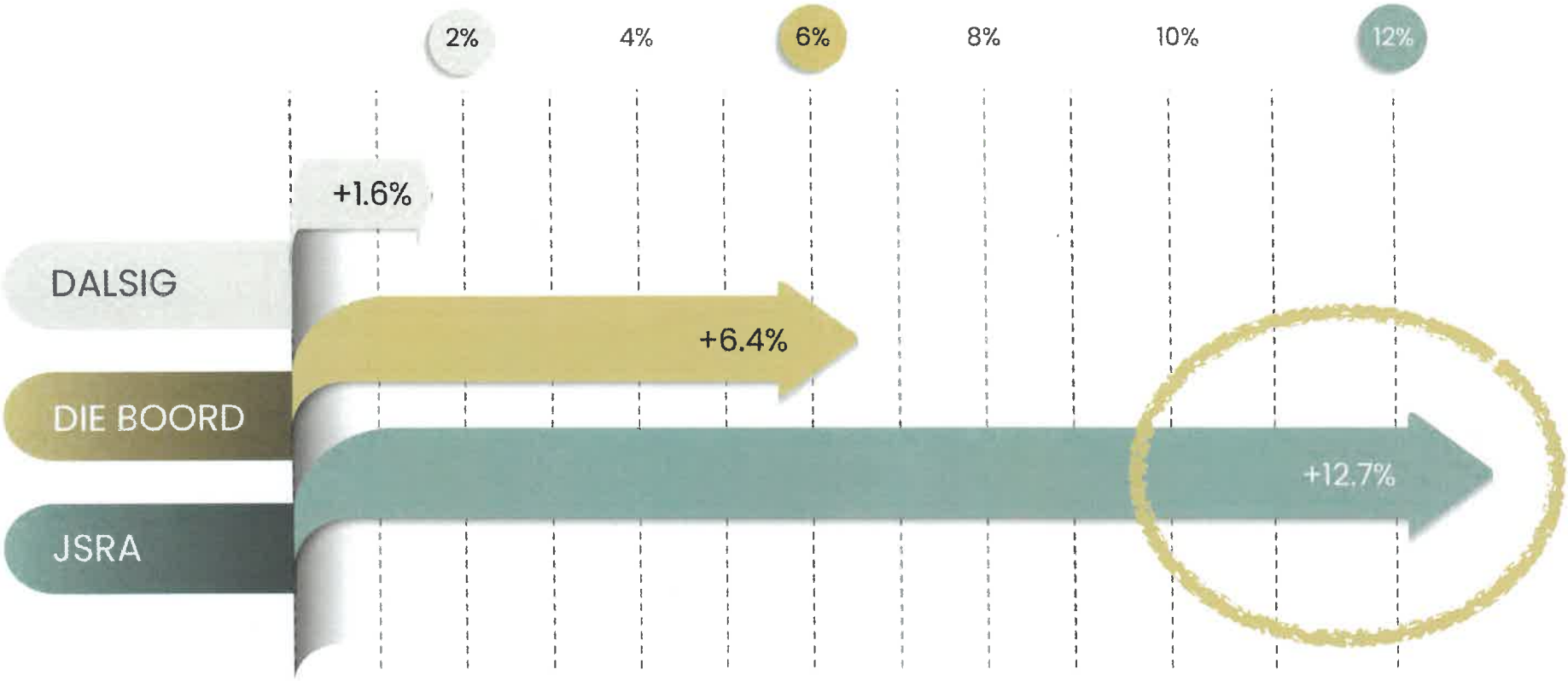


Employment Multiplier: Every R1 million spent sustains between 7-12 job opportunities.

BASIC CONCEPTS THAT APPLY

- The town is growing and will continue to grow.
- Free riders will always be present.
- The capital impact for property owners.

SRA: PROPERTY GROWTH




Siti Overview:
Marinus Louw

7.5	**HUMAN SETTLEMENTS: (PC: CLLR R DU TOIT)**

NONE

7.6	**INFRASTRUCTURE SERVICES : (PC : R PHEIFFER)**

7.6.1	**STATUS REPORT ON THE ALTERNATIVE ENERGY GENERATION PROGRAMME – FEBRUARY 2025**

Collaborator No: **78022**
IDP KPA Ref No: **Green & Sustainable Valley**
Meeting Date: **19 February 2025**

1. SUBJECT: STATUS REPORT ON THE ALTERNATIVE ENERGY GENERATION PROGRAMME – FEBRUARY 2025

2. PURPOSE

For Council to note the progress of the Municipality's as well as Provincial Government initiatives regarding the Alternative Energy Programme projects which are underway at present.

3. DELEGATED AUTHORITY

Municipal Council.

4. EXECUTIVE SUMMARY

4.1 The load curtailment application negotiations with Eskom are going nowhere after two years negotiations, despite WCG interventions. Proposal to suspend the Stellenbosch Municipality load curtailment application negotiations at this stage.

4.2 A tender for the purchase of 20MW of electricity from an Independent Power Producer (IPP), was conditionally approved by the BAC on 16th September 2024. A kick-off meeting was held with Energy Partners on 25 October 2024. The draft program and Power Purchase Agreement (PPA) have been received. Consultations to conclude the PPA have commenced.

4.3 The Supervisory Control and Data Acquisition (SCADA) project is on track with the implementation of remote viewing at six of the seven main substations completed under Phase 1 of the project in the 2023/2024 financial year. Phase 2 of the project commenced in October 2024 and will include the complete plant to master station verification/testing and implementation of remote switching at Gholf-, Jan Marais-, Markotter, Suidwal- and Cloetesville substations as well as the installation of the SCADA system and implementation of remote viewing and remote switching at Franschoek substation, which could not be completed in Phase 1.

The two remaining main substations (Main and University) can only be completed once the project to replace the 66kV switchgear at the two substations are completed. According to the project programme for implementing the 66kV switchgear at Main- and University substations, the project is planned to be completed in March 2025.

4.4 All municipal buildings that require alternative energy supplies are being investigated as part of the AEG initiatives. The municipality has successfully applied for grant funding of R5 million from DMRE Energy Efficiency Demand Side Management for 2024/25 financial year. This funding will be utilized for the installation of energy efficient

lighting in Municipal offices and buildings, retrofitting of LED streetlights and the installation of two PV installations on critical plant buildings. These initiatives are driven by the South African National Energy Development Institute (SANEDI) & Department Mineral Resources and Energy (DMRE). This grant funding will also be utilized to ensure compliance to energy performance certificates (EPC's). The EPC have been completed and is registered on the SANEDI website.

4.5 The tender for the Stellenbosch Fire Station battery storage system has been awarded with a contractual completion date of 13 December 2024. The Main (Neethling Huis Building) and NPK buildings have been earmarked for Business Continuity Initiatives, which entails the installation of BESS, Hybrid Inverters and PV, investigations are currently underway. An assessment report including estimated costs to establish the feasibility of the implementation of the projects was prepared on the 26 August 2024.

- There were certain recommendations made by the user department which will be submitted to the AEG Committee. The revised report for the NPK building is being reviewed by the user department before submitting to the AEG committee. A meeting with the Department: Electrical Services was held on 17 October to consider the options tabled. The Department must decide which option to implement.

4.6 Municipal community buildings – Several community buildings have been identified for the installation of hybrid inverter and battery storage systems. These systems will provide backup electricity to ensure uninterrupted power supply during outages and/or load shedding.

4.7 Eskom Hot Water Load Control (HWLC) - Eskom is driving the initiative with each Municipality entering into a contract agreement with the project developer.

4.8 Provincial Initiatives

4.8.1 Provincial Initiative to Establish a 50MW Solar Plant:

- Feasibility Study for the 50 MW MIPPP item was approved by Council in August 2024.
- The Transactional Advisory (TA) Team met with Stellenbosch Municipality and Eskom to determine the next procurement steps. An Expression of Interest has been advertised on the 7th of September 2024.
- On the 24th of July 2024 the office of the Premier sent a letter to Eskom regarding the MIPPP projects in the province and the Eskom areas of concern. Eskom acknowledged the letter form the Premier's office but did not adequately address any of the issues, however agreed to an engagement with the Western Cape Government. The TA team met with the Municipality to scrutinize the Eskom response in detail and there was cause for concern regarding the response from Eskom. Very little detailed responses were provided by Eskom, and they (Eskom) suggested that the Municipality cannot be treated as a load curtailment customer. The Premier's letter request was for a clear written response from Eskom.
- At a follow up meeting with the TA team, Provincial Government officials and the Municipality, the different steps (technical, financial and legal) were discussed and considered. A risk assessment was suggested, which includes legal and

finance elements to assist in the drafting of the Request for Proposal (RFP). At this meeting the CFO recommended that the formal SCM processes and BSC will be followed. The RFP document is planned to be completed by January 2025.

- Eskom's stance is a concern for the TA team and further engagements with Eskom are planned to unpack wheeling generation capacity. All the risks indicated in the letter from Eskom will be prepared by prepared the TA team which will be served in the next Council's Alternative Energy Generation Programme item.
- An extreme concern is that there are no decisive answers from Eskom. The Council must be informed that the project cannot be supported without clear answers, because the Provincial Government is expending costs on the Transaction Advisor and Project Management firm consultancy fees. Updates on the project are crucial to keep Council informed. The Provincial Government colleagues were requested to intervene with Eskom on behalf of the Municipality as well.
- The standard PPA clause states "if for any reason the Municipality cannot receive the power the IPP must still be renumerated". This is a major concern, and there is no point in continuing with the 50MW IPP without Eskom approval. The risks must be clearly defined and packaged.

There was a meeting with the General Manager of the System Operators on 20 November 2024. She stated up front that NTCSA will not provide a formal letter but will simply advise and confirmed that NTCSA have no objection to the municipality installing behind-the-meter connections, provided they do not feed back into the grid. The municipality must conduct necessary studies, adhere to grid codes, and ensure the IPP is also grid compliant. NTCSA views Eskom distribution, municipalities, and IPPs as market players, allowing purchases from any source. Western Cape Government will hold steering sessions with transactional advisors and the municipality this week, with outcomes to be presented to the AEG committee for discussion on way forward. The electrical team has offered to prepare a network study, and the transactional adviser has shared previous studies, with plans to collaborate on a joint study or expedite the process.

A resolution was presented to the Municipal Manager, proposing Option A – A Behind-The-Meter installation, which was subsequently approved. This option was favoured as it aligns with the Municipality's strategic objectives of reducing load shedding and lowering the cost of electricity supply, as demonstrated by the Feasibility Study. Furthermore, it was noted that Eskom has no regulatory authority to stop the construction of Behind-The-Meter power plant. This approval enabled the transactional advisors to proceed with the preparation of the Request for Proposal (RFP) and the Power Purchase Agreement (PPA). The RFP and PPA were issued on 13 December 2024, and collaborative review sessions involving the technical, financial, and legal departments, along with the consultants, have been scheduled to be concluded by 24 January. These sessions aim to finalize the RFP for submission to the Bid Specification Committee (BSC) by 7 February 2025.

5. RECOMMENDATION

That Council notes the Alternative Energy Generation project updates identified by the AEG Committee and the latest progress with the Alternative Energy Generation projects in implementation at present.

6. DISCUSSION / CONTENTS

6.1 Background

The Constitution did not allow Local Government to enter into the generation of electricity and the Electricity Regulation Act did not allow municipalities to purchase electricity from any company other than Eskom. Through the promulgation of Electricity Regulation Act Regulations, on 16 October 2020, this changed, and municipalities are now allowed to generate electricity and purchase electricity from other electricity providers other than Eskom.

6.2 Discussion

Progress to date on the various initiatives are as follows:

Load curtailment application negotiations with Eskom are going nowhere without an outcome after two years despite WCG interventions. Proposal to suspend the Stellenbosch Municipality load curtailment application negotiations at this stage and focus on alternative energy generation and climate change goals.

6.2.2 Proposed Load Curtailment Strategy

Taking the above into consideration the following load shedding mitigation strategies are being facilitated in Item 6.2.3:

6.2.3 Municipal Initiatives

6.2.3.1 Appointment of Alternative Energy Independent Power Producers (IPP's)

A tender for the purchase of 20MW of electricity from an Independent Power Producer (IPP), was conditionally approved by the BAC on 16h September 2024. No appeals were received, and the contract is now conditionally awarded to Energy Partners. The 20MW project kick-off meeting was held with Energy Partners on 25 October.

The bidder has submitted the Power Purchase Agreement (PPA), which is currently under review by the consultant. A meeting was held on 10 December 2024 to discuss the consultant's comments. The bidder is currently updating the PPA to address these comments and plans to meet with the consultant in early February 2025 to finalize the PPA before submitting the PPA to the municipality for review by various departments, including technical, legal, and financial. The municipality lacks legal expertise in this area, as such a legal firm will be appointed to assist. Once the municipality concludes its review and the PPA is finalised, it will undergo the section 33 process.

Possible second tender: Three sites were identified by Stellenbosch Municipality with the view to establishing the IPP's. The Municipality is continuing to facilitate a possible separate tender process to procure IPP's as follows:

- Erf RE/119 Idas Valley for possible Biomass.
- Erf 181/0 Stellenbosch (below reservoir) for possible photovoltaic site.
- Erf 279/0 Stellenbosch (Droëdyke site opposite the landfill) for a possible photovoltaic site.

As a result of extensive investigations that are still required to be conducted to ensure that the tender specifications adhere to the Municipality's needs and ensure the responsiveness of bidders, this tender will be the second tender to be issued. The Municipality is continuously engaging with other Municipalities who are also following the same process to learn from their experiences, but a decision on this tender will only be taken once the conclusion of the 20 MW IPP tender appointment process has been finalized.

6.2.3.2 Implementation of Supervisory Control and Data Acquisition (SCADA)

The Supervisory Control and Data Acquisition (SCADA) project is on track with the implementation and the fitting of main substations with the additional equipment to enable remote monitoring (Phase 1). Six main substations have been brought online i.e. Main 11 kV, Golf 66 kV & 11 kV, Jan Marais 11 kV, Markotter 66 kV & 11 kV, Suidwal 66 kV & 11 kV, University 11 kV and Cloetesville 66 kV & 11 kV substations.

Franschhoek substation will only come online in 2025. Main, Markotter and University 66 kV substations' remote viewing are scheduled for completion in the 2024/2025 financial year pending the completion of the 66 kV circuit breaker replacement. The 66kV circuit breaker upgrade project is planned to be completed in March 2025. The primary purpose for the SCADA upgrade was for the safe operation of the electricity network and meeting statutory requirements.

Phase 2 of the SCADA project which entails remote viewing and switching for main substations is progressing well and completion is planned for April 2025.

The current SCADA tender is set to expire at the end of June 2025. The Bid Specification Committee (BSC) meeting for the new tender took place on 16 January 2025. The specification for the tender has been approved for advertising subject to minor updates. The new tender is for the Supply, Delivery, Off-Loading, Installation, Setup, Configuration and Commissioning/Testing of Electrical Substation Telemetry Monitoring Equipment (SCADA System) and Supervisory Communication Network Installations.

6.2.3.3 Municipal Critical Buildings and Plants

All municipal buildings that require alternative energy supplies are being investigated as part of the AEG initiatives.

The investigation for the most suitable alternative energy for the key infrastructure (water- and wastewater plants) is underway, to ensure continued service delivery. A

report with proposals on four Wastewater Treatment Plants and two Water Treatment Plants which will benefit the most from batteries and PV was submitted by consultant on 30 of September for consideration.

The progress on the three municipal buildings identified for business continuity is:

- Fire Station The tender for the Stellenbosch Fire Station battery storage system as awarded and construction work will be completed by 30 June 2025. Contractual completion date is 13 December 2024. The contractor submitted notification for a possible delay in the project completion date due to the Employer's additional fire detection and suppression safety requirements relating to the lithium-ion battery energy storage system. The revised completion date and associated cost implications of the installation of fire detection and suppression system will be provided upon receipt of the formal quotation, including the specified lead times.

- NPK Building – Investigation for the most feasible option is underway. An assessment report including estimated costs to establish the feasibility of the implementation of the projects was prepared on the 26 August 2024. There were certain recommendations made by the user department which is being added to the proposal before submission to the AEG Committee. The revised report is being reviewed by the user department before submission to the AEG committee. The AEG committee recommended the most feasible option and the memo to proceed to procurement stage was approved on 29 November 2024.

- Main Building (Neethling Huis) – Site visits have been conducted, and the Department is in the process of procuring contractors to conduct repairs as well as to ensure compliance with EPC's. Electricity compliance inspections as well as a fire compliance inspection have been completed. A report with recommendations has been submitted. The main building Phase 1 (Electrical and Mechanical Fire Compliancy) project is currently in detailed design, tender document will be ready for Bid Specification Committee (BSC) submission by end of January 2025.

  The municipality has successfully applied for grant funding of R5 million from DMRE Energy Efficiency Demand Side Management for 2024/25 financial year. This funding will be utilized for the installation of energy efficient lighting, retrofitting of LED streetlights and the installation of two PV installations on critical plant buildings. These initiatives are driven by the South African National Energy Development Institute (SANEDI) & Department Mineral Resources and Energy (DMRE). A-site clarification meeting was held on 25 November 2024 and the tender closed on the 4th of December 2024. The consultant is currently conducting technical evaluations which are scheduled for completion by end of January 2025.

- Energy performance certification - The DMRE grant funding will also be utilized to ensure compliance with energy performance certificates (EPC's). The Energy specialist company EMVS assigned will drive the process. Building registration

was done. Building information inspection documentation has been completed and registered on the SANEDI website. The EPC certificates are required to be displayed at the building entrances. Frames for mounting the certificates have been ordered, and we are currently awaiting their delivery to proceed with the installation.

6.2.3.4 Municipal Community Buildings

Tender B/SM 34/25 Turnkey – Engineering, Procurement and Construction (EPC) of Hybrid Inverter with Battery Storage Systems at Stellenbosch Municipality Community Buildings closed on 26 November 2024. The tender is for 14 identified community buildings. The technical evaluation has been completed and the report submitted to Supply Chain Management. We are now awaiting the scheduling of the Bid Evaluation Committee meeting.

6.2.3.5 Eskom Hot Water Load Control (HWLC) and RT 29-2024 Contracts for smart meters

Provincial government shared an example of a letter of intent and the Drakenstein Municipality tender as references for drafting our tender. Stellenbosch Municipality issued a tender similar to the Drakenstein one in 2023 and there was no response to the tender. A single tender, similar in scope to the original, will be issued. However, the supply of devices will be excluded, as this aspect was part of the non-responsive tender. The new tender will be prepared with the objective of becoming effective on 1 July 2025.

6.3 Financial Implications

This report has further financial implications to the municipality than what has been mentioned in this report, but the exact impact will only become known once all the investigations have been concluded. R20 million in the 2024/2025 financial year has been budgeted for the implementation of Alternative Energy initiatives to ensure that upgrades to the electrical network are conducted enabling Alternative Energy initiatives.

6.4 Legal Implications

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

6.5 Staff Implications

A minimum of 4 staff members will be required to operate a Remote Switching control room which is required to enable self loadshedding, should it be required in future.

Further to the above, specialized technical staff would be required to facilitate and implement the loadshedding initiatives. The department has identified vacancies that are required for the implementation of Alternative Energy initiatives and presented the same to Management for consideration and approval.

6.6. Previous / Relevant Council Resolutions

23RD COUNCIL MEETING: 2024-06-14: ITEM 10.6.1

NOTED

The Alternative Energy Generation project updates identified by the AEG Committee and the latest progress with the Alternative Energy Generation projects in implementation at present.

"40TH COUNCIL MEETING: 2021-01-27: ITEM 11.5.1

RESOLVED (nem con)

(a) that Council approves the investigation into alternate methods of electricity generation and purchases.

(b) that Council approves the joint investigation to be done by University of Stellenbosch, Council for Scientific and Industrial Research (CSIR), and the Western Cape Government.

(c) that Council accepts the initiating of the following processes as may be required:

i. Municipal Systems Act, Section 78(1) processes

ii. Municipal Finance Management Act, Section 33 investigation processes

iii. Electricity Regulation Act, Section 13; and

(d) that Council considers the funding of such investigations and implementation of completed investigations within the determination of the 2021/22 budget process.

16TH COUNCIL MEETING: 2023-08-23: ITEM 11.6.3

NOTED

The progress of the Alternate Energy Generation initiatives and studies.

20TH COUNCIL MEETING: 2024-02-21: ITEM 11.6.1

NOTED

The Alternative Energy Generation strategies identified by the AEG Committee and the progress with the Alternative Energy Generation projects initiated.

6.7 Risks / Challenges: Implications and Mitigation:

- With both initiatives (Municipal 20 MW tender and Provincial 50 MW proposed tender) currently underway, Provincial Government has raised concerns about the Municipal 20 MW tender which has been conditionally

awarded. The PGWC were requested to submit their concerns in writing to the Municipality.

- Various engagements were held between the Municipal specialist service provider, municipal officials, Provincial Government Transactional Advisory consortium and the Provincial Government's Project Manager to mitigate the possible conflict between the two projects.
- The implementation of the load shedding mitigation strategies is still subject to the approval of the municipality's load curtailment application by Eskom's Load Shedding Committee. Regular follow-up engagements are being held with Eskom and the Municipality's revised application is being interrogated by Eskom at present. Of concern, is Eskom's response to the Premier's letter where it was stated that the Municipality cannot be considered as a Load-Curtailment customer.
- The capital upgrades costs is being implemented by the Department in phases as the upgrades to the electrical network and has budgeted accordingly.
- The identified resources (vacancies and equipped operational control room) will be budgeted for the strategies and initiatives to be realised.
- The existing ICT network infrastructure needs to be upgraded, but it will be a phased in approach over time, so that the existing bandwidth of the ICT network is sufficient to deal with the volume of the SCADA traffic. The ICT Department is investigating solutions to enable a functioning SCADA on the ICT network.
- The preliminary simulations investigation that was conducted by the Municipality revealed that the maximum suitable size for a solar plant without batteries that can be absorbed into the Stellenbosch network is 20MW at the Stellenbosch Main substation.
- The feasibility study revealed that the maximum capacity that the Stellenbosch Electrical network can accommodate is up to 50 MW.

6.8 Comments from Senior Management:

6.8.1 Director: Corporate Services

The ICT department is part of the planning regarding the SCADA monitoring project. Additional staff must be appointed once the project of SCADA installation is completed to monitor the equipment. The organogram will have to be amended for this process.

6.8.2 Municipal Manager

Requested item on agenda.

NAME	***Nombulelo Zwane / Rendani Makungo***
POSITION	***Senior Manager: Electrical Services***
DIRECTORATE	***Infrastructure Services***
CONTACT NUMBERS	***021 808 8770/ 021 808 8333***
E-MAIL ADDRESS	nombulelo.zwane@stellenbosch.gov.za / rendani.makugo@stellenbosch.gov.za
REPORT DATE	***23 January 2025***

7.6.2	**CONSIDERATION OF EXPENDITURE INCURRED RELATING TO SERVICES RENDERED BY NEIL LYNERS AND ASSOCIATES (PTY) LTD UNDER TENDER: B/SM 13/21- ESP.6 PROFESSIONAL ELECTRICAL ENGINEERING SERVICES FOR THE STELLENBOSCH MUNICIPALITY SELF LOADSHEDDING IMPLEMENTATION PROJECT AND SCOPE AMENDMENT REQUEST AS PER SECTION 116(3)**

Collaborator No:
IDP KPA Ref No: **Green & Sustainable Valley**
Meeting Date: **19 February 2025**

1. SUBJECT: CONSIDERATION OF EXPENDITURE INCURRED RELATING TO SERVICES RENDERED BY NEIL LYNERS AND ASSOCIATES (PTY) LTD UNDER TENDER: B/SM 13/21- ESP.6 PROFESSIONAL ELECTRICAL ENGINEERING SERVICES FOR THE STELLENBOSCH MUNICIPALITY SELF LOADSHEDDING IMPLEMENTATION PROJECT AND SCOPE AMENDMENT REQUEST AS PER SECTION 116(3)

2. PURPOSE

2.1 To provide information regarding the expenditure incurred for investigation by MPAC and to be recommended for consideration by Council to ratify the expenditure in terms of the MFMA Section 32 (2).

2.2 To obtain permission for the extension of the scope of work (Annexure A), for Neil Lyners and Associates (Pty) Ltd for the above contract to incorporate the additional deliverables that have evolved from the original scope outlined in Annexure D, as per Section 116(3).

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

Neil Lyners and Associates was appointed on 19 May 2023 for a three-year period ending 30 June 2026 under bid B/SM 13/21 – ESP .6. The estimated consultant fees for the bid were R 3 000 000.00, with Neil Lyners and Associates' initial estimate being R 2 932 500.00 (inclusive of VAT and a 15% discount).

Neil Lyners and Associates was appointed to assist the Municipality with the implementation of the Alternative Energy Generation Programme that the Municipality embarked on in 2022. The primary objective was to develop and implement a Self Loadshedding scenario for the Municipality. The challenge was the absence of a defined scope, precedent or established methodology which existed in the industry, for the Municipality to follow to achieve this. It was a pioneering project.

Therefore, the project was envisaged to be iterative, incorporating trial-and-error methods, with a focus on learning from failures and refining strategies accordingly, and also based on what Eskom would allow the Municipality to do. Most of the work initially was investigative and relied heavily on guidance from Eskom during various engagements to determine what was permissible.

After several engagements with Eskom, it was determined that Stellenbosch Municipality does not meet the necessary requirements for self-loadshedding. Consequently, it was then advised by Eskom that the Municipality apply for load curtailment instead. However, negotiations with Eskom regarding the load curtailment application have not progressed for two years, despite interventions from the Western Cape Government to assist.

Given the lack of progress on self-load shedding and load curtailment, the absence of load shedding for over 300 days, and Eskom's significant tariff increases, the Municipality has initiated various projects to address the energy crisis by reducing dependence on Eskom and creating alternative energy sources, all within the Alternative Energy Program. These projects align with the strategic focus area: Safe Valley as per the IDP and support net zero and climate change goals. These evolved projects which emanated from the Alternative Energy Program, do not strictly adhere to the original scope of Niel Lyners and Associates and fall outside the original scope of the tender's deliverables, as such the expenditure incurred on these projects is regarded as irregular expenditure. This was expected because this was the first time that a Category B Municipality was attempting a self-loadshedding program as well as an alternative energy program. Therefore, an amendment is hereby requested from Council to expand the scope of work of Niel Lyners and Associates to include these critical initiatives. Some of the projects which have evolved into new, separate projects will go on a new separate tender each for the design and construction thereof and thus fall outside the scope of Niel Lyners and Associates' appointment.

5. RECOMMENDATIONS

(a) that Council note the public participation process that was followed and that no comments were received (**ANNEXURE C**);

(b) that Council in terms of MFMA Section 116(3) notes the reasons for the amendment of the scope for tender B/SM 13/21- ESP.6;

(c) that Council approves the amount of R 912 237.50 for services rendered as irregular expenditure, as per **ANNEXURE D**; and

(d) that Council approves the amendment for the scope above and the estimated fee for the scope of R 3 768 768.00 (inclusive of VAT and 15% discount).

6. DISCUSSION / CONTENTS

6.1 Background

Stellenbosch Municipality initiated the Alternative Energy Generation Programme in 2022 with the primary objective of developing and implementing Self Loadshedding. Neil Lyners and Associates (Pty) Ltd were appointed to assist the municipality by providing professional electrical engineering services under bid B/SM 13/21 – ESP.6. As the programme evolved, additional critical projects were identified that fall outside the original scope of work, necessitating an amendment to include these deliverables. This extension supports the advancement of these initiatives, ensuring their alignment with the Municipality's strategic energy objectives.

6.2 Discussion

In 2022, the Municipality embarked on the Alternative Energy Generation Programme, an innovative effort with a primary aim of developing and implementing a Load-Shedding Mitigation Strategy. The challenge was the absence of a defined scope, precedent or established methodology for the Municipality to follow to achieve this, with the exception of City of Cape Town, which already had a Hydro-Electric plant in operation.

The Municipality recognized the need for technical support to define the scope of the project but was uncertain about the specific requirements for this support. We sought the advice from our Master Electrical Planning consultant and developed a deliberately broad scope for this tender, as outlined below and in Annexure D.

Neil Lyners and Associates was then appointed on 19 May 2023 for a period of three years ending 30 June 2026 under bid B/SM 13/21 – ESP .6. The estimated consultant fees for the bid was R 3 000 00.00 and Neil Lyners and Associates' initial estimate was R 2 932 500.00 (all inclusive), includes VAT and less 15% discount.

The rationale was that the Electrical Department would need specialist skills and knowledge. Key studies would be necessary to determine the feasibility; a functional SCADA system would be a requirement; critical engagements with Eskom would be required, and some Load-shedding mitigation strategies would need to be developed.

The project was designed to be iterative, incorporating trial-and-error methods, with a focus on learning from failures and refining strategies accordingly. Most of the work was investigative and relied heavily on guidance from Eskom during various engagements to determine what was permissible Therefore, the scope was deliberately left broad, allowing for investigative and exploratory approaches.

In June 2023, Neil Lyners submitted a project plan with indicative time frames. The deliverables were explanatory by nature and not as specific as those in the tender's scope of work. The deliverables included:

1. Inception and scope agreement
2. Perspective on loadshedding
3. Objectives of loadshedding
4. Eskom discussion process

At the time the scope of work and deliverables for the tender were drafted, the municipality lacked a clear understanding of the specific requirements for implementing self-load shedding. As a result, there is a discrepancy between the deliverables outlined in the tender and the actual deliverables required. This variance should not be interpreted as an oversight on the municipality's part but rather as a natural progression in the learning curve, given that this project represents the first instance of a category B municipality undertaking such an initiative, as previously highlighted.

