APPENDIX 4

STELLENBOSCH MUNICIPALITY

SUMMARY OF CHANGES TO BUDGET AND RELATED POLICIES

2025/2026

STELLENBOSCH MUNICIPALITY

SUMMARY OF POLICIES

Policy/ By-law	Summarized Nature of change
Insurance Policy	**<u>Appendix 5- Insurance Policy</u>** The insurance policy is a new policy. **1. PREAMBLE** Whereas it is required of the Municipal Manager to take all reasonable steps to ensure that the Council has and implements crucial policies for effective financial and risk management. And whereas the safeguarding of assets and the protection of Council against liabilities is very important and forms part of a proper assets management system as prescribed by Section 63 and needs annual revision in terms of Section 24(2)(c)(v) of the Municipal Finance Management Act 56 of 2003. Therefore, the Municipal Council of the Stellenbosch Municipality adopts the following Policy for Insurance Management. **Objective of Policy** The objective of this policy is to ensure that Stellenbosch Municipality's assets, councillors and employees are insured adequately and economically at all times. Detailed procedures, to ensure that management and employees within the municipality understand their respective responsibilities and duties, are provided in the standard operating procedures. This document indicates the policy of Stellenbosch Municipality for insuring municipal assets, and for insuring the municipality, its employees and Councillors against public liability claims and other losses. In general, the object of this policy is to ensure sound and sustainable financial management within Stellenbosch Municipality.
Rates Policy	**<u>Appendix 6- Rates Policy 2025/2026</u>** Various aspects of the 2025/2026 Rates Policy were modified to include changes that enhanced or fine-tune the application of the current policy. **Minor Corrections and document layout improvements** Various grammatical, language changes and layout improvements were applied to enhance the readability of the document. The details of such may be traced via the ***"Track Changes"*** that has been activated in said document.

Policy/ By-law	Summarized Nature of change
	Substantial Changes The numbering of paragraphs was set to apply such numbering automatically and paragraph references were inserted with automatic update whenever a reference was made to a corresponding paragraph. • Paragraph 8.7 **[*Public Benefit Organisations*]** was moved to a more appropriate position being the new paragraph 7.5. No changes were applied to this paragraph. All other paragraphs and the "Table of Contents" were changed/renumbered to reflect this paragraph move. • Paragraph 7.10 **[Adjoining Properties]** was modified to incorporate the new Business Tariff Code "BUSA", being a new code for the GV2025 to be implemented 1 July 2025. • Paragraph 8.2 was modified to allow for an additional R100 000 Reduction for Indigent consumers over and above the total of R250 000 Reduction/Exclusion already granted to owners of residential properties. • Sub-Paragraph 13.2 was added to set the specific effective date to be the registration date of a Sectional Title Scheme Unit. This date would be used when a Supplementary Valuation is compiled and implemented. • The code "BUSA" (similar to the code "RESA") was added to the code table in paragraph 18.1. • The Effective Date - 01 July 2025
Indigent Policy	**Appendix 7- Indigent Policy 2025/2026** Various aspects of the 2025/2026 Indigent Policy were modified to include changes that enhanced or fine-tuned the application of the current policy. The "Table of Contents" was updated to record the applied changes. **Minor Corrections and document layout improvements** Various grammatical, language changes and layout improvements were applied to enhance the readability of the document. The details of such may be traced via the ***"Track Changes"*** that has been activated in said document. **Substantial Changes** • *Paragraph 5:* the word "cost" was replaced with the word "costs". • *Paragraph 5.2:* A new sub-paragraph (h) was added to ensure flexibility for the processing of indigent consumers, who occupy property which the CFO may approve as being eligible to receive selected indigent subsidies. • *Sub-Paragraph 5.4(f):* a mandate has been added to ensure the consent signature of an indigent consumer for a metering device before approval by the Municipality of an indigent application. • *Sub-Paragraph 5.5(b):* ➢ *The maximum qualifying income level defined as the Indigent Income Threshold for a household as described in paragraph 5.2 of this Policy will be equal to or less than R 7 500 per month.* ➢ The requirement for documents for submission by an indigent consumer has been extended to include the latest three month's Bank Statements or other acceptable proof of income "as may be required by the Municipality".

Policy/ By-law	Summarized Nature of change
	• *Paragraph 5.7.2:* the heading sentence to this paragraph has been modified to incorporate the limitation that "Free basic services" is only available "on the Stellenbosch municipal electricity grid". There are no guarantees for "Free basic services" if the service is supplied by any other supplier. • *5.10 Conditions of burial of indigent persons were added- (a) At least two working days' notice and paperwork is required from the approval of the application for a burial.* • *Sub-Paragraph 9(c):* this sub-paragraph has been modified for flexibility such that the mandate for formal renewal processes is now an optional requirement for indigent consumers receiving government pension. Said indigent consumer must nonetheless annually submit their ID in person. Effective Date – 01 July 2025.
Credit Control and Debt Collection	**<u>Appendix 8- Credit Control and Debt Collection Policy 2025/2026</u>** Various aspects of the 2025/2026 Credit Control and Debt Collection Policy were modified to include changes that enhanced or fine-tuned the application of the current policy. The list below demonstrates such changes and serves the purpose to highlight the changes: **Minor Corrections and document layout improvements** Various grammatical and language changes and layout improvements were applied to enhance the readability of the documents. The Table of Contents were updated to record the applied changes. The details of such may be traced via the ***"Track Changes"*** that has been activated in said document. **<u>Substantial Changes</u>** • Paragraph 4, the second paragraph item, regarding the deposits/bank guarantees in reference to the amount of an increase the term ***"or more"*** was removed and by implication limiting the increase to "up to three times". • A new paragraph 20 "LEGISLATIVE CONTEXT" was added to incorporate the legal documents that enforce the legal status of the Policy. • Some paragraphs were renumbered to incorporate the insertion of the new paragraph 20. • Effective Date – 01 July 2025.
Irrecoverable Debt Policy	**<u>Appendix 9- Irrecoverable Debt Policy 2025/2026</u>** Various aspects of the 2025/2026 Irrecoverable Debt Policy were modified to include changes that enhanced or fine-tuned the application of the current policy. The main purpose of the change was to add the details of the "Contact of Responsible Office". The list below demonstrates such changes and serves the purpose to highlight the changes. **Minor Corrections and document layout improvements**

Policy/ By-law	Summarized Nature of change
	No grammatical and language changes or layout improvements were applied to the document. The details of other specific changes may be traced via the ***"Track Changes"*** that has been activated in said document. **<u>Substantial Changes</u>** • Paragraph 6 was added to reflect the contact details of the "Responsible Office". • Some paragraphs were re-numbered and the "Table of Contents" were updated to reflect the revised paragraph numbers and pages. • Effective Date – 01 July 2025
Tariff Policy	**<u>Appendix 10- Tariff Policy 2025/2026</u>** Various aspects of the 2025/2026 Tariff Policy were modified to include changes that enhanced or fine-tuned the application of the current policy. **No changes were applied to the Tariff By-law.** The list below demonstrates such changes and serves the purpose to highlight the changes. **Minor Corrections and document layout improvements** Various grammatical and language changes and layout improvements were applied to enhance the readability of the document. The Table of Contents was updated to record the applied changes. The details of such may be traced via the ***"Track Changes"*** that has been activated in said document. **<u>Substantial Changes</u>** • Paragraph 3 (f) was modified to provide for the optional context for raising a surplus or for granting a discount for a service. • Paragraph 3 (g) was modified to provide for the optional promotion of local economic development for specific users through special tariffs. • Paragraph 4 (c) [*Rates Services*] was modified to allow for the finance of a shortfall on Economical services. • Paragraph 6.1(b)(i) was modified by replacing the words "to recover" with the words "considering the recovery of". • Paragraph 7 was added to reflect the contact details of the "Responsible Office". • Some paragraphs were renumbered, and the "Table of Contents" was updated to reflect the revised paragraph numbers and pages.
Special Rating Area Policy	**<u>Appendix 11- Special Rating Area Policy 2025/2026</u>** Various aspects of the 2025/2026 Special Rating Area Policy were modified to include changes that enhanced or fine-tuned the application of the current policy. **Minor Corrections and document layout improvements** Various grammatical and language changes and layout improvements were applied to enhance the readability of the document. The "Table of Contents" was

Policy/ By-law	Summarized Nature of change
	updated to record the applied changes. The details of such may be traced via the ***"Track Changes"*** that has been activated in said document. **<u>Substantial Changes</u>** • Sub-Paragraph 3.3(b) – corrected the paragraph reference from the faulty 8.12.5 to the correct reference 8.1.5. • Sub-Paragraph 10.1.5 – word spelling corrected to "indicating". • Sub-Paragraph 10.3.2 – word spelling corrected to "ending instead of "end"". • Paragraph 17 was added to reflect the contact details of the "Responsible Office". • Some paragraphs were renumbered, and the "Table of Contents" was updated to reflect the revised paragraph numbers and pages. • The Effective Date – 01 July 2025
Credit Control and Debt Collection By-law	**<u>Appendix 12- Credit Control and Debt Collection By-law 2025/2026</u>** Changes were also applied to the Credit Control and Debt Collection By-law. Thus, the By-law document must be promulgated. The list below demonstrates such changes and serves the purpose to highlight the changes: **Minor Corrections and document layout improvements** Various grammatical and language changes and layout improvements were applied to enhance the readability of the documents. The Table of Contents were updated to record the applied changes. The details of such may be traced via the ***"Track Changes"*** that has been activated in said document. **<u>Substantial Changes – The By-Law</u>** • Paragraph 1 – "Definitions": A new definition for "Irrecoverable Debt Policy" has been added to cover the term's use in Paragraph 8(6). • Paragraph 1 – "Definitions": The sub-paragraphs term "occupier", were modified by changing the use of the word "those" to the word "said" making for explicit reference to "premises". • The By-law must be promulgated in the Provincial *Gazette*. • Effective Date – 01 July 2025
Special Ratings Area By-law	**<u>Appendix 13- Special Rating Area By-law 2025/2026</u>** Changes were applied to the Special Rating Area By-law. Thus, the By-law document must be promulgated. The list below demonstrates such changes and serves the purpose to highlight the changes: **Minor Corrections and document layout improvements** Various grammatical and language changes and layout improvements were applied to enhance the readability of the document. The "Table of Contents" was

Policy/ By-law	Summarized Nature of change
	updated to record the applied changes. The details of such may be traced via the ***"Track Changes"*** that has been activated in said document. **<u>Substantial Changes</u>** • The Definition of paragraph 1 "additional rate" was reworded by for readability adding the words "and as described". • Sub-Paragraph 7(1)(b) – was modified to allow optional serving of the notices regarding the advertising of objections and that electronic mailing may be used for posting purposes. • Sub-Paragraph 8(3) – was reworded for readability. • Sub-Paragraph 9(b) – was reworded such that the budget update upon a change to a limited special rating area is an optional requirement. • Sub-Paragraph 11(7) – corrected the item numbering. • Sub-Paragraph 12(2) – added the reference to the "Stellenbosch Indigent Policy" when applying optional levy discounts. • The By-law must be promulgated in the Provincial *Gazette*. • The Effective Date
Rates By Law	**<u>Appendix 14- Rates By- Law 2025/2026</u>** Changes were applied to the Rates By-law. Thus, the By-law document must be promulgated. The list below demonstrates such changes and serves the purpose to highlight the changes: **Minor Corrections and document layout improvements** Various grammatical and language changes and layout improvements were applied to enhance the readability of the document. The details of such may be traced via the ***"Track Changes***" that has been activated in said document. **<u>Substantial Changes</u>** • Paragraph 4(1) – Was modified to reflect the mandate of the Council regarding the review and adoption of the Rates By-Law. • The By-law must be promulgated in the Provincial *Gazette*. • The Effective Date - 01 July 2025.
Development Charges Policy	**Development Charges Policy 2025/26** **<u>Appendix 15- Minor Corrections and document layout improvements</u>** Various grammatical and language changes and layout improvements were applied to enhance the readability of the document. The details of such may be traced via the **"Track Changes"** that has been activated in said document. **<u>Substantial Changes</u>** **1.** DEFINITIONS

