WITZENBERG
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Kennis word hiermee gegee in terme van Artikel 29 van die Plaaslike Regering : Munisipale Strukture Wet, 1998 (Wet 117 van 1998) soos gewysig, dat 'n **Gewone Raadsvergadering** van die Munisipaliteit Witzenberg gehou sal word op **Donderdag, 30 Mei 2019** om **10:00** in die **Raadsaal, Munisipale Kantore, Voortrekkerstraat 50, Ceres**.	Notice is hereby given in terms of Section 29(2) of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) as amended, that an **Ordinary Council Meeting** of the Witzenberg Municipality will be held in the **Council Chambers, Municipal Offices, 50 Voortrekker Street, Ceres** on **Thursday, 30 May 2019** at **10:00**.

Raadslede en Amptenare / Councillors and officials		
Councillor TE Abrahams	Alderman K Adams (Deputy Executive Mayor)	Councillor P Daniels
Alderman TT Godden (Speaker)	Councillor P Heradien	Councillor MD Jacobs
Councillor D Kinnear	Councillor BC Klaasen (Executive Mayor)	Councillor GG Laban
Councillor C Lottering	Councillor M Mdala	Councillor TP Mgoboza
Councillor ZS Mzauziwa	Councillor MJ Ndaba	Councillor N Phatsoane
Alderlady JT Phungula	Alderman JW Schuurman	Councillor EM Sidego
Councillor RJ Simpson	Alderman HJ Smit	Councillor D Swart
Councillor HF Visagie	Alderman JJ Visagie	
Municipal Manager	Acting Director: Finance	Director: Technical Services
Director: Corporate Services	Head: Internal Audit	Manager: Projects and Performance
Manager: Administration	IDP Manager	Legal Advisor
Acting Principal Administrative Officer	Committee Clerk	

TER INLIGTING / FOR INFORMATION

Volledige stukke		
Voorsitter: IMATU (Mnr. S Joseph)	Ondervoorsitter: SAMWU (Mnr. C Appolis)	
Bella Vista Biblioteek	Emfundweni Biblioteek	Prince Alfred's Hamlet Biblioteek
Rietvallei Biblioteek	Montana Biblioteek, Wolseley	Wolseley Biblioteek
Tulbagh Biblioteek	Witzenville Biblioteek, Tulbagh	Op-die-Berg Biblioteek

Per e-pos		
Alderlady MC du Toit E-mail: dutoit.marina@gmail.com	Ceres Business Initiative Mr J Conradie Cell: (083) 270-7713 E-mail: manager@cerescbi.co.za	DAWI Mnr. M Mentor Cell: (073) 620-0238 E-mail: markmentor585@gmail.com

ALDERMAN TT GODDEN
SPEAKER

23 May 2019

AGENDA

1. OPENING AND WELCOME

2. CONSIDERATION OF APPLICATION FOR LEAVE OF ABSENCE, IF ANY (3/1/2/1)

3. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED

3.1 Gratitude, Congratulations and Commiseration (11/4/3)

Council's congratulations are conveyed to the following Councillors and spouses on their birthdays:

❖ Mr S Phungula	3 April
❖ Councillor P Daniels	8 April
❖ Alderman J Schuurman	13 April
❖ Councillor C Lottering	21 April
❖ Ms R Schuurman	12 May
❖ Ms N Simpson	24 May

NOTED.

3.2 Matters raised by the Speaker (09/1/1)

3.3 Matters raised by the Executive Mayor (09/1/1)

4. MINUTES

4.1 Approval of minutes (3/1/2/3)

The minutes of the Council meeting, held on 26 March 2019, are attached as **annexure 4.1**.

RECOMMENDED

That the minutes of the Council meeting, held on 26 March 2019, be approved and signed by the Speaker.

4.2 Outstanding matters (3/3/2)

Number	File reference	Heading, item no. and date	Directorate	Action	Progress	Target date
4.2.1	7/1/4/2	Item 8.4.2 of 5 December 2017 Request to purchase erf 3605, Ceres or a portion thereof	Municipal Manager	That the matter be held in abeyance until the next meeting.	To be workshopped on 29 May 2019.	Next council meeting.
4.2.2	17/19/1	Item 8.3.4 of 27 February 2019 Application: Relocation of established Nduli Carwash to erf 5145, Nduli, Ceres	Community Services	That the matter be held in abeyance until the next meeting in order to ensure a fair supply chain process.	Policy to be approved by Council.	Next council meeting.
4.2.3	15/4/1/1/5	Item 11.1 of 26 March 2019 Ceres golf estate development	Municipal Manager	That the matter be held in abeyance to obtain further clarification and after that be submitted again.		

RECOMMENDED

That notice be taken of the outstanding matters.

5. MOTIONS AND NOTICE OF SUGGESTIONS

5.1 Mosie: Raadsheer TT Godden (15/4/1/1/145)

Die aangeleentheid word in-komitee hanteer.