As the process unfolded, it became clear to the AEG committee that the following projects take priority as the first phase of the Loadshedding mitigation strategy, phase 1:

1. Service Level Agreement (SLA) with Eskom
2. Supervisory Control and Data Acquisition (SCADA)
3. Independent Power Producers (IPP'S)
4. Request For Proposals (RFP'S)

None of the projects listed above are in the tender's original scope of works, however they were necessary for the implementation of self-loadshedding implementation project.

This has proven to be a successful strategy as the programme has now evolved into clearly defined projects that are currently in progress.

Neil Lyners Milestone Timeline	
Milestone	Date
1. Neil Lyners and Associates Appointment	23-May-23
2. Neil Lyners scope agreement	Jun-23
3. Analysis of GLS Master Plan and US Battery Storage Studies	Jul-23
4. Engagements with Western Cape Government for Pool Buying	Jul-23
5. Request for Proposals for Renewable Energy Proposals	Jul-23
6. Negotiations with Eskom /loadshedding mitigation	Jul-23
7.Battery storage and PV Investigation for critical buildings	Jul-23
8.Battery storage and PV Investigation for critical plants	Jul-23

The cost incurred in the 2023/2024 financial year by the service provider amounts to R 2 932 427.50 (inclusive of VAT and a 15% discount), this amount has been invoiced and paid. This amount comprises R 2 020 190.00 from original scope of work and R 912 237.50 for services rendered as evolved.

The cost incurred in the 2024/2025 up to December 2024 by the service provider is

R 3 095 820.66 (inclusive of VAT and a 15% discount). This amount comprises R 727 202.5 from original scope of work and R 2 368 618.16 for services rendered as evolved in 2024/2024.

It was agreed that the following projects would continue:

1) Main building – Phase 1 – Electrical and Mechanical Fire Compliancy which is currently in detailed design, the estimated fee for this project is R 2 081 868.00 (inclusive of VAT and a 15% discount).

2) 20MW IPP Project – The consultant are currently reviewing the PPA after which it will be sent to the municipality for legal review. Once the municipality concludes its review and the PPA is finalized, it will undergo the Section 33 process, followed by official approval of the tender. The estimated fee for this project is R 1 385 750.00 (inclusive of VAT and a 15% discount).

These projects are scheduled for completion by June 2026 aligning with the conclusion of the current service provider's appointment except the 20MW IPP project scheduled for completion by 31 May 2027.

The following projects are at an advanced stage, the engagement of the service provider can only be terminated upon the completion of specific deliverables:

1) Installation of hybrid inverters and battery backup at community buildings – the project is at BEC, the service provider's contract will be terminated after tender award.
2) Assistance to establish control room phase 1 – to be completed by June 2025.
3) Energy Efficient Demand Side Management (EEDSM)) – to be completed by June 2025.
4) Installation of PV and battery storage to ensure business continuity at NPK building – service provider is preparing tender document; the service provider's contract will be terminated after completion of tender document.

The estimated fee for these projects is R 624 575.88 (inclusive of VAT and a 15% discount). The total fee for the expanded scope of works is therefore R 4 092 357.88 (inclusive of VAT and a 15% discount).

There are two ongoing projects under the original scope of works namely:

1) Identify load curtailment for very large customers, estimated fees of R 42 607.50 (inclusive of VAT and a 15% discount).
2) Project management for the implementation of SCADA systems, estimated fees of R 209 760.00(inclusive of VAT and a 15% discount). These projects will be completed by 30 June 2025.

The estimated fee for these projects is R 252 367.50 (inclusive of VAT and a 15% discount). The total amount for Section 116 (3) is therefore R 4 334.743.38 (inclusive of VAT and a 15% discount).

For the remaining projects scheduled for 2025/26, it is proposed that separate bids be prepared.

6.3 Objective

The objective of Stellenbosch Municipality is to expand the scope of work for Neil Lyners and Associates (Pty) Ltd to include the newly identified projects which evolved from the original deliverables.

6.4 Financial Implications

6.1 Funding is available in the 2024/25 approved budget under the following U-Keys: CRR: 20220630076682 Ad-Hoc Provision of Streetlighting, CRR: 20240627025453 Streetlights R304 and EXT Loan: 20240627025431 Upgrade transformers at Main Substation 7.5MVA to 20MVA to cover expenditure incurred in 2024/2025 financial year.

6.2 Funding is available in the 2025/2026 approved budget under U-Key: Ext Loan: 20220825124418 Alternative Energy to cover expenditure to be incurred in 2025/2026 financial year.

6.3 The successful implementation of these projects will significantly lower the municipality's electricity costs, resulting in substantial operational savings. These savings can be reallocated to support other critical municipal functions and services.

6.5 Legal Implications

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

6.6 Staff Implications

This report has no staff implications to the Municipality.

6.7 Previous / Relevant Council Resolutions:

Not applicable.

6.8 Risk Implications

The Municipality must continue with the various Alternative Energy Generation initiatives to address the energy crisis by reducing dependence on Eskom and creating alternative energy sources. These projects are in alignment with the strategic focus area: Safe Valley as outlined in the Infrastructure Development Plan (IDP) and support net zero and climate change goals.

7. Comments from Senior Management:

7.1 Director: Infrastructure Services

Author of this report

7.2 Chief Financial Officer:

Not circulated for comments, comments will be obtained at the Bid Adjudication Committee (BAC) meeting.

7.3 Director: Corporate Services:

Not circulated for comments, comments will be obtained at the Bid Adjudication Committee (BAC) meeting.

7.4 Municipal Manager:

Municipal Manager's recommendations are incorporated into the item.

ANNEXURES
Annexure A: Original scope of works deliverables.
Annexure B: Advertisement for Section 116(3).
Annexure C: Proof - No objections received.
Annexure D: Amended scope of works for newly identified projects.

NAME	Preshane Chandaka
POSITION	***Director***
DIRECTORATE	***Infrastructure Services***
CONTACT NUMBERS	***021 808 8213***
E-MAIL ADDRESS	***shane.chandaka@stellenbosch.gov.za***
REPORT DATE	***13 February 2025***

ANNEXURE A

Annexure A

Annexure A	Original tasks as per tender B/SM 13/21 ESP.6			
	Objective/Task			
#		2023/2024 Fees	2024/2025 Fees	2025/2026 Fees
		Claimed (Paid)	Claimable (Not paid)	Sec 116
1	Daily Load profile analysis as per feeder/breaker per substation intake			
2	Determine Load Reduction requirements per stage of loadshedding			
3	Develop & Reconfigure functional feeder/breaker supply zones per substation			
4	Geospatial location of SSEG installations			
5	Assess the impact of increased SSEG penetration on reducing loadshedding stages throughout the day			
6	Assess the impact of fuel switching (i.e. Solar HWC, Gas Stoves) on demand			
7	Identify Load Curtailment for very large customers			
8	Loadshedding Schedule		R19 950.00	R37 050.00
9	Impact of Co-Generation of Diesel Plants vs Loadshedding			
10	Project Management for the Implementation of the SCADA System		R60 000.00	
11 - Item 3 under section 4 of RFP and LOA	Additional Services - Construction Monitoring /Project Management	R412 775.00	R182 400.00	R182 400.00
		R1 343 911.96	R370 000.00	
	Excl Vat	**R1 756 686.96**	**R632 350.00**	**R219 450.00**
	Inc VAT	**R2 020 190.00**	**R727 202.50**	**R252 367.50**

ANNEXURE B



'n Vliegtuig bestry die Palisades-brand in die Mandeville Canyon in Los Angeles. Foto: REUTERS

BRANDE IN KALIFORNIË

Inwoner red eie huis en bure s'n manalleen

'Vlamme reën neer, jy kan niks sien nie,' vertel skrynwerker



Tristin Perez, 'n inwoner van Altadena, Kalifornië, het by sy huis agtergebly om dit en bure se eiendom teen die brande te beskerm. Foto: REUTERS

Vlamme het aan sy heining gelek, hy het aan rook gestik en koeels het om sy been gefluit. Maar steeds het Tristin Perez nooit sy Altadena-huis verlaat gedurende die dodelike Eaton-brand in Kalifornië nie.

Die 34-jarige skrynwerker het gevoel hy kan nie anders nie as om te bly.

'n Polisieman het hom en sy bure Woensdagoggend vroeg aangesê om die gebied te verlaat terwyl die brand teen die hange van die heuwel bo hulle op hulle afgepyl het.

Pleks daarvan het Perez aangehou om sy eiendom en sy bure se huise langs El Molino-rylaan te probeer red. Maar hy het nie eens 'n tuinslang gehad nie. Hy het die fillters van twee waterkanne afgeskeur en die grond, sy houtheining en elke koeltjie wat hy kon bereik, natgemaak.

"Jou voortuin is aan die brand, palmbome vat vlam... dit het soos iets uit 'n rolprent gelyk," het Perez in 'n onderhoud op sy oprit gesê.

"Ek het alles gedoen wat ek kon om die brandlyn te keer en my huis te red, om te help om hul huise te red."

Sy dupleks het staande gebly. Twee huise langsaan ook. Oorkant die straat het huise tot op die grond afgebrand. 'n Enkele baksteenskoorsteen het in die puin gestaan.

"As jy oorkant die straat kyk... As ek nie hier was nie, sou dit geheur het," het hy gesê. "Ek voel so sleg vir hulle. Dis absoluut afgryslik."

Perez is hartseer oor die verwoesting. Hy het drie jaar gelede na Altadena verhuis en in sy tweeslaapkamerhuis ingetrek. Hy het verlief geraak op die rustige en hegte gemeenskap en sowat 40 000 mense noord van Los Angeles, waar bure vriendelik is en na mekaar omsien.

Vanaf Saterdag laat het amptenare gesê die Eaton-brand is net 15% onder beheer en dat die brandbedreiging hoog bly oor die Los Angeles-distrik heen. Ses gelyktydige brande wat sedert Dinsdag deur buurte in die stad beweeg het, het minstens 16 lewens geëis en 12 000 strukture beskadig of vernietig. 11 mense is in die Eaton-brand dood. Die dodetal sal na verwagting styg wanneer brandweermanne in staat is om huis-tot-huis-soektogte te doen.

In Altadena het brandspanne van huis tot huis gegaan met grawe op soek na kloin brandpunte. Balju's het die strate gepatrolleer en inwoners gekeer om na hul huise terug te keer.

Vinnige vlamme

Perez skets 'n aangrypende prentjie van hoe die Eaton-brand Woensdag vinnig uitgebrei het. Die eerste aanduiding dat iets verkeerd was, het Dinsdagaand gekom. Sy bure het buite gestaan en kyk na 'n dowwe gloed in die verte.

"Om eerlik te wees het ek dit nie regtig as veel van 'n bedreiging beskou nie, net omdat dit ver was."

Toe begin die wind loei en in hul rigting waai. Die brand het teen 'n skrikwekkende spoed reg op hulle afgepyl. "Dit het gevlieg," sê Perez. Toe kon hy en sy bure nie meer die vlamme sien nie.

Perez het gesê dit was die senutergendste deel van die nag.

Dit het gou verander. Toe by 200 m ver in die straat opkyk, was huise en ondernemings in vlamme gehul. Perez het sy bure aangesê om pad te gee.

"Ek het die brandweermanne gesien. Daar was 'n tekort aan hande, so ek wou my deel doen."

Perez het gevoel hy hot 'n kans om die vlamme te beveg omdat daar 'n lee veld tussen hom en die aankomende brand was. Die nadeel was dat sy bure aan die ander kant ammunisiekaste op hul eiendom berg.

Vinnig was daar ontploffings. Dit het moeilik geraak om asem te haal. Perez het gevoel iets flits by sy been verby terwyl hy in sy erf staan. Die brand het die koeëls langsaan aangesteek, wat 'n nuwe gevaar ingehou het.

"Koeels vlieg, gasbottels ontplof, vlamme reen neer, jy kan niks sien nie."

Hy het ure lank deur die nag sy eiendom met water natgespuit. Sy huis staan steeds. Talle ander was nie so gelukkig nie.

'Hoe om te herbou'

Om die draai het Pablo Scarpellini na die smeulende puin van sy vroe se kleuterskool, Rayuela, gestaar. Die hele gebou het inmekaargesteort en 'n klein glybaan het half-gesmelt aan die agterkant gestaan.

"Dis verwoestend," het Scarpellini gesê. "Maar ek het die afgelope paar dae soveel gehuil, nou is my stening weer een van hoop en ek probeer om te visualiseer hoe om dit te herbou."

Hy sê sy vrou, Liliana Martinez, die kleuterskool se stigter en direkteur, het geskarrel om 'n alternatief vir die 15 leerlinge te vind.

"Ons doen soveel as wat ons kan om vir die kinders 'n ander heenkome te vind," sê hy.

Perez beplan ook om in die komende maande te help om plaaslike ondernemings te herstel.

"Dit is nie die einde van Altadena nie. Dit is net die begin van die volgende hoofstuk." – Reuters

Marokko blom as Afrika-trekpleister

Net meer as 'n jaar nadat 'n verwoestende aardbewing die Hoë Atlasberge in die buitewyke van Marrakesj getref het, sê Marokko dat dié land nou die gewildste bestemming in Afrika is.

Die land het in 2024 17,4 miljoen besoekers ontvang, volgens die departement van toerisme.

Dit het Egipte, die vorige toerismeleier op die vasteland, verbygesteek. Egipte het ook sy eie besoekersrekord verbeter deur nagenoeg 15,7 miljoen besoekers in 2024 te verwelkom. Hoewel geen enkele instelling aankomstgetalle vir elke Afrikaland naspoor nie, bevestig sowel die Verenigde Nasies (VN) se toerismeraad as die Wêreldreis-en-toerismeraad dat Noord-Afrikalande dié suid van die Sahara ver voor is wat toerismesyfers betref.

Marokko se nuwe toerismemaatstaf beteken 'n verbasende sprong van 20% teenoor 2023 en 'n meer as 33%-toename teenoor 2019 se voor-pandemievlakke, toe die Arabiese bestemming 13 miljoen besoekers gelok het. Dit het die land ook twee jaar voor sy toerismevooruitskattings geplaas.

"Hierdie merkwaardige syfers vertoenwoordig 'n groot stap na ons doelwit om Marokko onder die 15 voorste toeristebestemmings in die wêreld te posisioneer," het Fatim-Zahra Ammor, minister van toerisme, in 'n mediaverklaring gesê.

Om in die top-15 te wees sou Marokko Japan, wat 25 miljoen toeriste in 2023 ontvang het, moes onttroon (dit is die jaar waarvoor die VN se jongste data oor toerisme beskikbaar is).

Dit is nie net in volume waar Marokko wen nie: Sy toerisme-inkomste het in 2024 nuwe hoogtes bereik en $11 miljard oor 'n tydperk van 12 maande ingebring, vergeleke met $10,6 miljard in 2023. In Egipte was dié syfer verlede jaar $14,1 miljard. Die twee lande speel in hul eie liga wat toerisme op die vasteland betref, met safari-gefokusde lande suid van die Sahara soos Suid-Afrika en Botswana wat elke jaar 'n fraksie van Noord-Afrika se besoekers ontvang en toerisme-dollars verdien.

Onder die faktore wat Marokko se groei moontlik gemaak het, is 120 vlugroetes wat in 2024 bekend gestel is, insluitend 'n regstreekse vlug op United Airlines van Newark in Amerika na Marrakesj, asook nuwe hotelle van luukse handelsmerke soos Four Seasons en Nobu oor die land heen.

Ammor het ook die uitbreiding van Royal Mansour, wat in April 'n tweede hotel in Casablanca geopen het, as 'n rede aangevoer waarom vakansiegangers geneig is om langer op 'n Marokkaanse vakansie te vertoef – en dit verder as die kultuurhoofstad, Marrakesj, waag. – Bloomberg

DIE BURGER
Snuffelgidsie

PERSOONLIKE DIENSTE

PERSOONLIK

SIENER • ORS 263 0356 Trabroers & baie met probleme. Bel/sk, finansies, geluk ens.

TE KOOP

MEUBELS

Mika KOOP ANTIEKE MEUBELS en klein goed. 083 263 2044

VOLWASSENES

PRIVAAT

ERIKETTES 0783139521

Chubby black honey Strand 062 482 4401

Sexy blond pet R/Hall 0818247167

YOUNG Perfectionists for private massage from the East, S/west - 079 856 3783

VAKANSIE & REIS

AKKOMMODASIE

Selfsorg Akkommodasie in Pensarima/Parow/Goodwood vir R600 p.maand 082 779 9492

REGSKENNISGEWINGS & TENDERS

HOPBEVELS/ BEKWEESTRAKSIES/ LIKWIDASIES

Aqua Holdings (Edms) Bpk
VOORLOPIGE LIKWIDASIEBEVEL

IN DIE HOOGGEREGSHOF VAN SUID-AFRIKA (AFDELING WES-KAAP, KAAPSTAD). Saaknr. 20396/2024. Voor die aspoes nr. waarnemende register Van Zyl Kaapstad, 22 November 2024. In die saak tussen ASSA BANK LIMITED, Applikant, en AQUA HOLDINGS (EDMS) BPK, Respondent met geregistreerde adres by Herdtlaan 24, Bakoven, Kaapstad.

Kennisgewing van oplegte van 'n Ekonomiese Insperiging die Wet op Petroleumprodukte, 1977

(Wet nr. 120 van 1977)

Kennis geskied hiermee aan belanghebbende of geaffekteerde partye dat SIGNATURE INNOVATIONS (EDMS.) BPK, hierna genoem "die applikant", 'n aansoek ingedien het om 'n Weidingsbedrywighede te onderneem soos uiteengesit in die aansoek, wat sy/sy die bepalings van die aansoekdokumentasie kan insien by die Kantoorbestuur van Petroleumprodukte te kontak by Tel. 021 427 3001 of E-pos: LongsiBuPakati@sheq.gov.za.

Enige besware teen die uitreik van 'n Eienaar ten opsigte van Mense aangaan, met bogenoemde aansoekommer duidelik aangedui, moet by die Kantoorbestuur van Petroleumprodukte ingedien word by onderstaande adres binne 'n tydperk van twintig (20) werksdae vanaf die datum van publikasie hiervan:

STRAATADRES: Die Kantoorbestuur van Petroleumprodukte, Departement van Mineraalbronne en Energie, Mag House, Standstraat 44, Kaapstad 8012.

POSADRES: Die Kantoorbestuur van Petroleumprodukte, Departement van Mineraalbronne en Energie, Privaat Sak X9, Roggebaai 8012.

921337 Jan. 13 – (4040)

VERLOREN DOKUMENTE

T55731/1999
VERLORE AKTE

Kennis geskied hiermee dat ingevolge die bepalings van regulasie 68 van die Wet op die Registrasie van Aktes, 1937, daar van voorneme is om aansoek te doen vir gesertifiseerde afskrif van transportakte T55731/1999 alligrek deur die Transvaalse Inderlyf van THE PAPESKAMBENG TRUST, No. IT 3270/95, ten gunste van HANDPOP DENDOM BPK (Registrasienr. CC1999/006343/23) met betrekking tot Erf 1443 KATA ANDER in die Munisipaliteit en Afdeling Stellenbosch, Provinsie Wes-Kaap, wat verlore of vernietig is.

Alle persone wat beswaar teen die uitreik van sodanige Uitelbewys word hiermee versoek om dit skriftelik in te dien by die Registrateur van Aktes by Kamer 1216, 12de Vloer, 90 Plein-straat, Kaapstad, binne twee weke na die datum van publikasie hiervan.

DATUM GEDAAN TE KAAPSTAD hierdie 13de Dag van Desember, Century Way, Century City 7441. Tel: 021 526 9307.

957024 Jan. 13 – (4040)

T25165/2018
VERLORE OF VERNIETIGDE AKTE

Kennis geskied hiermee in terme van Regulasie 68(1) van die Wet op Registrasie van Aktes, 1937, van die voornemne om aansoek te doen vir die uitreiking van 'n gewaarmerkte afskrif van Transportakte Nommer T25165/2018 ten gunste van REINHARDT SCHWARTZ, ID-nr. 890625 5098 08 3, ingevolge van Notariële Akte SCHWARTZ, ID-nr. 971124 0112 08 8, registreer, ten gunste van MACBUS HENDRIK SMIT, ID-nr. 441118 5142 06 9, getroud buite gemeenskap van goedere en MARIE JOAN SMIT, ID-nr. 451004 0083 08 3, getroud buite gemeenskap van goedere, ten aanzien van sekere ERF 7337 ROBERTSON, gelee in die Munisipaliteit en Afdeling Robertson, Provinsie Wes-Kaap, wat verlore of vernietig is. Alle belanghebbendes wat beswaar maak teen die uitreiking van sodanige afskrif, moet hulle besware skriftelik binne 2 (twee) weke na die publikasie van hierdie kennisgewing indien by die Registrateur van Aktes, Kamer 1216, Pleinstraat 90, Kaapstad. Gedateer te Wellington te Wellington op 2 Januarie 2025.

LEWIS, COETZEE & TRUTER, Aanspoekers, Kerkstraat 27, Wellington. Epos: kelize@lewis.co.za. Tel. 021 873 1540.

931248 Jan. 13-(4040)W

T32672/1999
VERLORE AKTE

Kennis geskied hiermee dat ingevolge die bepalings van regulasie 68 van die Wet op die Registrasie van Aktes, 1937, daar van voorneme is om aansoek te doen vir gesertifiseerde afskrif van transportakte T32672/1999 alligrek deur PINE ACRES (PROPRIETARY) LIMITED (Registrasienr. 1933/014073/07), ten gunste van TREVOR GAWN EAVRLE, ID-nr. 670921 5084 08 3, eiegenaar, met betrekking tot Erf 4625 Gordonsbaai in die Stad Kaapstad, Afdeling Stellenbosch, Provinsie Wes-Kaap, met groottte 750 (sewe honderd en vyftig) vierkante meter wat verlore of vernietig is.

Alle persone met besware teen die uitreik van sodanige Uitelbewys word hiermee versoek om dit skriftelik in te dien by die Registrateur van Aktes by Kamer 1216, 12de Vloer, 90 Plein-straat, Kaapstad, binne twee weke na die datum van publikasie hiervan.

ALISON FORTUIN & ASSOCIATES, Iste vloer The Colosseum, Century Way, Century City 7441. Tel: 021 526 9307. E-pos: alison@alaw.co.za

957026 Jan. 13 – (4040)

WERK

ALGEMEEN

Nuwe Talent Gesoek

SERR Synergy, 'n Nasionale Maatskappy, het posisies beskikbaar vir Agente in ons Somerset-Wes kantoor, om 'n Arbeidsregsdiens aan besighede en boere te bemark. Onderwindling is nie 'n vereiste nie aangesien opleiding verskaf sal word. Onderhoude sal gevoer word by ons Somerset-Wes kantoor. Balansstaatkundes kan hul CV's stuur na recruitment-sm@serr.co.za en sal gekontak word vir 'n onderhoud. Hoë 5 syfer inkomstes kan verdien word.

KENNISGEWINGS

STELLENBOSCH
STELLENBOSCH • PNIEL • FRANSCHOEK
MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

NOTICE 172025

NOTICE IN TERMS OF SECTION 116(3) OF THE LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003 (ACT 56 OF 2003) B/SM 13/21 - ESP.6, TO UNDERTAKE: PROFESSIONAL ELECTRICAL ENGINEERING SERVICES FOR THE STELLENBOSCH MUNICIPALITY SELF LOAD SHEDDING PROJECT

Notice is hereby given in terms of Section 116 (3) (a) and (b) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) that it is the intention of the Stellenbosch Municipality to amend the existing contract:

Number: B/SM 13/21 - ESP.6
Description: B/SM 13/21 - ESP.6, TO UNDERTAKE: PROFESSIONAL ELECTRICAL ENGINEERING SERVICES FOR THE STELLENBOSCH MUNICIPALITY SELF LOAD SHEDDING PROJECT.
Contractor: NER LYNERS AND ASSOCIATES (PTY) LTD

Reasons for the proposed amendment:
Ner Lyners and Associates (Pty) Ltd was appointed on 19 May 2023 for a three-year period ending 30 June 2026 under bid B/SM 13/21 – ESP.6. The appointed consultant fees for the bid were R 3 000 000.00, with Ner Lyners and Associates (Pty) Ltd's final estimate being R 2 832 500.00 (including VAT) and a 15% discount.

Ner Lyners and Associates (Pty) Ltd was appointed to assist the Municipality with the implementation of the Alternative Energy Generation Programme that the Municipality conducted on in 2022. The primary objective was to develop and implement Self Loadshedding for the Municipality. The challenge was the absence of a defined pathway, precedent or a Category B Municipality. The second challenge was the Municipality recognized that it would require the specialist Electrical Engineering skills to be procured in order to guide the Municipality on this path, assist with the negotiations with Eskom, advise on the outcomes, assist with the packaging of down stream projects which many across the governing energy supply and distribution.

The project therefore incorporated both aspects which were hard infrastructure in nature as well as aspects which were designed to be investigative, exploratory, iterative, incorporating trial and error methods, with a focus on learning from lessons learned from other Municipalities interventions, and refining strategies accordingly. A large portion of the work was thus investigative and rated headed by an engineer who would be responsible from Eskom, and guidance from Eskom during various engagements to determine what may be possible for the Municipality.

After several engagements with Eskom, it was determined that Stellenbosch Municipality does not need the necessary requirements for self-loadshedding. Consequently, it was advised that the Municipality apply for load curtailment instead. However, negotiations with Eskom regarding the load curtailment application have not progressed to a successful stage over the last 12 months, despite interventions from Western Cape Government.

Given the lack of progress on self-load shedding, load curtailment, the absence of load shedding for over 8 months (285 consecutive days) and Eskom's significant load increases, the Municipality has focussed more on the hard infrastructure projects to address the energy crises by reducing dependencies on Eskom and creating alternative energy efficient change goods. However, these projects, in their more city-defined state, along with their packaging were not included in the tender's original deliverables since their scoping could not have been known at the initial stages. The Municipality has, however, requests their inclusion at this stage.

Notice is here by further given in terms of Section 21 and 21A of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) that the Municipality and interested / affected parties are invited to submit comments or representations to the Municipality in respect of the above. Such comments or representations must be received within 21 days of advertisement via the electronic mail to the e-mail address provided below or be delivered to the undersigned to the mailing address provided hereunder. Persons who are physically disabled or who cannot read or write but wish to participate in the process, may come during office hours to the Municipal Offices, Supply Chain Department, Plein Street, Stellenbosch where a staff member will assist that person to transcribe that person's comments or representations.

Comments and/or representations must be submitted to the following email address:
SCMContracts@stellenbosch.gov.za, with the subject line entitled "B/SM 13/21 - ESP.6: COMMENTS ON NOTICE OF AMENDMENT TO THE TENDER AWARDED TO NER LYNERS AND ASSOCIATES (PTY) LTD".
The closing date/ time for the submission of representations and/or comments is 12:00 on 03 February 2025. Any comments or representations received after the time and date will not be considered.

All enquiries regarding this notice can be directed to the following official:
Name & Surname : Ms Nonzwakazi Mahongo
Telephone Number : E-mail enquiries only
E-mail address : SCMQueries@stellenbosch.gov.za
Physical address : 1st Floor, Eccles ton Building, 71 Plein Street, Stellenbosch, 7600

Gerald ine Mettler
Municipal Manager

DIE BURGER
Hoe kan ons help?
Die Burger-intekenaresorg kan ons by die volgende besonderhede kontak met enige navrae.
Intekenare@media24.com
SMS "dlens" na 31069 (SMS tos R1,50)
087 353 1300

ANNEXURE C

Rendani Makungo

From: Levita Pool
Sent: Monday, 03 February 2025 15:18
To: Rendani Makungo
Subject: FW: NOTICE1/2025 COMMENTS
Attachments: 20250109_NOTICE SECTION 116 (3)_NEIL LYNERS AND ASSOCIATES_signed.pdf

Importance: High

Good day Rendani,

No comments received for above tender .

Kind regards,

Levita Pool
Clerk - Supply Chain Management
Financial Services

T: +27 21 808 8721 • F: +27 21 886 6903
Plein Street, Stellenbosch, 7600 • PO Box 17, Stellenbosch, 7599
www.stellenbosch.gov.za

From: Rendani Makungo <Rendani.Makungo@stellenbosch.gov.za>
Sent: Monday, 03 February 2025 14:54
To: Levita Pool <Levita.Pool@stellenbosch.gov.za>
Subject: NOTICE1/2025 COMMENTS
Importance: High

Hi Levita,

Please forward any comments received regarding the attached notice. The comments period closed today at 12:00.