Policy/ By-law	Summarized Nature of change
	In this policy, unless the context indicates otherwise - **1.1** '**Amendment Act**-means the Municipal Fiscal Powers and Functions Amendment Act, 4 of 2024; **1.2** '**applicant**' means a person or entity contemplated in section 45(1) of the SPLUMA who submits a land development application; **1.3** **'bulk service'** means the capital infrastructure assets associated with that portion of an external engineering service which is intended to ensure provision of municipal infrastructure services for the benefit of multiple users or the community as a whole, whether existing or to be provided as a result of a development in terms of the MSDF; **1.4** **'capacity'** means the extent of availability of a municipal infrastructure service, based on the capital infrastructure asset or combination of capital infrastructure assets installed for provision of such municipal infrastructure services; **1.5** **'capital infrastructure asset'** means land, property, building or any other immovable asset, including plant and equipment that accede thereto, which is required for provision of a municipal infrastructure service, limited to immovable; **1.6** **"community facilities"**, including play equipment, street furniture, crèches, clinics, sports fields, indoor sports facilities or community halls; conservation purposes, energy conservation, climate change; or ~~engineering services~~ infrastructure linked thereto. **1.7** **'developer'** means a person or entity intending to implement or implementing or undertaking land development; **1.8** **'development charge (DC)'** means a charge levied by the Municipality or a Municipal Planning Tribunal in terms of section 40(7)(b) of, and contemplated in section 49 of, the SPLUMA, which must- - contribute towards the cost of capital infrastructure assets required to meet increased demand for existing and planned external engineering services; or - contribute towards the cost of capital infrastructure

Policy/ By-law	Summarized Nature of change
	assets required to meet increased demand for existing and planned external engineering services and the cost of land for parks and open spaces if the land development application provides for the use of land for residential purposes; (c) contribute towards the costs referred to in (a) and (b) and, with the approval of the Minister, the cost of municipal services other than engineering services **1.9** '**MSDF**' means the current Stellenbosch Municipal Spatial Development Framework contained in the Municipality's approved Integrated Development Plan, as amended from time to time; **1.14** 'internal engineering service' means an engineering service within the boundaries of a land area which is necessary for the use and development of the land area concerned and which is to be owned and operated by the Municipality or private owner; **1.20** '**Planning By-Law'** means the Stellenbosch Municipality: Land Use Planning By-Law published in the Western Cape Provincial Gazette Extraordinary of 9 June 2023, as amended from time to time-; **1.24** 'Planning By-Law' means the Stellenbosch Municipality: Land Use Planning By-Law published in the Western Cape Provincial Gazette Extraordinary of 9 June 2023, as amended from time-to-time; **1.26** 'Systems Act' means the Local Government: Municipal Systems Act, 2000, Act 32 of 2000 ("MSA"); and In this policy, unless the context indicates otherwise, the singular includes the plural and vice versa. **2. Introduction** 2.2 The word But was replaced with However. 2.3 The word should was added to the paragraph and opportunity was changed to opportunities. 2.8. The paragraph below was rephrased to improve readability. The Amendment Act, which has been assented to on 6 June 2024, but which will only take effect on a date to be determined by the President by proclamation in the Government Gazette, provides for a uniform, consistent, transparent and

Policy/ By-law	Summarized Nature of change
	equitable basis on which municipalities can calculate and levy development charges on developers. **3. LEGISLATIVE (REGULATORY) FRAMEWORK** **3.2 Relevant legislation** Attention is invited to the provisions of the following legislation. The Constitution of the Republic of South Africa, 1996 ('Constitution'). •The Constitution- was replaced with The National Constitution of the Republic of South Africa, 1996 ('Constitution'). The Systems Act • Local Government: Municipal Systems Act, 32 of 2000 – ('MSA'). Was replaced with the Systems Act Zoning Scheme •Stellenbosch Municipality: Zoning Scheme By-Law 2019 –('Zoning Scheme') was replaced with Zoning Scheme 3.2.1 The words National Constitution was replaced with The Constitution in the heading of this section. 3.2.2 **The Systems Act** See Appendix "A" for relevant sections of the Systems Act. Essentially the Systems Act deals with the empowerment of local authorities to provide municipal services for the benefit of the local community as well as the funding thereof by charging service charges or fees for covering the costs thereof. This is achieved by applying tariffs that must reflect the costs reasonably associated with rendering the service, including capital, operating, maintenance, administration and replacement costs, and interest charges. DCs are not intended to fund municipal services being rendered. 3.2.3 The words Spatial Planning and Land Use Management Act, 16 of 2013 –('SPLUMA') was replaced with THE SPLUMA in this section. 3.2.4 The words Western Cape: Land Use Planning Act, 3 of 2014 – ('LUPA') was replaced with LUPA, in this section. In the first bullet the word "the" was removed. 3.2.5 **Zoning Scheme** **"Development charges in terms of this scheme"**

Policy/ By-law	Summarized Nature of change
	34,(1) The calculation of development charges and whether or not a development charge is payable, shall be subject to the municipality's policy adopted in this regard. (2) Where the full extent of the primary development rights attached to a property has not been taken up, additional development charges will be applicable when the remainder of such extent of permissible development rights is exercised, and any credit for development charges will only amount to the extent of the legal historic development of the property in terms of which the service demand has already been accounted for in the bulk service networks. The onus of proof for the payment of any development charge in the past is on the developer. (3) Where the provisions in a particular zone identifies that a development charge is payable for intensified primary development rights which came into operation as a result of this scheme, and where the owner intends to develop according to such intensified rights, such development charge shall be calculated when the building plan is submitted, and shall be paid prior to the approval of said building plan which takes up such additional rights or part thereof. (4) Where an application is made in terms of planning law, or where application is made for additional use rights or permissions in terms of the scheme, the municipality may impose a condition related to development charges payable where said approval leads to the intensification ~~of land use beyond the primary rights~~ which was originally approved on the property. (5) Unless alternative agreement is reached in writing between the owner and the Municipality, no building plan shall be approved for any property where an outstanding development charge is payable." [NOTE: 'Owner' to be read as a 'developer' as defined.] **3.2.2 (a) Municipal Fiscal Powers and Functions Act, 12 of 2007 – ('Fiscal Powers Act')** This Act was adopted to regulate the exercise by municipalities of their power to impose surcharges on fees for services provided under section 229 (1) (a) of the Constitution; to provide for the authorisation of taxes, levies and duties that municipalities may impose under section 229 (1) (b) of the Constitution; and to provide for matters connected therewith. The date of its commencement is 7 September 2007. This Act applies to municipal surcharges and municipal taxes referred to in section 229 of the Constitution, *other than* rates on property regulated in terms of the Local Government: Municipal Property Rates Act, 2004, and municipal base tariffs regulated

Policy/ By-law	Summarized Nature of change
	under the Local Government: Municipal Finance Management Act, 56 of 2003, the Systems Act~~,~~ or sector legislation. **(b) The Amendment Act** On 6 June 2024 the President assented to the Amendment Act but it will only take effect on a date to be determined by the President by proclamation in the Government Gazette. Those Policy Frameworks have since been converted into a memorandum of objects to the precursor of the Amendment Act, ie the Municipal Fiscal Powers and Functions Amendment Bill. It was part of the document that was published for public comments in the 2020 Government Gazette which ultimately culminated in the Amendment Act. Therefore, in the formulation of this policy document, the focus has been to bring it in line with the underlying thinking encountered in the Amendment Act and the documents and processes leading up to it. The purposes of the Amendment~~ Act *inter alia* include to amend the~~ 2007 Act, so as to regulate the power of municipalities to levy development charges; to set out the permissible uses of income from development charges; to provide for the basis of calculation of development charges; to provide for municipal development charges policies, community participation and by-laws; to provide for the installation of external engineering services by developers instead of payment of development charges; to provide for the consequences of non-provision of infrastructure by a municipality; to provide for rebate and exemption on the payment of development charges~~-~~; to provide for dispute resolution, delegations and financial misconduct and transitional provisions relating to development charges; ; and to amend the SPLUMA. Essentially the Amendment Act seeks to regulate the power of municipalities to levy development charges in respect of a land development application submitted to the Municipality in terms of section 33(1) of SPLUMA or a municipal planning by-law. Clause 4 of the Amendment Act inserts **Chapter 3A**, which deals with development charges and *inter alia*: - provides for a power for municipalities to levy development charges and establishes the basis on which

Policy/ By-law	Summarized Nature of change
	they are calculated (Clause 9A); - allows a municipality which decides to levy development charges grant a rebate for a category of applicants or category of land developments through reducing the development charges payable or to exempt them from paying development charges where it has set out a criteria for such rebate or exemption in its policy on development charges (Clause 9E); - permits a municipality to set off the cost of infrastructure installed by the developer against a development charge (Clause 9G); - deals with the consequences of a municipality not providing infrastructure for which a developer has paid a development charge (Clause 9H) - provides for a mechanism to resolve disputes for a person whose rights are affected by a decision regarding development charges (Clause 9J). The Amendment Act is to amend the SPLUMA, including *inter alia* inserting the following definitions: - **'**bulk engineering services**'** means capital infrastructure assets associated with that portion of an external engineering service which is intended to ensure delivery of municipal engineering services for the benefit of multiple users or the community as a whole, whether existing or to be provided as a result of development in terms of a municipal spatial development framework. - 'link engineering services' means the capital infrastructure assets associated with that portion of an external engineering service, which links an internal engineering service to the applicable bulk engineering services. The Amendment Act restricts the scope of engineering services to those already covered in the current definition of engineering services provided in the SPLUMA. These are the provision of water, sewerage, electricity, municipal roads, storm water drainage, gas and solid waste collection and removal required for the purpose of land development. However, some level of flexibility has been provided for municipalities to levy development charges on municipal

Policy/ By-law	Summarized Nature of change
	services other than engineering services with the approval of the Minister of Finance. The Amendment Act also proposes the following amendments to the SPLUMA. - Section 9A(1)(a) will empower a municipality to levy a development charge in respect of a **land development application** as contemplated in section 33(1) read with section 45 of the SPLUMA. - Section 9A(4) will require that the amount of a development charge must be- o **proportional** to the extent of the demand that the land development is projected to create for **existing or planned bulk** engineering services; and o calculated on the basis of a **reasonable assessment of the costs** of providing existing or planned **bulk** engineering services. Footnote was added- 1 Natal Joint Municipal Pension Fund v Endumeni Municipality 2012 4 SA 593 (SCA) on page 15. **5. KEY PRINCIPLES OF THE POLICY** **5.3.2 Predictability:** Development charges should be a predictable, legally certain, and reliable source of revenue to the Municipality for providing external engineering services and should be clearly and transparently accounted for. In order to promote predictability in municipal finance systems, the costs associated with municipal capital infrastructure assets provided expressly to benefit poor households should be established before rebates or exemptions are applied in a transparent manner to fund the liability. **6. OBLIGATION TO IMPOSE A DEVELOPMENT CHARGE** **6.2. Development Charges do not apply** Development charges do not apply to the following types of land use applications, as the impact of these land uses have an insignificant impact on engineering services infrastructure and these uses have a social and/or economic benefit to the Municipality and/or the community: 6.2.1 Home / non-commercial Early Childhood Development ("ECD") centres that serve the surrounding community.