AANGETEKEN

6. INTERVIEWS WITH DELEGATIONS

7. GEDELEGEERDE BEVOEGDHEDE / DELEGATED POWERS

7.1 Minutes: Committee meetings (03/3/2)

The minutes of the following meetings are attached:

(a) Executive Mayoral Committee, held on 21 January 2019: **Annexure 7.1(a)**.

(b) Committee for Housing Matters, held on 7 February 2019: **Annexure 7.1(b)**.

(c) Performance, Risk and Audit Committee meeting, held on 8 February 2019: **Annexure 7.1(c)**.

(d) Committee for Technical Services, held on 19 February 2019: **Annexure 7.1(d)**.

(e) Executive Mayoral Committee, held on 26 February 2019: **Annexure 7.1(e)**.

RECOMMENDED

that notice be taken of the minutes of the Committee meetings and same be accepted.

8. GERESERVEERDE BEVOEGDHEDE / RESERVED POWERS

8.1 Direktoraat Finansies / Directorate Finance

8.1.1 Section 71 Monthly Budget Statement Report of Directorate Finance: March 2019 (9/1/2/2)

The following items refer:

(a) Item 8.1 of the Performance, Risk and Audit Committee meeting, held on 17 May 2019.

(b) Item 7.1 of the meeting of the Committee for Corporate and Financial Services to be held on 23 May 2019.

The Section 71 Monthly Budget Statement Report of the Directorate Finance for March 2019 is attached as **annexure 8.1.1**.

Extract from the minutes of the Performance, Risk and Audit Committee meeting, held on 17 May 2019:

"The Acting Chief Financial Officer tabled the Section 71 Monthly Budget Statement Report of the Directorate Finance for March 2019. The following matters were highlighted:

- That the revenue in total is in par with the planning and above 94 % .
- The decrease in electricity sales is due to the late fruit season. Electricity sales will pick up until May 2019.
- RBIG grant of R9.5 million paid over for the construction of the Tulbagh Dam.
- The total deviations are very low, about 1 % of total expenditure."

The Performance, Risk and Audit Committee resolved on 17 May 2019:

That the Performance, Risk and Audit Committee recommends to the Executive Mayoral Committee and Council:

that notice be taken of the Section 71 Monthly Budget Statement Reports of the Directorate Finance for January, February and March 2019 and, after consideration, same be approved and accepted.

The following recommendation is tabled to the Committee for Corporate and Financial Services:

That the Committee for Corporate and Financial Services recommends to the Executive Mayoral Committee and Council:

that the Committee for Corporate and Financial Services takes notice, after consideration, of the content of the Section 71 Monthly Budget Statement Report of the Directorate Finance for March 2019 and same be accepted.

The following recommendation is tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

that notice be taken of the Section 71 Monthly Budget Statement Report of the Directorate Finance for March 2019 and same be accepted.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

that notice be taken of the Section 71 Monthly Budget Statement Report of the Directorate Finance for March 2019 and same be accepted.

8.1.2 Quarterly Budget Statement [Section 52(d)] Report: Third Quarter of 2018/2019 (1 January until 31 March 2019)
(9/1/2/2)

The following items refer:

(a) Item 8.2 of the meeting of the Performance, Risk and Audit Committee, held on 17 May 2019.

(b) Item 7.2 of the meeting of the Committee for Corporate and Financial Services, to be held on 23 May 2019.

(c) Item 7.1.2 of the Executive Mayoral Committee meeting, still to be held.

The Quarterly Budget Statement [Section 52(d)] Report for the third quarter of 2018/2019 is attached as **annexure 8.1.2**.

The Performance, Risk and Audit Committee resolved on 17 May 2019:

That the Performance, Risk and Audit Committee recommends to the Executive Mayoral Committee and Council:

that notice be taken of the Quarterly Budget Statement [Section 52(d)] Report for the Third Quarter of 2018/2019 (1 January until 31 March 2019) and, after consideration, same be approved and accepted.

The following recommendation is tabled to the Committee for Corporate and Financial Services:

That the Committee for Corporate and Financial Services recommends to the Executive Mayoral Committee and Council:

that notice be taken of the Quarterly Budget Statement Report in terms of Section 52(d) for the period 1 January until 31 March 2019.

The following recommendation is tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(i) that notice be taken of the Quarterly Budget Statement Report in terms of Section 52(d) for the period 1 January until 31 March 2019.

(b) that the report be referred to Council's Municipal Public Accounts Committee for their recommendations to Council.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

(i) that notice be taken of the Quarterly Budget Statement Report in terms of Section 52(d) for the period 1 January until 31 March 2019.

(b) that the report be referred to Council's Municipal Public Accounts Committee for their recommendations to Council.

8.1.3 Settling of Rand Merchant Bank (RAB) loan for Koekedouw Dam (16/2/1/1/1 & 5/4/R)

Item 7.1.3 of the Executive Mayoral Committee meeting, still to be held, refers.

The following memorandum, dated 20 May 2019, was received from the Manager: Water and Sewerage:

"Purpose

The purpose of this report is to inform Council regarding the settling option of the RAB loan which was taken up by KBR (Koekedouw Irrigation Board) for the construction of the Koekedouw Dam.