Kind Regards,

Rendani Makungo
Project Manager : Alternative Energy Generation
Directorate: Infrastructure Services
Section: Electrical Services

T: +27 21 808 8334 |
Ecclesia Building, 2nd floor
71 Plein Street, Stellenbosch, 7600
www.stellenbosch.gov.za

ANNEXURE D

ANNEXURE D

Annexure D	Tasks which evolved from original scope (expanded scope)			
	Objective/Task	2023/2024 Fees	2024/2025 Fees	2025/2026 Fees
#		MPAC (Paid)	MPAC (Not Paid)	Sec 116
1	Inception and Scope Agreement	R19 000.00		
2	Perspective on loadshedding	R76 000.00		
3	Objectives of loadshedding	R50 350.00		
4	RFP for IPP's	R148 200.00	R95 000.00	R1 205 000.00
5	Western Cape Pool Buying Initiative	R54 150.00		
6	Analysis of GLS Master Plan and Stellenbosch University Battery Storage Study	R17 100.00	R0.00	R0.00
7	Investigate battery storage systems and rooftop PV where practically possible for critical buildings (Fire Station, NPK and Main Building)	R169 575.00	R891 861.44	
	NPK Building			R281 398.16
	Main Building			R1 810 320.00
8	Investigate battery storage systems and rooftop PV where practically possible for Critical Plant	R150 100.00	R57 000.00	
9	Assistance with negotiations with Eskom regarding load shedding options	R108 775.00	R0.00	R0.00
10	Installation of hybrid inverters and battery backup at community buildings		R240 000.00	R40 521.74
11	Assistance to establish a fully operational control centre including personnel requirements and development of procedures and systems -Phase 1		R30 400.00	R60 000.00
12	Geyser Control Investigation		R30 400.00	
13	EEDSM Assistance		R226 086.96	R161 347.83
14	Energy Performance Certification		R272 608.70	
15	General assistance and investigations		R216 310.87	
	Excl Vat	R793 250.00	R2 059 667.97	R3 558 587.73
	Inc VAT	R912 237.50	R2 368 618.16	R4 092 375.88
		Total claimed to date	Total MPAC amount	Total Sec 116 (3) amount
	Grand Total Inc VAT	R2 932 427.50	R3 095 820.66	R4 344 743.38

7.7	**PARKS AND OPEN SPACES: (PC: N OLAYI)**

NONE

7.8	**PLANNING AND LOCAL ECONOMIC DEVELOPMENT AND TOURISM :(PC: DEPUTY MAYOR M SLABBERT)**

7.8.1	**PUBLIC PARTICIPATION PROCESS FOR STELLENBOSCH MUNICIPALITY: PROPOSED DRAFT PROBLEM PROPERTY BYLAW 2025**

Collaborator No: **780663**
IDP KPA Ref No: **Good Governance and Compliance**
Meeting Date: **19 February 2025**

1. SUBJECT: PUBLIC PARTICIPATION PROCESS FOR STELLENBOSCH MUNICIPALITY: PROPOSED DRAFT PROBLEM PROPERTY BYLAW 2025

2. PURPOSE

Is to present to Council the Stellenbosch Municipality: Proposed Draft Problem Property By-law (2025) for consideration to adopt the same for the purpose of a public participation process.

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

Following the internal review of the Stellenbosch Municipality: Problem Property By-law (2020), the Department of Development Management proceeded to update the current problem property by-law to address difficulties that are currently being experienced in the implementation of said By-law, as well as to enhance the By-law with relevant additions.

The proposed draft Stellenbosch Municipality Problem Property By-law (2025) is now being presented to Council for consideration to be adopted for the purpose of a public participation process.

Following such public participation process and any required amendments that may result from such process, the final draft problem property by-law will be submitted to Council for consideration of approval and subsequent promulgation.

5. RECOMMENDATIONS

(a) that the proposed draft Stellenbosch Municipality Problem Property By-law 2025 **BE NOTED**; and

(b) that the proposed draft Stellenbosch Municipality Problem Property By-law 2025 **BE ADOPTED** for the purpose of a public participation process.

6. DISCUSSION / CONTENTS

6.1 Background

A crucial need was identified for the review of the current Stellenbosch Municipality Problem Property By-Law (2020), to allow for the effective implementation thereof.

The review process of the current Stellenbosch Municipality Problem Property By-law (2020) included the rationale for the inclusion of all problem properties.

The current Stellenbosch Municipality Problem Property By-law (2020) refers specifically to ''Problem Buildings'', which may be interpreted to exclude properties on which no building structures are present and consequently hampers the implementation of the By-law on properties where no buildings exist.

It was further identified that the current Stellenbosch Municipality Problem Property By-law (2020), does not make provision for the effective recourse should an owner not adhere to the compliance notices.

In accordance with these identified difficulties to implement the associated processes of the subject By-law, the current Problem Property By-Law (2020) was updated with suitable measures to address these matters.

During the updating process of the subject By-law all relevant internal departments was consulted, which included the Directorate: Corporate Services, Legal Services, and the Municipal Court. Valuable inputs were received from the Senior Magistrate to ensure the effective referral of cases to the court, when required.

The draft bylaw retains the objective for Council to assist property owners in rectifying the problem properties, and additional provisions were added in accordance with the current reality of matters that is pertinent in the context of the Stellenbosch Municipality.

All inputs will be considered for required amendments, and the final draft by-law will then be submitted to Council for adoption pursuant to any comments received after the public participation process and promulgated.

In consideration of the proposed updates to the current By-law, the most viable avenue for adopting the new subject by-law must be determined.

In practice there are essentially two ways to update and amendment a Bylaw, -

a) The first is the “Brackets and Underline” method in which every individual amendment is shown in the subject by-law by way of words in [ ] to indicate omissions from the by-law and <u>words underlined</u> to indicate insertions in the by-laws. With any changes to a By-law, this approach makes for difficult reading and complicated interpretation.

b) The second is the “Publish and Repeal” method whereby a new version of the subject by-law, with all amendments, are adopted and published and with it, also repeal the previous or existing version. This is the Directorate’s preferred method as such version will be clean and easy to read and use. It is thus also proposed to undertake the amendment of the subject By-law in accordance with this method.

6.2 Financial Implications

The development of the subject by-law was undertaken in-house with no cost to Council. The public participation process will result in the cost associated with required publishing of the draft bylaw.

6.3 Legal Implications

The amendment of By-law is governed in terms of the provisions of Section 12 of the Municipal Systems Act, 2000 (Act 32 of 2000) which needs to be satisfied. The proposed public participation process is an inherent requirement for adopting a new bylaw.

6.4 Staff Implications

The public participation process will be conducted in-house by the available professional building development management staff.

6.5 Previous / Relevant Council Resolutions

Council resolved (nem con) **Item 13.2 on 29 July 2020**

(a) that the revised draft By-law on Problem Properties for Stellenbosch Municipality (WC024) be recommended for approval in terms of Sections 11(3)(m) of the Local Government Municipal Systems Amendment Act 32 of 2000 and;

(b) the administration proceeds with the publication of the by-law.

6.6 Risk Implications

There are no risks associated with the envisaged public participation process in finalising the development of the proposed draft Stellenbosch Municipality Problem Property By-law (2025).

6.7 Comments from Senior Management

6.7.1 Director: Infrastructure Services

Inputs not solicited.

6.7.2 Director: Planning and Economic Development

Item supported.

6.7.3 Director: Community and Protection Services

Inputs not solicited.

6.7.4 Director: Corporate Services

Inputs as reflected in the subject updated By-law. Supports the recommendations.

6.7.5 Chief Financial Officer

Inputs not solicited.

6.7.6 Municipal Manager

Item supported.

ANNEXURES

ANNEXURE “A”: Proposed Draft Stellenbosch Municipality: Problem Property By-law 2025

FOR FURTHER DETAILS CONTACT:

NAME	Liezel Poulton
POSITION	Manager: Building Development Management
DIRECTORATE	Planning and Economic Development
CONTACT NUMBERS	021 808 8664
E-MAIL ADDRESS	Liezel.Poulton@stellenbosch.gov.za
REPORT DATE	5 February 2025

ANNEXURE A

STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

PROBLEM PROPERTY

BY-LAW

APPROVED BY COUNCIL: _____ 2025

DRAFT AMENDMENTS

February 2025

PROBLEM PROPERTY BY-LAW

PREAMBLE

Noting the constitutional mandate of municipalities to administer the regulation of buildings and properties within their jurisdiction and to control public nuisance;

Noting the need to identify problem properties and to take the necessary measures to ensure compliance with the Municipality's by-laws, policies and plans and legislation related to property and the use of property;

And noting that the principal purpose of this By-law is to secure compliance rather than demolition and re-development;

Be it therefore enacted by the Council of the Stellenbosch Municipality; it reads as follows:

CONTENTS

PART 1: DEFINITIONS AND APPLICATION 5

1 Definitions 5

2 Application of this By-law 7

PART 2: DUTY AND LIABILITY OF OWNERS 8

3 Duty of owners 8

4 Duty to take measures 8

5 Liability of owners for damages and costs 9

PART 3: INVESTIGATION AND COMPLIANCE ORDERS 10

6 Investigation 10

7 Compliance notice 11

8 Failure to comply with compliance order 12

PART 4: DECLARATION OF A PROBLEM PROPERTY 13

9 Notice of intention to declare a problem property 13

10 Declaration of a problem building 14

11 Owner's failure to comply with the declaration 16

PART 5: APPOINTMENT OF ADMINISTRATOR 16

12 Appointment of administrator 16

PART 6: EVACUATION, EVICTION AND DEMOLITION 17

13 Evacuation 17

14 Demolition 18

PART 7: ENFORCEMENT 19

15 Civil proceedings 19

16 Offences and penalties 19

PART 8: GENERAL 20

17 Appeals 20

18 Appointment of authorised officials 20

19 Delegation 21

20 Powers of authorised officials 21

21 Form of notices, declarations and sign boards 21

22 Service of notices 21

23 Indemnity 23

24 Repeal 23

25 Short title 23

SCHEDULE A: FINES 24

ANNEXURE A: NOTICES 25

PART 1: DEFINITIONS AND APPLICATION

1 Definitions

In this By-law, unless the context indicates otherwise-

"authorised official" means an employee of Stellenbosch Municipality responsible for carrying out any duty or function or exercising any power in terms of this By-law or any other applicable by-law and includes an employee delegated to carry out such duties, functions or exercise such powers;

"building" includes-

(a) any structure, whether of a temporary or permanent nature and irrespective of the materials used in the erection thereof, erected or used for or in connection with the-

(i) accommodation or convenience of human beings or animals;

(ii) manufacture, processing, storage, display or sale of any goods;

(iii) rendering of any service;

(iv) destruction or treatment of refuse or other waste materials;

(v) cultivation or growing of any plant or crop;

(b) any wall or part of the building including entrance gates/facilities;

1. **"Municipality"** means Stellenbosch Municipality, a local authority established in terms of section 12 of the Local Government: Municipal Structures Act 117 of 1998 by Provincial Notice 489/2000 (Establishment of the Stellenbosch Municipal (WC024)) promulgated in the Government Gazette dated 22 September 2000, as amended by Provisional Notice PN675/2000 (Stellenbosch Municipality (WC024) Established Amendment Notice)

promulgated in the Provincial Gazette of 4 December 2000 as amended by the 9th Amendment notice dated 15 October 2021.

"National Building Regulations Act" means the National Building Regulations and Building Standards Act, 1977 (Act No.103 of 1977);

''owner'' in relation to a property means the person in whose name the land on which such building was or is erected, as the case may be, is registered in the deeds office in question;

"occupier" means a person in charge of a property or the person who occupy the property or who erected the structure under investigation or authorised the erection of the structure on the property with or without the consent of the owner.

(a) If such person, in the case of a natural person, is deceased or was declared by any court to be incapable of managing his or her own affairs or a prodigal or is a patient as defined in section 1 of the Mental Health Act, 1973 (Act No. 18 of 1973), or if his or her estate has been sequestrated, placed under administration or debt review the executor or curator, administrator or debt councillor concerned, as the case may be;

(b) such person, in the case of a juristic person or trust, has been liquidated or placed under judicial management or business rescue, the liquidator, judicial manager or business rescue practitioner concerned, as the case may be;

(c) such person is absent from the Republic or if his or her whereabouts are unknown, any person who, as agent or otherwise, undertakes the management, maintenance or collection of rentals or other moneys in respect of such building or who is responsible therefor;

(d) in the case of a sectional title scheme, a sectional title unit is registered in the name of a person, that person;

(e) in the case of a trust, the trustees of such trust;

(f) in the case of an Owners Association, the members of the owners association

(g) in the case of a sectional title scheme, a body corporate responsible for the control, administration, and management of the common property; and/or

(h) where the Stellenbosch Municipality is unable to determine the identity of such person, any person who is entitled to the benefit of the use of such building or who enjoys such benefit;

“problem property” means any property that has been declared under section 10 to be a problem property;

“property”-

(a) means any piece of land registered as a separate entity of land in the deeds registry as an erf, lot, plot, farm, stand or agricultural holding and includes any unit and land contemplated in the Sectional Title Act, 1986 (Act No. 95 of 1986) including any piece of land not so registered in the deeds registry;

(b) includes any building or structure on that piece of land, any active or abandoned development and building activities, inclusive of earthworks, on the property in pursuance of development of the subject property; and

(c) includes any earthworks done on that piece of land.

2 Application of this By-law

(1) This By-law applies to all properties within the area of jurisdiction of the Stellenbosch Municipality including properties owned by the State.

(2) Where the Stellenbosch Municipality is unable to determine the identity of the owner of a property, any person who is entitled to the benefit of the use of such building or property, or who enjoys such benefit shall be deemed to be the owner of such property or the person in charge of that property or who occupy the property.

PART 2: DUTY AND LIABILITY OF OWNERS

3 Duty of owners

(1) Every owner of a property must-

(a) not permit that the property becomes abandoned and/ or it to be unlawfully occupied, overcrowded or used for criminal activities; or activities that contravenes any Municipal Bylaws or National Laws

(b) not permit the dumping of waste on the property or allow that waste accumulate on the property; and

(c) not permit that the property be used for any purpose not authorised in terms of the prevailing land use rights and /or cause that the property is illegally connected to electricity and the water supply system,

(d) ensure that the property, which includes any structures, buildings and infrastructure located thereon, is maintained in a good state of upkeep, repair and in a safe and functional condition that prevents hazards to health, safety or the environment, and which includes, but is not limited to, ensuring:

(i) that the condition and appearance of the property is not in a state of being derelict, unhealthy, unsanitary, unsightly, dilapidated, overgrown and consequently justifiable objectionable, and

(ii) that the condition and appearance of the property does not impact negatively on the aesthetic appeal of the living environment, and which means that the condition and appearance of the property is not distractively less than, and not befitting, the equivalent state of the prevailing conditions of other properties in the same street and/ or precinct.

(e) ensure that the property, including any structures, buildings and infrastructure located thereon, is maintained in compliance with the applicable **National Building Regulations** and other relevant safety regulations so that the property does not present any risks to the health,

safety, or well-being of the occupants or the public, and which includes, but is not limited to, ensuring that:

(i) the structural integrity of the building, structures, and infrastructure is preserved and not causing that any building, structure or infrastructure on the property becomes structurally unsound or becomes dangerous to life or property, and if so, to notify the Stellenbosch Municipality if the condition of any property is dangerous to life or property in terms of section 12(2) of the National Building Regulations and Building Standards Act;

(ii) electrical, plumbing, and mechanical systems are safe and properly functioning

(iii) access to the property, including walkways and stairways, is safe and free from hazards.

(iv) fire safety measures are in place and maintained in good working order.

(2) During the erection of a building, the owner of the property must proceed with its erection without delay and take reasonable measures during its erection to prevent unauthorised access to the building.

(3) For the purposes of subsection (2), delay means any period in excess of three months.

4 Duty to take measures

(1) If a property is unlawfully occupied or used for criminal activities, the owner must take the necessary measures to evict the occupants at own cost without delay.

(2) Where the owner of such property fails/refuses to take appropriate legal action and/or eviction proceedings against the illegal occupiers, out of own initiative or when instructed to do so, the Municipality can institute appropriate legal action against the owner and occupiers which proceeding will be instituted by the Municipality, but for the cost of the owner. Where the owner cannot be found after a diligent search, legal action can be instituted by the Municipality against the illegal occupants, and owner which will be for the owner’s cost.

(3) The Municipality will take appropriate legal action against the occupiers of the property, where the Municipal Council is the owner of a property so occupied.

(4) Where the State is the owner of a property, the Municipality will act against a State after a process of intergovernmental relations is instituted and finalised.

(5) If waste has been dumped or accumulated on the property, the owner must remove the waste and transport it to a designated licensed disposal facility at the owner's cost.

(6) Should the owner fail/refuse to remove the waste the Municipality can institute legal action against the owner/occupier of the property.

(7) Overgrown vegetation shall be removed by the owner at the owner's cost when so instructed by the Municipality in writing, and within 14 working days from receipt of such instruction. Should the owner fail to adhere to the instruction from the Municipality, the Municipality shall appoint a contractor to execute the function, and the cost shall be for the owner's account and shall be placed on the owner's Municipal account.

5 Liability of owners for costs

(1) Where the owner has failed to comply with a compliance notice issued by the authorised official, the owner is liable for the costs incurred by the Stellenbosch Municipality or contractor appointed by the Municipality, to-

(a) maintain, repair, renovate, rehabilitate, or alter the property;

(b) secure, close or barricade the property;

(c) demolish a building or structure on the property;

(d) to clean-up and remove waste, vegetation, clear and remove plant overgrowth, remove rubble and rehabilitate the property; or

(e) otherwise enforce compliance with this By-law

(2) Any damages and actual costs will be recovered by the Stellenbosch Municipality in terms of its Credit Control and Debt Collection Policy and the Credit Control

and Debt Collection By-law, 2011 and these cost may be added to the owner's Municipal account..

(3) Where the Municipality commenced with any of the processes alluded to in section 5(1)(a) to (e), the Municipality will finalize the process commenced with and the owner cannot appoint its own contractors after the Municipality commenced with such processes.

(4) The owner/occupier will be liable for the payment of the costs incurred by the Municipality regardless of the owner/occupier appointing its own contractor after the Municipality appointed a contractor to attend to the processes alluded to in section 5(1)(a) to (e).

PART 3: INVESTIGATION AND COMPLIANCE NOTICE

6 Investigation

(1) Subject to subsection (7), an authorised official may enter any property unrestricted at a reasonable time to inspect and determine whether the owner of the property complies with this by-law. A reasonable time in terms of this section will be any time between 07h00am and 20h00pm on weekdays.

(2) An authorised official may only enter a property in terms of subsection (1)-

(a) with the consent of the owner or occupant; OR

(b) on 7 days after the date upon which a written notice was sent to the owner or occupant of an intention to inspect the property; or

(c) with a warrant to enter and search the property issued by a Judge of the High Court or a Magistrate for the district in which the land or property or premises or building or structure is situated, at the request of the Municipality if –

(i) the prior permission of the occupier or owner cannot be obtained after reasonable attempts; or

(ii) the purpose of the inspection would be frustrated by the occupier or owner's prior knowledge thereof;

(d) A warrant may be issued only if it appears to the Judge or Magistrate from information that there are reasonable grounds for believing that –

(i) An authorised employee has been refused entry to land or property or a building that he or she is entitled to inspect;

(ii) An authorised employee will be refused entry to land or property or a building that he or she is entitled to inspect;

(iii) An offence contemplated in section 16 of this By-law is occurring or has occurred and an inspection of the premises is likely to yield information pertaining to that offence; or

(iv) The inspection is in the opinion of the Municipality reasonably necessary for the purpose of this By-law.

(3) A warrant must authorise the Municipality and all officials deemed necessary by the Municipality, including any law enforcement agents or government officials, to enter upon the land or property or premises or to enter the building to inspect and determine whether the owner of the property complies with this By-law as specified in the warrant, on one occasion only, and that entry must occur –

(i) Within one month of the date on which the warrant was issued; and

(ii) At a reasonable time between 07h00am and 20h00pm, except where the warrant was issued on grounds of urgency.

(4) A search warrant may only be issued if it appears on information provided under oath that there are reasonable grounds for believing that the property is unlawfully occupied, used for criminal activities, or that there is prima facie evidence that there is a contravention of this By-law.

(5) An authorised official or officials may enter the premises without a warrant if he/she reasonably believes that a warrant will be issued in the circumstances contemplated in subsection (7) but that the delay in obtaining such warrant will negate the purpose of such entry.

(6) An authorised official may be accompanied by any approved competent person, as contemplated in Part A 19 of the National Building Regulations and an armed

law enforcement official may accompany the official due to safety concerns, or any other person who's technical or professional advice would be required to make a determination on any prevailing condition at the property, who is instructed to examine the building and report on the state of the building and any measures to be taken,

(7) A notice issued in terms of subsection (2)(b) permits the authorised official to enter the property in terms of subsection (1) more than once.

7 Compliance notice

(1) An authorised official may issue a compliance notice on the owner of a property if that official considers that-

(a) the owner has failed to comply with the duties of an owner under Part 2 or any other contravention of the By-law which can be remedied by the issuing of a compliance notice; and

(b) the failure can be remedied without the declaration of a problem property in terms of Part 4.

(2) The compliance notice must-

(a) specify-

(i) the measures that the owner must take to remedy the non-compliance in terms of Part 2;

(ii) a reasonable period within which the measures must be taken; and completed in full

(iii) the date by which the owner may make representations to amend or withdraw the notice; and

(b) be in the form determined by the delegated authority in terms of section 20.

(3) The measures contemplated in subsection (2)(a) may include-

(a) cleaning, repairing, repainting, renovating or altering the property;

(b) securing, fencing, or barricading the property;

(c) completing the construction of a building or structure on that property;

(d) closing or demolishing a structure, building or part of a building;

(e) disposing of, or removing, any waste accumulated, dumped or stored on a property;

(f) clear and remove plant overgrowth, remove rubble and rehabilitate the property; or

(g) causing any unauthorised land uses and/ or occupation or criminal activities associated with the property to cease.

(4) The authorised official may amend the compliance notice after receiving any representations from the owner contemplated in subsection (2)(a)(v).

8 Failure to comply with compliance order

(1) If the owner of the property fails to comply with a compliance order issued in terms of section 7, an authorised official -

(a) may extend the period or otherwise amend the compliance order;

(b) may declare the property to be a problem property in terms of section 10;

(2) The owner contemplated in subsection (1) is liable for the costs incurred in respect of an approved competent person for examining and reporting on the state of the building and the measures to be taken in terms of section 6(6).

PART 4: DECLARATION OF A PROBLEM PROPERTY

9 Notice of intention to declare a problem property

(1) An authorised official may issue a notice of intention to declare a property to be a problem property if the official is satisfied that there are good grounds for believing that the property -

(a) is abandoned or derelict;

(b) is unlawfully occupied or overcrowded;

(c) is overgrown, not maintained properly and as a result is or is becoming unhealthy, unsanitary, unsightly, dilapidated, overgrown or objectionable;

(d) is illegally connected to either the electricity and/or water supply system;

(e) is being used for criminal activities or as a throughfare for criminals;

(f) has without planning permission, been altered so as to have the effect of preventing the South African Police Service and/or law enforcement of the Municipality, its inspection authorities and authorised officials from lawfully entering the property without notice in order to frustrate the purpose of an investigation;

(g) is structurally unsound or is or becoming dangerous to life or property;

(h) is being used to dump waste or allowed to accumulate waste or vegetation;

(i) has people occupying the property without access to clean water supply and ablution facilities; or

(j) has buildings or structures that was erected without approved building plans that is used by people contrary to the consent use issued by the Municipality;

(k) the construction of which is incomplete and

(i) has not been proceeded with for more than three months, and

(ii) the owner has not taken reasonable measures during its erection to prevent unauthorised access to the property.

(l) failure to comply with any duty of owners as listed in section 3

(2) The notice in subsection (1) must-

(a) give the owner 7 days within which to make representations as to why the property should not be declared a problem property and why the measures specified in subsection (b) should be amended or withdrawn;

(b) specify the measures and the time-period within which the measures must be taken to prevent the property being declared a problem property.

(3) If in the representations the owner undertakes, in writing, to take the measures specified in subsection (2)(b), subject to such conditions that the authorised official may require, the official may in his or her discretion defer a decision in terms of section 10(1).

10 Declaration of a problem property

(1) An authorised official may, using the criteria set out in section 9(1) declare a property a problem property if-

(a) the owner fails to comply with a compliance notice issued in terms of section 7(1);

(b) the owner fails to make representations;

(c) representations have been made; the official is nevertheless satisfied that there are good grounds to declare the property a problem property;

(d) the owner fails to comply with the undertaking given in terms of section 9(3).

(2) The declaration, in a form to be determined by the delegated authority in terms of section 20, must set out the measures and the dates within which the measures must be taken by the owner.

(3) The measures contemplated in subsection (2) include-

(a) any measure contemplated in section 7(3);

(b) an order requiring the evacuation of the property if the authorised official has reason to believe that the property is unsafe and requires immediate evacuation;

(c) a requirement that the owner take the necessary steps to evict the occupants of the property.

(4) A measure contemplated in subsection (3)(c) may only require an owner to institute proceedings in a court of law to evict occupants on the property if-

(a) the occupants are unlawfully occupying the property;

(b) the premises are being used for criminal activities;

(c) it is in the interests of safety and security of the occupants or the public or both that occupants are temporarily or permanently evicted; or

(d) one of the measures contemplated in subsection (3)(a) requires that the premises be vacated either temporarily or permanently in order to either effect alterations to the property or to demolish a building or structure on the property.

(5) Where the owner of the property after a diligent search cannot be found, the Municipality can institute legal action against the occupiers of the property.

(6) The Stellenbosch Municipality must-

(a) serve the declaration on the owner and/or occupier of the property;

(b) at the owner's/occupier's cost, erect sign boards and publish advertisements in community newspapers notifying the public that the property has been declared a problem property setting out the measures to be taken and any orders or requirements as to access or occupation in the declaration.

(7) No unauthorised person may enter a property which has been declared a problem property.

(8) The Stellenbosch Municipality may, on its own accord, or upon written representation authorise any person to enter a property which has been declared a problem property for purposes of renovating, repairing, or securing the property as per the written instructions issued by the Municipality, which cost shall be for the owner of the property and which cost may also be added to the owner's Municipal account..

11 Owner's failure to comply with the declaration

(1) If the owner fails to comply with any measure required in section 10(2), the Stellenbosch Municipality may −

(a) approach a court for relief contemplated in Part 6.

(b) carry out the measure; or

(c) appoint a contractor to carry out the measure; and

(2) If the Stellenbosch Municipality gives effect to the measure under subsection (1)(b) and (c), the owner/occupier is liable for the costs and expenses of effecting the measures.

PART 5: APPOINTMENT OF ADMINISTRATOR

12 Appointment of administrator

(1) The Stellenbosch Municipality may, where the owner of a property is deceased and complaints regarding the property have been received, apply to the Court for the appointment of an administrator**.**

(2) An administrator appointed by the Court has the powers and duties of the registered owner of the property, including the following powers, or such powers and duties as the Court may direct:

(a) Full compliance with the stipulations of this By-Law

(b) The collection of rental and other charges from the occupiers;

(c) The maintenance, repair or renovation of the problem property utilizing the rental so collected or from other funding as obtained from whatever source;

(d) The payment of charges for the supply of electricity, water, sanitation and rates and taxes from such rental or other funding as obtained from whatever source;

(e) The appointment of a committee to assist in the management of the problem property;

(f) The opening and operating of an account with a bank;

(g) Any other action-

(i) required to give effect to measures contemplated in this By-Law

(ii) contemplated in Part 6;

(iii) reasonably required to be taken in terms of managing the problem property;

(iv) any action which the owner would, in normal course of business and management of the problem property, have been able to take.

(3) The administrator must submit the following documents to the Stellenbosch Municipality and the Court-

(a) a monthly report in the form determined by the delegated authority in terms of section 20;

(b) a final report and account in the form determined by the delegated authority in terms of section 20 on the completion of the administrator's mandate.

(4) The Stellenbosch Municipality may, where necessary apply to the Court to -

(a) replace the administrator;

(b) require the administrator to account for and justify any action taken in terms of subsection (3);

(c) reverse or amend any decision taken by the administrator in terms of subsection (3);

(d) terminate the mandate of the administrator.

(e) Hold the administrator liable for adherence to the stipulations of this By-Law and any order of Court;

PART 6: EVACUATION

13 Evacuation

(1) If a property has been declared to be a problem property in terms of this By-Law and an authorised official has reasonable grounds for believing that a property is dangerous to life and other property and that the immediate evacuation of the property is necessary-

(a) the authorised official may make an order requiring the evacuation of the property as contemplated in section 10(3)(b).

(b) If the order is not obeyed, the Stellenbosch Municipality may apply to court on an urgent basis for an order-

(i) compelling all persons on the property to evacuate the property;

(ii) prohibiting any person from entering the property.

(iii) Which cost shall be for the owner of the property or the administrator thereof in terms of Part 5;

(2) A court may-

(a) grant an order contemplated in subsection (1)(b) if it is satisfied that the property is unsafe and that the immediate evacuation of the property is necessary;

(b) require the owner to provide temporary accommodation for the occupants to be evacuated;

~~(c)~~ make, in addition to any order of costs against the owner, an order regarding the costs incurred in implementing the order.

14 Demolition

(1) If an authorised official has reasonable grounds to believe that the demolition of a building is a necessary measure in terms of section 10(3)(a) read with section 7(3)(d), the Stellenbosch Municipality may-

(a) require the owner to demolish any structure, building or part of a building; or

(b) institute proceedings in a court to order directing the owner or authorising the Stellenbosch Municipality to demolish the building on one or more of the following grounds-

(i) the building or structure or its alteration is without planning permission or building plan approval;

(ii) the building or structure is structurally unsafe and not capable of being made safe;

(iii) the building or structure is or becoming dangerous to life and property;

(iv) the building or structure is used by members of the public for purposes contrary to the land use right applicable to the property;

(v) the building or structure is used to continuously violate the Events Bylaws of Stellenbosch Municipality

(vi) the owner has failed to comply with the measures issued in terms of section 10(3)(a) and the costs of complying with those measures exceed the costs of demolition.