Policy/ By-law	Summarized Nature of change
	(Commercial ECD centres are dealt with below). 6.2.4 Second dwellings – up to a total maximum of five bedrooms per erf will not trigger a development charges payment. 6.2.5 Houses or rooms in houses converted to student rooms / communes - up to a total maximum of five bedrooms per erf will not trigger a development charges payment. Bedrooms beyond five will be charged per room under the "Student accommodation / Commune / Hostels" DC category. 6.2.6 Houses or rooms in houses and in second dwellings converted to guest houses - up to a total maximum of three bedrooms per erf will not trigger a development charges payment. Bedrooms beyond three will be charged per room under the "Guest House" DC category. 6.2.7 Schools and Early Childhood Development ("ECD") centres: Development Charges do apply but, in order to take account of low car ownership in less affluent areas where a high proportion of learners walk to school, a trip reduction factor of 80%, in accordance with TMH17, must be applied to schools allocated to Quintiles 1 to 4 of the Western Cape Government Education Department's poverty index classification. The same applies to commercial ECD centres in the feeder areas of these schools. **7. CALCULATION OF DEVELOPMENT CHARGES** 7.4. The basis upon which development charges unit costs of the civil services and community services will be determined, as envisaged in paragraph 7.7, shall be consistent with Chapter 3A to be inserted into the Fiscal Powers Act by section 4 of the Amendment Act. 7.5. The basis upon which development charges will be determined i.t.o.in terms of electricity will be as per NRS 069: Code of practice for the recovery of capital costs for distribution network assets or in terms of any existing of future municipal policy relating to electricity DCs. 7.8. No adjustment factor between 2021/22 and 2022/23 was approved by the Municipal Council as the new the unit costs were recalculated from scratch. As an escalation factor is still required in some instances, for instance to escalate the value of work done in lieu of DCs over multiple financial years, this increase is hereby confirmed as 14.7415%. **8. ADJUSTMENT FOR ACTUAL COSTS OR USAGE** 8.1.1. there are exceptional circumstances, as motivated by the developer and if accepted by the Municipal Council, justify such an increase or reduction. An exceptional circumstance will typically be in the event that it is discovered that a gross error has occurred in the

Policy/ By-law	Summarized Nature of change
	determination of the development charges tariffs, or 8.1.2. a particular land development significantly exceeds the size or impact thresholds set out in the applicable development charges tariff tables, or 8.1.3. the usage of a particular land use varies significantly from the usage of the approved development charges tariff tables and of which the actual usage is motivated by a professional engineer and can be justified by means of recognised engineering guidelines and/or industry norms and standards or, 8.1.4. where a development is situated outside the urban area, and it is not connected to or uses the bulk infrastructure allowed for in the development-charge calculation, because it is providing its own bulk services (e.g. private borehole water supply and waste water package plant), then that portion of the development charge must be removed from the calculation, and the developer must pay for the installation of his own bulk infrastructure to the approval of the Engineer or, 8.2.1 the developer is responsible for the costs of performing the calculation of such adjustment, which must be carried out by a registered professional civil engineer acceptable to the Municipality and appointed by the developer with appropriate experience and expertise having regard to the nature and extent of the proposed land use; and **9. INSTALLATION OF EXTERNAL ENGINEERING SERVICES INSTEAD OF THE PAYMENT OF DEVELOPMENT CHARGES** 9.1. The Municipality may agree with a developer that the developer installs all or part of the external engineering bulk services required for an approved land development instead of the payment of the applicable development charge. Such agreement shall be in writing and any work performed by the Developer prior to such an agreement being in place, shall be at the developer's own risk. 9.3.2. the Municipality must include the applicable capital infrastructure asset gain in its next adjustments budget, in accordance with regulations relating to asset gains, made in terms of the Local Government: Municipal Finance Management Act 56 of 2003. This information must be provided, in a format acceptable to the Municipality, by the registered professional civil engineer appointed by the Developer for

Policy/ By-law	Summarized Nature of change
	the project and prior to any subdivision clearance or building plan approval (whichever comes first). 9.7. "Upon the "developer" having complied with all the terms and conditions for the installation of municipal services in lieu of development charges in terms of an engineering services agreement the "Municipality" undertakes to value the total cost of the "municipal services" installed., Such valuation will be based on the payment certificates as certified by the professional consulting engineer. The total value as per the final payment certificate of the project will be used to determine the total cost of the "municipal services installed". If the project has been completed in a previous financial year, the total completion value (as normally indicated on the final payment certificate) can be escalated to the year at which time DC payment is to be made. The escalation rate will be the same as the DC annual escalation as approved by the Municipal Council. The outstanding amount of development charges payable will be reduced by the value of such "municipal services" installed. The outstanding amount will be payable before a clearance certificate is issued by the Municipality, or before an occupation certificate is issued (where clearance certificate is not applicable) or by any stage as indicated by the Municipality in the approval conditions for that development. If there is no outstanding amount due, i.e. if the developer has spent more than the DC amount payable, a financial reconciliation must still be submitted by the consulting engineering to the Municipality for their consideration and approval, prior to the issuing of any clearance or occupation certificate. **10. NON-PROVISION BY THE MUNICIPALITY** 10.1. Where the Municipality has agreed to install the required external engineering services and fails to do so within a period of twelve months from the date for completion stipulated in such agreement, the Municipality must return the applicable portion of the development charge paid by the developer which is attributable to the failure, to the developer, with interest charged at the applicable rate for debts owed to the State. 10.2.2. an engineering services agreement, or such a revised agreement, in terms of which the developer agrees to install the required external engineering services in whole or in part and, where agreeing to install in part, the time period within which the Municipality will install those external engineering services for which it remains responsible:

Policy/ By-law	Summarized Nature of change
	provided that the extended time period for installation by the Municipality may not exceed twenty-four months and provided further that where the Municipality completes its portion of the installation within such extended time period, it has no obligation to return that portion of the development charge or any interest thereon paid by the developer which pertains to the external engineering services installed by the Municipality, to the developer. **12. REBATES, EXEMPTIONS AND DISCOUNTS** 12.1. The Municipality may only grant a rebate for a category of applicants or a category of land developments through reducing the development charge payable in respect thereof or exempt a category of applicants or a category of land developments from paying development charges if it meets one or more of the following criteria: • The applicant for a rebate or exemption must be a registered non- profit or charitable community organisations undertaking social development projects that is beneficial to the community and/or where the applicant is able to demonstrate how the proposed development will have a social and/or economic benefit to the Municipality. The use of any land or buildings, or any part thereof, shall not be for the private financial benefit of any individual, including as a shareholder in a company or otherwise. • If the bulk engineering services for the land development concerned have been budgeted to be funded through a transfer from another sphere of government, a rebate or exemption may be granted to the extent of that transfer. 12.2 Examples of land uses that qualify for automatic exemptions, are the following: • All government subsidised housing programmes will be automatically exempt from DCs. These housing projects are approved by the Municipal Council as per the Housing pipeline prior to implementation and such approval should include financial commitments regarding the provision of bulk services for these projects. Such projects would also typically qualify for government grants to fund the upgrade of bulk infrastructure. It is thus not necessary for development

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	charges if the provision of bulk services is to be funded by alternative funding sources. If any bulk upgrades are identified to accommodate the new development during land use approval, then the onus will be on the Municipal Council to allocate the required funds to the budget as part of the project implementation. 12.3 Examples of land uses that may potentially qualify for rebates, subject to council approval, are the following: • Public schools, public hospitals, public clinics and other public infrastructure projects developed and funded by government which provides a service to especially the poorer communities may qualify for a potential rebate. These projects will have a social and economic benefit to the communities and the Municipality in its whole and in so doing will alleviate some institutional and financial pressure on the Municipality in terms of providing social infrastructure and social development programmes. 12.5. Applications and motivations for rebates must be in writing and addressed to the Director: Infrastructure Services for evaluation, calculation of the applicable development charge as if it were payable, and submission of a recommendation to the Stellenbosch Municipal Council for consideration. Such submission must clearly indicate how the application meets the criteria of 12.1 and / or 12.3 above. Should the submission/motivation fail to prove that it meets these required criteria, it will not be recommended to the Municipal Council for consideration. 12.6. If a subsidy rebate is granted, the Municipal Council must set out the reasons for its decision, must identify the alternative funding source for the required bulk engineering services to the value of the rebate, and must budget for and/or obtain funding from an alternative source to the value of the subsidy. 12.7. Before the Municipality grants an individual subsidy, the (responsible municipal department (indicated in brackets below) must: 12.7.1. ensure that the revenue to be forgone as a result of any rebate approved by the Municipal Council is reflected in the Municipality's budget (Finance);

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	12.7.2. must provide for budgetary provision for the realisation of the revenue forgone to be made, from another realistically available source of revenue (Finance); 12.7.3. ensure that the monetary value of the rebate, together with the amount of any other payment or payments received by the Municipality towards the capital costs of external engineering services for an approved land development, is at least equal to the development charge calculated in accordance with paragraph 12.4.1. (Infrastructure and Finance) 12.8. A discount for Inclusionary housing units/erven will be applicable if approved by the Municipal Council in the Stellenbosch Municipality's Inclusionary Zoning Policy,2023 (as amended from time to time). The discount will be based on the discount rate approved in the aforementioned policy. **13. SPECIAL ARRANGEMENTS** 13.3. Deviation from parking ratios and development charges Iin lieu of Parking bays: If the development is located in an area where in the opinion of the Municipality the lack of sufficient on-site parking is currently causing problems, payment of parking development charges in lieu of providing parking bays will not be permitted and the required parking ratio as defined in the Zoning Scheme must be complied with. Some or all of the following criteria, at the sole discretion of the Municipality's Roads, Transport & Stormwater department, must be met before a development charges payment in lieu of parking bays will be favourably considered: • If located in the historical CDB core where buildings were historically approved with limited parking provision; • When a development is situated within a 500m radius of a public transport hub or facility; • When a development is situated along a primary functional public transport route – provided that the necessary embayment required, is provided; • When a development is situated along a primary Non-Motorised Transport. route (as defined by the Non-motorised

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	Transport Masterplan) – provided that the necessary facilities are in a functional condition state; 13.4. Provincial roads outside of the urban boundaries are not allowed for. For provincial Roads within the urban boundaries, 20% of the value thereof has been allowed for in the determination of the development charges tariffs and therefore this percentage will be allowed to be offset from development charges where constructed by the Developer in terms of an engineering services agreement. The offsetting of development charges against the full cost of provincial road upgrades would result in an under-recovery of development charges for municipal roads. Exception is upgrades to intersections between municipal and provincial roads, where the full amount can be offset from development charges. 13.7 & 13.8 minor grammatical changes were made to the words development charges. 13.9. Where a service other than a bulk service needs to be modified/relocated in order to accommodate a development, and such modification/relocation is the Municipality's responsibility, but cannot be implemented by the Municipality due to time and/or budget and/or operational constraints, such work may be set off from DCs. An example would be if a municipal service is located on private property, without a servitude, and such service needs to be relocated to allow building work. **Relevant statutory provisions (page 29 - 34)** • The National Constitution – ('Constitution') was replaced with The Constitution • Stellenbosch Municipality: By-Law 2019 – ('Zoning Scheme') was replaced with Zoning Scheme *The following sections were updated or removed under relevant statutory provisions:* *20. Development charges in terms of this scheme* (updated section provided) *89. Development charges in the Multi-Unit Residential Zone* (deleted) *102. Development charges in the Local Business* zone (deleted) *115. Development charges in Mixed Use zone* (deleted) *128. Development charges in the Industrial zone* (deleted) *140. Development charges in the Education zone (deleted)* *151. Development charges in Community zone (deleted)*