Background

The Koekedouw Dam was constructed in 1999 as a joint venture between Witzenberg Municipality and the Koekedouw Irrigation Board. Both parties to this venture incurred loans to pay for their share of the construction cost. The loan taken up by Witzenberg Municipality has been settled in 2017.

Currently KBR is still paying off on their loan and Witzenberg Municipality is part of this repayment agreement in terms of our allocation for Vredebes farm. See **annexure 8.1.3(a)**.

The KBR management has met with RAB in order to negotiate a new financing model in order to settle the loan and minimize cost. The new financing model agreed to between the parties, and approved by KBR, is attached as **annexure 8.1.3(b)**.

This new option entails the settling of the loan once-off in order to cut out huge interest on the loan. As can be seen on the attached spreadsheet if we stay with the old financing model, KBR will make a total repayment of R348 628 396 on the initial loan. Currently the outstanding amount is R54 687.04, but this amount will escalate to R78 944 608.00 before it starts to decrease and eventually be settled in 2044. With the new financing model total repayment will be R83 152 706.00 resulting in a total saving of R265 475 690.00.

Legal framework

Because Witzenberg Municipality is part of KBR in terms of our allocation for Vredebes, we are also liable for the repayment of our portion of the loan from RAB.

Financial impact

With the new financing model we will have a huge saving on the repayment of the loan. In terms of the old financing model we will be responsible for repayment of R4 052 646.00 whereas with the new financing model we will make a once-off payment of R889 891.98 to settle the loan, resulting in a saving of R3 162 754.02."

The following recommendation is tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that Council approves the new financing model option.
(b) That Witzenberg Municipality settles their portion of the loan with a once-off payment.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

(a) that Council approves the new financing model option.
(b) That Witzenberg Municipality settles their portion of the loan with a once-off payment.

8.1.4 Supply Chain Management: Paragraph 7(3) Quarterly Report ending 31 December 2018: Implementation of Supply Chain Management Policy (9/1/2/2)

The following items refer:

(a) Item 8.1 of the meeting of the Committee for Corporate and Financial Services to be held on 23 May 2019.

(b) Item 7.1.4 of the Executive Mayoral Committee meeting still to be held.

A memorandum from the Manager: Supply Chain, dated 3 January 2019, is attached as **annexure 8.1.4**.

The following recommendation is tabled to the Committee for Corporate and Financial Services:

That the Committee for Corporate and Financial Services recommends to the Executive Mayoral Committee and Council:

(a) that the Chief Financial Officer submits the report to the Accounting Officer by 7 January 2019.

(b) that the Accounting Officer submits the report to the Executive Mayor by 10 January2019.

(c) that the report serves before the relevant portfolio committee, the Executive Mayoral Committee and Council for information.

(d) that the report be made available to the public in terms of Section 21A of the Municipal Systems Act (Act no. 32 of 2000) after it has served before Council.

The following recommendation is tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that the Chief Financial Officer submits the report to the Accounting Officer by 7 January 2019.

(b) that the Accounting Officer submits the report to the Executive Mayor by 10 January2019.

(c) that the report serves before the relevant portfolio committee, the Executive Mayoral Committee and Council for information.

(d) that the report be made available to the public in terms of Section 21A of the Municipal Systems Act (Act no. 32 of 2000) after it has served before Council.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

(a) that the Chief Financial Officer submits the report to the Accounting Officer by 7 January 2019.

(b) that the Accounting Officer submits the report to the Executive Mayor by 10 January2019.

(c) that the report serves before the relevant portfolio committee, the Executive Mayoral Committee and Council for information.

(d) that the report be made available to the public in terms of Section 21A of the Municipal Systems Act (Act no. 32 of 2000) after it has served before Council.

8.1.5 Quarterly inventory count: Municipal Stores, Drommedaris Street, Ceres (6/1/1)

The following items refer:

(a) Item 8.2 of the meeting of the Committee for Corporate and Financial Services, to be held on 23 May 2019.

(b) Item 7.1.5 of the Executive Mayoral Committee meeting still to be held.

A memorandum from the Manager: Supply Chain, dated 2 April 2019, is attached as **annexure 8.1.5**.

The following recommendation is tabled to the Committee for Corporate and Financial Services:

That the Committee for Corporate and Financial Services recommends to the Executive Mayoral Committee and Council:

(a) that cognisance be taken of the stock count of 20 March 2019.

(b) that Council authorises the up-taking of surpluses as per table 3.1(a) of the annexure.

(c) that Council authorises the writing off of stock shortages as per table 3.1(b) to the value of R2 240-62.

(d) that Council authorises the writing off of damaged stock as per table 3.1(c) to the value of R2-98.

The following recommendation is tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that cognisance be taken of the stock count of 20 March 2019.

(b) that Council authorises the up-taking of surpluses as per table 3.1(a) of the annexure.

(c) that Council authorises the writing off of stock shortages as per table 3.1(b) to the value of R2 240-62.