(2) A court may- Also, and in addition

(a) grant an order for the demolition of a building or structure if it is satisfied that the demolition is a necessary measure in terms of this By-Law read with section 7(3)(d); and

(b) make an order of costs against the owner including the costs of the demolition, and returning or rehabilitating the property to a state which will no longer put it in contravention of the stipulations of the By-Law

PART 7: ENFORCEMENT

15 Civil proceedings

The Stellenbosch Municipality or Administrator may, by way of civil proceedings and in accordance with the Stellenbosch Municipality: Credit Control and Debt Collection Policy and Credit Control and Debt Collection By-law recover-

(a) any costs incurred in effecting any measure or performing any function in terms of this By-law from the owner or beneficial owner of the affected property;

16 Offences and penalties

(1) A person is guilty of an offence and is liable to a penalty in terms of subsections (2) and (3), if that person –

(a) contravenes or fails to comply with any provision of this By-law;

(b) contravenes or fails to comply with any requirement set out in a notice served on him/her in terms of this By-law;

(c) fails to comply with a lawful instruction of an authorised official;

(d) threatens, resists, interferes with, or obstructs any authorised official in the performance of that official's duties or functions in terms of this By-law; ~~or~~

(e) knowingly makes a false statement.

(2) Any person who is convicted of an offence under this By-law is liable to-

(a) a fine not exceeding an amount of R120 000

(b) imprisonment for a period not exceeding 3 years; or

(c) both such fine and imprisonment in (a) and (b) above.

(d) All costs incurred by the Municipality to ensure compliance to the stipulations of this By-Law;

(3) In the case of a continuing offence, the Court may impose in respect of suitable proof that the offence continues-

(a) an additional fine calculated at 25% of the municipal valuation of the property.

(b) imprisonment for a period not exceeding 10 days; or

(c) both such fine and imprisonment, will be imposed.

(4) If civil proceedings have been instituted for the collection of a fine in terms of section 16(1) against any person in respect of a contravention contemplated in subsection (1), no criminal proceedings may be instituted against that person in respect of that contravention.

(5) Municipality may put the property on auction to recover any unpaid fees owed in terms of sections 16.

PART 8: GENERAL

17 Appeals

Any person, who objects to a compliance notice or declaration issued by an authorised official, may appeal in terms of section 62 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000).

18 Appointment of authorised officials

The delegated authority may appoint authorised officials to implement this By-law and may appoint such official as a building control officer in terms of section 5 of the National Building Regulations and Building Standards Act.

19 Delegation

The Stellenbosch Municipality's Municipal Manager is authorised to exercise all the powers and perform all the duties and functions conferred on the Stellenbosch Municipality under this By-law and may delegate such powers and functions to authorised officials other than the powers and functions contemplated in this section and sections 18.

20 Powers of authorised officials

(1) An authorised official may, when entering a property-

(a) inspect or investigate the property;

(b) question the owner, management agent or occupier of the property;

(c) take photographs, notes or audio-visual recordings of the property;

(d) take samples and remove any document, sample, or thing for the purpose of evidence in any civil or criminal proceedings.

(2) Subject to section 6(2), an authorised official may exercise any power conferred on a building control officer in terms of section 15 of the National Building Regulations and Building Standards Act.

21 Form of notices, declarations, and sign boards

The delegated authority must determine the form of the notices, declarations and sign boards that are required to be issued or erected in terms of this By-law.

22 Serving of a notice

(1) Whenever a compliance notice, or any notice is authorised or required to be served on a person in terms of this By-law, it shall be deemed to have been effectively and sufficiently served on such person—

(a) when it has been delivered to him or her personally;

(b) when it has been left at his or her place of residence or business in the Republic with a person apparently over the age of 16 years;

(c) when it has been posted by registered or certified mail to his or her last known residential or business address in the Republic and an acknowledgment of the posting thereof is produced;

(d) if his or her address in the Republic is unknown, when it has been served on his or her agent or representative in the Republic in the manner contemplated in paragraph (a), (b) or (c); or

(e) if his or her address and agent in the Republic are unknown, when it has been posted in a conspicuous place on the immovable property, if any, to which it relates;

(f) by email a copy of the notice to the person, if the person has an email address. If service was effected by email, by an affidavit of the person who effected service, which must provide proof of the correct email address and confirmation that the whole sending of the email was completed;

(2) Service on any of the following persons or addresses constitutes service on the owner of the property:

(a) an agent appointed by the owner to sell, lease, or manage the property;

(b) a person appointed to supervise the property;

(c) a person seemingly in charge of the property or collecting rent from occupants on the property.

(3) When a compliance notice as aforesaid is authorised or required to be served on a person by reason of his or her being or having been the owner or holding some other right in respect of immovable property, it shall not be necessary to name him or her, but it shall be sufficient if he or she is therein described as the owner or holder of such immovable property or other right, as the case may be.

(4) When a compliance notice as aforesaid is required to be served on a person after-hours; or in cases where officials are threatened, Stellenbosch Municipality Law Enforcement or South African Police Services (SAPS) can be requested to assist in delivering the notice. It shall be deemed to have been effectively and sufficiently served on such person.

23 Indemnity

The Stellenbosch Municipality and any authorised official are not liable for any damages caused by anything lawfully done or omitted by the Stellenbosch Municipality or the authorised official in carrying out any function or duty in terms of this By-law.

24 Repeal

Stellenbosch Municipality: Problem Property Bylaw, 2020 as published in the Provincial Gazette of July 2022 is hereby repealed.

25 Short title

This By-law is called the Stellenbosch Municipality: Problem Property By-law, 2025 as amended.

SCHEDULE A: FINES

Stellenbosch Municipality may impose the following fines in respect of contraventions of the relevant applicable sections of the By-Law.

(1) In respect of Section 16(2)(a), any person who is convicted of an offence under this By-Law is liable to a fine not exceeding an amount of R120 000.00

(2) In respect of section 16(3)(a), in the case of continuing offence, the Court may impose an additional fine; calculated at 25% of the municipal valuation of the property.

(3) In respect of section 16(5), the Municipality may put the property on auction to recover any unpaid fees owed

ANNEXURE A: NOTICES

Stellenbosch Municipality may apply Notices in respect of contraventions of the relevant applicable sections to ensure compliance of this By-law, as follows –

a) Notice of Intended Inspection

b) Compliance Notice

c) Notice of Contravention

d) Notice of Intention to Declare a Problem Property

e) Notice of Declaration of a Problem Property

7.8.2	**PROPOSED AMENDMENT OF THE STELLENBOSCH MUNICIPAL CATEGORISATION MODEL FOR DECISION MAKING ON LAND USE AND LAND DEVELOPMENT APPLICATIONS**

Collaborator No: **780662**
IDP KPA Ref No: **Valley of Opportunity**
Meeting Date: **19 February 2025**

1. SUBJECT: PROPOSED AMENDMENT OF THE STELLENBOSCH MUNICIPAL CATEGORISATION MODEL FOR DECISION MAKING ON LAND USE AND LAND DEVELOPMENT APPLICATIONS

2. PURPOSE

Is to present to Council for consideration an amended categorisation model for the purpose of decision making on land use and land development applications in terms of Section 69(1) of the Stellenbosch Land Use Planning Bylaw, 2023 [SLUPB].

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

The report proposes the amendment of the categorisation model on decision making of land use and land development applications in order to permit that applications which, due to its deemed complexity and for the sake of sound decision making in upholding the integrity of the land use planning regime of the Stellenbosch Municipal area, be submitted for decision making to the appointed Municipal Planning Tribunal which is representative of independent professional town planning experts.

5. RECOMMENDATION

That the amended categorisation model of decision making on land use and land development applications in terms of Section 69(1) of the Stellenbosch Municipal Land Use Planning Bylaw, 2023, attached as **ANNEXURE "A", BE APPROVED**.

6. DISCUSSION / CONTENTS

6.1 Background

The SLUPB, and as required in terms of the National Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2013), hereafter referred to as "*SPLUMA*", stipulates in Section 70(1) that a Municipal Planning Tribunal (MPT) must be established to decide on land use and land development applications.

Notwithstanding the mandatory establishment of a MPT, the municipality may also, in terms of Section 68(1) of the SLUPB, appoint Authorised officials (AO) and delegate a category of applications to such AO to decide on such applications.

For such purpose the land use and land development applications should be categorise in terms of Section 69(1) of the SLUPB to determine which types of applications will be considered by the AO and the MPT respectively.

6.2 Discussion

The current approved categorisation model for the Stellenbosch Municipality was adopted together with the approval of the amended Stellenbosch Municipal Land Use Planning Bylaw, 2023 and has been applied since 1 July 2023.

It has been the objective to improve service delivery through timeous decisions on land use and land development applications, and the current categorisation model made provision that applications of a non-complex nature are decided on by authorised officials without undue time delays.

Following the implementation of the current categorisation model with very generic classification on types of applications, it has become apparent that land use and land development applications are becoming increasingly complex in nature. Some types of applications are also increasingly attracting the interest of the public and decisions are also increasingly challenged in appeals and even applications for judicial reviews.

In order to protect the integrity of the municipality, sound and credible decision making is paramount, and it is therefore deemed sensible that these types of applications be considered and decided on by the MPT.

The advantages of the MPT are that this body includes independent town planning professionals whose collective expertise will contribute towards achieving responsible and accurate outcomes on land use and land development applications.

The amendments of the categorisation model that makes provision that these types of applications be submitted to the MPT for decision making are highlighted in RED text in the attached proposed amended categorisation model (**ANNEXURE "A**").

6.3 Financial Implications

Adequate existing budgetary provision has been made for scheduled monthly MPT meetings.

6.4 Legal Implications

None.

6.5 Staff Implications

None

6.6 Previous / Relevant Council Resolutions:

Council resolution Vide Item 11.8.1 on 24 May 2023 in terms of which the existing categorisation model was approved.

6.7 Risk Implications

None

6.8 Comments from Senior Management:

6.8.1 Director: Infrastructure Services

No comments solicited.

6.8.2 Director: Planning and Economic Development

Supports the Item.

6.8.3 Director: Community and Protection Services

No comments solicited.

6.8.4 Director: Corporate Services

No comments solicited.

6.8.6 Chief Financial Officer

No comments solicited.

6.8.7 Municipal Manager

Supports the item.

ANNEXURES

Annexure "A" Proposed Amended Categorisation Model

NAME	Stiaan Carstens
POSITION	Senior Manager: Development Management
DIRECTORATE	Planning and Economic Development
CONTACT NUMBERS	021 808 8674
E-MAIL ADDRESS	Stiaan.carstens@stellenbosch.gov.za
REPORT DATE	5 February 2025

ANNEXURE A

STELLENBOSCH
STELLENBOSCH • PNIEL • FRANSCHHOEK
MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

STELLENBOSCH MUNICIPALITY:

CATEGORISATION MODEL FOR DECISIONMAKING ON LAND USE AND LAND DEVELOPMENT APPLICATIONS IN TERMS OF SECTION 69 OF THE BYLAW ON MUNICIPAL LAND USE PLANNING 2023

(Proposed Draft – January 2025)

EFFECTIVE: TBC

1. PURPOSE AND CONTEXT

1.1 The purpose of this Categorisation Model is:

(a) To determine and assign, in terms of Section 69 of the Bylaw on Land Use Planning, 2023 – hereafter referred to as *the Bylaw,* and as contemplated in terms of Section 35(3) of the Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2013) [SPLUMA], categories of land use and land development applications in terms of Section 15(2) of the Bylaw for decision making; and

(b) To duly appoint Authorised Employee's [AE] in terms of Section 68(a) of the Bylaw to supplement the Municipal Planning Tribunal [MPT], established in terms of Section 70(1)(a) of the Bylaw, to make decisions on land use and land development applications as contemplated in terms of Section 69(1) of the Bylaw.

1.2 All applications contemplated in terms of Section 68(c) of the Bylaw, and which are not regarded as land use and land development applications, will be duly decided on by the authorised employees in terms of the system of delegations approved by Council.

2. GENERAL PRINCIPLES ON DECISION MAKING

The categorisation model is based on the following general principles on decision making for all categories of application types:

2.1 When a land use and land development application consist of any number of individual types of applications as contemplated in terms of Section 69 of the Bylaw, the decision maker required to decide on the highest category of applications must decide on the full extent of all associated applications of lesser categories, regardless of the cited authorised decision maker on those categories of applications.

2.2 If any of the Authorised Employees have a personal or vested interest in any application which he/ she lawfully has to consider, or may be implicated by taking a decision on such application due to his/ her professional involvement in the processing of such application, or does not comply with the requirement of registration with SACPLAN as a Professional Town and Regional Planner, he/ she must refer such application for consideration to the Authorised Employee at the next higher post level for consideration and a decision. In the instance of the Director responsible for the land use planning functionality, such application must be referred to the Municipal Planning Tribunal for consideration and a decision.

2.3 When an authorised decision maker does not agree with the evaluation and recommendation of the application and which in his/ her judgement affects the application category to the effect that he/ she may not decide on the matter, the subject application must be escalated with such rationale and motivation in accordance with the newly established application category to the designated authorised decision maker.

2.4 When an objection to an application is officially withdrawn by the objector, the application will, for the purpose of classification of type of application for decision making, be regarded as uncontested and may be decided on as if there is no objection to the application.

2.5 When an application is conditionally supported, and such conditions are relevant to the merits and desirability of the subject application to be considered on, the subject application will be regarded as uncontested insofar as the conditions attached to such support are found warranted and are fully accommodated in any recommendation of the authorised official and the associated approval that may be granted by the authorised decision maker. If the conditions attached to such support is not supported and will not be accommodated in the recommendation and any associated approval that may be granted, the subject application should be viewed as being contested and regarded as an objection for the purpose of categorisation of the subject application.

2.6 Any application for the amendment, deletion or imposition of conditions, as well as an application for the amendment or cancellation of an approved subdivision plan or part thereof, or a consolidation, and including a general plan or diagram, and which includes the phasing thereof, will generally be considered and decided on in terms of the categorisation model, but should the registered planner authorised to assess such application be of the opinion that the potential impact of such application, and with due consideration of any objections thereto, should warrant that the authorised decision maker that decided on the subject application of origin must consider and decide on such application, such discretion may be exercised to refer the subject application to such authorised decision maker that decided on the application of origin.

2.7 In instances where the Municipality is the applicant or the owner of land which is subject to a land use and land development application, the provisions of Section 15(7)(a) of the Bylaw regarding the decision maker applies. In all other instances the decision maker on the subject land use and land development application will be categorised in accordance with the criteria of the application category.

3. CRITERIA OF CATEGORISATION MODEL

For the purpose of interpretation of the relevant criteria in the application categories, the following meanings is assigned to the relevant concepts:

3.1 Compliance to land use planning directives

If any plan, policy, guideline or associated land use planning directive specifically provides for the utilisation or development of land as proposed in a land use and land development application, the proposed utilisation or development is regarded as being in compliance with prevailing land use planning directives.

3.2 Consistency with land use planning directives

If any land use planning directives do not specifically provide for the utilisation or development of land as proposed in a land use and land development application, but the proposed utilisation or development of land is implicitly and rationally supported by relevant land use planning directives and explicitly supports and promotes the intent and purpose of any such prevailing land use planning directive, the utilisation or development is regarded as being consistent with prevailing land use planning directives.

If there are no clear grounds for consistency, but the proposed land use and land development application is also not explicitly prohibited or constrained by any relevant land use planning directive or otherwise implicitly in conflict with the intent and purpose of any relevant land use planning directive, or will not impact negatively on any prevailing locational, development or spatial context as depicted in any relevant land use planning directives, the utilisation or development of land is regarded as not being inconsistent with prevailing land use planning directives.

3.3 Deviation from land use planning directives

If the proposed utilisation or development of land in a land use or a land development application does not comply with and is not consistent with any plan, policy, guideline or associated land use planning directive, but excluding any application for a permanent departure from development parameters as provided for, the proposed utilisation or development deviates from prevailing land use planning directives. Such land use and land development application will explicitly or implicitly be prohibited or constrained by any prevailing land use planning directive and be in clear conflict with the intent and purpose of any such prevailing land use planning directive and will otherwise in fact impact negatively or undermine the prevailing locational, development or spatial context.

4. APPLICATION CATEGORIES

The categorisation model is based on the following categories of application types:

4.1 Category 1 – Application is compliant and uncontested.

a) The land use and land development application are compliant with the municipal spatial planning framework.
b) The land use and land development application are compliant with any relevant Council plan, policy or guideline.
c) No objection from any interested or affected party was submitted against the proposed land use and land development application, with due regard to the relevant general principles in this regard.
d) As determined by the designated authorised decision maker, subject to any special category of application type as qualified in the categorisation model and in which case the application must be decided on by the Municipal Planning Tribunal.

4.2 Category 2: Application is not inconsistent and may be contested.

a) The land use and land development application are consistent or not inconsistent with the municipal spatial planning framework.
b) The land use and land development application are consistent or not inconsistent with any relevant Council plan, policy or guideline.
c) Objection from any interested or affected party may have been submitted against the proposed land use and land development application.
d) As determined by the designated authorised decision maker, subject to any special category of application type as qualified in the categorisation model and in which case the application must be decided on by the Municipal Planning Tribunal.

4.3 Category 3 - Application is inconsistent and deviates, excluding the MSDF.

a) The land use and land development application are consistent or not inconsistent with the municipal spatial planning framework.
b) The land use and land development application are inconsistent with and/ or deviates from any relevant Council plan, policy or guideline.
c) Objection from any interested or affected party may have been submitted against the proposed land use and land development application.
d) As determined by the designated authorised decision maker, subject to any special category of application type as qualified in the categorisation model and in which case the application must be decided on by the Municipal Planning Tribunal.

4.4 Category 4 – Application is inconsistent and/ or deviates, inclusive of the MSDF.

a) The land use and land development application deviates from the municipal spatial planning framework.

b) The land use and land development application are inconsistent with and/ or deviates from any relevant Council plan, policy or guideline.

c) Objection from any interested or affected party may have been submitted against the proposed land use and land development application.

4.5 Category 5 – Application on initiative of Council or on Council owned land.

a) The land use and land development application are either initiated or undertaken by the Council, or Council is the owner of such land on which the land use and land development proposal is undertaken.

4.5.1 Category Criteria

4.5.1.1 Any land use and land development application for rezoning, subdivision of land, or the approval of an overlay zone as contemplated in the zoning scheme, must be decided on by the Municipal Planning Tribunal in accordance with the provisions of the Bylaw.

4.5.1.2 All land use and land development applications other than for rezoning, subdivision of land, or the approval of an overlay zone as contemplated in the zoning scheme -:

(i) If any such application is in compliance with prevailing land use planning directives ~~inconsistent~~ and uncontested, such application may be considered and decided on by either the Senior Manager Development Management or the Director responsible for the land use planning functionality.

(ii) If any such application is consistent or not inconsistent with prevailing land use planning directives and / or contested, such application may be considered and decided on by the Director responsible for the land use planning functionality.

(iii) If any such application deviates from the municipal spatial development framework, such application must, regardless of the designated authorised decision maker, be considered and decided on by the Municipal Planning Tribunal.

5. AUTHORISED OFFICIALS

To supplement the Municipal Planning Tribunal, the following Authorised Officials are appointed to take decisions on land use and land development applications in accordance with the categorisation model:

5.1 Manager: Land Use Management (MLUM); subject to Professional Registration with SACPLAN as a Professional Town and Regional Planner

5.2 Senior Manager: Development Management (SMDM); subject to Professional Registration with SACPLAN as a Professional Town and Regional Planner

5.3 Relevant Director Responsible for the Land Use Planning functionality (DIR); subject to Professional Registration with SACPLAN as a Professional Town and Regional Planner.

6. CATEGORISATION MODEL FOR DECISION MAKING

STELLENBOSCH MUNICIPALITY: CATEGORISATION MODEL FOR AUTHORISED DECISION MAKERS ON LAND USE AND LAND DEVELOPMENT APPLICATIONS								
Page 1			**APPLICATION CATEGORY**					
APPLICATION TYPE & QUALIFICATION			**1**	**2**	**3**	**4**	**5**
~~A~~	~~a~~	~~Rezoning of land (Single unit and / or mono land use).~~	~~MLUM SMDM~~	~~SMDM DIR~~	~~DIR~~	~~MPT~~	~~MPT~~
A	a	Rezoning of land ~~(Multi unit and/ or mix use development but not requiring~~ excluding rezoning to sub-divisional area).	SMDM DIR	SMDM DIR	DIR	MPT	MPT
	b	Rezoning to Sub-divisional Area	SMDM DIR	MPT	MPT	MPT	MPT
	c	Special Category: Rezoning of any land to a scale or to use(s) in nature that are deemed to may cause the transformation of an area, regardless of any supportive planning directives and/ or alternatively, if the application is not consistent with the purpose and intent of the prevailing zoning scheme provisions.	MPT				
	d	Special Category: Rezoning of any Agricultural Zoned land for any other purpose.	MPT				
B	1	Permanent departure	MLUM SMDM	SMDM DIR	DIR	MPT	As per criteria
	2	Special Category: Permanent departure on a scale or to the extent that are deemed to may cause a significant change in the character of the property, streetscape or precinct, inclusive of agricultural zoned land.	MPT				

Legend: Manager: Land Use Management - **MLUM**
Senior Manager: Development Management - **SMDM**
Director for Land Use Planning functionality - **DIR**
Stellenbosch Municipal Planning Tribunal - **MPT**

STELLENBOSCH MUNICIPALITY: CATEGORISATION MODEL FOR AUTHORISED DECISION MAKERS ON LAND USE AND LAND DEVELOPMENT APPLICATIONS								
Page 2			**APPLICATION CATEGORY**					
APPLICATION TYPE & QUALIFICATION			**1**	**2**	**3**	**4**	**5**	
C	1	Temporary departure	MLUM SMDM	SMDM DIR	DIR	MPT	As per criteria	
	2	Special Category: Temporary departure for a land use activity, and/ or to a scale, and/ or to the extent that are deemed to may cause a significant change in the character of the property, streetscape or precinct.	MPT					
	3	Special Category: Temporary departure for any land use activity on Agricultural Zoned land which are deemed to not support the purpose of agricultural use and/ or which may have a detrimental impact on the productive, rural or scenic landscape.	MPT					
D	a	Subdivision of land (Single property less than 2000m² with maximum of 2 resulting erven and associated servitudes)	MLUM SMDM	SMDM DIR	DIR	MPT	MPT	
	b	Subdivision of land (Other)	SMDM DIR	DIR	DIR	MPT	MPT	
	c	Any subdivision of land that results from and are in compliance with an approval for rezoning to subdivisional area. Inclusive of any phasing thereof.	SMDM DIR	SMDM DIR	DIR	MPT	MPT	
	d	Special Category: Subdivision of any land that are deemed to may cause the transformation or change of character of an area, regardless of any supportive planning directives.	MPT					
	e	Special Category: Subdivision of any Agricultural Zoned land. that are deemed to may cause the undue fragmentation of agricultural land and associated impact on its continued viability and/ or the transformation of character of the productive, scenic or cultural landscape.	MPT					

Legend: Manager: Land Use Management - **MLUM**
Senior Manager: Development Management - **SMDM**
Director for Land Use Planning functionality - **DIR**
Stellenbosch Municipal Planning Tribunal - **MPT**

STELLENBOSCH MUNICIPALITY: CATEGORISATION MODEL FOR AUTHORISED DECISION MAKERS ON LAND USE AND LAND DEVELOPMENT APPLICATIONS								
Page 3			**APPLICATION CATEGORY**					
APPLICATION TYPE & QUALIFICATION			**1**	**2**	**3**	**4**	**5**	
E	a	Consolidation of land (Resulting property less than 2000m²)	MLUM SMDM	SMDM DIR	DIR	MPT	As per criteria	
	b	Consolidation of land (Other)	SMDM DIR	SMDM DIR	DIR	MPT	As per criteria	
F	a	Amendment, suspension or removal of restrictive conditions	MLUM SMDM	SMDM DIR	DIR	MPT	As per criteria	
	b	Special Category: Amendment, suspension or removal of restrictive conditions that are deemed to may cause the transformation or change of character of an area, regardless of any supportive planning directives.	MPT					
G		Permission required in terms of the zoning scheme	Authorised Employee in terms of approved system of delegations					
H		The amendment, deletion or imposition of conditions. Subject to applicable General Principle on Decision Making 2.6.	MLUM SMDM	SMDM DIR	DIR	MPT	As per criteria	
I	a	Extension of the validity period of an approval.	MLUM SMDM	SMDM DIR	DIR	MPT	As per criteria	
	b	Special Category: Extension of the validity period of an approval in which case the planning context are deemed to have changed to the extent which may not continue to support the former approval.	MPT					
J		Approval of an overlay zone as provided for in the zoning scheme.	MPT					
K		The amendment or cancellation of an approved subdivision or consolidation plan or part thereof, including a general plan or diagram, and which includes the phasing thereof. Subject to applicable General Principle on Decision Making 2.6.	MLUM SMDM	SMDM DIR	DIR	MPT	As per criteria	

Legend: Manager: Land Use Management - **MLUM**
Senior Manager: Development Management - **SMDM**
Director for Land Use Planning functionality - **DIR**
Stellenbosch Municipal Planning Tribunal - **MPT**

STELLENBOSCH MUNICIPALITY: CATEGORISATION MODEL FOR AUTHORISED DECISION MAKERS ON LAND USE AND LAND DEVELOPMENT APPLICATIONS								
Page 4			**APPLICATION CATEGORY**					
APPLICATION TYPE & QUALIFICATION			**1**	**2**	**3**	**4**	**5**	
L		A permission required in terms of conditions of approval.	Authorised Employee in terms of approved system of delegations					
M		Determination of a zoning.	Authorised Employee in terms of approved system of delegations					
N		Closure of a public place or part thereof.	MLUM SMDM	SMDM DIR	DIR	MPT	As per criteria	
O	a	Consent use contemplated in the zoning scheme.	MLUM SMDM	SMDM DIR	DIR	MPT	As per criteria	
	b	Special Category: Consent use of a specific nature and/ or to the scale or extent in the specific locational context that are deemed to may cause the transformation or change in character of a property or an area, and/ or is not consistent with the purpose and intent of the prevailing zoning scheme provisions.	MPT					
	c	Special Category: Consent use on agricultural zoned land that, due to the specific nature and/ or to the scale or extent in the locational context, are deemed to may impact on the agricultural viability or cause the undue transformation of the character of the productive, scenic or cultural landscape and/ or is not consistent with the purpose and intent of the prevailing zoning scheme provisions.	MPT					
P		Disestablish owners' association	Authorised Employee in terms of approved system of delegations					
Q		Rectify failure of owner's association to meet its obligations	Authorised Employee in terms of approved system of delegations					
R	a	Permission to reconstruct building that constitutes a non-conforming use	SMDM DIR	SMDM DIR	DIR	MPT	As per criteria	
	b	Special Category: Permission to reconstruct building that constitutes a non-conforming use in which case the planning context are deemed to have changed to the extent which may compromise support for the continuation of the non-conforming use.	MPT					

Legend: Manager: Land Use Management - **MLUM**
Senior Manager: Development Management - **SMDM**
Director for Land Use Planning functionality – **DIR**
Stellenbosch Municipal Planning Tribunal - **MPT**

7.8.3	**REQUEST TO UNDERTAKE PUBLIC PARTICIPATION PROCESS (PPP) IN RESPECT OF THE DRAFT STELLENBOSCH MUNICIPALITY SPAZA SHOP BY-LAW**

Collaborator No: **780659**
IDP KPA Ref No: **Good Governance**
Meeting Date: **19 February 2025**

1. SUBJECT: REQUEST TO UNDERTAKE PUBLIC PARTICIPATION PROCESS (PPP) IN RESPECT OF THE DRAFT STELLENBOSCH MUNICIPALITY SPAZA SHOP BY-LAW

2. PURPOSE

To request approval from Council to proceed with advertising of the Draft Spaza Shop By-Law, for public participation.

3. DELEGATED AUTHORITY

Council.

4. EXECUTIVE SUMMARY

The Municipality's Spaza Shop By-law has been drafted to regulate and support the operations of spaza shops within the Municipality. The draft by-law aligns with recent national directives while addressing the unique circumstances of the Municipality. This initiative responds to President Ramaphosa's announcement on 15 November 2024, requiring all spaza shops to register their businesses within 21 days (see **ANNEXURE 1**). The registration deadline has since been extended to 28 February 2025, as per the additional announcement by the National Government on 18 December 2024.

Spaza shops play a crucial role in the local economy by providing essential goods, fostering entrepreneurship, and creating employment opportunities, particularly in townships and rural areas. However, challenges such as lack of formal registration, regulatory non-compliance, and health and safety risks necessitate a structured approach to registration and regulation. In response to these challenges and in line with the recent national policy directives, Stellenbosch Municipality has completed a drafted a Spaza Shop By-law to regulate spaza shops specifically, distinct from other township businesses. The draft by-law:

- Facilitates formal registration of spaza shops, ensuring compliance with municipal policies, land-use regulations, and health and safety standards.
- Supports the growth and sustainability of spaza shops by providing municipal assistance and capacity-building initiatives.
- Ensures effective enforcement to address illegal trading and health and safety concerns.

This draft by-law is a revised version of the Standard Draft By-law for Township Economies published by the Department of Cooperative Governance and Traditional Affairs (COGTA) (see **ANNEXURE 2**). While the national framework by-law provides

general guidelines, the Municipality has tailored this draft by-law to its specific local context, ensuring targeted and effective regulation.

The draft by-law is to be submitted to Council for approval to allow for the commencement of the public participation process. Following public consultation and the necessary amendments which will follow, the final By-law will be resubmitted to Council for consideration of formal adoption and implementation.