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	162. Development charges in the Utility Service Zone (deleted) *172. Development charges in the Transport Facilities zone (deleted)* *219. Development charges in the Agriculture and Rural Zone (deleted)* **The Systems Act, 32 of 2000 – ('MSA')** According to the Systems Act a 'municipal service' means a service that a municipality is empowered to provide and which it provides or may provide to or for the benefit of the local community. Irrespective of whether such a service is provided (or to be provided) by the municipality through an internal mechanism or by engaging an external mechanism. • Section 4 (1)I provides that the council of a municipality has the right to finance the affairs of the municipality by o charging fees for services; and o imposing surcharges on fees, rates on property and, to the extent authorised by national legislation, other taxes, levies and duties. • Section 4(2) provides that the council of a municipality, within the municipality's financial and administrative capacity and having regard to practical considerations, has the duty inter alia to- o exercise the municipality's executive and legislative authority and use the resources of the municipality in the best interests of the local community; o strive to ensure that municipal services are provided to the local community in a financially and environmentally sustainable manner; and o promote and undertake development in the municipality. • According to section 11(3) a municipality exercises its legislative or executive authority inter alia by imposing and recovering rates, taxes, levies, duties, service fees and surcharges on fees, including setting and implementing tariff, rates and tax and debt collection policies. • Section 74 of the Systems Act requires that a municipal council must adopt and implement a tariff policy on the levying of fees for municipal services provided by the municipality itself or by

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	way of service delivery agreements, and which complies with the provisions of the Systems Act and any other applicable legislation. In terms of section 74(2) a tariff policy must inter alia reflect at least the following principles, namely that- o tariffs must reflect the costs reasonably associated with rendering the service, including capital, operating, maintenance, administration and replacement costs, and interest charges; o tariffs must be set at levels that facilitate the financial sustainability of the service, taking into account subsidisation from sources other than the service concerned; o the extent of subsidisation of tariffs for poor households and other categories of users should be fully disclosed. • Section 75A of the Systems Act deals with the general power of municipalities to levy and recover fees, charges and tariffs. It provides that a municipality may- o levy and recover fees, charges or tariffs in respect of any function or service of the municipality; and o recover collection charges and interest on any outstanding amount.
Wayleave- Policy	**<u>Appendix 16- Wayleave Policy 2025/26</u>** **Minor Corrections and document layout improvements** Various grammatical and language changes and layout improvements were applied to enhance the readability of the document. The details of such may be traced via the ***"Track Changes"*** that has been activated in said document. **<u>Substantial Changes</u>** **1.2 Need for Co-ordination (page 5)** • It is imperative that permission for all Work conducted in the public road reserves and in Municipal Land is carefully controlled and co-ordinated to avoid disturbance to service delivery and public inconvenience. This responsibility resides with the Stellenbosch Municipality and its infrastructure services departments to continuously improve the capability to provide such service.

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	• As the custodian of all municipal road reserves, the Infrastructure Roads, Transportation and Stormwater Department is vital to initiate a programme that would establish the necessary co-ordinated activities and policies regarding Work conducted in public road reserves. This wayleave policy document (this document) is the first deliverable of the programme. This initiative was later transferred to the Asset Management and Systems (Wayleaves) Unit. This document attempts to provide a basic framework for ensuring proper co-ordination and co-operation between the various departments as well as external parties who conduct Work in public road reserves and Municipal Land. **1.3 Establishing a Wayleave Department (page 6)** The Infrastructure Services Directorate has identified that this co-ordination function will need to: • Improve the interdepartmental communication on annual Work plans and the execution of such Work; • Coordinate and regulate all Work carried out within the public road reserves and Municipal Land; • Minimise the danger and inconvenience to the public; • Minimise the disturbance and damage to existing Services; • Reduce and prevent illegal works carried out in the road reserves and Municipal Land; • Reduce the number of legal claims; and, • Promote the use of technology, such as Geographical Information Systems (GIS) to locate Services, • Assist in protection and safe guarding of the municipality infrastructure assets. In order to effectively implement and sustain such a function for a Wayleave Department and a Technician (collectively the Asset Management & Systems (Wayleaves) Section) are being established within The Stellenbosch Municipality. The four essential tasks that must be accomplished in the process of establishing the Wayleave Department and the Technician are: ➢ Establishing the necessary Council Policy in this regard (covered by this document); ➢ Establishing effective and simplistic procedures (covered by this document and detailed standard operating procedure); ➢ Establishing effective Municipal Bylaws (in the process of formation); ➢ Establishing an effective Organisational Structure (in the process of formation); and, ➢ Proper record-keeping of each approval and work done on-site (active). The process to develop the Policy included the following activities:

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	➢ Identifying and documenting the Stellenbosch Municipality requirements in terms of the Policy and procedures; ➢ Identifying representatives for both internal and external stakeholders to participate in the policy formulation process; ➢ Researching existing documentation and other information sources as provided by the Stellenbosch Municipality and representatives; • Facilitating workshops on the document; and ➢ Finalising documentation and getting approval from the Stellenbosch Municipality Council. **1.5 Supporting Documents (page 7)** Three supporting documents, which documents are incorporated and form part of this Policy. - Wayleave application form, - The General Wayleave Conditions. These general conditions may be amended by the Wayleave Department depending on the nature of the Work to be carried out, - Approved Wayleave or Approval letter, - Services Verification Meeting Record - Public Liability Insurance Checklist, - Wayleave Tariffs as approved per financial year, - Certificate of Works Completion. **2. Definitions (pg.8-11)** • The words Service Coordinator and the Council were replaced with Way Leave Department and Council respectively on pages 8 and 9. • **"Wayleave Department"** means a unit established by the Infrastructure Directorate with the sole responsibility to carry out the administrative functions of receiving and processing wayleaves applications, obtaining comments from the various internal departments, and conveying the decision in writing to the Applicant, namely, to approve with conditions, or reject with reasons, any wayleave application, and to provide record-keeping of each application and installation. • **"Technician"** means the person/official/institutional body identified by the Wayleave Department to coordinate and oversee any work undertaken in those sections of the public road reserves that fall within the Municipal area of Council. • **"Wayleave Holder"** means the individual, institution or organisation who is in possession of an approved wayleave issued by the Wayleave Department; • **"Wayleave Work Approval Document"** means the signed document/s issued by the Wayleave Department, detailing the Work which has been

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	approved and the period during which the Work shall be carried out, and includes approved drawings/plans as applicable and, requirements Conditions of approval; • **Road crossing(s)"** excavating a trench across the surfaced road to install infrastructure services **3.1 Overview (page 12)** 3.1.2 The co-ordination of Work schedules described under 3.1.1.1 above may result in specific co-ordination issues where the Wayleave Department, in consultation with the Technician, has to ensure that an acceptable solution is defined by the Service Agent(s) involved. 3.1.3 The role of the Technician is to facilitate coordination between the various Service Agents. Each Service Agent will have its own project leaders and Professional Engineers. They are responsible for the implementation of their projects together with compliance with Council's policies, procedures and standards. 3.1.4.2 Council intends to protect and safeguard all of its infrastructure assets/ services and other services belonging to external service providers, install within the road reserves and Municipal Land. However, Council does not take responsibility and cannot be held liable for any disturbance and/ or damages to the other services belonging to external/ other service providers. 3.1.4.4 All associated costs for temporary works, removal, relocating or upgrading of a Service owned by Council must be included in the project cost. **3.2 Planning Work Time Schedules (page 13)** 3.2.1.1 Within a designated time period from the approval of this Policy and publication of the by-laws, each external Service Agency shall provide Council with digital records of all of its services within the jurisdiction of Stellenbosch Municipality for capturing purposes. This will form the basis for all future planning and updating of new installations. 3.2.1.2 The various internal and external Service Agents shall submit Work Plans, for the next 1-year period to the Wayleave Department. 3.2.1.3 These Work Plans shall show: a) The nature of the Work, e.g. the placement of new watermains, or the replacement of a water/ sewer networks. b) The location of the Work in terms of street blocks and the side of the public road reserves where the Work will

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	be executed, with due regard for Councils typical cross-section for the public road reserves. c) The extent of the Work, i.e. the start and end positions. d) The planned timing of the Work, i.e. from month/year to month/year. e) Reference to the Work in the latest approved Integrated Development Plan of Council if applicable. 3.2.1.4 The Wayleave Department, in consultation with the Technician, shall review the Work plans in order to determine possible conflicts in the planned Work. 3.2.1.5 Before the end of June each year the Wayleave Department, in consultation with the Technician, shall schedule a Service co-ordination meeting with the internal and external Service Agents where the identified conflicts will be discussed and resolved. **3.3 Basic Wayleave Procedure (pages 13-16)** 3.3.1.1 Permission to work in the public road reserves and/ or in Municipal Land must be obtained from the Wayleave Department through a formal Wayleave application in the form of a letter describing the Work to be done with details and design drawings/plans. 3.3.1.2 The Wayleave Applicant must first obtain Service plans, indicating the positions of existing Services from the Service Agents / Owners identified by the Wayleave Department, where available. The Service plans must indicate the positions and type of Services in the area where Work will be undertaken. It may be necessary for the Applicant to carry out certain preliminary Work in order to determine precise positions and dimensions of any existing services which are not clear from the Service Plans which have been consulted. 3.3.1.3 The Wayleave Department shall arrange a Services Verification Meeting on behalf of the Wayleave Applicant to meet up with the necessary Service Owner or Agents. This will help facilitate the process mentioned in 3.3.1.2. The Wayleave Department shall only arrange a Services Verification Meeting once the Wayleave Applicant is in good standing in terms of any compliance with the Stellenbosch Municipality. 3.3.1.4 In the Services Verification Meeting, the Wayleave Applicant and the Wayleave Department shall ensure that the control section on the Services Verification Report form is signed by each Service Agent, indicating that in principle whether there are no objections to the issuing of the Wayleave to the applicant, where there is an objection then detailed reasons and motivations for such objection must be given. This approval will be subject to technical compliance with the standards of the Service Agents involved as well as compliance with the standards of Stellenbosch Municipality and the Work planned by Council within the area under consideration. 3.3.1.5 Once the Services Verification Report section has been completed by all the Service Agents, the application must be made for the

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	issuing of an Approved Wayleave in accordance with the procedure set out in this document. No Work in the public road reserves may commence before a Wayleave has been approved and issued to the applicant. 3.3.1.6 The Wayleave Department, in consultation with the Technician, will review the Wayleave application and prepare a report on the application, with recommendations. 3.3.1.7 The Wayleave Department shall submit the report to the Manager: Asset Management and Systems detailing the application, the various Service Agents consulted, their comments received, confirmation of payment of the processing fees and the relevant, and confirmation of the appointment by the Applicant of a Professional Engineer or Technologist if any excavation is involved in the proposed Works, and after consultation with the Technician, the proposed decision, with conditions to be imposed upon approval, or the reasons for refusal. 3.3.1.8 Once approved, the decision to approve with conditions, or to refuse with reasons, shall be forwarded by the Wayleave Department to the Applicant. In the case of approval, the documents forwarded to the Applicant will indicate approval of the application and the conditions under which the approval is given, the signed approved plans, signed Site Services Verification Record form and the signed Approved Wayleave. The applicant will be required to acknowledge receipted and understanding of the approved wayleave with stated requirements and condition, by signing and returning the signed copy of the approved wayleave. 3.3.1.9 The Work must be carried out according to this Policy and relevant support documents where applicable. 3.3.1.10 The Approved Wayleave and the Service plans of the Service Agents must be kept on-site while the Work is in progress. 3.3.1.11 Additional copies of the Approved Wayleave and approval documents may be obtained from the Wayleave Department if the Wayleave is applicable to more than one Work area or Work team. 3.3.1.12 Work will be stopped if the Approved Wayleave and relevant supporting documents are not available during inspections on-site or if any of the Wayleave Conditions are not being adhered to. Work will be stopped until the required documents are available on-site. 3.3.1.13 Failure to comply with the Approved Wayleave conditions may negatively impact future wayleave applications of the same applicant. This may include penalising and withholding wayleave approval of the applicant until the non-compliance has been rectified. 3.3.1.14 On completion of the Work, all trenches and excavations in the public road reserves must be Backfilled and Reinstated according to the specifications of the Technician, referred to by this document or as specified in the approved wayleave conditions.