(d) that Council authorises the writing off of damaged stock as per table 3.1(c) to the value of R2-98.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

(a) that cognisance be taken of the stock count of 20 March 2019.

(b) that Council authorises the up-taking of surpluses as per table 3.1(a) of the annexure.

(c) that Council authorises the writing off of stock shortages as per table 3.1(b) to the value of R2 240-62.

(d) that Council authorises the writing off of damaged stock as per table 3.1(c) to the value of R2-98.

8.1.6 Finance: Budget 2019/2020 and 2nd Reviewed IDP 2019/2020 to 2021/2022 (5/1/1/18 & 2/2/1)

The following documents are attached:

(a) Memorandum from the Director: Finance, dated 22 May 2019: **Annexure 8.1.6(a)**.
(b) Budget for 2019/2020 – 2021/2022: **Annexure 8.1.6(b)**.
(c) Rates and tariffs 2019/2020: **Annexure 8.1.6(c)**.
(d) 2nd Reviewed IDP for 2019/2020 – 2021/2022: **Annexure 8.1.6(d)**.
(e) Budget related policies 2019/2020: **Annexure 8.1.6(e)**.
(f) Capital budget 2019/2020: **Annexure 8.1.6(f)**.
(g) MFMA Budget Circular: **Annexure 8.1.6(g)**.
(h) Provincial Treasury Circular: **Annexure 8.1.6(h)**.
(i) LG MTEC Integrated Planning and Budgeting Assessment: **Annexure 8.1.6(i)**.
(j) LG MTEC responses 2019/2020: **Annexure 8.1.6(j)**.

RECOMMENDED

(a) *That the annual budget of Witzenberg Municipality for the financial year 2019/2020 and indicative for the two projected years 2020/2021 and 2021/2022, as set out in the schedules contained in Section 4, be approved:*

(i) Table A2: Budgeted Financial Performance (expenditure by standard classification).

(ii) Table A3: Budgeted Financial Performance (expenditure by municipal vote).

(iii) Table A4: Budgeted Financial Performance (revenue by source).

(iv) Table A5: Budgeted Capital Expenditure for both multi-year and single year by vote, standard classification and funding.

(b) *Property rates reflected in annexure 8.1.6(c) and any other municipal tax reflected in annexure 8.1.6(c) are imposed for the budget year 2019/2020.*

(c) *Tariffs and charges reflected in Annexure 8.1.6(c) are approved for the budget year 2019/2020.*

(d) *The measurable performance objectives for revenue from each source reflected in Table A4 - Budgeted Financial Performance (revenue and expenditure) are approved for the budget year 2019/2020.*

(e) *The measurable performance objectives for each vote reflected in SA8 are approved for the budget year 2019/2020.*

(f) *That the new amended budget related policies be approved with implementation as from 1 July 2019:*

(i) Tariff Policy
(ii) Property Rates Policy
(iii) Credit Control and Debt Collection Policy
(iv) Cash Management and Investment Policy
(v) Consumer Payment Incentive Policy
(vi) Municipal Supply Chain Management Policy
(vii) Petty Cash Policy
(viii) Indigent Policy
(ix) Budget Policy
(x) Budget Virement Policy
(xi) Asset Management Policy
(xii) Funding and Reserves Policy
(xiii) Cellular Telephone and Data Card Policy
(xiv) Borrowing Policy
(xv) Long Term Financial Plan Policy
(xvi) Transport, Travel and Subsistence Allowance
(xvii) Post-Employment Medical Aid Contributions

(g) *That the 2nd Review of the five year Integrated Development Plan (IDP) for the 2019/2020 financial year be approved.*

(h) *That Council takes cognisance of the budget circulars issued by National Treasury and Provincial Treasury.*

(i) *That Council takes cognisance of the LGMTEC Integrated Planning and Budgeting Assessment and the responses by the municipality.*

8.2 Direktoraat Tegniese Dienste / Directorate Technical Services

8.2.1 Waiver of pre-emptive right on erf 3775, Ceres (15/4/1/1/196)

Item 7.2.1 of the Executive Mayoral Committee meeting, still to be held, refers.

The following memorandum, dated 21 May 2019, was received from the Municipal Manager:

"Purpose

To recommend to Council to consider the waiver of Council's pre-emptive right on a portion of erf 3775, Ceres, more commonly known as the Ceres cricket ground in favour of a property development.

Background

Erf 3775, Ceres is registered in the name of Ceres *Landbougenootskap*. A property developer. Dorpstraat, Stellenbosch, approached the *Landbougenootskap* to acquire the property for purposes of developing a convenience shopping centre. No lay-out or building plans have been drafted, because the developer first wants an in-principle approval from Council before major expenses are being incurred. In terms of the letter from Dorpstraat the size of the development will be between 6 000 and 7 500 m². The total capital investment will between R120 million and R130 million. In terms of the presentation done by Dorp Street there will be an anchor tenant and the whole purpose is to attract new traders to Ceres instead of recycling existing shops in town. The existing cricket facility will be moved to Victoria Park where both the rugby and cricket facilities will be upgraded by the developer. Some of the proceeds of the sale agreement will be used to renovate and build new conference facilities at Victoria Park. If the development is approved it will create opportunities for local business people. Permanent job opportunities will be through the small businesses in the centre as well as security, cleansing and maintenance opportunities.