5. RECOMMENDATIONS

(a) that Council notes and approves the Draft Stellenbosch Municipality Spaza Shop By-law for public participation; and

(b) that the final By-law be brought back to Council for formal adoption after the public participation process is concluded.

6. DISCUSSION / CONTENTS

6.1 Background

On 15 November 2024, President Ramaphosa announced that all spaza shop owners must register their businesses within 21 days to address concerns over foodborne illnesses, non-compliance, and consumer safety. This was done in response to several fatalities, particularly among children, caused by unsafe food products sold in spaza shops.

Following this announcement, municipalities were tasked with implementing the registration process. On 18 December 2024, Minister Velenkosini Hlabisa (COGTA) indicated the extension of the registration deadline to 28 February 2025 to allow for full compliance.

6.2 Discussion

The draft Stellenbosch Municipality Spaza Shop By-law was developed in response to the national directives received while addressing the unique circumstances of Stellenbosch (see Annexure 3). The Municipality has determined that the Standard Draft By-law for Township Economies was too broad and in turn regulated all township businesses, not only spaza shops. Given the distinct nature, form and service of spaza shops, a separate, and more targeted by-law was deemed necessary.

Key provisions of the Draft Spaza Shop By-law include:

- Mandatory registration of all spaza shops within Stellenbosch Municipality.
- Issuing of business licences, ensuring compliance with health, safety, and zoning regulations.
- Enforcement mechanisms, including penalties for non-compliance.
- Municipal support initiatives, such as business training and infrastructure support.
- Designated trading areas for spaza shops to operate legally.

The Municipality’s Economic Development and Tourism section is currently engaging with relevant municipal departments as well as external government departments such as Cape Winelands District Municipality to ensure alignment with existing legislation.

Concurrently, the section is assisting with the registration of spaza shops within its jurisdiction.

This draft by-law directly addresses Action 4 of the Implementation Plan presented previously to the Council, which highlighted and noted the consideration, adoption, and promulgation of a Township Economy By-law.

Action 4 - Implementation Plan Action:

- Amend and refine the Standard Draft By-law for Stellenbosch Municipality.
- Advertise the By-law for public participation and obtain legal feedback.
- Submit the revised By-law to Section 80 (Portfolio Committee) and MAYCO for consideration.
- Submit the final By-law to Council for adoption and promulgation.

6.3 Financial Implications

Funding is required for the advertising of the By-law for comment.

6.4 Legal Implications

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

6.5 Staff Implications

None.

6.6 Previous / Relevant Council Resolutions:

The following previous Council item is applicable:

- **27th Council Meeting: 2024-11-27: Item 15.1**
  Council noted the following:
  a) The Standard Township Economies By-law;
  b) That a By-law will be brought back to Council for approval in principle before a public participation process is followed; and
  c) That Council notes the department's plan for the registration of Spaza Shops within the WC024.

6.7 Risk Implications

The risks are addressed through the content of the item.

6.8 Comment from Senior Management

The item has been circulated for comments to the following internal departments:

- **Directorate of Planning and Economic Development**: Development Management – Comments have been received and incorporated.
- **Directorate of Infrastructure Services**: Roads and Stormwater - Comments have been received and incorporated.
- **Directorate of Corporate Services**: Comments have been received and incorporated.

- **Directorate Community Services**: Comments have been received and incorporated

6.8.1 **Cape Winelands District Municipality**: Comments have been received and incorporated.

6.8.2 **Municipal Manager**

Supports the recommendations.

ANNEXURES:

Annexure 1: President Ramaphosa's announcement on 15 November 2024, requiring all spaza shops to register their businesses within 21 days

Annexure 2: Standard Draft By-law for Township Economies published by the Department of Cooperative Governance and Traditional Affairs (COGTA)

Annexure 3: The draft Stellenbosch Municipality Spaza Shop By-law

FOR FURTHER DETAILS CONTACT:

NAME	**Jeremy Benjamin**
POSITION	***Senior Manager: Development Planning***
DIRECTORATE	***Planning and Economic Division***
CONTACT NUMBERS	***021 808 8196***
E-MAIL ADDRESS	***Jeremy.benjamin@stellenbosch.gov.za***
REPORT DATE	***11 February 2025***

ANNEXURE 1

THE PRESIDENCY
REPUBLIC OF SOUTH AFRICA

THE PRESIDENCY
REPUBLIC OF SOUTH AFRICA

ADDRESS BY PRESIDENT CYRIL RAMAPHOSA ON DEATHS OF CHILDREN DUE TO FOOD-BORNE ILLNESSES, UNION BUILDINGS, TSHWANE

ADDRESS BY PRESIDENT CYRIL RAMAPHOSA ON DEATHS OF CHILDREN DUE TO FOOD-BORNE ILLNESSES, UNION BUILDINGS, TSHWANE



Friday, 15 November 2024

Fellow South Africans,

I wish to address you this evening on a matter that has deeply saddened and distressed our nation.

Across the country, there has been a rise in reported cases of food-borne illnesses and deaths.

A number of people are becoming severely ill and even dying after eating contaminated food.

It has been found that some of the food items would have been purchased from spaza shops and street vendors.

Since the beginning of September 2024, there have been a total of 890 reported incidents of food-borne illnesses across all provinces.

Gauteng and KwaZulu-Natal have been the most affected, with Limpopo, Free State and Mpumalanga also recording dozens of incidents.

Over the last few weeks alone, food-borne illnesses have claimed the lives of at least 22 of our nation's children.

Last month there was a major food-borne incident in Naledi in Soweto in which six children died.

The youngest of these children was just six years old.

Few words can adequately convey our sadness and our pain as a nation.

Our thoughts and prayers are with their families as they go through the pain and the anguish of losing their children.

Losing a child is something no parent should ever have to endure.

The young children who died weren't just children of their families. They were our children.

Our people have every right to be upset and to be angry in the face of such tragedies.

At a time like this, we need to unite as a country and work together to end these deaths.

We must do what it takes to make sure such tragedies never happen again.

As soon as the deaths occurred, multidisciplinary teams in government were activated to address these incidents.

These teams included detectives from the South African Police Service, health officials, environmental inspectors, Department of Agriculture officials and officials from the National Consumer Commission.

Cabinet has met on three occasions to receive reports from these departments on the recent incidents.

This is what we now know.

The National Institute for Communicable Diseases was requested to conduct scientific tests and has established that the deaths of the six children in Naledi, Soweto can be directly attributed to a highly hazardous chemical used as a pesticide known as Terbufos.

Terbufos can have serious health effects, even at low levels of exposure.

Terbufos is an organophosphate chemical that is registered in South Africa for agricultural use.

It is not allowed to be sold for general household use.

However, Terbufos is being informally sold as a so-called 'street pesticide' for domestic use in townships and informal settlements to control rats.

Samples were taken from 84 spaza shops in the Naledi area. Of these, three had evidence of Terbufos.

After stringent testing, a chip packet found on one of the children who had died had traces of Terbufos on both the inside and the outside of the packet.

As part of the investigation into the Naledi deaths, inspectors confiscated a number of illegal pesticides from spaza shops.

They found instances where food was being stored alongside pesticides and detergents.

It was also found that these spaza shops lacked proper safe food storage, hand and dishwashing facilities, increasing the likelihood of food contamination.

Even as our investigations are ongoing, it is critical to understand that this is not a problem confined to spaza shops and other informal traders.

The unregulated use of restricted pesticides in communities has become a growing problem, with devastating consequences.

In many townships another chemical, Aldicarb, and an organophosphate known as Galephirimi are commonly sold by street vendors and hawkers to control rat infestations.

Aldicarb has been banned for use in South Africa since 2016.

Last year, three children in Ekurhuleni and three children in Soweto died after exposure to Aldicarb.

In responding to these tragedies, we need to understand the cause of this challenge in our communities.

One of the reasons that people use pesticides is to deal with rat infestation.

The problem of rat infestation is due in part to poor waste management in several municipalities.

Rubbish is not collected regularly, streets are not being cleaned, creating conditions for rats and other pests to thrive.

Often, the poorest communities are the worst affected, and often the cheapest remedies that are used are these highly hazardous substances like Terbufos and Aldicarb.

Another challenge is that responsibility for environmental health that should happen in our communities is the responsibility of local government.

Many municipalities do not have the capacity and resources to conduct inspections of these businesses and enforce regulations.

Our response must therefore address all the factors that contribute to the problem.

We also need to prevent the spread of misinformation.

The investigations that have taken place do not suggest any deliberate campaign to poison children in our country.

There is also no evidence that the problem is confined to spaza shops owned by foreign nationals only.

These products are just as likely to be sold in shops owned by South Africans.

We all have a duty – as the State, as a society, as parents and families – to protect those among us who are most vulnerable.

Following the special meeting of Cabinet, we have decided to make the following interventions:

The first intervention is to get hazardous pesticides off the street.

The second critical intervention is to protect children from exposure to these substances.

The third critical intervention is to prevent future outbreaks.

The following measures will be implemented with immediate effect.

To get hazardous pesticides off the street:

The spaza shops which have been implicated in the deaths of children will be closed with immediate effect.

All spaza shops and other food handling facilities must be registered within the municipalities in which they operate within 21 days from today. Any shop that is not registered within 21 days and does not meet all health standards and requirements will be closed.

The South African Police Service and other law enforcement agencies will be required to investigate, arrest and prosecute offenders. This will involve close cooperation with all registered manufacturers and suppliers.

Integrated multidisciplinary inspection teams will undertake compliance inspections of food handling facilities, manufacturers, distributors, wholesaler and retailers. This will include spaza shops and general dealers.

Non-compliant businesses and shops linked to any poisoning incidents or found to unlawfully stock hazardous chemicals will be shut down.

A massive campaign of door-to-door inspection of all spaza shops, tuck shops and other informal traders will be undertaken, starting with Gauteng and KwaZulu-Natal.

This will be undertaken by inter-disciplinary inspections teams consisting of the South African Military Health Services, environmental health practitioners, the South African Police Service, the National Consumer Council, labour inspectors and others.

The initial phase of inspections will need be completed within a month.

All registered manufacturers of Terbufos will be inspected to ensure that no products are diverted into the non-agricultural market. The supply chain process for distribution and sale of Terbufos will be investigated to ensure that controls are being adhered to and that there is accountability for who they sell to.

Regulations and protocols on the traceability, repackaging, destruction and sale of pesticides, insecticides and foodstuffs will be strengthened.

The second intervention is about the protection of children from exposure to harmful substances:

The Department of Basic Education will immediately issue a circular to Provincial Education Departments and all schools on best practice protocols for preventing and managing foodborne illnesses within schools.

By the start of the new school year, the Department of Basic Education and School Governing Bodies, together with the Department of Health, will review and update the guidelines for schools on the management of suppliers of foodstuffs to public schools. This will include tuck shops operated at these schools.

A public education campaign will be launched aimed at children, parents, caregivers and the broader community on food safety and the identification, handling and storage of dangerous chemicals. This campaign will involve GCIS, government departments and agencies, industry organisations and civil society formations.

This will be complemented by a public education campaign aimed at communities, spaza shops, tuck shops, informal traders and other retailers on health, safety and hygiene regulations, the identification of hazardous products, regulations that apply to hazardous products and legal consequences.

The Ministers of Basic Education and Health and other government departments will classify certain pesticides and insecticides not suitable for home use as "dangerous objects" that may not be brought or used on school premises. This will be undertaken in terms of the Regulations on Safety Measures for Public Schools.

The third intervention will be aimed at preventing future outbreaks:

I have directed that Joint Operational and Intelligence Structures be established at a national and provincial level to deal with this crisis.

Our local municipalities will be required to take urgent action to address the problem of rat infestations by cleaning cities and towns and removing waste. All municipal landfill sites will be required to comply with National Environmental Management Waste Act. Failure to comply will result in strict sanctions that include directives, compliance notices and criminal enforcement.

A Ministerial Health Advisory Committee is being established to develop medium- and long-term prevention measures. This Committee will consist of experts such as toxicologists, paediatricians, chemical pathologists, epidemiologists, forensic pathologists and others.

All deaths of patients 12 years and below will be made notifiable in the Notifiable Medical Condition Surveillance System.

An electronic medical certification of death system will be established to allow the National Department of Health to access cause of death information immediately after a death is certified.

The work of the Biosecurity Hub will be strengthened to better control the entry of products, organisms and harmful biological products at ports of entry

The Department of Agriculture is in the process of reviewing and updating all relevant legislation with respect to the regulation and authorisation of agricultural pesticides for use in South Africa.

A joint fund of R500 million will be established by the Departments of Trade, Industry and Competition and Small Business Development to support township and rural businesses, including community convenience shops. The funding will be for the refurbishment of businesses and non-financial support in terms of technical skills, regulatory compliance and capacity building.

As we undertake these interventions and measures, there is a lot that we can do as parents to protect our children.

As consumers and parents, if we buy food or send our children to buy food, it must only be from places that are licensed to sell foodstuffs and that observe food safety regulations.

We must check that food is prepared in a clean and hygienic area.

We must make sure that foodstuffs being sold have clear branding and labels, and that they are not past their sell-by date.

We must educate our children about food safety and teach them to check for this labelling themselves.

Anyone who sees fake foodstuffs and expired foodstuffs being sold in our communities, should report them to the National Consumer Commission.

The number for the National Consumer Commission is 012 065 1940.

We have to take greater care with the storage and use of pesticides and dangerous chemicals.

We must only buy pesticides that are in their original containers and that are clearly labelled for household use.

All dangerous chemicals must be kept out of reach of children.

Spaza shops and street vendors have a special responsibility for the health and safety of their customers.

They need to operate responsibly and in terms of the law.

They need to observe certain basic practices.

For example, they must not use the same containers or implements for chemical substances and food.

Only pesticides and chemicals registered for household use may be sold.

They must be clearly labelled and in their original packaging.

Establishments found to be in possession of pesticides that are restricted or banned will face legal consequences.

Once again, South Africans are called upon to work together to overcome a great difficulty.

But we are far from helpless. There is much we can do.

Each of us needs to be better informed about the risks of pesticides and other dangerous products.

Each of us needs to take responsibility for the safety and well-being of those around us, particularly the children of our nation.

By working together, by enforcing the law, by being alert and responsible, we will be able to bring an end to these tragedies.

I thank you.

ANNEXURE 2



Government Gazette
Staatskoerant

REPUBLIC OF SOUTH AFRICA
REPUBLIEK VAN SUID AFRIKA

Vol. 713 7 November / November 2024 No. 51529

N.B. The Government Printing Works will not be held responsible for the quality of "Hard Copies" or "Electronic Files" submitted for publication purposes

ISSN 1682-5845

9 771682 584003 51529

AIDS HELPLINE: 0800-0123-22 Prevention is the cure

IMPORTANT NOTICE:

THE GOVERNMENT PRINTING WORKS WILL NOT BE HELD RESPONSIBLE FOR ANY ERRORS THAT MIGHT OCCUR DUE TO THE SUBMISSION OF INCOMPLETE / INCORRECT / ILLEGIBLE COPY.

NO FUTURE QUERIES WILL BE HANDLED IN CONNECTION WITH THE ABOVE.

Contents

No.		Gazette No.	Page No.
GENERAL NOTICES • ALGEMENE KENNISGEWINGS			
Co-operative Governance, Department of / Samewerkende Regering, Departement van			
2826	Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000): Standard Draft By-Law for Township Economies	51529	3

DEPARTMENT OF CO-OPERATIVE GOVERNANCE

NOTICE 2826 OF 2024

LOCAL GOVERNMENT: MUNICIPAL SYSTEMS ACT, 2000 (ACT NO 32 OF 2000)

STANDARD DRAFT BY-LAW FOR TOWNSHIP ECONOMIES

I, Velenkosini Hlabisa, Minister for Cooperative Governance and Traditional Affairs hereby, in terms of section 14(1) of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000), and after complying with the procedural requirements in this section, make the Standard Draft By-Law for Township Economies, in the Schedule.

MR VELENKOSINI HLABISA
MINISTER FOR COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
DATE: 04/11/2024

SCHEDULE

Contents

Preamble 2
Definitions 3
Objectives 5
Freedom to engage in business activities 5
Designated business areas and sites 6
Issuing of permits 6
Proactive steps to be undertaken by municipality 7
Registration and permitting of business activities 7
Transferability of permit 9
Prohibitions and restrictions 10
Hygiene and waste removal 11
Restricted and prohibited areas 12
Offences and penalties 13
Appeals 13
Enforcement of by-laws 14
Amendment of by-laws and transitional measures 15

This gazette is also available free online at **www.gpwonline.co.za**

Preamble

Whereas sections 152(1) and 153(a) of the Constitution of the Republic of South Africa, 1996 ("Constitution"), require municipalities to promote social and economic development within their jurisdictional areas;

And whereas the Spatial Planning and Land Use Management Act, 2013 (Act No. 16 of 2013), mandates municipal spatial development frameworks to identify current and future economic nodes where public and private investment will be prioritised and identify the designation of areas where incremental upgrading approaches to development and regulation will be applicable;

And whereas the Businesses Act, 1991 (Act No. 71 of 1991), provides for municipalities to declare and prohibit trading in zones within their jurisdictional areas;

And whereas the dense concentration of poverty, unemployment and related social ills make townships a priority for inclusive growth and development;

And whereas Government acknowledges that townships must be vibrant economic centres;

And whereas section 22 of the Constitution guarantees the right of every citizen to choose his or her trade, occupation or profession freely, and empowers the State to regulate the practice of a trade, occupation or profession by law;

And whereas Government recognises that participation and meaningful inclusion of businesses in townships will transform the economy,

Be it therefore enacted by the Municipal Council of (Insert municipality name), as follows:

This gazette is also available free online at www.gpwonline.co.za

Definitions

1. In this Standard Draft By-Law, a word or expression to which a meaning has been assigned in the Act, bears the meaning so assigned and, unless the context otherwise indicates—

"authorised official" means an employee of the municipality who is duly responsible for carrying out any duty or function or exercising any power in terms of this Standard Draft By-Law and includes—

(a) a law enforcement officer declared to be a peace officer in terms of section 334(1)(a) of the Criminal Procedure Act, 1977 (Act No. 51 of 1977); and

(b) any other employee delegated or person authorised to carry out or exercise the duty, function or power;

"business" means an entrepreneurial undertaking, or a business concern, whether formal (registered) or informal (unregistered), which is engaged in the production of goods or provision of services or sale of goods, undertaken by an entrepreneur or an enterprise, an enterprise organisation or a co-operative as categorised in the National Small Business Act;

"Businesses Act" means the Businesses Act, 1991 (Act No. 71 of 1991);

"business activity" means the selling of goods, or the supplying or offering to supply a service for remuneration;

"business licence" means a licence or permit issued by a local government that allows an individual or company to conduct business within the government's geographical jurisdiction;

"foreigner" means an individual who is neither a South African citizen, nor a permanent resident, but is not an illegal foreigner in terms of the Immigration Act, 2002 (Act No. 13 of 2002);

"goods" means a product marketed for human use or consumption;

"illegal goods" means—

(a) goods which may not have been lawfully acquired or disposed of;

(b) goods that are prohibited from sale or distribution under any applicable national, provincial, or municipal law;

(c) counterfeit goods as defined in the Counterfeit Goods Act, 1997 (Act No. 37 of 1997);

This gazette is also available free online at www.gpwonline.co.za

(d) goods that are required to be, but have not been, imported or produced in terms of the provisions of the Customs and Excise Act, 1964 (Act No.91 of 1964);

(e) stolen goods; or

(f) goods that do not meet mandatory safety or quality standards as prescribed by relevant legislation;

"litter" includes a receptacle, container, or other matter, which has been discarded, abandoned, or left behind, by a street trader, or by his or her customers;

"Minister" means the Minister responsible for local government;

"municipal council" means a municipal council referred to in section 157(1) of the Constitution;

"municipal manager" means a person appointed in terms of section 54A of the Municipal Systems Act, as the head of administration of the municipality;

"Municipal Systems Act" means the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000);

"nuisance" means conduct or behaviour by a person, an organisation, business or institution or the use, keeping, producing, by-producing, harbouring or conveying, as the case may be, of any item, substance, matter, material, equipment, tool, plant or animal or causing or creating a situation or condition in or on private property or in a public place or anywhere in a municipality which causes damage, annoyance, inconvenience, noise pollution or discomfort to the public or to a person, in the exercise of rights common to all or of a person;

"National Road Traffic Act" means the National Road Traffic Act, 1996 (Act No. 93 of 1996);

"obstruct" means to do anything which blocks or is likely to block vehicular or pedestrian traffic flow on a public road or private road, open or public space or private space;

"PAIA" means the Promotion of Access to Information Act, 2000 (Act No. 2 of 2000);

"public monument" means any one of the "public monuments and memorials", as defined in section 2 of the National Heritage Resources Act, 1999 (Act No. 25 of 1999);

"public place" means a building, square, park, recreation ground or open space to which the public has the right of access, or which is shown on a general plan or land use scheme of a township filed in the deeds registry, Surveyor-General's office or a municipality, and has been provided for the use of the public or the owners of erven in such township;

"public road" means a public road as defined in section 1 of the National Road Traffic Act;

"sell" means exchange, offer, display, deliver, supply or dispose of, for sale or authorise, direct or allow a sale;

"services" means activities or value created, generated or performed for human consumption;

"sidewalk" means a sidewalk as defined in section 1 of the National Road Traffic Act;

"Spatial Planning and Land Use Management Act" means the Spatial Planning and Land Use Management Act, 2013 (Act No. 16 of 2013);

"townships" means residential townships where only the most basic amenities and infrastructure are provided which were initially established during the Colonial and Apartheid eras for occupation by Black South Africans on the outskirts of towns and cities and now also include newly created residential townships, in and on the outskirts of towns and cities, which have been created as a result of South Africa's history; and

"township economies" means business activities (formal or informal) undertaken in townships.

Objectives

2. The objects of this by-law is to—

(a) facilitate inclusive spatial and economic development in townships;

(b) harmonise the township ecosystem and provide norms and standards for the establishment and management of township-based enterprises both formal and informal;

(c) raise awareness of applicable laws and regulations affecting township businesses; and

(d) support small businesses to grow and participate in mainstream economic activities.

Freedom to engage in business activities

3.(1) Subject to subsection (2) any person that has a business licence, may engage in business activities within the area of jurisdiction of a municipality.

(2) A municipality may, based on its developmental objectives, determine quotas on the proportion of businesses within specific categories of businesses, to be owned and operated by foreigners in line with all the relevant legislation.

(3) In determining the quotas a municipality must ensure, amongst others, that a proportion of the total staff employed in the business are South African citizens or permanent residents in line with all relevant legislation.

(4) A business activity referred to in subsections (1) and (2), is subject to the provisions of—

(a) legislation in the Republic of South Africa;

(b) applicable permits or licencing requirements;

(c) other applicable municipal by-laws and policies; and

(d) this standard draft by-law.

(5) A person may not carry on a business activity within the area of jurisdiction of a municipality unless that person is a holder of a business permit issued or transferred to him or her by the municipality.

Designated business areas and sites

4.(1) A municipality must, subject to the provisions of the Spatial Planning and Land Use Management Act and any other applicable legislation, policy or by-law—

(a) promote commercial, retail and industrial activities in townships; and

(b) demarcate business areas and sites to promote inclusive economic development or recognise a township as a mixed-use business area.

(2) A municipality may, by resolution—

(a) extend, reduce, or disestablish a business area or site subject to compliance with the requirements of the Spatial Planning and Land Use Management Act and after public consultation and reasonable notice;

(b) lease land or a portion of a property from the owner or occupier on condition that the owner or occupier allows a specified number of businesses to trade on such property on terms and conditions determined by the municipality over an agreed period; or

(c) where possible, provide infrastructure for businesses that are leasing.

Issuing of permits

5.(1) A municipality must issue a permit if it is properly applied for, unless—

(a) the permit holder does not comply with the relevant provisions of this standard draft by-law;

(b) the goods or services provided by the business are illegal; or

This gazette is also available free online at www.gpwonline.co.za

(c) the business premises do not comply with the requirement relating to town planning or the safety or health of the public, or any law which applies to those premises.

(2) The municipality must be satisfied that the applicant will be in actual and effective control of the business.

(3) A municipality may grant the permit on condition that—

(a) the goods and services sold are legal; and

(b) the business premises comply with the requirement relating to town planning or the safety or health of the public, or any law which applies to those premises.

(4) A municipality may, on application by a permit holder—

(a) amend a condition;

(b) extend the period of the permit;

(c) revoke a condition; or

(d) indicate that the condition specified in the permit is complied with.

Proactive steps to be undertaken by municipality

6. A municipality must perform its functions and exercise its powers to—

(a) build the operational and management capacity of entrepreneurs and small businesses in townships through workshops, training or mentoring;

(b) conduct business compliance and awareness workshops;

(c) facilitate skills development and business development support services for township businesses;

(d) facilitate access to infrastructure for township businesses; and

(e) facilitate access to markets for township businesses.

Registration and permitting of business activities

7.(1) A municipality must delegate the authority to deal with the registration, permitting and enforcing of the by-law for township economies to the municipal manager or any other delegated official.

(2) The delegated official is responsible for—

(a) creating awareness about the application process and applicable policies and by-laws;

(b) assisting and supporting applicants in the application process;

(c) administering the processing of applications and the timely processing of applications within a set period;

(d) reviewing and approving applications for registration or permitting including—

(i) receiving, reviewing and approving applications for registration or permitting within a set period;

(ii) investigating the feasibility of the application and the compilation of a report thereon;

(iii) submitting the application and the feasibility report to the delegated authority; and

(iv) issuing of registration cards or permits;

(e) resolving complaints and disputes occurring between the municipality and a business; and

(f) facilitating efficiency and municipal responsiveness in registering and permitting businesses, as well as enforcing by-laws.

(3) Application forms for registration or permitting can be accessed physically at the municipal offices and on the municipal website.

(4) The municipal manager or a delegated official is responsible to establish and maintain a database of registered businesses, which may contain the following information and must be managed in accordance with PAIA guidelines:

(a) The full name, surname, gender and disability status of the business owner;

(b) the identity number of the business owner concerned;

(c) the physical and postal address of the business concerned;

(d) the location where the business concerned is authorised by such registration to carry on business, and if such registration applies to a trading plan area, the trading bay or market allocated to such a business in accordance with the applicable trading plan;

(e) a description of the goods or services that the business concerned is authorised by such registration to sell or provide;

(f) a distinguishing registration number;

(g) citizenship status, passport number, section 22 asylum seeker permit, section 24 refugee permit, valid visa allowing foreign national to be in the Republic to work or conduct business; and

(h) any other information that may be required by this by-law or any other law.

(5) The applicant must provide a sworn affidavit stating that he or she is not engaged in the trade of illegal goods as defined in this by-law and that his or her business operations are within applicable norms and standards.

(6) The municipality reserves the right to conduct background checks on applicants, including liaising with law enforcement agencies, to verify the legality of their business activity.

(7) A registered business must be issued with a registration card or permit that must be displayed and be available for inspection at all times.

(8) The responsible official must put in place a complaints system that can be used by residents and community members to report and receive feedback regarding their complaints or concerns and an appeal process.

Transferability of permit

8.(1) In the event of the death of a permit-holder and the loss of income generated by the informal trading which results in the dependents of the deceased permit-holder being placed under undue or severe economic hardship, a permit may be transferred, by the municipality, to a dependant, or an assistant acting on behalf of the dependant, who may continue trading until the permit is no longer valid.

(2) A permit may be temporarily transferred for a period of no longer than twelve months by the municipality, to a dependent or, where there is no dependent, to an individual nominated by the permit-holder, if the permit-holder is unable to perform his or her functions: Provided that an affidavit is provided to the municipality stating the nature and period for which the permit-holder requires the permit transfer.

(3) A dependent or assistant is only permitted to replace the permit-holder for the period stipulated in the affidavit and approved by the municipality.

(4) A permit-holder may not transfer a permit to any other person in any manner.

(5)(a) If a permit is transferred by the municipality and the new holder does not resume trading within a period stipulated in the transfer notice, the municipality may revoke the permit and in such a case the permit must immediately be returned to the municipality.

(b) Details of revoked permits must be placed on a database to be shared with relevant departments.

(6) If a permit holder no longer wishes to trade, the municipality may revoke the permit and in such a case the permit must immediately be returned to the municipality.

(7) A permit transferred may not be used for the purpose of a business other than the business to which the permit relates.

Prohibitions and restrictions

9.(1) Except in cases where prior approval has been granted by the municipality, a person may not carry out a business activity—

(a) in a garden or park to which the public has a right of access;

(b) on a verge adjacent to—

(i) a building belonging to, or occupied by an organ of state;

(ii) a church, mosque, synagogue or other formal registered place of worship; or

(iii) a building belonging to, or occupied by the municipality;

(c) at a building declared to be a public monument;

(d) next to an auto teller bank machine;

(e) at a place where—

(i) it causes an obstruction in front of a fire hydrant or an entrance to or exit from a building;

(ii) it causes an obstruction to vehicular traffic; or

(iii) it substantially obstructs pedestrians in their use of a sidewalk;

(f) on a verge adjacent to a building in which business is conducted by a person who sells goods of the same nature as or of a similar nature to goods being sold by the seller concerned; and

(g) on half of a public road adjacent to a building used for residential purposes, if the owner or person in control or an occupier of the building objects thereto.