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	3.3.1.15 On completion of the Work and permanent Reinstatement, a Certificate of Completion signed by the Wayleave Holder's Professional Engineer must be sent to the Wayleave Department by the Wayleave Holder. 3.3.1.16 The Technician must review the Completion Certificate as well as carry out an inspection of the site after receiving the Completion Certificate and sign the certificate confirming that all conditions have been met. 3.3.1.17 The applicable guarantee period will be stated in the letter of approval/ conditions (usually 12 months). 3.3.1.18 Work performed under an approved Wayleave can only be performed in normal working hours (Mondays – Thursdays 08:00-17:00 and Fridays 08:00-15h00). Working after hours, on public holidays or on the weekend is not permitted without authorisation from the Wayleave Department and other involved departments, except for cases of Emergency Work. Any unauthorised work performed outside of business hours will attract a penalty as per the approved Municipal Tariffs. This penalty will apply and must be settled before any new applications will be accepted from the Applicant who violated this requirement **3.4 Work in the Public Road Reserve (pages 16-** 3.4.2.1 Work relating to the installation or maintenance of underground or overhead Services by Council's Service Agents like Roads and Transportation, Water and Sanitation, Electricity, Community Services and Town Planning. 3.4.3 The types of Work for which prior wayleave approval from Wayleave Department can be waivered in areas where Works is deemed to be Emergency Work and must be undertaken according to the procedures set out in Section 3.17. However, the Applicant who will carry out the Works is required to contact, inform and attain approval (verbal/ written) from Councils' Service Agents from the operations department as listed in Service Verification Record form. The Applicant is required to complete this form and attain all the required signatures prior or after he/ she is granted approval by the Internal Services Agent and return the completed form to the Wayleave Department to finalise the wayleave application. **3.5 Wayleave (page 17-19)** 3.5.1 All Work in the public road reserves and in Municipal Land are controlled by a Wayleave. A Wayleave is simply permission to work at a specified time in a specified area in the public road reserves in accordance with the approved wayleave conditions and requirements. The wayleave must not be misconstrued as permission to build or install a structures or services or to plant or to connect a service. The onus is on the wayleave applicant or wayleave holder to ensure that he/ she attains all Council

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	required permissions and approvals prior to commencement with his/ her Works applied for in the wayleave. 3.5.3.3 Location of Work to be done. (Provision can be made for big projects with multiple locations. The scope of big projects must be limited to manageable portions from the Wayleave perspective. The Wayleave Department/ Technician will be able to direct project managers in this regard. 3.5.4.4 Approved Wayleave must be obtained before any approved Work may be done in the public road reserves. 3.5.6.6 Approved Wayleave will only be issued once all the requirements have been complied with and will be subject to any conditions specified in Section 3.3 and issued in terms of this Policy. 3.5.7 When the Wayleave Applicant is an Internal Council Department, then the Wayleave Applicant or Wayleave Holder is responsible and shall provide a written assurance that they will be responsible for obtaining the deposit or proof of sureties (see 3.5.5.3) and the appointment, either internally or externally, of a suitably qualified engineer to supervise the project (see 3.5.5.4) that are required to protect Council's interests. 3.5.8 The application for a Wayleave must be submitted timeously to ensure that the Wayleave can be issued before the Work is programmed to start. **WORK BEING CARRIED OUT IN THE PUBLIC ROAD RESERVE OR ON MUNICIPAL LAND WITHOUT A WAYLEAVE MUST BE REPORTED TO THE WAYLEAVE DEPARTMENT AND WILL BE STOPPED BY COUNCIL OFFICIAL ON SITE**. A copy of the Approved Wayleave and other supporting documents as defined must therefore always be on site when Work is being done in the public road reserves and on Municipal Land. 3.5.9 The Wayleave Department will strive to limit the duration of the application review approval process to thirty (30) working days. 3.5.10 The Wayleave Holder accepts full responsibility for all costs (Refer to Section 3.10) associated with and resulting from the Work carried out in the public road reserves. 3.5.11 Only Work described in the Approved Wayleave may be executed. If the conditions on-site necessitate a deviation from the planned Work, the Wayleave Department must be informed before any work is done. These deviations may be in relation to the placement of the Service or the timing of the Works. The Wayleave Department may inform the Wayleave Holder of additional approvals that must be obtained from the Service Agents affected by the deviation as well as further requirements in terms of drawings and specifications. Work will only be allowed

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	to continue once the Wayleave Department is satisfied that all the additional requirements have been met. 3.5.12 The Wayleave Holder must complete the Work within the time specified on the Approved Wayleave or the approved time extension. 3.5.14 If upon expiry of the notice period referred to in 3.5.12 or 3.5.13 the Wayleave Holder is still in default, the Work will be stopped, and the Wayleave Holder will be given a further specific timeframe by the Technician to make the site safe. If the Wayleave Holder fails to do so the site may be made safe by the Municipality Technician, at the expense of the Wayleave Holder. **3.6 Existing Services and Planned Services (page 19 to 20)** 3.6.3 As part of the Undertaking/Indemnity on the Wayleave application form, the Applicant has to confirm that the necessary information has been obtained from the Service Agents and undertakes to adhere to the additional conditions laid down by the various Service Agents. The control section on the Wayleave application form, signed by the Service Agents, will serve as proof that the Internal Service Agents approved that an Approved Wayleave may be issued. 3.6.4 The Wayleave Applicant will verify with all Internal Service Agents whether future Work is planned for the area indicated in the Wayleave application. Such planned Work may dictate whether a Wayleave is approved and the conditions under which a Wayleave is approved. The planning horizon will depend on the planned life of the new Service as well as Council's five-year Work plan. **3.7 Road Categories (page 21)** Words Service Department, the Council and Quality Control Engineer were replaced with Way Leave Department, Council and Technician respectively. **3.8 Restricted Roads (page 21)** 3.8.2 Restricted roads are roads across which no digging of trenches is permitted. A road is protected if it has been designated a restricted road by Council. Roads are designated as restricted when they are of particular strategic importance (Categories 1 to 4 in the new road asset classification) or if they pose special engineering difficulties. 3.8.3 Any road that has been newly constructed, overlaid or resurfaced will be restricted for a seven (7) year period. A list of roads that falls in this category is available from the Technician.

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	3.8.4 If a road is restricted, it will be indicated as such on the Wayleave Work Approval/Permit. 3.8.5 Restricted roads may only be crossed using trenchless methods. If trenchless methods for some reason cannot be used, special permission to excavate must be obtained from the Technician. **3.9 Protected Precincts (page 22)** 3.9.1 Works in protected precincts are subject to special trenching methods and care to ensure minimal damage to specialised and expensive material and furniture. The Technician will inform the Wayleave Applicant of the required methods and might request that a third-party contractor must be used to carry out the Work. **3.10 Costs and Tariffs (page 22)** 3.10.1 Administration, Supervision, Non-compliance and Illegal Works Tariffs 3.10.1.1 The administration and supervision fees are the tariff amounts that are payable by the Applicant upon submission of a Wayleave application form. These fee amounts will be determined by Council on the recommendation of the Technician from time to time, as included in the Municipal Tariffs. 3.10.1.2 The administration and supervision fees cover Council's costs for Work done by the quality Wayleave Department to process the Wayleave application and for regular site inspection to ensure compliance and attending to related queries from the Wayleave Holder. **3.10.2 Public Liability Insurance (page 22)** 3.10.2.1 Council requires that the Wayleave Holder engage in the implementation of the Work in the road reserve and on Municipal Land must be in possession of an appropriate, valid and sufficient public liability insurance. It is an express condition of the Wayleave Holder indemnifies and holds Council harmless against any claims, demands or losses incurred as a result of any work performed as applied for and approved the Wayleave. 3.10.2.2 Should the Wayleave Holder damage or leave any of Council's Infrastructure Services unsafe and fail to notify Council and rectify it timeously, Council may rectify the damage using its own resources and materials, and the subsequent costs will be borne by the Wayleave Holder. **3.10.4 Other Costs (page 23)**

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	3.10.4.1 Other costs can result from any of the following: *3.10.4.1.1 Damages to existing Services;* *3.10.4.1.2 Relocation of existing Services;* *3.10.4.1.3 Testing of Services and Backfills;* 3.10.4.1.4 Costs claimed by Council's Municipal Traffic from external Service Agents for loss in revenue due to disestablished parking bays; 3.10.4.1.5 Rentals (Lane rentals during construction and perpetual rental after completion of the Works); (See Tariff) 3.10.4.1.6 Services rendered by the Wayleave Department in completing Work or altering Work to conform to Wayleave specifications; and 3.10.4.1.7 Claims that may result from the Work. In this case, it is expressly recorded that the Wayleave Holder shall be responsible for any shortfalls in the Security deposit and insurances in respect of any claim arising from the execution of the Works; **3.11 Traffic Control (pages 23-24)** 3.11.3 The Wayleave Department can request that a traffic management plan to be submitted to the Manager: Transport, Roads and Stormwater for approval. Any such Approved Traffic Management Plan shall be kept available on site. 3.11.4 Traffic signs and barricading shall be done according to the latest edition of the Southern African Development Community Roads Traffic Signs Manual (SADCRTSM). In the following sections ***key words*** such as the council and service co-ordinator department were ***replaced*** by Council and Way Leave Department respectively **(pages 24 to 26):-** 3.12 Road Closure 3.13 Lane Rental 3.14 Preliminary Work and Crosscuts **3.14 Preliminary Works and Cross-Cuts (pages 24 to 25)** 3.14.1.2 The Wayleave Department and the contact person of each Service Agent involved must be informed 48 hours prior to commencing with the Work by the Wayleave Holder.

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	3.14.1.3 Alternatively, notice periods specified by the Service Agents must be adhered to. 3.14.1.4 The Municipal Traffic Department must be requested to remove parking meter heads where Work necessitates the temporary disestablishment of parking bays with the due agreement for compensation in loss of revenue where applicable. 3.14.2 The Applicant may be required to do crosscuts in the area where Work is planned. The purpose of crosscuts is to establish and confirm the position of Services in areas where the information on Services are unclear. 3.14.3 A crosscut is done by excavating a trench that runs from the verge of the road up to the property boundary, perpendicular to the normal direction of Services. Excavation must always be done by hand. 3.14.4 The minimum depth of the cross-cut trench is 1 meter below the lowest point of the public road reserves. 3.14.5 An Approved Wayleave needs to be obtained for prior preliminary or cross-cut Work to be undertaken. 3.14.6 Additional tariff will be charged for Road – Crossings and at the Site Verification the applicant must specify whether Road – Crossings will be applicable. 3.14.7 A non-refundable Roadway Open Trench Fee will apply as outlined in the Municipal Tariffs for Road - Crossings. **3.15 Excavations (pages 26 to 27)** 3.15.9 Under no circumstances will Council be held liable for any incorrect information provided by any external service Agent or for any damages, losses and claims resulting from such incorrect information. The words Service Co-ordinator and the council were replaced with Way Leave Department and Council respectively from pages 26 to 27). **3.17 Emergency Work** The words Service Co-ordinator were replaced with Way Leave Department pages 26 to 27). **3.18 Routine Maintenance Work** 3.18.2 A categorised list of Routine Maintenance Work will be maintained by the Wayleave Department. It will serve as a guideline for Service Agents as well as the Wayleave

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	Department in determining whether Work is Routine Maintenance Work. **3.19 Backfilling and Reinstatement** **K*ey words*** such as the council, sub-unit, quality control engineer, were ***replaced*** by Council, Department and Technician Way respectively **(pages 29 to 30).** **3.20 Certificate of Completion (page 30)** 3.20.1 On completion of the Work, the Professional Engineer appointed by the Wayleave Holder must furnish the Wayleave Department as soon as practical, with the Completion Certificate with information as maybe required by Council to know the exact location and condition of the Service install in/ on its land. The Technician will then set up a site meeting with the Wayleave Holder to carry out an inspection and will sign off the Certificate of Completion if all requirements have been met. The 12-month guarantee period for Reinstatements by the Wayleave Holder then commences. 3.20.2 Completion of the Work means that all Work has been completed, the Reinstatement has been done by the Wayleave Holder and that all materials, equipment and rubble have been removed, and the site is completely cleared and cleaned. Furthermore, it requires that all applicable documentation and as-built drawings as specified on the Wayleave form have been handed to the Wayleave Department for recording. **3.21 Policy Enforcement** 3.21.1 Council reserves the right to exercise its discretion in the implementation and enforcement of this Policy. 3.2.1.2 Notwithstanding any penalty or tariff or remedy expressly provided for in this Policy; Council reserves the right to exercise any other legal remedy at its disposal to enforcing this Policy. **3.22 Exemption, Appeal and Revoking** 3.22.1 The Accounting Officer may, upon written motivation by a Wayleave Applicant or Wayleave Holder or the Wayleave Service Co-ordinating Department, and after having considered any comment and advice on such motivation by other interested parties, authorise a deviation from this Policy or revoking of an approved wayleave.