A profile of Dorpstraat Developers is attached as **annexure 8.2.1**. The developers have been involved in several successful centres and malls as listed in their profile. They are currently busy with three centres that are under construction which inter alia includes Robertson.

Municipal services

No detailed plans were submitted to the Directorate Technical Services. The directorate, however, indicated that municipal services will be available within the area. The most challenging service will be that of electricity in terms of the provisional requirement, but coupled with alternative energy the municipality should be in a position to provide electricity to the development. The development will be responsible for all costs related to the upgrade of bulk services to the specific development, which cost will be in terms of Council's approved policy.

Financial implication

There are no financial implications for Council. If the development is approved, it will create additional income for Council.

Legal implication

If Council waives the requirement in terms of the Title Deed that the property must first be offered to Council and that the land may only be used for sports activities, then such decision must be made known to the public through an advertisement in the local newspaper."

The matter is tabled to the Executive Mayoral Committee for consideration.

RECOMMENDED

For consideration.

8.2.2 Request to obtain Council's 15 hectare water rights in respect of Vredebes farm (16/2/R)

Item 7.2.2 of the Executive Mayoral Committee meeting, still to be held, refers.

The following memorandum, dated 21 May 2019, was received from the Municipal Manager:

"Purpose

To recommend and consider a request from Witzenberg Deelnemingstrust to transfer Council's water rights of 15 hectare summer water in respect of Vredebes to the trust.

Background

Council purchased Vredebes farm for housing purposes. It also acquired 15 hectare summer water rights from the Koekedouw Irrigation Board in respect of the farm. Council must annually contribute and pay to the Koekedouw Irrigation Board for the operational cost and redemption of the loan at the Rand Merchant Bank. An item is also tabled to Council in terms whereof Council is requested to make payment to the amount of R889 891-98 to the Irrigation Board to redeem Council's portion of the loan as per the agreement reached between Rand Merchant Bank and the Irrigation Board. The Witzenberg Deelnemingstrust has addressed a letter to the Executive Mayor as well as Municipal Manager, requesting Council to consider transferring the rights in the 15 ha agricultural water to the trust. A copy of the letter is attached as **annexure 8.2.2**."

The matter is tabled to the Executive Mayoral Committee for consideration.

RECOMMENDED

For consideration.

8.2.3 Witzenberg Spatial Development Framework: Proposed programme and Inception Report (15/4/P)

The following items refer:

(a) Item 7.1 of the meeting of the Committee for Technical Services, held on 22 May 2019.
(b) Item 7.2.3 of the Executive Mayoral Committee meeting still to be held.

The following report, dated 23 April 2019, was received from the Manager: Town Planning and Building Control:

"Background

On 12 February 2019 the municipality appointed consultant Built Environment Partnership (BEP) as the service provider to execute the review of the Witzenberg Spatial Development Framework.

Attached as **annexure 8.2.3** is the Inception Report produced by the consultant which among other things propose a work programme and consultation plan.

Legislation

The Witzenberg Land Use Planning By-Law requires that the municipality approve a consultation plan and programme for the adoption of its Spatial Development Framework as follows:

'(1) When drafting or amending the municipal spatial development framework in terms of the Municipal Systems Act, the Municipal Council must, in accordance with the process adopted in terms of section 28 of the Municipal Systems Act:

(a) approve a consultation plan which meets the requirements of:

(i) section 29(1) of the Municipal Systems Act;

(ii) section 20(3) of SPLUMA;

(iii) section 13 of the Land Use Planning Act; and

(b) approve a programme which includes the stages at which a designated political structure, political office bearer or official must comment upon the draft municipal spatial development framework or draft amendment.'

Work programme

The Witzenberg Spatial Development Framework Project's Scope of Work has been split into eight separate project phases and forms the core focus areas of the work phase methodology. With an additional last phase included for administrative purposes. The phases classify how the project team will go about completing the SDF. These work phases are shown in the table below:

WBS	TASK NAME	DURATION	START	FINISH
0	Witzenberg SDF Draft Programme	352 days	Thu 10/25/18	Tue 4/21/20
1	Tender Submission and Award	66 days	Thu 10/25/18	Tue 2/12/19
2	PHASE 1: PROJECT INCEPTION	37 days	Wed 2/13/19	Thu 4/4/19
3	PHASE 2: LEGISLATIVE AND POLICY REVIEW	32 days	Tue 2/26/19	Wed 4/10/19
4	PHASE 3: PRINCIPLES AND DRAFT VISION	31 days	Thu 4/4/19	Wed 5/22/19
5	PHASE 4: STATUS QUO SYNTHESIS	49 days	Wed 3/27/19	Fri 6/7/19
6	PHASE 5: SPATIAL CONCEPT AND STRATEGY	45 days	Mon 6/3/19	Mon 8/5/19
7	PHASE 6: DRAFT SDF WITH CAPITALEXPENDITURE FRAMEWORK AND IMPLEMENTATION FRAMEWORK	110 days	Thu 8/8/19	Fri 1/31/20
8	PHASE 7: FINAL SDF	45 days	Mon 2/3/20	Fri 4/3/20
9	PHASE 8: RECONCILIATION AND CLOSE OUT	10 days	Mon 4/6/20	Tue 4/21/20