(2) A person carrying on a business—

(a) may not sleep overnight at the place of such business, except in a case where prior approval has been granted by the municipality or where the business is operating from residential units or structures;

(b) may not place his or her property on a public road, except in cases where prior approval has been granted by the municipality;

(c) may not construct a permanent structure on a public road or public place other than a shed, shack, Wendy house or poles implanted into the ground,

and other infrastructural arrangements common in the street trading environment;

(d) may not buy goods from an establishment that does not comply with relevant regulatory prescripts;

(e) may not sell expired items;

(f) must ensure that his or her property or area of activity—

(i) does not cover an area of a public road, or a public place which is greater than six square metres (with a maximum length of three metres) in extent, unless otherwise approved by the municipality; and

(ii) in respect of a sidewalk, leaves an unobstructed space for pedestrian traffic, being not less than one and a half metres wide when measured from any contiguous building to the property or area of activity, and not less than one half metre wide when measured from the kerb line to the property or area of activity;

(g) may not conduct business on a sidewalk where the width of such sidewalk is less than one metre;

(h) may not place or stack his or her goods in such a manner that such goods are likely to injure a person or cause damage to property;

(i) may not sell, distribute or store illegal goods or goods that do not comply with acceptable standards;

(j) may not carry on business in such a manner as to—

(i) create a nuisance;

(ii) create a traffic, health hazard, or health risk;

(iii) obstruct access to, or the use of, street furniture or any other facility designed for use by the general public;

(k) must maintain records of the identification of his or her suppliers and be able to provide proof of the legitimate sourcing of the goods upon request by an authorised official; and

(l) may not knowingly purchase goods from suppliers engaged in the trade of illegal goods.

Hygiene and waste removal

10.(1) A person operating a registered business must—

(a) ensure that the business complies with health and safety requirements and has the applicable health and safety certificates;

(b) ensure that the food sold in the business is not contaminated by insecticides, pesticides, or any poisonous substance;

(c) keep the business area or site occupied by him or her for the purposes of such business activity, in a clean and sanitary condition;

(d) keep his or her property in a clean, sanitary and well-maintained condition;

(e) dispose of litter generated by his or her business in whatever refuse receptacle provided by the municipality for the public, or at a dumping site of the municipality;

(f) ensure that no excessive smoke, fumes or other substance, odours, or noise, emanating from his or her business activities, causes pollution of any kind;

(g) ensure that the necessary recycling methods are utilised; and

(h) dispose of hazardous and e-waste in the correct manner.

(2) The owner of the property where business activities, including selling prepared meals or beverages, take place, must ensure that there is appropriate infrastructure, including ablution facilities.

Restricted and prohibited areas

11.(1) A municipality may in terms of section 6A(2) of the Businesses Act, after consulting the public and by resolution, declare any place in its area of jurisdiction to be an area in which street trading is restricted or prohibited, and must, to enable compliance therewith, prescribe or make signs, markings or other devices indicating—

(a) specified hours during which business activity in respect of particular goods or services is restricted or prohibited;

(b) the boundaries of the restricted or prohibited areas; and

(c) any other restriction or prohibition against business activity regarding the area in question.

(2) A municipality must display any such sign, marking or device in such a position and manner as will indicate the restriction or prohibition and the location or boundaries of the area concerned.

(3) A sign erected in terms of this by-law or the Business Act serves as sufficient notice of the prohibition or restriction in respect of the area concerned.

(4) A sign contemplated in subsection (1) may be amended from time to time and displayed by the municipality for the purpose of this by-law and has the same effect as a road sign in terms of the National Road Traffic Act, 1996.

(5) A registered business must not cause any nuisance.

Offences and penalties

12.(1) A person who—

(a) contravenes, or fails to comply with, a provision of this by-law;

(b) fails to comply with a notice issued in terms of this by-law;

(c) fails to comply with a lawful instruction given in terms of this by-law; or

(d) who obstructs or hinders an authorised official in the execution of his or her duties under this by-law,

is guilty of an offence and must be served with a written warning advising of the offence, the remedial action and applicable times, consequences for failure to redress, and the appeal process.

(2) Despite the provisions of subsection (1), a person found to be transgressing any provision of this by-law must—

(a) on a first transgression, be served with a written warning notice informing that person of the transgression and that his or her business licence may be cancelled immediately if he or she does not remedy the transgression within a reasonable time based on industry or sector trends; and

(b) on a subsequent transgression, be served with a written notice informing that person of the transgression and that, subject to an appeal process, his or her business licence is immediately cancelled and that he or she will be barred from reapplying for a licence in any municipality for a period of five years after the subsequent transgression.

(3) Different penalties may be effected in respect of different businesses based on industry trends.

Appeals

13. (1)A person who feels aggrieved by the decision of the municipality may lodge an appeal within a period of 21 days after receipt of the application outcome or within such extended period as may be agreed upon between the municipality and the applicant concerned.

(2) During the appeal process it is presumed that the application was unsuccessful.

Enforcement of by-law

14. (1)An authorised official appointed by the municipality is responsible for monitoring and enforcement of this by-law and must regularly liaise and co-operate with officials of the Department of Home Affairs, the Department of Health and the South African Revenue Service to ensure compliance with relevant and applicable legislation.

(2) A municipality may—

(a) apply its discretion to impound business equipment where continuous transgression without remedy is observed; or

(b) release the business equipment at a fee in line with municipal tariffs.

(3) (a) A municipality may impound goods on reasonable suspicion that such goods are expired or illegal.

(b) Goods that are confirmed to be expired or illegal must be handed over to the relevant government body for destruction.

(4) A municipality must establish a task team dedicated to combating the trade of illegal goods and services, which must—

(a) conduct regular inspections of businesses to verify that they are registered and that the products being sold are legal and comply with applicable regulatory requirements or norms and standards;

(b) collaborate with national and provincial law enforcement agencies to share information and conduct joint operations against illicit trade networks;

(c) implement a confidential reporting system for the public and other traders to report suspected illicit trade activities;

(d) implement information programmes to educate businesses on what constitutes an illegal product; and

(e) subject to the Protection of Personal Information Act, (Act No. 4 of 2013), implement a central repository of individuals whose licences have been cancelled due to non-compliance with the by-law and share details on an annual basis with other municipalities.

This gazette is also available free online at www.gpwonline.co.za

Amendment of by-laws and transitional measures

15. Once approved, the municipality must consider the impact of this by-law on all other by-laws and must amend sections that conflict with the provisions of this by-law or amend the applicable by-laws to be in line with the provisions of this by-law.

This gazette is also available free online at **www.gpwonline.co.za**

Printed by and obtainable from the Government Printer, Bosman Street, Private Bag X85, Pretoria, 0001
Contact Centre Tel: 012-748 6200. eMail: info.egazette@gpw.gov.za
Publications: Tel: (012) 748 6053, 748 6061, 748 6065

This gazette is also available free online at **www.gpwonline.co.za**

ANNEXURE 3

STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

Draft Spaza Shop By-law, 2025

SCHEDULE

Contents

Definitions 1
Objectives 4
Freedom to engage in spaza shops 4
Restrictions and prohibitions on spaza shops 4
Registration of Spaza Shops 5
Issuing of business Licences for spaza shops 6
Delegation of Authority and Administrative Responsibilities 7
Transferability of a business Licence 7
Hygiene and waste removal 9
Offences and penalties 9
Appeals 10
Enforcement of by-law 11
Amendment of by-laws and transitional measures 11

1. DEFINITIONS

(1) In this By-Law, a word or expression to which a meaning has been assigned in the Act, bears the meaning so assigned and, unless the context otherwise indicates—

"authorised official" means an employee of Stellenbosch Municipality who is duly responsible for carrying out any duty or function or exercising any power in terms of this By-Law and includes—

(a) a law enforcement officer declared to be a peace officer in terms of section 334(1)(a) of the Criminal Procedure Act, 1977 (Act No. 51 of 1977); and
(b) any other employee delegated or person authorised to carry out or exercise the duty, function or power;

"Businesses Act" means the Businesses Act, 1991 (Act No. 71 of 1991);

"business activity" means the selling of goods, or the supplying or offering to supply a service for remuneration; specifically as it relates to spaza shops;

"business licence" means a licence or permit issued by a local government that allows an individual or company to conduct business within the government's geographical jurisdiction;

"goods" means a product marketed for human use or consumption;

"illegal goods" means—

(a) goods which may not have been lawfully acquired or disposed of;
(b) goods that are prohibited from sale or distribution under any applicable national, provincial, or municipal law;
(c) counterfeit goods as defined in the Counterfeit Goods Act, 1997 (Act No. 37 of 1997);
(d) goods that are required to be, but have not been, imported or produced in terms of the provisions of the Customs and Excise Act, 1964 (Act No.91 of 1964);
(e) stolen goods; or
(f) goods that do not meet mandatory safety or quality standards as prescribed by relevant legislation;

"Land Use Planning By-law" means the Stellenbosch Municipality By-Law on Municipal Land Use Planning, 2023;

"Law Enforcement agencies" means entities that enforce laws and regulations, including but not limited to Local Municipality Law Enforcement Officers, the South African Police Service (SAPS), Immigration Officers, Provincial Liquor Authority Officers, Health Inspectors, Fire Services Inspectors, Building Inspectors, and Land Use Inspectors.

"litter" includes a receptacle, container, or other matter, which has been discarded, abandoned, or left behind, by a street trader, or by his or her customers;

"municipality" means the Municipality of Stellenbosch established in terms of section 12 of the Local Government Municipal Structures Act, 1998 (Act No. 17 of 1998).

"municipal manager" means a person appointed in terms of section 54A of the Municipal Systems Act, 2000 (Act No. 32 of 2000), as the head of administration of Stellenbosch Municipality;

"National Building Regulations" means the National Building Regulations and Building Standards Act, 1997 (Act No. 103 of 1977);

"nuisance" means conduct or behaviour by a person, an organisation, business or institution or the use, keeping, producing, by-producing, harbouring or conveying, as the case may be, of any item, substance, matter, material, equipment, tool, plant or animal or causing or creating a situation or condition in or on private property or in a public place or anywhere in a municipality which causes damage, annoyance, inconvenience, noise pollution or discomfort to the public or to a person, in the exercise of rights common to all or of a person;

"PAIA" means the Promotion of Access to Information Act, 2000 (Act No. 2 of 2000);

"POPIA" means the Protection of Personal Information Act, 2013 (Act No. 4 of 2013);

"registration" means the process by which a spaza shop owner submits their details to Stellenbosch Municipality for the purpose of recording their details on the municipal database;

"sell" means exchange, offer, display, deliver, supply or dispose of, for sale or authorise, direct or allow a sale;

"services" means activities or value created, generated or performed for human consumption;

"spaza shop" means the use of a portion of a dwelling house, second dwelling and/or outbuildings as a shop for the sale of everyday convenience products as defined in Stellenbosch Municipality's Zoning Scheme By-Law, 2023, and includes a "house shop" as having a corresponding or equivalent meaning provided that—

(a) the scale of anyone building so used shall not exceed that of a normal dwelling house which would ordinarily accommodate one family, and;
(b) the primary use of the land unit shall remain the residence of the proprietor of the establishment and his or her family if applicable, and;
(c) the proprietor of the establishment shall be the resident during the period when the activity is undertaken, although he/she may be absent for holidays for periods not exceeding 30 consecutive days during which the activity may be conducted by an employee;

"Zoning Scheme" means the Stellenbosch Municipality Zoning Scheme By-law, 2023.

2. OBJECTIVES

(1) The objectives of this By-law are to—

(a) consolidate all relevant legislation applicable to spaza shops into a single by-law to ensure clarity, compliance and uniform enforcement;

(b) raise awareness of applicable laws and regulations affecting spaza shops; and

(c) support spaza shops to grow and participate in mainstream economic activities.

3. FREEDOM TO ENGAGE IN SPAZA SHOPS

(1) Subject to subsection (2) any person that has a business licence, may operate a spaza shop within the area of jurisdiction of the Municipality (WC024).

(2) A business activity referred to in subsection (1), is subject to the provisions of—

(a) legislation in the Republic of South Africa;

(b) applicable permits or licencing requirements;

(c) other applicable municipal by-laws and policies; and

(d) this By-law.

(3) A person may not carry on with a business activity within the area of jurisdiction of the Municipality unless that person is a holder of a business licence issued or transferred to him or her by the Municipality.

4. RESTRICTIONS AND PROHIBITIONS ON SPAZA SHOPS

(1) The Municipality may in terms of section 6A(2) of the Businesses Act, ensure compliance regarding—

(a) Standard operating hours during which business activity in respect of particular goods or services is restricted or prohibited are as follows—

(i) Spaza shop operations may only take place between 05:00 and 21:00.

(ii) No spaza shop activity shall be conducted between 21:00 and 05:00;

(b) the boundaries of the restricted or prohibited areas; and

(c) any other restriction or prohibition against spaza shop activity regarding the area in question.

(2) A registered spaza shop must not cause any public nuisance.

5. REGISTRATION OF SPAZA SHOPS

(1) Application forms for registration or licensing can be accessed physically at the municipal offices and on the municipal website.

(2) The municipal manager or a delegated official is responsible for establishing and maintaining a database of registered spaza shops, which may contain the following information and must be managed in accordance with PAIA guidelines—

(a) The full name, surname, gender and disability status of the spaza shop owner;
(b) the identity number of the spaza shop owner concerned;
(c) the physical and postal address of the spaza shop;
(d) the location where the spaza shop concerned is authorised by such registration to carry on business;
(e) a description of the goods or services that the spaza shop is authorised to sell or provide by such registration;
(f) a distinguishing registration number;
(g) citizenship status, passport number, section 22 asylum seeker permit, section 24 refugee permit, valid visa allowing foreign nationals to be in the Republic to work or conduct business; and
(h) any other information that may be required by this By-law or any other law.

(3) The applicant must submit a sworn affidavit stating that they are not engaged in the trade of illegal or expired goods and that their spaza shop operates in full compliance with all applicable laws, norms, and standards.

(4) The Municipality reserves the right to conduct background checks on applicants, including liaising with law enforcement agencies, to verify the legality of their identity, residency and spaza shop.

(5) A registered spaza shop must be issued with a business licence that must be displayed and be available for inspection at all times.

(6) A spaza shop may not trade unless it holds a valid business licence issued by the Municipality.

(7) The responsible official must put in place a complaints system that can be used by residents and community members to report and receive feedback regarding their complaints or concerns and an appeal process.

6. ISSUING OF BUSINESS LICENCES FOR SPAZA SHOPS

(1) The Municipality must issue a licence if it is properly applied for, unless—

(a) the licence holder does not comply with the relevant provisions of this by-law;

(b) the goods or services provided by the spaza shop are illegal or expired;

(c) the spaza shop premises do not comply with the requirements relating to town planning, the safety or health of the public, or any law which applies to those premises.

(d) the spaza shop premises do not have appropriate land use rights as provisioned in the Land Use Planning By-law and the Zoning Scheme;

(e) the building or premises do not have approved building plans that comply with the National Building Regulations, which include:

(i) a valid certificate of occupancy obtained from the Municipality; and

(ii) a valid fire certificate obtained from the Municipality.

(f) a certificate of acceptability (CoA) has not been issued in terms of Regulation 3(2) of R 638 of 22 June 2018 from the Cape Winelands District Municipality's Municipal Health Services Department.

(2) The Municipality must be satisfied that the applicant will be the lawful occupier of the property and will personally manage and exercise effective control over the spaza shop.

(3) The Municipality may, on application by a licence holder—

(a) amend a condition;

(b) extend the period of the licence;

(c) revoke a condition; or

(d) indicate that the condition specified in the permit is complied with.

7. DELEGATION OF AUTHORITY AND ADMINISTRATIVE RESPONSIBILITIES

(1) The Municipality must delegate the authority to deal with the registration, licensing and enforcement of this By-law to the municipal manager or any other delegated official.

(2) The delegated official is responsible for—

(a) facilitating the application process and applicable policies and by-laws;

(b) assisting and supporting applicants in the application process;

(c) administering the processing of applications and the timely processing of applications within a set period;

(d) reviewing and approving applications for registration or licensing including—

(i) receiving, reviewing and approving applications for registration or licensing within a set period;

(ii) investigating the feasibility of the application and the compilation of a report thereon;

(iii) submitting the application and the feasibility report to the delegated authority; and

(iv) issuing of registration cards or licences;

(e) resolving complaints and disputes occurring between the Municipality and a business; and

(f) facilitating efficiency and municipal responsiveness in registering and licensing businesses, as well as enforcing by-laws by law enforcing agencies.

8. TRANSFERABILITY OF A BUSINESS LICENCE

(1) In the event of the death or absence of a licence-holder and the loss of income generated by the informal trading which results in the dependents of the deceased licence-holder being placed under undue or severe economic hardship, a permit may be transferred by the Municipality, to a dependant, or an assistant acting on behalf of the dependant, who may continue trading for a period stipulated by the

Municipality until the licence is no longer valid.

(2) A licence may be temporarily transferred for a period of no longer than twelve (12) months by the Municipality, to a dependent or, where there is no dependent, to an individual nominated by the licence holder, if the licence holder is unable to perform his or her functions, provided that an affidavit is provided to the Municipality stating the nature and period for which the licence-holder requires the licence transfer.

(3) A dependent or assistant is only permitted to replace the licence-holder for the period stipulated in the affidavit and approved by the Municipality.

(4) A licence-holder may not transfer a licence to any other person in any manner except under the specific conditions outlined in subsections (1) – (3).

(5) If a licence is transferred by the Municipality and the new holder does not resume trading within the period stipulated in the transfer notice, the Municipality may revoke the licence and in such a case the licence must immediately be returned to the Municipality.

(6) Details of the revoked licence must be placed on a database to be shared with relevant departments.

(7) If a licence holder no longer wishes to trade, the Municipality may revoke the licence and in such a case the licence must immediately be returned to the Municipality.

(8) A licence transferred may not be used for the purpose of a business other than the business to which the licence relates.

(9) Any supporting documents originally issued in the name of the deceased or former licence-holder and required for the operation of the spaza shop, must be transferred in accordance with the applicable laws and processes governing those approvals. If the law or relevant authority does not permit direct transfer of specific certificates or approvals, the dependent or nominated individual must reapply and obtain the necessary certificates and approvals in their own name as required

under section 8 of this By-law.

(10) The Municipality will only issue and transfer the business licence to the new applicant once all required documents have been obtained in their name, in accordance with section 8 of this By-law.

9. HYGIENE AND WASTE REMOVAL

(1) A person operating a registered spaza shop must—

(a) ensure that it complies with health and safety requirements and has the applicable health and safety certificates; as stipulated in relevant provincial and national legislation;

(b) ensure that the food sold is not expired, or contaminated by insecticides, pesticides, or any poisonous substance;

(c) keep his or her property in a clean, sanitary and well-maintained condition and must ensure sufficient waste disposal bins are on the premises;

(d) dispose of litter generated in a refuse receptacle provided by the Municipality or another, at a dumping site of the Municipality;

(e) ensure that no excessive smoke, fumes or other substance, odours, or noise, emanating from his or her business activities, causes pollution of any kind;

(f) ensure that the necessary recycling methods are utilised; and

(g) dispose of hazardous and e-waste in the correct legally prescribed manner.

(2) The owner of the property where business activities, including selling of prepared meals or beverages, take place, must ensure that there is appropriate infrastructure, including ablution facilities.

10. OFFENCES AND PENALTIES

(1) A person who—

(a) contravenes, or fails to comply with, a provision of this By-law;

(b) fails to comply with a notice issued in terms of this By-law;

(c) fails to comply with a lawful instruction given in terms of this By-law; or

(d) who obstructs or hinders an authorised official in the execution of his or her duties under this By-law, is guilty of an offence and must be served with a written warning advising of the offence, the remedial action and applicable times, consequences for failure to redress, and the appeal process.

(2) Despite the provisions of subsection (1), a person found to be transgressing any provision of this By-law must—

(a) on a first transgression, the transgressor shall be issued a fine and/or a written warning notice informing that person of the transgression and that his or her business licence may be cancelled immediately if he or she does not remedy the transgression within a reasonable time based on industry or sector trends; and

(b) on a subsequent transgression, the transgressor shall be issued a fine and/or a written notice informing that person of the transgression and that, subject to an appeal process, his or her business licence is immediately cancelled and that he or she will be barred from reapplying for a licence in any Municipality for a period of five years after the subsequent transgression.

(3) Spaza shop owners who contravene any provision of this By-Law, requiring municipal intervention—such as waste removal or the rectification of a transgression—shall be liable for a fine not exceeding R10,000, in addition to any costs incurred by the Municipality in addressing the violation. The Municipality may revoke or suspend the business licence until the fine and associated costs have been paid in full.

(4) The Municipality may revoke a business licence and require the owner to remove any structure, if applicable, and restore the premises to its original condition at the owner's expense.

11. APPEALS

(1) A person who feels aggrieved by the decision of the Municipality may lodge an appeal within a period of 21 days after receipt of the application outcome.

(2) During the appeal process it is presumed that the application was unsuccessful.

12. ENFORCEMENT OF BY-LAW

(1) An authorised official appointed by the Municipality and any Municipal law enforcement official is responsible for monitoring and enforcement of this By-law and may liaise and cooperate with officials of the Department of Home Affairs, the Department of Health and the South African Revenue Service to ensure compliance with relevant and applicable legislation.

(2) The Municipality may—

(a) apply its discretion to impound business equipment and stock where continuous transgression without remedy is observed; or.

(b) release the business equipment at a fee in line with municipal tariffs.

(3) The Municipality Law Enforcement agencies may to combat the trade of illegal goods and services, may—

(a) conduct regular inspections of spaza shops to verify that they are registered and that the products being sold are legal and comply with applicable regulatory requirements or norms and standards;

(b) collaborate with national and provincial law enforcement agencies to share information and conduct joint operations against illicit trade networks;

(c) implement a confidential reporting system for the public and other traders to report suspected illicit trade activities;

(d) subject to POPIA, implement a central repository of individuals whose licences have been cancelled due to non-compliance with this By-law.

13. AMENDMENT OF BY-LAWS AND TRANSITIONAL MEASURES

(1) Upon approval, the Municipality shall assess the impact of this By-law on all other existing by-laws and make necessary amendments to any sections that are in conflict with its provisions. Where applicable, amendments will be made to align other by-laws with the provisions of this By-law.

7.9	**COMMUNITY SERVICES:(PC: CLLR X KALIPA)**

NONE

7.10	**RURAL MANAGEMENT AND ENVIRONMENT: (PC: CLLR C MANUEL)**

NONE

7.11	**MUNICIPAL MANAGER**

7.11.1	**DRAFT PUBLIC PARTICIPATION POLICY**

Collaborator No:
IDP KPA Ref No: **Good Governance and Compliance**
Meeting Date: **19 February 2025**

1. SUBJECT:DRAFT PUBLIC PARTICIPATION POLICY

2. PURPOSE

To table the Council for consideration and approval:

(a) The draft Public Participation Policy, attached as **ANNEXURE A.**

3. DELEGATED AUTHORITY

Council.

4. EXECUTIVE SUMMARY

The Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA) mandates a local municipality to develop a culture of community participation by creating conditions for the local community to participate in the affairs of the municipality as stipulated in Chapter 4 of Section 16 (1)(a)(i)(v).

Stellenbosch Municipality values the community's contributions in attaining its mandates by making every effort to create invited public participation spaces and platforms. The municipality is continuously evaluating methods and strategies to enhance opportunities for public participation. On the premise of this, the municipality drafted an inclusive policy on how Stellenbosch Municipality conducts public participation in municipal matters as stated in Section 16 (1)(a)(i)(v). Therefore, the Council's approval is sought to approve the draft Public Participation Policy for the purpose of soliciting public input for a period of 21 days.

5. RECOMMENDATIONS

(a) that the draft Public Participation Policy of Stellenbosch Municipality be considered and approved in terms of Chapter 4 of the MSA for the purpose of obtaining public input and comments, attached as **ANNEXURE A**; and

(b) that an advertisement be placed on the official website of the municipality and in the local newspaper notifying the public that the draft Public Participation Policy is open for public input and comments for a period of 21 days.

6. DISCUSSION

6.1 Background

In developing and adopting a Public Participation Policy for the municipality, the function of public participation is formalised in mainstreaming public participation in

overall municipal planning and budgeting, as well as other processes that require public participation.

Sections 16 - 22 are entirely devoted to public participation and address the following aspects:

(a) development of a culture of community participation;
(b) mechanisms, processes and procedures for community participation;
(c) communication of information concerning community participation;
(d) public notice of meetings of municipal councils;
(e) admission to public meetings;
(f) communications to the local community;
(g) documents to be made public;
(h) official website; and
(i) regulations and guidelines.

The internal consultation process for the draft Public Participation Policy commenced in October 2024 and will continue. External consultation is thought essential to allow community members, stakeholders, and role-players to participate in the formulation of the policy by submitting written input for the Council to consider. The internal and external consultation processes will continue concurrently until the completion of the consultation period.

The table below outlines the consultation process and estimated timelines for the final approval of the Public Participation Policy.

NR.	ITEMS	TIMELINE
1.	Draft Public Participation Policy submitted to the Directors Forum for input	22 October 2024
2.	Draft Public Participation Policy distributed to Directors / Senior Managers (SM) and managers for input	07 – 26 November 2024
3.	Tabled the departmental inputs on the draft Public Participation Policy to the Directors Forum	14 January 2025
4.	Consultation Sessions: Directors, Senior Managers, and Managers	03 – 04 February 2025
5.	Draft Public Participation Policy to be submitted to MayCo and to the Council (to obtain approval for the purpose of public input)	February 2025
6.	Submit the draft Public Participation Policy to the All-Ward Councillors Meeting	February 2025
7.	Publish a notice in the local newspaper and municipal communication platforms and deliver hard copies in libraries and ward offices	March 2025

8.	Public participation period for public input on the draft Public Participation Policy	March 2025 (21 days)
9.	Electronic submission of the draft policy to DLG, Provincial Treasury, CWDM, Provincial Speaker of Parliament, and SALGA for input	March 2025
10.	Submit all input / comments to the Directors Forum for consideration	April 2025
11.	Submit a revised draft to the Directors Forum for review and final input	April 2025
12.	Submit the final Public Participation Policy to the MayCo	May 2025
13.	Submit the Public Participation Policy to the Council for final approval	May 2025

6.2 Financial Implications

There are no financial implications beyond that which was approved in the 2024/25 MTREF Budget.

6.3 Legal Implications

In accordance with section 152(1)(e) of the Constitution, one of the objects of local government are –

(e) *to encourage the involvement of communities and community organisations in the matters of local government.*

Section 152(2) of the Constitution further stipulates that –

A municipality must strive, within its financial and administrative capacity, to achieve the objects set out in subsection (1).

Chapter 4 of the MSA further specifies that in terms of :

Section 16

(1) 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-*

(a*) encourage, and create conditions for, the local community to participate in the* affairs of the municipality, including in—

(i) the preparation. implementation and review of its integrated development plan in terms of Chapter 5;
(ii) the establishment, implementation and review of its performance management system in terms of Chapter 6:

(iii) the monitoring and review of its performance, including the outcomes and impact of such performance:
(iv) the preparation of its budget; and
(v) strategic decisions relating to the provision of municipal services in terms of Chapter 8;

(b) contribute to building the capacity of—
(i) the local community to enable it to participate in the affairs of the municipality; and
(ii) councillors and staff to foster community participation; and

(c) use its resources, and annually allocate funds in its budget, as may be appropriate for the purpose of implementing paragraphs (a) and (b).
(2) *Subsection (1) must not be interpreted as permitting interference with a municipal council's right to govern and to exercise the executive and legislative authority of the municipality*.

Section 19 of the Local Government: Municipal Structures Act 117, 1998 (Act No. 32 of 1998) (MSA) further states that a municipal council must strive within its capacity to achieve the objectives as set in Section 152 of the Constitution and annually review the processes for involving the community. In addition, Section 19(3) of the MSA determines that –

A municipal council must develop mechanisms to consult the community and community organisations in performing its functions and exercising its powers.

6.4 Staff Implications
This report has no additional staff implications for the municipality.

6.5 Risk Implication
This report has no direct risk implications for the municipality.

6.6 Previous / Relevant Council Resolutions
Not applicable

6.7 Comments from Senior Management

6.7.1 Director: Community and Protection Services
Supported

6.7.2 Chief Financial Officer
Supported

6.7.3 Director: Infrastructure Services
Supported

6.7.4 Director: Corporate Services
Supported

6.7.5 Director: Planning and Economic Development
Supported

6.7.6 Comments from the Municipal Manager
Supported

ANNEXURES

Annexure A: Draft Public Participation Policy

FOR FURTHER DETAILS CONTACT:

NAME	Geraldine Mettler
POSITION	Municipal Manager
DIRECTORATE	Office of the Municipal Manager
CONTACT NUMBERS	021 808 8025
E-MAIL ADDRESS	mm@stellenbosch.gov.za
REPORT DATE	03 February 2025

ANNEXURE A

STELLENBOSCH
STELLENBOSCH • PNIEL • FRANSCHHOEK
MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

DRAFT PUBLIC PARTICIPATION POLICY 2025

First draft (for consultation)

DRAFT

Table of Contents

1. Introduction 9

2. Legislative Framework 9

3. Objectives of the Public Participation Policy 9

4. Benefits of public participation 9

5. Public participation in local government 10

5.1. Developing a culture of public participation 10

5.2. Principles guiding public participation 10

6. Public participation structures and mechanisms 11

6.1. Political structures 11

6.2. Intergovernmental structures 12

6.3. Stakeholder Structures 12

7. Roles and responsibilities 13

8. Statutory processes necessitating public participation 14

8.1. Participation in the drafting, review and/or amendment of the IDP 15

8.2. Participation in the Budget preparation process 16

8.3. Development, implementation and review of the Performance Management System (PMS), monitoring and review of organisational performance, including outcomes and impact of performance (Annual Report) 17

8.4. Policy formulation and development of By-laws 17

8.5. Strategic decisions relating to service delivery 17

8.6. Other council processes for public participation 17

9. Public participation methods and timeframes 17

9.1. Notices 17

9.2. Petitions and complaints 17

9.3. Public input and comments on the draft IDP and draft Budget 18

9.4. Public comments and input submitted on electronic platforms 18

9.5. Invitation to public participation engagements 18

9.6. Special needs 19

9.7. Legislative Public Participation Time Frames 19

10. General arrangements for public participation processes 20

10.1. Admission to Municipal Public Engagements 20

10.2. Accessibility of information 20

10.3. Language 20

11. Conclusion 21

List of Tables

Table 1: Principles guiding public participation.....11
Table 2: Roles and Responsibilities.....13

Document Review and Approval

Previous Updates

	Reviewer	Date of Review	Council Adoption Date
1.	Gurswin Cain	2025	
2.			