Policy/ By-law	Summarized Nature of change
	Such deviation or revoking shall be subject to such conditions as the Accounting Officer may stipulate in writing. 3.22.2 The Accounting Officer may authorise an amendment to any conditions imposed by Council in respect of a Wayleave Approval, provided that an application for such amendment shall be referred to all interested and affected parties for comment, which comments shall be duly considered by the Accounting Officer. 3.22.3 Any person affected by or having an interest in the administration of this Policy shall have a right of appeal as determined in terms of Section 62 of the Local Government Municipal Systems Act in respect of any decision taken by Council.
Cash Management and Investment Policy	**Appendix 17- Cash Management and Investment Policy 2025/26** **Minor Corrections and document layout improvements** Various grammatical and language changes and layout improvements were applied to enhance the readability of the document. The details of such may be traced via the ***"Track Changes"*** that has been activated in said document. **<u>Substantial Changes</u>** Substantial changes made to the cash management and investment policy are as follow: **NEW ADDITION** **8. CALL ACCOUNT HELD WITH PRIMARY BANK** The nature of call accounts is considered cash and cash equivalents rather than long-term investments. This classification is based on the nature of call accounts, which are deposit accounts offered by banks that allow for immediate access to funds while earning interest. The liquidity and accessibility of these accounts align them more closely with cash and cash equivalents. A separate bank account with our banking service provider, will be used to do internal transfers between our primary bank account and said call account. Internal transfers on our online banking platform will give us the flexibility to transfer funds to and from the call account and primary account ensuring that interest is earned on the most advantageous rate without risking cashflow requirements.

Policy/ By-law	Summarized Nature of change
Accounting Policy	**<u>Appendix 18- Accounting Policy 2025/2026</u>** **Minor changes were made to the Accounting Policy.** Various grammatical, language and layout improvements were applied. Rephrasing of certain paragraphs to enhance the readability of the document. The details of such may be traced via the ***"Track Changes"*** that has been activated in said document **<u>Minor Changes</u>** • Updated all the numbering to all the new numbers to incorporate all the relevant changes. **<u>Substantial Changes</u>** **Housing development fund** **Section 1.2 (pg.)4** • Removed paragraph 1.2 on the housing development fund. **Materiality** **Section 1.5(pg.)5** • Added the following materiality components to the policy: • Materiality utilised for the statement of budget comparison (GRAP 24) comprises of the following components: Statement of financial Performance Revenue: 1% of Total Revenue Expenditure: 2% of Total expenditure Statement of financial position Assets: 1% of total assets Liabilities: 2% of total liabilities Net assets: 5% of accumulated surplus **Cash flow statement**

Policy/ By-law	Summarized Nature of change
	The receipt items follow a revenue base as per the statement of financial performance and the payments follow an expenditure base as per the statement of financial performance. **Significant judgements and sources of estimation uncertainty** **Section 1.6(pg.)6** • Added the following clarity on the significant judgements and estimates: In the application of the municipality's accounting policies, which are described below, management is required to make judgement, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. The estimates and associated assumptions are based on historical experiences and other factors that are considered too reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Removed the IGRAP 1 and 20 reference to traffic fines. **Heritage assets** **Section 1.11(pg.)18** • Added the following clarification for derecognition: The gain or loss arising from the derecognition of a heritage asset is included in surplus or deficit when the item is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback). **Financial instruments**

Policy/ By-law	Summarized Nature of change
	Section 1.12(pg.)19 • Added the following clarity to financial instruments: A financial asset is any asset that is a cash or contractual right to receive cash. In accordance with GRAP 104 the Financial Assets of the municipality are classified as follows into the three categories allowed by this standard. Financial asset at amortised cost being a non-derivative financial asset with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months, which are classified as non-current assets. Financial assets measured at fair value being financial assets that meet either of the following conditions: • Derivatives; • Combined instruments that are designated at fair value. • Instruments held for trading. • Non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; or • Financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost. Financial assets measured at cost being investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured. **Financial Liabilities-(pg.)22** A financial liability is a contractual obligation to deliver cash or another financial asset to another entity. The following main categories of financial liabilities and the classification determining how they are measured exist:

Policy/ By-law	Summarized Nature of change
	• Financial liabilities measured at amortised cost; or • Financial liabilities measured at fair value. **Impairment of non-cash generating assets** **Section 1.17(pg.)31** • Added the following clarity to non-cash generating assets: In assessing whether there is any indication that an asset may be impaired, an entity shall consider, as a minimum, the following indications: External sources of information (a) Cessation, or near cessation, of the demand or need for services provided by the asset. (b) Significant long-term changes with an adverse effect on the entity have taken place during the period or will take place in the near future, in the technological, legal or government policy environment in which the entity operates. Internal sources of information (c) Evidence is available of obsolescence or physical damage of an asset. (d) Significant long-term changes with an adverse effect on the entity have taken place during the period or are expected to take place in the near future, in the extent to which, or manner in which, an asset is used or is expected to be used. These changes include the asset becoming idle, plans to discontinue or restructure the operation to which an asset belongs, plans to dispose of an asset before the previously expected date and reassessing the useful life of an asset as finite rather than indefinite. (e) A decision to halt the construction of the asset before it is complete or in a usable condition. (f) Evidence is available from internal reporting that indicates that the service performance of an asset is, or will be, significantly worse than expected **Employee Benefits** **Section 1.18 (pg.)33**

Policy/ By-law	Summarized Nature of change
	• Added the following clarity to the employee benefits: The costs of all short-term employee benefits such as leave pay, are recognised during the period in which the employee renders the related service. Liabilities for staff bonuses are recognised as they accrue to employees. The liability at year-end is based on the bonus accrued at year-end for each employee. A provision, in respect of the liability relating to the anticipated costs of performance bonuses payable to Section 57 employees, is recognised as it accrues to Section 57 employees. Municipal entities' performance bonus provisions are based on the employment contract stipulations as well as previous performance bonus payment trends. **Statutory receivables Identification** **Section 1.22(pg.)48** • Added the following clarity to the statutory receivable's identification: In estimating the future cash flows, an entity considers both the amount and timing of the cash flows that it will receive in future. Consequently, where the effect of the time value of money is material, an entity discounts the estimated future cash flows using a rate that reflects the current risk free rate and, if applicable, any risks specific to the statutory receivable or group of statutory receivables, for which the future cash flow estimates have not been adjusted. **Comparative of actual information to budged information figures** **Section 1.259(pg.)52** • Added the following clarity to the comparative of actual information of budgeted figures:

Policy/ By-law	Summarized Nature of change
	The annual budget figures have been prepared in accordance with the Municipal Budget and Reporting Regulations, 2009. A comparative of actual to budged amounts are reported in a separate additional financial statement, called the Statement of comparison of budget and actual amounts. Explanatory comment is provided in the notes to the statement giving motivations for over- or under-spending online items where it is found to be material. The budgeted figures are those approved by the Council at the beginning and during the year following a period of consultation with the public as part of the Integrated Development Plan. The budget is prepared and approved on an accrual basis by nature classification. The approved budget covers the period from 01 July 2024 to 30 June 2025. For explanation of material variances determination please refer to materiality paragraph 1.5. **Changes in accounting policies, estimates and errors** **Section 1.30(pg.)55** • Added the following clarity to the changes in accounting policies, estimates and errors: Details of changes in accounting policies, changes in estimates and correction of errors are disclosed in the notes to the audited annual financial statements where applicable. **Segment Information** **Section 1.37(pg.)57** • Added the following clarity to the segment information section: Segmental information was based and identified on the MFMA S71 monthly budget statement/reports that are reviewed by senior management and council to make strategic decisions and in monitoring segment performance. The disclosure of information about segments in these reports is organised around the type of service delivered, in a standardised format, namely the C2 schedule.

Policy/ By-law	Summarized Nature of change
	The municipality manages its assets and liability as a whole and is not reviewed on a segregated basis for each town. Segment reporting per geographical area is not deemed relevant. **Current year comparatives** **Section 1.39(pg.)58** • Added the following clarity to the current year comparatives paragraph: Where material accounting errors, which relate to prior periods, have been identified in the current year, the correction is made retrospectively as far as is practicable and the prior year comparatives are restated accordingly including relevant disclosure requirements per GRAP 3. **Cash and cash equivalents** **Section 1.40(pg.)58** • Added the following clarity to the cash and cash equivalents section: For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, net of bank overdrafts. **Consumer Deposits** **Section 1.43(pg.)60** • Removed paragraph on the Consumer deposits **New standards and interpretations** **Section 2.1(pg.) 61-62** • Added the new standards and interpretations paragraphs and tables as published by the ASB for the new 2025/2026 financial year.

Policy/ By-law	Summarized Nature of change
Asset Management Policy	**<u>Appendix 19- ASSET MANAGEMENT POLICY 2025/26</u>** **Minor Corrections and document layout improvements** Various grammatical and language changes and layout improvements were applied to enhance the readability of the document. The details of such may be traced via the ***"Track Changes"*** that has been activated in said document. **<u>Minor Corrections</u>** **Original:** "The MFMA will be the legislative framework for the Asset Management Policy whilst Generally Recognised Accounting Practice (GRAP) will be the accounting framework." **Revised:** "The Municipal Finance Management Act No. 56 of 2003 (MFMA) serves as the legislative framework for this policy, while Generally Recognised Accounting Practice (GRAP) provides the accounting framework." **Original:** "And whereas these assets must be protected over their useful life and may be used in the production or supply of goods and services or for administrative purposes in meeting the municipality's operational requirements." **Revised:** "These assets must be safeguarded throughout their useful life and may be used for service delivery, production, or administrative functions." **Definitions Section:** Removed duplicate definitions (e.g., "Contributed Assets" was defined twice).
Fleet Management Policy (Pool Vehicle Policy)	**<u>Appendix 20- FLEET MANAGEMENT POLICY (Pool Vehicle) 2025/26</u>** **Minor changes were made to the Fleet Management Policy.** Various grammatical, language and layout improvements were applied. Rephrasing of certain paragraphs to enhance the readability of the document. The details of such may be traced via the ***"Track Changes"*** that has been activated in said document **<u>Minor Changes</u>** Inconsistent Capitalization: • "fleet management" is sometimes lowercase and sometimes "Fleet Management." Choose one style and stick to it (proper noun usage suggests capitalization). • "Trip Authorization Form" vs. "trip authorisation form" • "Municipality's PUBLIC IMAGE" – no need for uppercase • "Fleet management officer" vs. "Fleet Management Officer" Word Choice & Clarity: • "Ensure that a proper state of cleanliness, repair and efficiency is being maintained" → "ensure proper cleanliness, repair, and efficiency."