The Committee for Technical Services resolved on 22 May 2019:

That the Committee for Technical Services recommends to the Executive Mayoral Committee and Council:

that, in terms of Section 4(1) of the Witzenberg Land Use Planning By-Law, the project programme and consultation plan contained in the Inception Report prepared by Built Environment Partnership, be approved.

The following recommendation is tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

that, in terms of Section 4(1) of the Witzenberg Land Use Planning By-Law, the project programme and consultation plan contained in the Inception Report prepared by Built Environment Partnership, be approved.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

that, in terms of Section 4(1) of the Witzenberg Land Use Planning By-Law, the project programme and consultation plan contained in the Inception Report prepared by Built Environment Partnership, be approved.

8.2.4 Proposed Integrated Zoning Scheme By-Law for Witzenberg (15/4/P)

The following items refer:

(a) Item 7.2 of the meeting of the Committee for Technical Services, held on 22 May 2019.
(b) Item 7.2.4 of the Executive Mayoral Committee meeting still to be held.

The following memorandum, dated 16 April 2019, was received from the Manager: Town Planning and Building Control:

"Purpose

The purpose of this report is to introduce to Council an Integrated Zoning Scheme (IZS) By-Law for the Municipality and to adopt a process to commence with the implementation thereof.

The draft Integrated Zoning Scheme (IZS) is attached as **annexure 8.2.4**.

Background

The Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2014), stipulates in Section 24(1) that a municipality must adopt a single land use scheme for its entire municipal area within five years from the commencement of said Act. Municipalities thus have until **30 June 2020** to implement an integrated zoning scheme.

Currently the Witzenberg Municipal area is covered by three different zoning schemes comprising of:

- Ceres Scheme (1994)
- Nduli (1989)
- Section 8 (1988) applying to Wolseley, Tulbagh, Prince Alfred's Hamlet, the town Op-die-Berg and farming areas

Notwithstanding the requirement of SPLUMA, these different zoning schemes are also outdated and did not kept track with the changing development context of the area. As a consequence, these zoning schemes complicate land use management.

Consequently it is necessary to consolidate the different zoning schemes into a single integrated zoning scheme, as well as to modernise the zoning scheme into an innovative tool which is more suited for managing the challenges of development.

Overview of proposed process

The following process and associated timeframes to finalise and implement the IZS will be followed in three phases:

Finalise draft IZS for Council submission – current to May 2019

- Technical examination of the content of the IZS to consider and make sure that it covers any specific needs or challenges that the municipality faces. Completed.
- Develop zoning transition tables to allocate the new zonings. Completed.
- Submit draft IZS to Council for mandate to release same for purpose of public participation, including the proposed Public Participation Process. **Presented with this report.**
- Prepare a land use register and determine a new zoning in terms of the IZS for every property with the finalisation of a new associated zoning map.

Public Participation Process for IZS – June 2019 to December 2019

- Undertake Public Participation and advertisement campaign, including Council workshops.
- Evaluate any inputs on IZS and finalise draft IZS.
- Communicate responses to parties who provided inputs.

Approval and Implementation of IZS – January 2020 to March 2020

- Finalise IZS and submit report to Council for final adoption.
- Publish adoption of IZS [Municipal Systems Act Section13(a) promulgation].
- Continue to address any bona fide zoning disputes."

The Committee for Technical Services resolved on 22 May 2019:

That the Committee for Technical Services recommends to the Executive Mayoral Committee and Council:

(a) That Council takes cognisance of the fact that in terms of the Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2014) a single land use scheme needs to be implemented no later than 30 June 2020.

(b) That the draft Witzenberg Zoning Scheme By-Law be approved in principle and the process be followed for adoption of same.

(c) That in terms of Section 12(3)(b) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) the proposed draft Witzenberg Zoning Scheme By-Law be published for public comment.

(d) That the proposed draft Witzenberg Zoning Scheme By-Law and any comments received during public participation be submitted to Council for consideration and final adoption.

The following recommendation is tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) That Council takes cognisance of the fact that in terms of the Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2014) a single land use scheme needs to be implemented no later than 30 June 2020.

(b) That the draft Witzenberg Zoning Scheme By-Law be approved in principle and the process be followed for adoption of same.

(c) That in terms of Section 12(3)(b) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) the proposed draft Witzenberg Zoning Scheme By-Law be published for public comment.