PREAMBLE

a) Stellenbosch Municipality acknowledges that it is committed to the development of a culture of municipal governance that complements formal representative government with a system of participatory governance; and

b) Through this policy the municipality commits itself to establish appropriate mechanisms, processes and procedures to enable the local community to participate in the affairs of the municipality in terms of the provisions of the Local Government: Municipal System Act, 2000 (Act No.32 of 2000) (MSA).

VISION, MISSION AND VALUES OF THE STELLENBOSCH MUNICIPALITY

Vision

We describe the vision of where we want to be as a municipality and the Greater Stellenbosch area as the **"An Integrated Valley of Opportunity and Innovation".**

Mission

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

Values

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

Integrity: As servants of the public, we undertake to perform the functions and operations of the municipality honestly and ethically.

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

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

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

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

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

List of Acronyms

CPF : Capital Planning Forum

IDP : Integrated Development Plan

IGR : Inter-Governmental Relations

MFMA : Municipal Finance Management Act

MTREF : Medium Term Revenue and Expenditure Framework

MSA : Municipal Systems Act

*m*SDF : municipal Spatial Development Framework

SDBIP : Service Delivery and Budget Implementation Plan

SLA : Service Level Agreement

SMS : Short Message Service

PMS : Performance Management System

Glossary of terms

In this policy, unless the context indicates otherwise-

"By-law" means legislation passed by the council of a municipality binding in the municipality on the persons to whom it applies.

"Council" means the municipal council of Stellenbosch Municipality established by the Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA) and Provincial Notice.

"Councillor" means a member of the municipal council.

"Community" means that body of people comprising –
- The resident of the Municipality;
- The ratepayers of the Municipality;
- Any civic organisation or non – governmental, private sector or bodies, which are involved in the local affairs of the Municipality;

"Consultation" means the action or process of formally consulting or discussing.

"Democracy" 'rule by the people' or the idea that all members of a community should be treated as if they were equally qualified to participate in the decision-making process for that community.

"Inform" means to give or impart knowledge of a fact or circumstance.

"Integrated Development Plan (IDP)," means a single, inclusive and strategic plan for the development of the municipality.

"Involve" means to have or include someone as a necessary or integral part or result.

"Local community" or **"community"** in relation to the municipality means the body of people comprising –

- The residents of the municipality;
- The ratepayers of the municipality;
- Any civic organisation and non-governmental, private sector or labour organisation or bodies, which are involved in local affairs in the municipality.

"Municipal Manager" means a person appointed in terms of section 54A of the Local Government: Municipal System Act, 2000 (Act No. 32 of 2000) (MSA)

"Municipality", when referred to as "an entity" means a municipality as described in Section 2 of the Local Government: Municipal System Act, 2000 (Act No. 32 of 2000) (MSA); and when referred to as a geographic area means the municipal area determined in terms of the Local Government: Municipality Demarcation Act, 1998 (Act No. 27 of 1998).

"National Development Plan" means the plan for the country to eliminate poverty and reduce inequality by 2030 through uniting South Africans, unleashing the energies of its citizens, growing an inclusive economy, building capabilities, enhancing the capability of the state and leaders working together to solve complex problems.

"Public participation" means an open, fair and accountable process through which individuals and groups within communities can exchange views and influence decision-making. It is further defined as a democratic process of engaging people, deciding, planning and playing an active part in the development and operation of services that affect their lives.

"Stakeholder" means an individual or group with an interest in a particular issue addressed by government. E.g. ratepayers association, trade unions.

"Structures Act" means the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998), as amended.

"Systems Act" means the Local Government: Municipal System Act, 2000 (Act No. 32 of 2000), as amended.

"The Constitution" means the Constitution of the Republic of South Africa, 1996.

"Ward committee" means a committee of a municipal ward, established in terms of Part 4 of Chapter 4 of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998).

1. INTRODUCTION

This policy seeks to build on the commitment of a democratic local government to deepen democracy, which is embedded in the Constitution of the Republic of South Africa (1996).

This policy, therefore, describes Stellenbosch Municipality's public participation processes for the Integrated Development Planning (IDP) and Budget as well as other municipal processes requiring public participation, how it will be conducted, the appropriate mechanisms, processes and procedures to enable the local community to participate in the affairs of the municipality in terms of the legal statutes of local government.

2. LEGISLATIVE FRAMEWORK

Legislation that forms the foundation for this policy:

- Constitution of the Republic of South Africa (1996): Chapter 7, Sections 152(1); 153(b); 160(4) and 162, Chapter 10, Section/s 195(1) and 195(1)(g;
- The White Paper on Local Government of 1998;
- Local Government: Municipal Structures Act, 1998 (Act No.117 of 1998): Chapter 4 – Establishment of ward committees; Sections 19(2)(c); 19(3) and Section 72;
- Local Government: Municipal Systems Act, 2000 (Act No.32 of 2000) (MSA) and its amendments: Chapters 4, 5 and 6; and
- Local Government: Municipal Financial Management Act, 2003 (Act No.56 of 2003) (MFMA).

3. OBJECTIVES OF THE PUBLIC PARTICIPATION POLICY

Through the implementation of this policy, Stellenbosch Municipality strives:

3.1 To meet the legal requirements as stipulated in the Constitution, the MSA and relevant legislation.
3.2 To establish a transparent and accountable municipality.
3.3 To promote the values of good governance in Stellenbosch Municipality.
3.4 To facilitate the development of mutual trust between the public and the municipality.
3.5 For the municipality to make development plans and services more relevant to local needs and environments.
3.6 Develop coherent municipal strategies for ongoing communication and participation around development planning and governance processes that require community involvement.
3.7 Facilitate consistent engagement with all sectors in our municipality through stakeholder engagements, ward committee structures and the community.
3.8 Develop and identify public participation approaches, platforms and mechanisms for local communities and stakeholders to participate in the affairs of local government.
3.9 Build inter–governmental mechanisms to ensure that the local, district, provincial and national government work together to enhance service delivery and address the needs of the community.
3.10 To outline the roles and responsibilities of the municipality and the public in deepening participatory democracy.

4. BENEFITS OF PUBLIC PARTICIPATION

4.1 Increases participation in statutory processes and allows for greater links between sectors and communities.
4.2 Encourages attitudes of openness and transparency in engaging with communities.

4.3 Alerts the municipality of grassroot issues from a citizen's perspective.
4.4 Contributes to the development of self-confidence, pride, initiative, responsibility and cooperation.
4.5 Encourages citizens and communities to take ownership of their own lives and be actively involved in finding solutions to their problems.
4.6 Builds the capacity of citizens to engage effectively with their local council.
4.7 When communities establish good working relationships with local authorities, it increases their level of confidence without losing perspective.
4.8 Participation also encourages and strengthens internal accountability structures in community organisations.
4.9 With increased communication between structures, negotiations become part of the participatory process.
4.10 Participation builds ownership of the processes of change on the part of communities and deepens their commitment to it.
4.11 In terms of the municipal IDP and Budget process, participation enables the formation of collaborative partnerships.

5. PUBLIC PARTICIPATION IN LOCAL GOVERNMENT

Public participation has been defined as an open, accountable process through which individuals and groups within communities can exchange views and influence decision-making. It is a democratic process of engaging people, deciding, planning, and playing an active part in the development and operation of services that affect their lives.

5.1. Developing a culture of public participation

In giving effect to section 16 of the MSA and as set out in the policy, the Municipal Manager must ensure that for this purpose:

The Municipality encourages and creates conditions for the local community to participate in the affairs of the Municipality, including in:

5.1.1 The drafting, implementation, review and/or amendment of its Integrated Development Plan (IDP);
5.1.2 The drafting of the Medium-Term Revenue Expenditure Framework (MTREF) / budget;
5.1.3 The establishment, implementation and review of the Municipality's performance management system;
5.1.4 Determination, consideration and adoption of by-laws and sector/master plans linked to the IDP and Spatial Development Framework (SDF), where applicable; and
5.1.5 Strategic decisions relating to the provision of municipal services.

5.2. Principles guiding public participation

The White Paper on Local Government (1998) emphasized the importance of building relationships between local communities and the municipality. It also emphasized the principle of accountability by municipal councils.

The underlying principles guiding this policy are also underscored by the Batho Pele Principles as stipulated below:

Table 1: Principles guiding public participation

Principle	Applying these principles
Accessibility	The Municipality to ensure that public participation processes are accessible, gender-sensitive and open to all role-players. Conducting public engagements taking into account the circumstances of the various communities and available resources.
Accountability	Ensuring report backs to the community forums or role-players at least twice a year through IDP and Budget processes and ward councillors report back to community meetings.
Trust, commitment and respect	Ensuring that the purpose of the public participation process is explained adequately, as well as how it will develop.
Consultation	Consulting internal and external role-players is critical when planning and/or initiating programmes and projects.
Diversity	Ensure that different interest groups including vulnerable groups (women, disabled persons and youth) are part of governance structures. Embracing all race, gender, religion, ethnicity, language, age, special needs, economic status and sexual orientation.
Openness and Transparency	Promoting openness, sincerity, and honesty among all the role-players in a public participation process.
Flexibility	Being flexible in terms of time, language and approaches to public participation engagements and processes.
Inclusivity	Identifying and recognising existing social networks, structures, organisations and institutions and use them as vehicles for public participation and communication. Embracing the views and opinions of all irrespective of gender, age, religion and economic status in the public participation processes.
Building community capacity	Embarking on citizen education on all aspects of local governance. Keep the public informed and knowledgeable through open communication and for the public to have a clear understanding of the purpose and the role that they are required to play.
Integration	The Municipality to ensure that public participation processes are integrated into the planning and decision-making processes such as the Integrated Development Plan (IDP), Budget, Performance Management System, Sectoral Planning and by-laws.

6. PUBLIC PARTICIPATION STRUCTURES AND MECHANISMS

Public participation should take place through the established structures in the Stellenbosch Municipality as the political structures, ward committees, and intergovernmental structures.

6.1. Political structures

In terms of the provisions of Section 17(1)(a) of the MSA, political structures must be used to drive the public participation processes. The Act defines 'political structures' as the council of a municipality or any committee or other collective structure of a municipality that has been elected, designed or appointed in terms of the Municipal Structures Act.

These political structures include:

6.1.1 The Municipal Council or its Committees: According to Section 5 (e)(i) of the Municipal Systems Act the proceedings of the municipal council and those of its committees must be open to the public, subject to Section 20, which governs the rules of admission of the public to council meetings.

6.1.2 Ward Councillors: Ward Councillors are the representatives of specific communities and are ideally placed to be the link between the public and the municipality. Therefore, they should

bring people's needs and problems to the municipality, and then consult and inform the community on municipal services and programmes.

6.1.3 **Ward Committees:** Ward Committees represent the community and different sectors in communities. Ward Committee members can be very useful in assessing the needs, building partnerships, consulting the community and advising the ward councillor on service delivery challenges.

Any other mechanisms, processes and procedures established by the municipality in terms of Council policies.

6.2. Intergovernmental structures

Effective inter-governmental relations (IGR) structures are important to the developmental role of municipalities. This role can only be fulfilled through the active involvement of all spheres of government in the setting of priorities, resource allocation and development planning.

Structures that are active within the district of the CWDM and to ensure continued liaison and coordination throughout the municipal processes include:

1. District IDP Managers Forum (DIDPMF)
2. Provincial IDP Managers Forum (PIDPMF)
3. Joint District and Metro Approach task team (JDMA)
4. Strategic Integrated Municipal Engagements (SIME)
5. District Co-ordinating Forum (DCF)
6. Municipal Managers Forum (MMF)
7. District Communications Forum
8. Provincial IDP Indaba's
9. Provincial IDP Managers Forum and Public Participation and Communications Forum.

6.3. Stakeholder Structures

The main purpose of stakeholder structures, if and when established, will be for strategic engagement pertaining to municipal areas of service delivery or contribute to the lives of Stellenbosch communities. Structured forums for public participation in our municipal processes can include established forums, municipal sports councils, churches, businesses, agriculture and tourism, various institutions, non-governmental organisations and community-based organisations.

Structured forums may register on the IDP Stakeholder database to be invited to stakeholder engagements in public participation processes.

The objectives of these structured engagements will be to:

6.3.1 Elicit input for the review of draft IDP and preparation for the draft Budget.
6.3.2 To develop integration by balancing the economic, ecological and social pillars without compromising the institutional capacity.
6.3.3 Strengthen the dialogue between municipal areas of deliverables and the key sectors across the municipality.
6.3.4 Better target and coordinate implementation plans with partners, sectors and different spheres of government; and
6.3.5 Identify the gaps and means for closing gaps with our partners;
6.3.6 Ensure alignment between Provincial, District and Municipal strategic frameworks and implementation plans.

7. ROLES AND RESPONSIBILITIES

The roles and responsibilities of role-players during the public participation processes are summarised as follows:

Table 2: Roles and Responsibilities

Role Player	Roles and Responsibilities
Executive Mayoral Committee	▪ Play a role in the monitoring of public participation by annually reporting to Council on community involvement. ▪ Ensure that public views and opinions are taken into account.
Office of the Speaker	▪ The support for the participatory component of the political system resides with the Office of the Speaker. ▪ The Speaker, who chairs Council meetings, is ultimately responsible for ensuring that the Stellenbosch Municipal Council, through its elected Councillors, implements a dynamic and effective system of public participation. ▪ The co-ordination of public participation processes through the Office of the Speaker does not mean the implementation of all the aspects of public participation. ▪ The management of the public participation process into the Integrated Development Plan and Budget would be managed through the Office of the Municipal Manager and Directorate: Finance. However, the co-ordination of how this process fits into the ward committee system that deals with input to the IDP and budget will be set up through proper mechanisms within the Office of the Speaker (politically) and through the Office of the Municipal Manager (Administratively).
Council	▪ Municipal Council to familiarise themselves with the content of this policy, make their constituencies aware and oversee its implementation of the policy; ▪ It is the Council's responsibility to promote and supervise the implementation of public participation initiatives. Councillors should act as enabling agents in the community.
Municipal Manager	To give effect to Sections 16 and 17 of the MSA as set out in this policy the Municipal Manager must do the following: Encourage and ensure conducive conditions for public participation in the affairs of the municipality, including in: ▪ Preparation, implementation and review of the Integrated Development Plan (IDP). ▪ Establishment, implementation and review of the municipal Performance Management System. ▪ Monitoring and review of the municipality's performance, including the outcome and impact of such performance. ▪ Considering draft by-laws. ▪ Preparation of the municipal budget. ▪ Strategic decisions relating to the provision of municipal services. ▪ Ensure that the municipality employs sufficient component staff members, other than councillors to assist in the public participation processes. ▪ Ensure that all staff members, including councillors, are trained in the public participation methodologies and processes. ▪ Ensure community capacity building for meaningful participation in municipal affairs.

Role Player	Roles and Responsibilities
	▪ Establish and notify the public on all available participation platforms in the municipality. ▪ Ensure that the municipality uses appropriate venues and platforms for public participation. ▪ Ensure that gender-sensitive approaches are developed to make public participation platforms accessible to all community members.
Manager: Integrated Development Planning	▪ Draft the IDP and Budget Process Plan / Time Schedule for the scrutiny of the Executive Management Committee, the consideration of the Mayoral Committee and adoption by the Municipal Council. ▪ Implementation of a public participation plan to encourage community and sector participation in the IDP and Budget process. ▪ Consolidate all community input and needs, including newly identified projects for channelling to the relevant departments for consideration. ▪ The role here is specifically a facilitation and administrative function of guidance, assistance and implementation of the process in itself.
Community	▪ Members of the public to familiarise themselves with the content of this policy. ▪ Ensure that their participation takes place through the public participation mechanisms and platforms established by the municipality in terms of the MSA as set out in this policy and made public in municipal public notices.
Ward Committees	▪ Mobilise communities to participate in IDP and Budget public participation processes or any other service delivery matter demanding public participation. ▪ Identify persons with special needs and communicate this to the ward councillors in cases where special logistical arrangements need to be made where appropriate if circumstances permit this and dependant on the availability of resources. ▪ All ward committee members must be present at the IDP and Budget public engagements and or other public engagements relating to municipal affairs requiring public participation, to represent their respective communities. ▪ Ward committee members must participate in the ward-based planning process for their respective wards. ▪ Prioritise the community needs and assist the ward councillor to determine the key priorities for the respective ward. ▪ Provide in-depth details on priority issues and problems raised in the public engagements. ▪ Monitor and evaluate IDP projects and ward priorities.

8. STATUTORY PROCESSES NECESSITATING PUBLIC PARTICIPATION

Different types and forms of decision-making necessitate varying levels of public participation. To avoid any uncertainty about whether or not participation is critical with regard to certain important municipal decisions and processes, the MSA provides a non-exhaustive list of important municipal 'events' in which public participation is particularly important, including:

8.1. Participation in the drafting, review and/or amendment of the IDP

Facilitation of public participation in the IDP process takes place as set out in the IDP and Budget Process Plan (Time Schedule), and is implemented through the following structures and methods:

8.1.1 Department: IDP / PMS / Public Participation

8.1.1.1 Draft the IDP and Budget Process Plan (Time Schedule) in terms of Section 21(1)(b) of the MFMA in consultation with the Departments: Spatial Planning, Budget and Disaster Management for scrutiny of the Executive Management, the consideration of the Mayoral Committee and adoption by the Council;
8.1.1.2 Draft and implement the IDP and Budget public participation plan to encourage community and sector participation in the IDP and Budget process;
8.1.1.3 Consolidate community and sector inputs received during the IDP public participation processes, including newly identified projects for channelling to the relevant departments; and
8.1.1.4 Ensure that departmental feedback on the IDP community and sector inputs is captured and updated before the following IDP and Budget process.

8.1.2 Ward Committees

The objective of a ward committee is to enhance participatory democracy in local government and must participate and provide assistance in the following:

8.1.2.1 Assist with the mobilisation of communities to attend IDP and Budget engagements in person or via online platforms made available by the municipality;
8.1.2.2 Participate in the needs analysis phase of the IDP;
8.1.2.3 Participate in the driving of the ward-based planning process in the development of ward plans;
8.1.2.4 In consultation with the ward councillor, prioritise the community inputs and determine the top ward priorities for the respective ward;
8.1.2.5 Elaborate on priority issues and problems and advise the ward councillor;
8.1.2.6 The ward councillor and ward committee will have the duty to explain the ward priorities to their respective wards (the administration will provide technical support to the ward councillor and ward committee during this consultative process);
8.1.2.7 Communicate information in both directions between the community and the municipal council;
8.1.2.8 Monitor and evaluate IDP projects as encapsulated in the IDP and ward plans;
8.1.2.9 Participate in the establishment, implementation and review of the Performance Management System (PMS);
8.1.2.10 Participate in the preparation of the budget; and
8.1.2.11 Strategic decisions of the Municipality relating to the provisions of municipal services in terms of Chapter 8 of the MSA.

The functions of Ward Committees are specified in the Ward Committee Policy of Stellenbosch Municipality.

8.1.3 Electronic and printed media

8.1.3.1 Community input and comment must be obtained from calls for comment as advertised in local print media, on the municipal website, social media platforms and the municipal notice boards;

8.1.3.2 Give notice to the public of the adoption of the IDP and Budget (within 14 days of the adoption of the IDP) and budget (within 10 working days) as prescribed by the MSA;

8.1.3.3 The draft IDP and Budget must be published on the municipal website for public scrutiny as prescribed by the MSA and MFMA not later than five (5) days after its tabling in Council or on the date on which it must be made public for a period of at least 21 days for public comments and written submissions;

8.1.3.4 The IDP and budget-related documents must be made available at municipal offices and municipal libraries.

8.1.4 Written Submissions

Members of the community and stakeholders may participate in the drafting of the municipal Integrated Development Plan (IDP) by making written submissions to the Municipal Manager on the dates as specified in the municipal notices.

8.2. Participation in the budget preparation process

The Budget preparation process commences with the adoption of the IDP and Budget Process Plan (Time Schedule) by the Council and further unfolds as follows:

8.2.1 The IDP department, Budget Office, ward councillor and ward committee will consult respective communities to determine the developmental needs of the community;

8.2.2 All community needs determined through this process, will be captured and prioritised by the ward committee during the ward-based planning process;

8.2.3 The Capital Planning Forum (CPF) will reflect on the strategic objectives for service delivery and proposed capital projects emanating from the ward-based planning process;

8.2.4 All internal municipal departments will take into consideration the priorities listed by the community;

8.2.5 The Department: Finance of the Stellenbosch Municipality has a duty in terms of the MFMA to compile the draft budget for the Medium-Term Revenue and Expenditure Framework (MTREF) period;

8.2.6 Once the draft budget is compiled, the Executive Mayor will table the draft IDP, draft budget and related policies, and Service Delivery and Budget Implementation Plan (SDBIP) to the Council;

8.2.7 The draft budget and its related documents will be published on the municipal website, and hardcopies placed in the municipal libraries and offices, to ensure that the public has access to the documents to make informed comments and written submissions;

8.2.8 In order to ensure that all stakeholders are informed about the budget consultation sessions, notices will be placed in local print media, on the municipal website, on social media platforms and on the municipal notice boards.

8.2.9 In addition, the municipality will also consult with stakeholders who are registered on the municipal stakeholder database;

8.2.10 All submissions received through the IDP and Budget public participation process, including the written submissions, will be submitted to the Budget Office and Mayoral Committee for consideration, whereafter the Executive Mayor will submit the final budget to Council for adoption.

8.3. Development, implementation and review of the performance management system (PMS), monitoring and review of organisational performance, including outcomes and impact of performance (annual report)

The MSA and applicable regulations stipulate that the public must participate in the monitoring and review of the performance of municipalities. This list below sets out the various issues in respect of which the municipality is required to engage with the community in terms of performance management:

8.3.1 Make public the projections, targets and indicators as set out in the SDBIP (no later than 14 days after the approval of the SDBIP by the Executive Mayor);
8.3.2 Make public the Quarterly Performance Assessment Reports of the municipality;
8.3.3 Monitoring and review of organisational performance, including outcomes and impact of performance (Annual Report).

8.4. Policy formulation and development of By-laws

All proposed by-laws must be published for public comment in a manner that allows the public an opportunity to make representations concerning the proposed by-law.

8.5. Strategic decisions relating to service delivery

Regulations and legislation guide the process to be followed in the decision-making process relating to service delivery, such as Service Level Agreements (SLAs) and the role of the public therein.

8.6. Other council processes for public participation

The Municipality may engage the community on any other aspects identified by the Municipality for public consultation. Consultation on other council processes will be the responsibility of the respective functional department.

9. PUBLIC PARTICIPATION METHODS AND TIMEFRAMES

9.1. Notices

9.1.1 Notices about community engagements must be placed in the local print media, municipal website, municipal notice boards, municipal-approved social media platforms and other platforms as it become available.
9.1.2 When the municipal administration communicates this information, it must take into account the Communication Policy of the municipality, as well as the special needs of vulnerable groups and persons who cannot read or write.
9.1.3 Municipal officials will assist all persons with special needs who cannot read or write.

9.2. Petitions and complaints

9.2.1 Petitions and complaints lodged by the public shall be addressed to the Executive Mayor or Municipal Manager and/or their delegates.
9.2.2 Petitions will be dealt with as per the standard operating procedure set out by the Executive Mayor and Municipal Manager.

9.3. Public input and comments on the draft IDP and draft Budget

The Municipality should consider inviting the public and interested stakeholders to submit inputs and comments on the following:

9.3.1 The identification of community needs and the prioritisation of those needs in the municipal area or specific ward, within the IDP and budgeting processes;

9.3.2 On strategies, programmes and services to address the developmental agenda based on community needs as encapsulated in the IDP;

9.3.3 In the development, implementation and monitoring of the municipal Performance Management System (PMS);

9.3.4 The inputs and written submissions of the public on the budget, proposed tariffs as well as budget-related policies;

9.3.5 The Municipal Manager should ensure that all input and written submissions are submitted to the Council for consideration;

9.3.6 The Municipal Manager should ensure that copies of the draft documents are made available to the general public in one or more of the following:

- By publication in the official municipal newsletter;
- Hard copy available at all municipal ward offices and libraries;
- Publish an electronic copy of the report/ plan on the municipal website.

9.4. Public comments and input submitted on electronic platforms

9.4.1 The Municipality will provide the community with an E-mail address in the published notices where the public and stakeholders may submit written comments directly to the municipality on any matter referred to in this policy and or other relevant municipal policies and/or by-laws;

9.4.2 Comments may also be submitted through the dedicated municipal-approved electronic platforms as it appear in the public notices;

9.4.3 Emails and electronic platforms will be accessed regularly, and comments collated by the responsible department;

9.4.4 The municipal website will provide a facility for the public to provide online comments for specific public participation processes without the Municipality necessarily permitting the abuse of the facility.

9.5. Invitation to public participation engagements

9.5.1 Members of the community will be invited to participate in open sessions where statutory determined processes, such as the *m*SDF, IDP, budget, policies and by-laws.

9.5.2 Public engagements will be held at a place, time and venue convenient to the majority of people in a particular ward/area, depending on the availability of resources.

9.5.3 The size of the venue and the approximate number of people who might be attending must be taken into consideration. Physical engagements will only be done if circumstances permit it.

9.5.4 This policy makes provision for online or hybrid public engagements. Online public engagements will be held on MS Teams or any other platform as approved by the Municipality, on times convenient for the majority of people in a particular ward. The meeting link for these engagements will be communicated to the community in due time in order to enable the community to participate.

9.5.5 Notices of consultations / public engagements will be published at least seven (7) days before the date of the meeting through the following communication platforms:

- Local newspapers that are circulated and advertised once on a weekly basis;
- Municipal website;

- Municipal-approved social media platforms
- Public laud hailing will be done on public engagements and events, if circumstances permit this and dependant on the availability of resources; and
- When deemed necessary, and when financially viable, pamphlets may be distributed and the posting of posters to publicise municipal engagements.

9.5.6 Councillors will be consulted and informed of such meeting(s) before a notice is given to the community.

9.5.7 Where practically and economically feasible, the Municipality will endeavour to make translators available for the purpose of the public meeting.

9.5.8 Ward Councillors will play an official council role at public participation meetings in their respective wards.

9.5.9 Written submissions may be e-mailed or hand–delivered at the designated municipal electronic platforms and municipal offices as it appear in the public notices.

9.6. Special needs

In terms of Section 17(3) of the MSA, the Council must take into account the special needs of:

9.6.1 People who cannot read or write;
9.6.2 People with disabilities;
9.6.3 Women;
9.6.4 Senior Citizens; and
9.6.5 Other disadvantages groups

9.7. Legislative Public Participation Time Frames

The relevant legal statutes establish specific deadlines for each municipal legislative process that involves public participation.

9.7.1. IDP and Budget public participation time frames

The legislative public participation time frames in terms of the MSA and MFMA below should be adhered to at all times:

Activity	Legislative Requirements	Time Frame	Responsible
Submission of the draft IDP, budget, tariffs, budget-related policies and SDBIP	MFMA - Sec 16(2) MSA - Sec 25 (b)(c) MBRR - Part 3	At least 90 days before the start of the budget year	Manager: IDP/PMS/PP and Snr Manager: Financial Management Services
Advertise the Draft IDP and Draft Budget and other required documents	MFMA - Sec 22(a) MSA - Sec 21A, 42 MPPMR - Reg 15(3)	Provide at least 21 days for public comments and written submissions	Manager: IDP/PMS/PP and Snr Manager: Financial Management Services
Council meeting to adopt final IDP, Performance Management Measures and targets and the budget	MFMA - Sec 24	At least 30 days before the start of the budget year)	Manager: IDP/PMS/PP and Snr Manager: Financial Management Services

Activity	Legislative Requirements	Time Frame	Responsible
Place the adopted IDP, multi-year budget, all budget-related documents and all budget-related policies on the website	MFMA - Sec 22 and 75 (1)(2) MSA - Sec 21A and 21B	Within 5 days after adoption	Manager: IDP/PMS/PP and Snr Manager: Financial Management Services
Give notice to the public of the adoption of the IDP and Budget	MBRR - Reg 18 MSA - Sec 25(4)(a)(b) MFMA - Sec 75(1)	Within 14 days of the adoption of the IDP and the budget within 10 working days	Manager: IDP/PMS/PP and Snr Manager: Financial Management Services

10. GENERAL ARRANGEMENTS FOR PUBLIC PARTICIPATION PROCESSES

10.1. Admission to municipal public engagements

10.1.1 Section 20(1) of the MSA provides that meetings of the Council and its Committees are open to the public, including the media. The Council or its Committee may only exclude the public and media, when it is reasonable to do so having regard to the nature of the business being transacted.