Policy/ By-law	Summarized Nature of change
	• "The driver shall not deviate any vehicle from the shortest route" → "The driver shall not deviate from the shortest route." **Grammar & Sentence Structure:** • "All municipal vehicles must be issued with a Daily Logbook." → "Each municipal vehicle must have a Daily Logbook." • "authorised" vs. "authorized" • "licence" vs. "license" • "tyre" vs. "tire"
Supply Chain Management Policy	**<u>Appendix 21- Supply Chain Management Policy- 2025/26</u>** **Minor changes were made to the Supply Chain Management Policy.** Various grammatical, language and legislative changes and layout improvements were applied. Rephrasing of certain paragraphs to enhance the readability of the document. The details of such may be traced via the ***"Track Changes"*** that has been activated in said document **Definitions** **1.1.5 "Competitive bidding process"** means a competitive bidding process referred to in paragraph 12(1)(d) of this Policy; - **1.1.15 "Formal written price quotation"** means quotations referred to in paragraph 12 (1)(c) of this Policy; - **1.1.18 "Long term contract"** means a contract with a duration period exceeding one year and does not have the same meaning as contracts of a long-term nature referred to in paragraph 22(1)(b)(v) of this policy; - **1.1.17. "The Regulations"** means the Local Government: Municipal Finance Management Act, 2003, Municipal Supply Chain Management Regulations published by Government Notice 868 of 2005; and amended Supply Chain regulations, government gazette notice no.49863, dated 14 December 2023. **1.1.18. 1.1.34 "The PPPF Regulations" means** Preferential Procurement Policy Regulations, 2022 Published under Government Notice R32 in Government Gazette 47452 of 04 November 2022,;

Policy/ By-law	Summarized Nature of change
	Substantial Changes Legislative amendments were made in the policy. **5. SUB-DELEGATIONS** **(**2) The power to make a final award – (a) Above R 10 million (VAT included) may not be sub-delegated by the Accounting Officer; (b) Above R 300,000 (VAT included), but not exceeding R 10 million (VAT included), may be sub-delegated but only to – (i) The Bid Adjudication Committee of which the Chief Financial Officer or a senior manager is a member; or (ii) Accounting Officer of the municipality, after due consideration of all facts was done; and (c) Below R 300,000 (VAT included) to be disposed by delegated official according approved delegatory power and functions issued by Accounting Officer. **11. SYSTEM OF ACQUISITION MANAGEMENT** (2) This policy, except where provided for otherwise in the regulations, does not apply in respect of the of the procurement of goods and services contemplated in section 110(2) if the act, including- (a) Water form the Department of Water Affairs or a public entity, another municipality or a municipal entity; and (b) Electricity from Eskom or another public entity, another municipality or a municipal entity. (3) When procuring goods or services contemplated in section 110(2) of the Act, the Accounting Officer must make public the fact that such goods or services are procured otherwise than through the

Policy/ By-law	Summarized Nature of change
	Stellenbosch Municipality supply chain management system, including – (a) The kind of goods or services; and (b) The name of the supplier. (4) Unless otherwise indicated in the bid documents, the Municipality shall not be liable for any expenses incurred by prospective bidders in the preparation and / or submission of a bid or quotation. **23. PROCEDURE FOR HANDLING, OPENING AND RECORDING OF COMPETITIVE BIDS AND FORMAL WRITTEN PRICE QUOTATIONS IN EXCESS OF R 30,000** **(f) Opening of bid procedures –** (iv) At the official opening of the bids, the bids shall in all cases be read out in terms of the name of the bidder and, if practical, the amount of the bid; (v) As soon as a bid or technical proposal has been opened the bid / proposal shall be stamped with the official stamps, and endorsed with the opening officials' signatures; (viii) The name of the bidder, and where possible, the bid sum shall be recorded in a bid opening record kept for that purpose; and The responsible officials who opened the bidding documentation received shall forthwith place their signatures on the bid opening record (register) and shall ensure that the bid opening record, indicating at least the bid price of each bidder, the BBBEE status level contribution of each bidder are made available for public inspection and are published on the municipality's website. **(h) Bid validity periods** (iv) All bidders who indicated the acceptance of the extension of the bid validity period, bids will be considered for evaluation purposes. (v) After award of the bid, the validity of all bids will remain up until the award is finalized including the appeal processes. (vi) If the validity of all bids expired without it being awarded within the bid validity period, including any extensions thereof allowable in terms of applicable legislation, the bid must be

Policy/ By-law	Summarized Nature of change
	cancelled and published in the same media in which the original bid invitation appeared. (vii) All bidders must be notified in writing of the cancellation of a bid. **27. BID SPECIFICATIONS COMMITTEES** (2) Specifications – (c) Must indicate the preference points system set out in the Preferential Procurement Policy of the Municipality **28. BID EVALUATION COMMITTEES** (4) Any evaluation of a bid shall consider the bids received and shall note for inclusion in the evaluation report, a bidder – (a) Who is not registered and verified on the Central Supplier Database within seven days of the closing time for bids. In this regard bid documentation shall state that the responsibility for registration and verification rests solely with the bidder; (b) Who, in the case of construction works acquisitions, does not comply with the requirements of the Construction Industry Development Board Act regarding registration of contractors. Verification of compliance with this requirement shall be by means of the Central Supplier Database/ CIDB register of contractors; (11) If, after bids have been brought to a comparative level, two or more scores equal total adjudication points, regulation 11(15) of the Stellenbosch Preferential Procurement Policy Regulations of 2017 will apply. The relevant User Department in consultation with the SCM Unit may, before the bid is considered by the Bid Evaluation Committee, provide a reasonable opportunity to request information from a bidder. , provided that such opportunity will not unduly prejudice any of the other bidders. Bidders shall be afforded a maximum of five (5) working days. All information may be cross referenced to ensure compliance. **43.PROHIBITION ON AWARDS TO PERSONS WHOSE TAX MATTERS ARE NOT IN ORDER** (4) Where the recommended bidder is not tax compliant on the date of award, the bidder should be notified of the non-compliant status and ensure that their tax matters are in within 7 working days from the

Policy/ By-law	Summarized Nature of change
	notification before the award is finalized. The proof of tax compliance submitted by the bidder must be verified by the Municipality. The Municipality will reject a bid submitted by the bidder if such bidder fails to provide proof of tax compliance within the timeframe as set out in this sub-paragraph. (MFMA Circular 90). **53. INCREASE / EXTENSION IN APPROVED CONTRACT SUM / PERIOD** (1) Any expansion or variation in excess of these thresholds as stated under subparagraph (2) must be dealt with in terms of the provisions of section 116(3) of the Act which will be regarded as an amendment of a contract and must be approved by the appropriate bid committees prior to implementation. **55. NOTIFICATION OF BID DECISIONS** **(**4) Every notification of decision shall be faxed or sent via electronic mail and ordinary mail to the address chosen by the bidder, with a copy of proof of transmission kept for record purposes, or shall be delivered by hand, in which case acknowledgement of receipt must be signed and dated on a copy of such notification to be kept for record purposes.
Travel & Subsistence Policy	**<u>Appendix 22- Travel and Subsistence Policy 2025/26</u>** **Minor changes were made to the Travel & Subsistence Policy.** Various grammatical, language and layout improvements were applied. Rephrasing of certain paragraphs to enhance the readability of the document. The details of such may be traced via the ***"Track Changes"*** that has been activated in said document **OBJECTIVE** • Travel allowances were added to the second paragraph of the objective **<u>Substantial Changes</u>** **2. Reference (paragraph were added)** This Policy must be read in conjunction with any of the Municipality's approved related policies, practices and standard operating procedures addressing specific issues essential for a full understanding of this Policy and which are not dealt with adequately herein. **3. TRAVEL** **3.1 Responsibilities of Representatives who travel on Business of the Municipality**

Policy/ By-law	Summarized Nature of change
	a) Every representative who travels on the business of the municipality must comply with this policy in letter and in spirit. b) The contents of this policy will not be regarded as conditions of employment but as are-imbursement for travelling and subsistence expenditure incurred or deemed to be incurred for the attendance of events for official purposes. c) Representatives who travel on the business of the municipality must take note that their actions, conduct and statements must be in the best interest of the municipality, and they must comply with any specific mandates they have been given. d) Any claim must be submitted on the official claim form with the necessary vouchers where specific expenses are claimed e) All efforts should be made to minimize the costs for the Municipality i.e. by travelling together in one vehicle, minimizing overnight stay where possible, etc. **2.4 Car Rental, Travel Costs and rates** g) If a representative must utilize his or her personal motor vehicle, he or she will be reimbursed at the tariffs listed below. The distance to which the reimbursement, applies must be the shortest distance via tarred road between the municipality's offices and the location where the official business is to be transacted. o Officials with vehicle/car allowance: Will be reimbursed at a flat rate of R4.18 per kilometer where motor vehicles are used and R2.00 per kilometer where motorcycles are used. Where it is possible to fly to a destination, but the official prefers to drive with his own vehicle, the lower value between kilometer claim and a flight ticket will be used as basis for reimbursement. **4. SUBSISTENCE** **4.1 Subsistence Allowance** a) In line with SARS guidelines on Subsistence Allowances and Advances, A daily subsistence allowance will only be applicable where- (i) The representative is obliged to spend at least one night away from his or her usual place of residence on business; R548per day, or (ii) The representative will be on official business for a period exceeding 12 consecutive hours per day, without having to spend a night away from his or her usual place of residence; R169 per day. • Grammatical changes were applied to enhance readability

Policy/ By-law	Summarized Nature of change
Grant in Aid Policy	**<u>Appendix 23- Grant in Aid Policy 2025/2026</u>** **Minor changes were made to the Grant-in-Aid Policy** Various grammatical, language and layout improvements were applied. Rephrasing of certain paragraphs to enhance the readability of the document. The details of such may be traced via the ***"Track Changes"*** that has been activated in said document **<u>Substantial Changes</u>** **Definitions** **Change: Page 3, paragraph 10** • Reference two additional appendices (B and C) covering the Grant in Aid Feedback Report template and the Grant in Aid Memorandum of Agreement. **Reason** • To ensure all appendices are listed **Public Advertisement** **Change: Page 7, paragraph 5.1.4** • Remove the requirement to RSVP to attend the compulsory clarification meeting. **Reason** Make it easier for prospective applicants to participate in the programme. **Change: Page 7, paragraph 5.1.5** • Change the content of the Grant in Aid's Call for Proposals to one where it is compulsory to indicate the right of Council not to make an award. **Reason** • To protect the council in situations where it is required to re-allocate budget to make provision for unexpected expenditure that might result from unforeseen events such as disasters.

Policy/ By-law	Summarized Nature of change
	Change: Page 7, paragraph 5.2 • Add sentence: "Incomplete applications will not be considered" to align with same stipulation on the application form. **Reason** • The application form is designed to make provision for all information required by the MFMA. Incomplete applications make the application non-compliant with the MFMA. • This provision serves to remind applicants of the requirement to provide all information requested. **General Guidelines and categories** **Change: Page 7, paragraph 6.1.4 (viii)** • Reiterates circumstances under which application will not be considered under general guidelines to align with same stipulation on the application form by adding the words "are incomplete and/or". **Reason** • The application form is designed to make provision for all information required by the MFMA. Incomplete applications make the application non-compliant with the MFMA. This provision serves to remind applicants of the requirement to provide all information requested. **Category A** **Social Development** **Change: Page 9, paragraph 6.2.4 (xiii)** • Add programmes which promote the general safety of communities. **Reason** • To make provision for Neighbourhood Watches to apply for Grant in Aid funding. **Category B** **Projects aligned to the strategic objectives of the municipality as described through ward priorities in the IDP** **Change: Page 11, paragraph 6.2.7** • Changes were made to the wording of Stellenbosch Municipalities' strategic pillars. **Reason** • To align wording with that which is reflected in the current IDP. **Change: Page 12 paragraph 6.2.8** • Add additional category to Cat B applications to include Sport Development through Sport Associations. **Reason** • To make provision for the development of local sport structures and active participation in local sport development.