(d) That the proposed draft Witzenberg Zoning Scheme By-Law and any comments received during public participation be submitted to Council for consideration and final adoption.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

(a) That Council takes cognisance of the fact that in terms of the Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2014) a single land use scheme needs to be implemented no later than 30 June 2020.

(b) That the draft Witzenberg Zoning Scheme By-Law be approved in principle and the process be followed for adoption of same.

(c) That in terms of Section 12(3)(b) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) the proposed draft Witzenberg Zoning Scheme By-Law be published for public comment.

(d) That the proposed draft Witzenberg Zoning Scheme By-Law and any comments received during public participation be submitted to Council for consideration and final adoption.

8.3 Direktoraat Gemeenskapsdienste / Directorate Community Services

8.3.1 Housing: Witzenberg Municipal Housing Pipeline for 2018/2019 (05/06/1)

The following items refer:

(a) Item 9.1.4 of the meeting of the Committee for Housing Matters, held on 6 September 2018.

(b) Item 7.3.5 of the Executive Mayoral Committee meeting held on 30 October 2018.

(c) Item 8.3.7 of the Council meeting, held on 31 October 2018.

(d) Item 7.3.1 of the Executive Mayoral Committee meeting still to be held.

A memorandum from the Manager: Housing, dated 6 August 2018, is attached as **annexure 8.3.1**.

The Committee for Housing Matters resolved on 6 September 2018 to recommend to the Executive Mayoral Committee and Council:

that the Witzenberg Municipal Housing Pipeline for 2018/2019 be endorsed by Council.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

that the Witzenberg Municipal Housing Pipeline for 2018/2019 be endorsed by Council.

The Executive Mayoral Committee resolved on 30 October 2018 that the matter regarding the Witzenberg Municipal Housing Pipeline for 2018/2019 be held in abeyance until the next meeting.

Council unanimously resolved on 31 October 2019 that the matter regarding the Witzenberg Municipal Housing Pipeline for 2018/2019 be held in abeyance until the next meeting.

The following recommendation is tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

that the Witzenberg Municipal Housing Pipeline for 2018/2019 be endorsed by Council.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

that the Witzenberg Municipal Housing Pipeline for 2018/2019 be endorsed by Council.

8.3.2 Proposal for utilisation of Busy Bee Building: Erf 1567, Piet Retief Street, Tulbagh (7/1/4/1)

The following items refer:

(a) Item 7.1 of the meeting of the Committee for Local Economic Development and Tourism, held on 20 February 2019.

(b) Item 7.3.3 of the Executive Mayoral Committee meeting held on 26 February 2019.

(c) Item 8.3.5 of the Council meeting, held on 27 February 2019.

(d) Item 7.3.1 of the Executive Mayoral Committee meeting, held on 25 March 2019.

(e) Item 8.3.1 of the Council meeting, held on 26 March 2019.

(f) Item 7.3.1 of the Executive Mayoral Committee meeting still to be held.

The following memorandum, dated 27 September 2018, was received from the Acting Manager: Socio-Economic Development:

"Purpose

The purpose of the report is to determine the utilisation of the old Busy Bee building on erf 1567, Piet Retief Street, Tulbagh.

Background

The building on erf 1567, Piet Retief Street, Tulbagh (known as the Busy Bee building) has been vacant since 1st March 2018. DPSA Tulbagh was the previous lessee from 1 October 2013, with the lease not being renewed by the Witzenberg Council. The current lessee was obligated to evacuate the building by the end of February 2018.

Request

It is requested that the Witzenberg Council provides suggestions for the utilisation of the building.

Recommendation

A current proposal is on the table for the building to be provided to Tulbagh Tourism in order to utilise the building to expose local tourism entrepreneurs from Witzenville and Chris Hani to tourists visiting the area. The recommendation is also that the building must contribute towards economic transformation through tourism and skills impartation."

The Committee for Local Economic Development resolved on 20 February 2019 to recommend to the Executive Mayoral Committee and Council:

(a) that the Acting Manager: Socio-Economic Development investigates and takes control of the municipal assets at the Busy Bee Building, erf 1567, Piet Retief Street, Tulbagh.

(b) To recommend to the Executive Mayoral Committee and Council:

(i) that the building located on erf 1567, Piet Retief Street, Tulbagh be leased to Tulbagh Tourism in order to utilise the premises for local tourism, entrepreneurs from Witzenville and Chris Hani to get exposure to tourists visiting the area.

(ii) that the building supra (a) must contribute towards economic transformation through tourism and skills impartation.

(iii) that the Municipal Manager be mandated to sign the Service Level Agreement with Tulbagh Tourism.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(i) that the building located on erf 1567, Piet Retief Street, Tulbagh be leased to Tulbagh Tourism in order to utilise the premises for local tourism, entrepreneurs from Witzenville and Chris Hani to get exposure to tourists visiting the area.

(ii) that the building supra (a) must contribute towards economic transformation through tourism and skills impartation.

(iii) that the Municipal Manager be mandated to sign the Service Level Agreement with Tulbagh Tourism.