10.1.2 A by-law or resolution of the Council must specify the circumstances in which such meetings may be closed. The Council's Standing Rules, allow for meetings to be held in - committee.

10.1.3 Section 20(3) of the MSA constitutes that the Mayoral Committee may close any or all of its meetings to the public and the media, when it is reasonable to do so having regard to the nature of the business being transacted.

10.1.4 Section 20(2) of the MSA sets out the matters, to be considered by the Council or its committees in respect of which meetings may not be closed for a draft by-law, Budget, IDP and any amendments to the IDP, a municipality's draft performance management system and amendments to the system, decision to enter into a service delivery agreement referred to in Section 76(b); and any matter prescribed by legislation.

10.2. Accessibility of information

10.2.1 The Promotion of Access to Information Act, 2000, sets out the procedure to be followed by members of the public to obtain access to records.

10.2.2 The Act further sets out grounds for refusal of access to information and makes provision for an appeal mechanism.

10.3. Language

Account is taken of national and provincial legislation on the recognition of official languages, and these will be used as a minimum framework. The diversity of Stellenbosch Municipality communities is recognised, and every effort will be made to use an appropriate language in any public participation process.

In terms of Section 18(2) of the MSA, the Council must take into account the language preferences of its community when providing information and /or interacting with such community. However, the first medium of communication will be English and will be translated into other languages where appropriate, if circumstances permit this and depending on the availability of resources.

11. CONCLUSION

This policy outlines how the municipality's public participation processes, as well as the organisation's legislative processes and issues requiring public participation, will be conducted, organised, and managed.

The policy works from the premise that public participation is not isolated and only the function of a specific directorate but an underlying value of the work of all departments in the Stellenbosch Municipal Council. The principles of public participation filter into the mainstream work of the Council and contribute towards building a transparent and participatory system of a democratic local government in the Stellenbosch municipal area. The document highlights the main areas where the Stellenbosch Municipality must find itself engaging in public participation initiatives.

It is important to note that the Public Participation Policy will be reviewed and developed over time, to reflect changing circumstances that allow or permit different approaches to conduct public participation. These improvements to the policy will always be done in accordance with legislative mandates.

7.11.2	**DRAFT INTERGOVERNMENTAL RELATIONS (IGR) AND INTERNATIONAL RELATIONS (IR) POLICY**

Collaborator No:
IDP KPA Ref No: **Good Governance and Compliance**
Meeting Date: **19 February 2025**

1. SUBJECT: DRAFT INTERGOVERNMENTAL RELATIONS (IGR) AND INTERNATIONAL RELATIONS (IR) POLICY

2. PURPOSE

To table the Council for consideration and approval:

(b) The draft Intergovernmental Relations (IGR) and International Relations (IR) Policy, attached as **ANNEXURE A.**

3. DELEGATED AUTHORITY

Council.

4. EXECUTIVE SUMMARY

The Intergovernmental Relations Framework Act, 2005 (Act No. 13 of 2005), aims to promote cooperative governance between the national and provincial governments, including other municipalities. It stipulates mechanisms for consultation, cooperation, and coordination among the three spheres of government to ensure effective service delivery and development.

Stellenbosch Municipality drafted an Intergovernmental Relations (IGR) and International Relations (IR) Policy to facilitate effective communication and collaboration among the provincial and national governments, as well as the district and other local municipalities. The policy sets the foundation for Stellenbosch Municipality to collaborate with other government departments and municipalities to facilitate challenges, coordinate resources, and enact policies that benefit the community.

In terms of international relations, the desired outcome of the IGR and IR Policy is to promote Stellenbosch Municipality as a competitive global destination for economic, social, and cultural activity, one that values international partnerships as a means to facilitate job creation through private sector-led economic growth, actively encourages inward investment, and exchanges knowledge and best practices.

The draft IGR and IR policy stipulates the criteria and procedures to be followed when establishing formal relations with international parties to enable sufficient flexibility so that the municipality is able to capitalise on opportunities when they are deemed valuable and in the interest of service delivery.

The purpose of this item is to seek the Council's approval for the draft Intergovernmental Relations (IGR) and International Relations (IR) Policy to be released for public input for a period of not less than 21 days.

5. RECOMMENDATIONS

(a) that the draft Intergovernmental Relations (IGR) and International Relations (IR) Policy of Stellenbosch Municipality be considered and approved in terms of Section 21 of the MSA for the purpose of obtaining public input and comments, attached as **ANNEXURE A**; and

(b) that an advertisement be placed on the official website of the Municipality and the local newspaper notifying the public that the draft Intergovernmental Relations (IGR) and International Relations (IR) Policy is open for public input and comments for a period of 21 days.

6. DISCUSSION

6.1 Background

Chapter 3 of the Constitution, 1996, of South Africa provides that the three spheres of government are 'distinctive, interdependent, and interrelated.' The principles that underlie the relationships between the spheres are those of cooperative government and intergovernmental relations (IGR)

In terms hereof, each sphere must, among other things:

(a) respect the constitutional status, institutions, and powers and functions of government in the other spheres;

(b) exercise their powers and perform their functions in a manner that does not encroach on the geographical, functional, or institutional integrity of government in another sphere;

(c) cooperate with one another in mutual trust and good faith by:

- assisting and supporting one another;
- consulting one another on matters of common interest;
- co-ordinating their actions and legislation with one another; and
- adhering to agreed procedures.

A clear understanding of each sphere of government's powers and functions is an important part of this cooperative relationship. This is to make sure that no sphere of government or organ of state interferes with the institutional, functional, or geographical integrity of another sphere of government.

The draft IGR and IR Policy outlines the principles of intergovernmental relations, such as mutual respect, cooperation, and information sharing, to facilitate collaboration and decision-making processes. It also mandates the establishment of structures and participation therein, such as intergovernmental forums. In addition, it highlights communication and coordination between municipalities and other government bodies as well as dispute resolutions.

The internal consultation process for the draft IGR and IR Policy commenced in October 2024 and will continue. External consultation is deemed important to allow community members, stakeholders, and role players to participate in the formulation of the policy by submitting written input for the Council to consider. The internal and external consultation processes will continue concurrently until the consultation period is completed.

The table below outlines the consultation process and estimated timelines for the final approval of the IGR and IR Policy.

NR.	ITEMS	TIMELINE
1.	Draft IGR and IR Policy submitted to the Directors Forum for input	22 October 2024
2.	Draft IGR and IR Policy distributed to Directors / Senior Managers (SM) and Managers for input	07 – 26 November 2024
3.	Tabled the departmental inputs on the draft IGR and IR Policy to the Directors Forum	14 January 2025
4.	Consultation Sessions: Directors, Senior Managers and Managers	03 – 04 February 2025
5.	Draft IGR and IR Policy to be submitted to MayCo and to the Council (to obtain approval for the purpose of public input)	February 2025
6.	Submit draft IGR and IR Policy to the All-Ward Councillors Meeting	February 2025
7.	Publish a notice in the local newspaper and municipal communication platforms and deliver hard copies in libraries and ward offices	March 2025
8.	Public participation period for public input on the draft IGR and IR Policy	March 2025 (21 days)
9.	Electronic submission of the draft policy to DLG, Provincial Treasury, CWDM, Provincial Speaker of Parliament and SALGA, for input	March 2025
10.	Submit all input/comments to the Directors Forum for consideration	April 2025
11.	Submit a revised draft to the Directors Forum for review and final input	April 2025
12.	Submit the final IGR and IR Policy to the MayCo	May 2025
13.	Submit the IGR and IR Policy to the Council for final approval	May 2025

6.2 Financial Implications

There are no financial implications beyond that which was approved in the 2024/25 MTREF Budget.

6.3 Legal Implications

In accordance with Chapter 3 of the Constitution the principles of co-operative and intergovernmental relations are stipulated as –

Section 41.

(1) *All spheres of government and all organs of state within each sphere must—*

(a) preserve the peace, national unity and the indivisibility of the Republic;

(b) secure the well-being of the people of the Republic;

(c) provide effective, transparent, accountable and coherent government for the Republic as a whole;

(d) be loyal to the Constitution, the Republic and its people;

(e) respect the constitutional status, institutions, powers and functions of government in the other spheres;

(f) not assume any power or function except those conferred on them in terms of the Constitution;

(g) exercise their powers and perform their functions in a manner that does not encroach on the geographical, functional or institutional integrity of government in another sphere; and

(h) co-operate with one another in mutual trust and good faith by—

(i) fostering friendly relations;

(ii) assisting and supporting one another;

(iii) informing one another of, and consulting one another on, matters of common interest;

(iv) co-ordinating their actions and legislation with one another;

(v) adhering to agreed procedures; and

(vi) avoiding legal proceedings against one another.

Section 41(3) ascribed that –

An organ of state involved in an intergovernmental dispute must make every

reasonable effort to settle the dispute by means of mechanisms and procedures

provided for that purpose and must exhaust all other remedies before it approaches a court to resolve the dispute.

It is further emphasized by **Section 41 (4)** that –

If a court is not satisfied that the requirements of subsection (3) have been met, it may refer a dispute back to the organs of state involved.

The Iintergovernmental Relations Framework Act No. 13 of 2005 provides for –

A framework for the establishment of intergovernmental forums and mechanisms to facilitate the settlement of intergovernmental disputes.

The White Paper on Local Government, 1998 promotes the engagements with other municipalities in other countries by stipulating that -

Section 3.2.

Municipalities can also engage with municipalities in other countries, through a range of mechanisms from informal linkages to formal twinning arrangements and membership of international municipal institutions.

International linkages may provide numerous benefits to South African municipalities, including facilitating the sharing of international expertise and best practice experience.

6.4 Staff Implications

This report has no additional staff implications for the municipality.

6.5 Risk Implication

This report has no direct risk implications for the municipality.

6.6 Previous / Relevant Council Resolutions

Not applicable

6.7 Comments from Senior Management

6.7.1 Director: Community and Protection Services

Supported

6.7.2 Chief Financial Officer
Supported

6.7.3 Director: Infrastructure Services
Supported

6.7.4 Director: Corporate Services
Supported

6.7.5 Director: Planning and Economic Development
Supported

6.7.6 Comments from the Municipal Manager
Supported

ANNEXURES

Annexure A: Draft Intergovernmental Relations (IGR) and International Relations (IR) Policy

FOR FURTHER DETAILS CONTACT:

NAME	Geraldine Mettler
POSITION	Municipal Manager
DIRECTORATE	Office of the Municipal Manager
CONTACT NUMBERS	021 808 8025
E-MAIL ADDRESS	mm@stellenbosch.gov.za
REPORT DATE	03 February 2025

ANNEXURE A

STELLENBOSCH
STELLENBOSCH • PNIEL • FRANSCHHOEK
MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

DRAFT INTERGOVERNMENTAL RELATIONS (IGR) AND INTERNATIONAL RELATIONS (IR) POLICY

First draft (for consultation)

2025

Table of Contents

1. Preamble 6
2. Regulatory Context.....6
3. Desired Outcomes 7
4. Role Players and Stakeholders.....7
5. International Partnerships and Agreements.....9
6. Roles and Responsibilities of Local Government 10
7. Alignment with the National Government 10
8. Alignment with the Provincial Government 11
9. Alignment with the district and local municipalities within the Cape Winelands and Western Cape 11
10. Alignment with Organised Local Government (SALGA) 12
11. Disputes.....12
12. Policy Review.....13

DRAFT

Policy	Intergovernmental (IGR) and International Relations (IRs) Policy
Directorate	Office of the Municipal Manager
Date Approved	
Date Effective	
Council Item Number	
Collab File Ref	

Version	Date Created	Status	Author	Review Date
1.0	2025	Draft		New document

DRAFT

List of Abbreviations and Acronyms

IDP	Integrated Development Plan
IGR	Intergovernmental Relations
IR	International Relations
SALGA	South African Local Government Association
MayCo	Mayoral Committee
MSA	Municipal Systems Act
MSA	Municipal Structures Act
MOU	Memorandum of Understanding

DRAFT

Definitions

"Agreement"	Refers to a written document wherein the goals, objectives, projects and programmes necessary for achieving benefit from Municipal International Relations, in the knowledge that it does not constitute a legally binding agreement, that is not governed by a specific legal regime and that a party cannot institute legal action on grounds of breach of the agreement.
"Council"	"Council', means the Municipal Council as specified in section 160(1)(a) of the Constitution of the Republic of South Africa which states that: "The Municipal Council makes decisions concerning the exercise of all the powers and the performance of all the functions of the municipality". Herein referred to as the Council of Stellenbosch Municipality
"Distinctive"	The Stellenbosch Municipality is a self–governing legislative body and has executive authority over and within its demarcated municipal area.
"Interrelated"	The obligation placed on national, provincial and local governments to cooperate with each other to promote the well-being of all citizens.
"Intergovernmental Relations"	means relationships that arise between different governments or between organs of state from different governments within South Africa in the conduct of their affairs.
"International Relations"	Refers to the interactions between and behaviour of several actors or stakeholders in the global system. These actors or stakeholders include governments in all spheres, international organisations, international private sector actors, and multinational enterprises.
"Municipality"	Is an organ of state within the local sphere of government exercising legislative and executive authority within its legally demarcated area, as envisaged in Section 152 of the Constitution of the Republic of South Africa.
"SALGA"	The South African Local Government Association (SALGA) is an autonomous association of municipalities with its mandate derived from the Constitution of the Republic of South Africa. This mandate defines SALGA as the voice and sole representative of local government. SALGA interfaces with parliament, the National Council of Provinces (NCOP), cabinet as well as provincial legislatures.

DRAFT

Part A: General Provisions

1. Preamble

1.1 Stellenbosch Municipality's Intergovernmental and International Relations (IGR and IR) Policy has an important role to play in determining the municipality's intergovernmental and international relations priorities and objectives, and in delineating the powers, roles, procedures and functions of the relevant role-players. It has the potential to be a powerful tool to enhance the international profile of Stellenbosch Municipality as an attractive place to visit, live, work and do business.

1.2 The Stellenbosch Municipality's IGR and IR Policy aims to guide decision-making pertaining to intergovernmental and international relations in an articulate manner that aligns with the strategic goals of the municipality as identified in the Integrated Development Plan (IDP).

1.3 The Policy is aligned with the key objectives of the Western Cape Government International Relations Strategy focusing on increasing trade, tourism, investment and skills development while promoting knowledge sharing to achieve the vision of globally positioning Stellenbosch Municipality.

1.4 The Policy further intends to reflect an international reality in which local governments will play an increasingly critical role both as regulators and as facilitators of economic growth and development.

1.5 Intergovernmental relations intend to promote relationships with a wide range of stakeholders, through multi–sphere dialogue. This includes liaison with local government, provinces, sector departments and other state and non–state actors to promote effective governance, service delivery, economic growth and social upliftment.

2. Regulatory Context

This section provides an overview of the relevant legislation and policies that have a bearing on the intergovernmental relations of the Stellenbosch Municipality:

2.1 Constitution of the Republic of South Africa No.18 of 1996

2.2 Intergovernmental Relations Framework Act, 2005 (Act No.13 of 2005)

2.3 Intergovernmental Fiscal Relations Framework Act (1997)

2.4 Local Governmental: Municipal Finance Management Act, 2003 (Act No.56 of 2003)

2.5 Local Government: Municipal Structures Act, 1998 (Act No.117 of 1998)

2.6 Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000)

2.7 Department of International Relations and Cooperation (DIRCO) Policy Framework

2.8 Western Cape Government International Relations Strategy

2.9 Stellenbosch Municipality's Subsistence and Travel Policy

2.10 Stellenbosch Municipality's Cost Containment Policy

DRAFT

3. Desired Outcomes

3.1 To administer and coordinate intergovernmental and international liaison functions.

3.2 To promote Stellenbosch Municipality as a competitive global opportunity for economic, social and cultural activity, one that values international connectivity as a means to facilitate job creation through private sector-led economic growth and is recognized for its open and competitive regulatory environment, which is balanced by the Municipality's values and strategic goals.

3.3 With regards to international relations, it is the intention of the Stellenbosch Municipality to utilise its international relations to actively encourage inward investment, particularly in the catalytic growth sectors identified in the IDP.

3.4 To articulate a clear set of goals and objectives that promote the interests of the municipality that are aligned with the values and strategic policy objectives of the Western Cape Government and the Department of International Relations and Cooperation.

3.5 To clarify the powers, functions, roles and responsibilities of role–players.

3.6 To set out the criteria and procedures to be followed when establishing formal relations with international parties to enable sufficient flexibility so that the municipality is able to capitalize on ad hoc opportunities when such opportunities are deemed valuable.

3.7 This Policy aims to ensure that appropriate controls are in place to curtail fruitless initiatives and onerous and costly commitments where these do not result in tangible benefits for Stellenbosch Municipality.

3.8 To integrate international relations within Stellenbosch Municipality's broader development agenda.

3.9 To recommend ways by which mechanisms, processes and procedures should be developed and implemented to ensure sound intergovernmental relations between Stellenbosch Municipality, Provincial and National Government, District Municipality, and municipalities with the Western Cape Province, organised local government (SALGA) and local stakeholders.

3.10 To ensure that interaction between Stellenbosch Municipality, Provincial and National Government, District Municipality and municipalities within the Western Cape Province and organised local government enhances effective alignment in terms of legislation, financial matters, policies, projects and programmes, integrated development planning and local government management and ultimately promotes effective and cohesive service delivery.

4. Role Players and Stakeholders

The following internal role players are identified for the purpose of implementing the IGR and IR Policy:

Stakeholders	Responsibility
Executive Mayor	• The Office of the Executive Mayor is the entry point of all requests and initiatives to embark on international relations projects through the Municipal Manager. • The Office of the Executive Mayor is responsible for facilitating and coordinating the international and local travel arrangements of the Executive Mayor and other assigned political office bearers.

Stakeholders	Responsibility
Municipal Manager	▪ The Office of the Municipal Manager is responsible for facilitating all requests and initiatives to embark on international relations projects to the Office of the Executive Mayor. ▪ Advise the Executive Mayor prior to formal consideration of intergovernmental and international engagements and commitments. ▪ The Office of the Municipal Manager is responsible for preparing items for international visits for Council approval or may delegate this to the responsible directorate/department. ▪ The Office of the Municipal Manager is responsible for facilitating and coordinating the international and local travel arrangements of the Municipal Manager and other assigned municipal officials or may delegate this to the responsible directorate/department. ▪ Responsible to advise the Executive Mayor on IGR structures. ▪ To report, where necessary, on Stellenbosch Municipality's participation in international and local projects and commitments.
Directors / Senior Manager / Manager	▪ To advise on the benefits of intended IGR and IR relationships and partnerships to enhance integrated planning and service delivery. ▪ To implement relevant programmes as agreed upon. ▪ To assign a staff member as liaison with intergovernmental and international partners at a project level. ▪ To report to the Municipal Manager on the status of agreements and partnerships, as and when required. ▪ Set key initiatives/projects/programmes with clear measurable performance targets and timeframes for the duration of the MOAs and MOUs. ▪ To participate in intergovernmental structures and to report thereon. ▪ To ensure that IGR-related community priorities are reported to the national and provincial government and reported back to the municipality. ▪ Municipal officials or departmental representatives participating in forums or engagements on behalf of the municipality must obtain an official mandate from the Municipal Manager before participating in IGR or IR decision–making processes. ▪ Submit a back-to-office report to the Municipal Manager after attending IGR and IR forums.

External stakeholders that may be consulted on matters pertaining to intergovernmental and international relations of the municipality include:

Stakeholders	Departments / Organisations / Entities
National and Provincial stakeholders	▪ The National Department of International Relations and Cooperation (DIRCO); ▪ Other National Government Departments; ▪ Provincial Government; ▪ South African Missions abroad; ▪ South African Local Government Association (SALGA); ▪ Other municipalities; and ▪ Intergovernmental forums/structures.
International Stakeholders	▪ Foreign diplomatic representation in South Africa; ▪ South African diplomatic representation abroad; ▪ International Organisations; ▪ Foreign city governments.
Other Stakeholders	▪ Local Tourism Associations with the greater Stellenbosch area

PART B: INTERNATIONAL RELATIONS

5. International Partnerships and Agreements

5.1 The Office of the Municipal Manager's recommendation to the Executive Mayor together with the Mayoral Committee regarding the Municipality's membership of international organisations shall be guided by consideration of the following factors:

5.1.1 The international standing of the organisation;

5.1.2 The benefits to be gained from membership; and

5.1.3 The cost implications of membership.

5.2 Unless otherwise agreed as per 5.2.2 below, the Municipality will only enter into the following types of agreements with international organisations or stakeholders:

5.2.1 Partnership Agreements, Twinning Agreements, Membership Agreements, Memoranda of Understanding (MoU), Grant agreements, Development Assistance Agreements, Statements of intent, and Cooperation Protocol.

5.2.2 Other types of agreements may be entered into as a result of a decision by the Council.

5.2.3 Guidelines detailing the nature and scope of each type of agreement, and the implications of each for the Municipality, will be agreed upon and drafted before a formal agreement is reached.

5.3 All recommendations and decisions taken by Council regarding international partnerships or memberships on the part of the Municipality shall be taken:

5.3.1 With due regard to costs implications;

5.3.2 By weighting such costs against the anticipated benefits to the Municipality; and

5.3.3 In accordance with the provisions in the MFMA and other relevant legislation and policies.

5.4 Where appropriate, the Municipality shall be open to coordination and cooperation with the Western Cape Government on matters relating to international relations.

5.5 A review of the Municipality's memberships with international organisations shall be conducted as per the stipulations contained in the membership agreement with the particular international organisation. In the Municipal Manager's recommendation, and the final decision by the Executive Mayor together with the Mayoral Committee, consideration should be given to the factors highlighted in section 5.1.

5.6 The Municipality will act as the overarching Implementing Agent for Partnerships and Agreements. However, it will be the responsibility of the recipient directorates to execute the actual implementation and monitoring and evaluation (M&E) of the partnership or agreements, report to the Municipal Manager and provide international partners with updated information in this regard.

DRAFT

PART C: INTERGOVERNMENTAL RELATIONS

6. Roles and Responsibilities of Local Government

6.1 Local government has a vital role to play and responsibilities with regard to intergovernmental relations. All departments within Stellenbosch Municipality should take note of the system of intergovernmental relations that have the following objectives:

6.1.1 To enhance effective service delivery to all residents within WCO24;
6.1.2 To promote and facilitate cooperative decision–making;
6.1.3 To coordinate and align priorities, budgets, policies and activities across interrelated functions and sectors;
6.1.4 To ensure a smooth flow of information between the different spheres of government, between the Municipality and the communities, with a view to enhance the implementation of policies and programmes; and
6.1.5 To give effect to the legal prescripts contained in various pieces of legislation relative to intergovernmental relations.

6.2 Horizontal cooperation and coordination of activities between departments of Stellenbosch Municipality and the relevant National and Provincial departments are vital to the integrity and effectiveness of local government. Mechanisms and processes should be identified and developed by each department within the municipality to enhance the effectiveness of intergovernmental relations between role-players mentioned in this policy.

6.3 In order for cooperative role–players to succeed, Stellenbosch Municipality should:

6.3.1 Collectively harness public resources behind the common goal and within a framework of mutual support and cooperation;
6.3.2 Develop a cohesive, multi-sectoral perspective in the interest of the community as a whole and to respect the discipline of national goals, policies, and operation principles;
6.3.3 Coordinate IGR activities in Stellenbosch to avoid wasteful competition and costly duplication;
6.3.4 Settle disputes with other spheres of government constructively without resorting to costly and time–consuming litigation; and
6.3.5 Each department within Stellenbosch Municipality must engage with their counterparts at national and provincial government, where necessary, to promote and facilitate intergovernmental relations.

7. Alignment with the National Government

Stellenbosch Municipality will maintain open, cooperative and constructive relations with national government. All departments within the municipality will therefore participate, as delegated by the Municipal Manager, in programmes and structures, established on a national level to address issues of service delivery in terms of:

7.1.1 Legislation;
7.1.2 Integrated Development Planning;
7.1.3 Financial Matters;
7.1.4 Policies, projects and programmes; and
7.1.5 Intergovernmental programmes (such as Imbizo's and outreaches).

8. Alignment with the Provincial Government

8.1 The Provincial Government has a number of roles and responsibilities with respect to local government that are "interrelated" in the sense that each sphere must exercise its autonomy to the common good of the province by cooperating with one another.

8.3 Stellenbosch Municipality should, inter alia, ensure that the municipal IDP forms a viable development framework across the municipality and is vertically integrated with the provincial strategies. Provincial Government is also responsible for the processing of grants to municipalities to promote strategies of local and provincial interest.

8.4 Stellenbosch Municipality to participate in intergovernmental structures and programmes established to promote intergovernmental relations on a provincial level, with the view to enhance effective and efficient service delivery. These are:

8.5.1 Provincial Ministers Mayoral Technical Forum (MinMay Tech)
8.5.2 Premiers Coordinating Forum (PCF)
8.5.3 Joint District and Metro Approach (JDMA) (One Plan)

8.6 There are also special purpose IGR structures instituted to align provincial and municipal priorities and service delivery. These are:

8.6.1 Annual "meet and greet" between Ministers and Executive Mayors.

8.7 Stellenbosch Municipality participates in a range of other line-specific IGR Forums and platforms that meet regularly, as agreed in the terms of references of these IGR Forums.

9. Alignment with the district and local municipalities within the Cape Winelands and Western Cape

9.1 The Intergovernmental Relations Framework Act, 2005 aims to foster friendly relationships within government but also to ensure that each sphere performs its functions as required by the Constitution.

9.2 The objective of the Act is to give effect to the constitutional requirements regarding the structures and institutions to promote IGR and mechanisms and procedures to facilitate dispute resolution.

9.3 The purpose of the legislation is to encourage coordination across the three spheres of government in the implementation of policy and legislation, but also to ensure proper coordination within district municipalities. The Act establishes a broad statutory framework dealing with:

9.3.1 Key principles of co-operative government and IGR;
9.3.2 Intergovernmental forums that form the institutional spine of IGR;
9.3.3 Implementation protocols that facilitate integrated service delivery; and
9.3.4 Rules for the settlement of intergovernmental disputes.

9.4 Section 24(1) of the MSA requires neighbouring municipalities to interact as regards to planning matters. Stellenbosch Municipality will interact and cooperate with neighbouring municipalities as required from time to time to promote service delivery.

9.5 Stellenbosch Municipality participates in a range of IGR Forums and platforms on the district level that meet regularly, as agreed in the terms of references of these IGR Forums.

DRAFT

10. Alignment with Organised Local Government (SALGA)

10.1 The Constitution allows municipalities to organise and form municipal associations. A National organisation, The South African Local Government Association (SALGA) and nine Provincial associations have been established.

10.2 Section 3(3) of the Local Government: Municipal Systems Act, 2000 provides as follows with regard to the role of organised local government:

"3(3) For the purpose of effective cooperative government, organised local government must seek to:

a) *develop common approaches for local government as a distinct sphere of government;*
b) *enhance cooperation, mutual assistance and sharing of resources among municipalities;*
c) *find solutions for problems relating to local government generally; and*
d) *Facilitate compliance with the principles of cooperative government and intergovernmental relations.*"

10.3 SALGA's key role is the effective representation of the local government in the legislative processes of all spheres of government and intergovernmental executive processes.

10.4 SALGA also represents local government interests in forums such as the National Council of Provinces, the Budget Forum dealing with intergovernmental transfers, MINMEC, and in the drafting of legislation that affects the status, institutions, powers and functions of municipalities.

10.5 It is imperative that SALGA should develop strong internal mandating and consultative processes with municipalities. SALGA is also an employers' organisation and constitutes the employer component of the South African Local Government Bargaining Council.

10.6 SALGA's role is, inter alia:

10.6.1 The provision of specialised services to supplement and strengthen the capacity of municipalities;
10.6.2 Research and information dissemination;
10.6.3 Facilitating shared learning between municipalities;
10.6.4 Human resource development; and
10.6.5 Councillor training.

10.7 The provincial SALGA establishes working groups on which the Stellenbosch Municipality Must be represented by councillors as deployed by the Stellenbosch Municipality.

10.8 Stellenbosch Municipality will participate in structures established by SALGA to promote service delivery and will cooperate with SALGA on matters as required from time to time.

11. Disputes

11.1 In terms of the Intergovernmental Relations Framework Act, all organs of state must make every reasonable effort –

11.1.1 To avoid intergovernmental disputes when exercising their statutory powers or performing their statutory functions; and
11.1.2 To settle intergovernmental disputes without resorting to judicial proceedings.

DRAFT

11.2 The Act requires that any formal agreement between two or more organs of state in different spheres of government regulating the exercise of statutory powers or performance of statutory functions, including any implementation protocol or agency agreement, must include dispute settlement mechanisms or procedures that are appropriate to the nature of the agreement and the matters that are likely to become the subject of a dispute.

11.3 Stellenbosch Municipality will, as required by the Act, make every reasonable effort to settle any dispute with another organ of the state, and should such reasonable efforts fail, follow due processes as prescribed by the relevant legislation and the relevant agreement.

12. Policy Review

12.1 The Policy is to be reviewed if or when required aligned to changing circumstances and tabled to Council for approval.

DRAFT

8.	**REPORTS SUBMITTED BY THE EXECUTIVE MAYOR**

NONE

9.	**URGENT MATTERS**

NONE

10.	**MATTERS TO BE CONSIDERED IN-COMMITTEE**

NONE