Policy/ By-law	Summarized Nature of change
	Application Procedure **Change: Page 13, paragraph 7.3** • Addition of "or" to the requirement of founding documents to include either a constitution or a certificate of incorporation. **Reason** • The change correctly differentiates between the different ways of registration available to organizations which influence the type of founding document available to it. **Change: Page 12, paragraph 7.13** • Include the words "is made" with reference to budgetary provision. **Reason** • Corrected sentence structure **Obligation of the applicant** **Change: Page 14, paragraph 8.2** • Differentiate between the reporting requirements for Cat A and B donations and indicate the requirement to report on beneficiaries from WC024. **Reason** • Clarifies the reporting requirements for the different types of applications, making it easier for smaller organizations to comply. **Rights of the Municipality** **Change: Page 13, paragraph 9.3** • Add the words "automatically lead to receiving a grant again, even if the applicant complies with all application requirements. **Reason** • To lessen expectations with organisations thus preventing reliance on council for funding by clearly indicating the right of the municipality to not repeat a donation to a previous recipient. **Appendix A** • APP A, Page 1 Heading Add "and/or late" to align with the content of the policy.The application form is designed to make provision for all information required by the MFMA. Incomplete applications make the application non-compliant with the MFMA. This provision serves to remind applicants of the requirement to provide all information requested. • APP A, Page 5, Section JChanges made to the wording of Stellenbosch Municipalities' strategic pillars. To align the wording with what is reflected in the current IDP. • APP A, Page 5, Section K3 Include "from WC024" To clarify the requirement to benefit local people through the Grant in Aid funding received. • APP A, Page 5, Section 4Remove the requirement to submit a signed and stamped creditor control form as confirmation of bank details. Some

Policy/ By-law	Summarized Nature of change
	financial institutions do not want to complete the creditor control form of the municipality. **Appendix B** APP B, Page 1 • Add "WC024" to the description of GiA beneficiaries. Clarifies the feedback requirement for organisations serving across Stellenbosch Municipality boundaries. APP C, Page 1 paragraph (a)(iii) • Add "Cat B" descriptive to the requirement for monthly reporting. To clarify the different reporting requirements for a Cat A vs Cat B application. APP C, page 3, paragraph 2.3 • Add "Cat B" descriptive to the requirement for monthly reporting. To clarify the different reporting requirements for a Cat A vs a Cat B application.
Ward Allocation Policy	**<u>Appendix 24- Ward Allocation Policy 2025/26</u>** **Minor changes were made to the Ward Allocations Policy** Various grammatical, language and layout improvements were applied. Rephrasing of certain paragraphs to enhance the readability of the document. The details of such may be traced via the ***"Track Changes"*** that has been activated in said document *Change to the ward allocation amount per ward (increase to R 200 000.00)* **8. CRITERIA FOR THE SELECTION OF PROJECTS** 8.2 For the financial year 2025 – 2026, the ward allocation is R 200 000.00 per ward, and the ward allocation can only be used for operational ward projects. – New addition *Remove the section on capital budget allowance. Ward projects are only operational in nature. Below section to be removed* 8.14 In the case of projects undertaken on the **capital budget (if allowed for the respective financial year)**, the assets created must: 8.4.1 Be on council property that is appropriately zoned and reserved for the lead directorate. 8.4.2 Have a provision for maintenance and operating costs (inclusive of human resources) on the operating budget of the user directorate for subsequent years. These projects must adhere to sections 18 and 19 of the Local Government: Municipal Finance Management Act, (Act no. 56 of 2003) describing the funding sources and requirements for capital projects.

Policy/ By-law	Summarized Nature of change
	8.4.3 Be placed on the asset register of the user directorate responsible for the facility. 8.4.4 Be adequately insured and secured by the user directorate responsible for the facility. *New paragraphs added to provide clarity on cancellation of projects, transport and procurement.* Ward councillors and / or ward committees are not allowed to cancel projects when official purchase orders have been issued for service providers to procure items / provide services as per the ward allocation programme for the respective ward. Should the ward councillor / ward committee cancel the project on the day of the implementation, and the service provider is able to provide proof of expenditure, then the ward councillor will be liable for the recovery of the expenses. The request to cancel the project must be communicated in writing to both the Manager: Councillor Support and the Manager of the respective department where the implementation of the project / event is based. Reasons for the cancellation must be provided. 8.18 Transport will only be provided to members of a community that must attend an event / function within the ward that is part of approved ward projects for the respective financial year. No transport will be arranged for events outside the ward boundaries. Transport will also not be arranged for community groups, NGO's etc to transport members of a ward to an event outside the ward. 8.19 Ward projects are to benefit members of the respective ward. Ward committee members should step aside to allow community members from the ward to benefit from the event / project. This include, but is not limited to training programmes, projects, distribution of items, equipment, etc. 8.20 Ward councillors and / or ward committee members are not allowed to procure / source goods or services directly from local service providers and submit invoices for payment. Only approved standard SCM processes are followed for procurement of goods or services for ward projects. *Projects for 2025 – 2026 are listed where the SCM processes are in place, with additional information on events requiring catering* - Eyes and Ears Project (Community Development). Information on the project is distributed separately to ward councillors for consideration with the ward committee. This project requires the minimum ward allocation total of R 200 000.00 - Training opportunities in wards, eg learner's and driver's license education. - Training opportunities in wards, eg level 1 First Aid. - Stationery packs containing 10 items (Grade R / primary school / high school / university). - Vanity packs (female, male, baby) - Disaster relief blankets.

Policy/ By-law	Summarized Nature of change
	- Sanitary pads and adult diapers. - Additional items for neighbourhood watch (only for registered and accredited neighbourhood watches, subject to confirmation from Senior Manager: Protection Services). - Sports equipment and sport items ~~/ items for teams, especially "vlakkie" cricket and soccer (balls, training ladders, flags, bibs, whistles, etc).~~ as per the approved tender. - Calico bags with "Responsible Green Citizen" logo. - Drawstring bags with municipal logo. - Project Trees (in conjunction with, and upon approval from Urban Forestry and Municipal Manager). - Functions that are project driven or linked to specific themes, eg linked to commemorative days / months such as Women's Day / month; elderly month; disabled; youth, etc. - Events / functions targeting specific groups or themes to inform, empower, etc. Events requiring catering must conform to the Council Approved Cost Containment policy, of which the section below from the approved Cost Containment policy is specific to catering and applicable to events: *10 **SPONSORSHIPS, EVENTS & CATERING*** *10.1 The municipality may not incur catering expenses for meetings that are only attended by persons in the employ of the municipality, unless prior written approval is obtained from the accounting officer.* *10.2 Catering expenses may be incurred by the accounting officer for the following, if they exceed five (5) hours:* *10.2.1 Hosting of meetings;* *10.2.2 Conferences;* *10.2.3 Workshops;* *10.2.4 Courses;* *10.2.5 Forums;* *10.2.6 Recruitment interviews; and* 10.2.7 *Council proceedings* Planned events must comply with an events application and approval if required. 9.2 The total number of projects per ward and the type of projects are determined by the ward councillor and ward committee. 1 project must be a project that will not require any catering services. 9.3 The minutes of the ward committee meeting where the decision on the projects was taken must accompany the ward allocation template for the 2025 /

Policy/ By-law	Summarized Nature of change
	2026 financial year, and the completed template must be signed by the ward councillor. *Information on process if ward councillor wants to deviate from approved projects / project guidelines* **DEVIATION FROM POLICY** 14.1 Deviation from the project selection criteria as listed in section 8 above may be considered by the Municipal Manager on receipt of a written request from the Manager Councillor Support, supported by the User Directorate, detailing the motivation for such a deviation. The initial request for a deviation from the criteria / guidelines listed must be received in writing from the ward councillor (as in formal email / letter and not WhatsApp correspondence. Where applicable, the minutes of the decision as discussed in the ward committee meeting must be attached).
Policy and Procedures for Ward Committees	**Appendix 25- Ward Committee Policy 2025-2026** **Minor changes were made to the Ward Committee Policy** Various grammatical, language and layout improvements were applied. Rephrasing of certain paragraphs to enhance the readability of the document. The details of such may be traced via the ***"Track Changes"*** that has been activated in said document. *Change to the stipend amount (increase to R 750.00)* **25. Budget** (1) Members of ward committees will be reimbursed for out-of-pocket expenses as contemplated in clause 25(2)(a) - (e) below. (2) The Municipality will annually budget for a stipend of R 750.00 per month per ward committee member subject to the following: (a) attending of meetings as per the ward committee schedule of meetings; (b) performing of functions as contemplated in clause 16 above; (c) the maximum reimbursement of R 2 250.00 can be paid at the end of each quarter after verification (meaning in the first two weeks of the new quarter) to ward committee members in person and not to organisations that she or he represents (For e.g., this means that payment for the quarter October – December of the particular year will be made during the first two weeks of January of the next year). The amount payable depends on the attendance of ward meetings by the respective ward committee member. The payment will be made after the completion of the entire verification process. (d) that reimbursements only be paid on verification of

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	attendance register of meetings and that reimbursements will only be electronically transferred to the bank account of the relevant ward committee member(s); (e) that non-attendance of ward committee meetings and/or non-performance of functions as stipulated in clause 16 above without a valid reason be reported to the Speaker; (f) ward committee members will only be paid for attendance at meetings after the proper verification. Failure to attend the meeting will result in no payment for the respective meeting. (g) Not attending three (3) meetings in a row (with or without apology) must be reported to the Speaker. (h) that ward committee members may elect not to be reimbursed. This confirmation must be submitted in writing on a quarterly basis by the respective ward committee member who chooses not to be reimbursed and submitted to the ward administrator and Executive Support Officer. *Sentence inserted to indicate notice of delegation in writing to Office of Speaker* **28. Chairperson** a. Public meetings (ward meetings) are chaired by the ward councillor. A ward councillor may delegate in writing the chairing of the meeting to a proportional representative or any member of the ward committee under special circumstances. Such a notification of delegation must be submitted formally in writing to the Office of the Speaker at least 24 hours before the meeting. *Paragraph added to clarify IDP cycle meetings are not considered as public feedback meetings that must be held 1 (one) in the first half of the year and 1 (one) in the second half of the year.* **29. Purpose of ward/public meetings** Public meetings are mainly held in order to: (a) register the concerns and inputs of the community with regard to service delivery, general development of the community, disaster management and any other municipal concern the community may have; and (b) report back to the public on issues that affect it. The meetings of the IDP cycle do not replace the formal public meetings that must take place as part of the ward committee meeting schedule, as per clause 20(2) above.
Cost Containment Policy	**<u>Appendix 26- Cost Containment Policy 2025/2026</u>** **Minor changes were made to the Cost Containment Policy.**

Policy/ By-law	Summarized Nature of change
	Various grammatical, language and layout improvements were applied. Rephrasing of certain paragraphs to enhance the readability of the document. The details of such may be traced via the ***"Track Changes"*** that has been activated in said document **Substantial Changes** **2 PURPOSE** The purpose of the policy is to regulate spending and to implement cost containment measures at Stellenbosch Local Municipality to ensure that the resources of the Municipality are used effectively, efficiently and economically. **5 LEGISLATIVE FRAMEWORK** • The Municipal Finance Management Act, Act No.56 of 2003 • MFMA Circular 97, published on 31 July 2019; • Municipal Cost Containment Regulations, 2019; and • Travelling and subsistence policy of Stellenbosch Municipality. • Bylaws of Stellenbosch Municipality. • Municipal Systems Act, Act 32 of 2000 • Municipal Structure Act, Act 117 of 1998. **9 TRAVEL, SUBSISTENCE AND ACCOMMODATION** Cost containment measures should be applied in managing and planning trips. **18 SHORT TITLE AND IMPLEMENTATION** • 1 October 2019 was replaced with 1 July 2025.