The Executive Mayoral Committee resolved on 26 February 2019 that the Executive Mayoral Committee recommends to Council:

that the matter in respect of the utilisation of the Busy Bee building on erf 1567, Piet Retief Street, Tulbagh be held in abeyance until the next meeting and the cost for repairs be determined and done.

Council resolved on 27 February 2019 that the matter in respect of the utilisation of the Busy Bee building on erf 1567, Piet Retief Street, Tulbagh be held in abeyance until the next meeting and the cost for repairs be determined and done.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(i) that the building located on erf 1567, Piet Retief Street, Tulbagh be leased to Tulbagh Tourism in order to utilise the premises for local tourism, entrepreneurs from Witzenville and Chris Hani to get exposure to tourists visiting the area.

(ii) that the building supra (a) must contribute towards economic transformation through tourism and skills impartation.

(iii) that the Municipal Manager be mandated to sign the Service Level Agreement with Tulbagh Tourism.

The Executive Mayoral Committee resolved on 25 March 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the proposal for utilisation of the Busy Bee building, situated on erf 1567, Piet Retief Street, Tulbagh be held in abeyance to obtain clarity and for further deliberations regarding the matter.

Council unanimously resolved on 26 March 2019 that the matter in respect of the proposal for utilisation of the Busy Bee building, situated on erf 1567, Piet Retief Street, Tulbagh be held in abeyance to obtain clarity and for further deliberations regarding the matter.

The following recommendation is tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(i) that the building located on erf 1567, Piet Retief Street, Tulbagh be leased to Tulbagh Tourism in order to utilise the premises for local tourism, entrepreneurs from Witzenville and Chris Hani to get exposure to tourists visiting the area.

(ii) that the building supra (a) must contribute towards economic transformation through tourism and skills impartation.

(iii) that the Municipal Manager be mandated to sign the Service Level Agreement with Tulbagh Tourism.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

(i) that the building located on erf 1567, Piet Retief Street, Tulbagh be leased to Tulbagh Tourism in order to utilise the premises for local tourism, entrepreneurs from Witzenville and Chris Hani to get exposure to tourists visiting the area.

(ii) that the building supra (a) must contribute towards economic transformation through tourism and skills impartation.

(iii) that the Municipal Manager be mandated to sign the Service Level Agreement with Tulbagh Tourism.

8.3.3 Disaster Management: Approval of Ward Based Risk Assessment (17/7/3/2)

Item 7.3.3 of the Executive Mayoral Committee meeting, still to be held, refers.

The following memorandum, dated 21 May 2019, was received from the Municipal Manager:

"Purpose

To recommend to Council to consider the approval of the Ward Based Risk Assessment conducted by Cape Winelands District Municipality for the benefit of Witzenberg.

Background

In terms of the Disaster Management Act the district municipality must establish an implement framework for disaster management, aimed at ensuring an integrated and uniform approach to disaster management in its area. Section 53 of the said act places a responsibility on the municipality to prepare a Disaster Management Plan for its area according to the circumstances prevailing in the area. The said disaster management plan must form an integral part of the municipality's Integrated Disaster Management Plan. The district municipality is in the process of updating its Disaster Management Framework and requires its B-municipalities to update their Disaster Management Plans. The Ward Based Risk Assessment basically highlights the potential disaster risks for which the municipality must plan. The Ward Based Risk Assessment as performed by the service provider of the district municipality is attached as follows:

(a) Summary: Ward Based Risk Assessment: **Annexure 8.3.3(a)**.
(b) WBRA: Ward 1: **Annexure 8.3.3(b)**.
(c) WBRA: Ward 2: **Annexure 8.3.3(c)**.
(d) WBRA: Ward 3: **Annexure 8.3.3(d)**.
(e) WBRA: Ward 4: **Annexure 8.3.3(e)**.
(f) WBRA: Ward 5: **Annexure 8.3.3(f)**.
(g) WBRA: Ward 6: **Annexure 8.3.3(g)**.
(h) WBRA: Ward 7: **Annexure 8.3.3(h)**.
(i) WBRA: Ward 8: **Annexure 8.3.3(i)**.
(j) WBRA: Ward 9: **Annexure 8.3.3(j)**.
(k) WBRA: Ward 10: **Annexure 8.3.3(k)**.
(l) WBRA: Ward 11: **Annexure 8.3.3(l)**.
(m) WBRA: Ward 12: **Annexure 8.3.3(m)**.

The document will be workshopped by the district municipality for all councillors on 29 May 2019."

Legal implication

- The assessment followed a Public Participation Process, which is one of the enquiries in terms of the Disaster Management Act.
- The Ward Based Risk Assessment must be included in the Disaster Management Plan.

Financial implication

None."

The following recommendation is tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

that the Ward Based Risk Assessment be noted and adopted.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

that the Ward Based Risk Assessment be noted and adopted.

8.3.4 Progress report: Taxi conflict between illegal and legal operators (17/14/1)

Item 7.3.4 of the Executive Mayoral Committee meeting, still to be held, refers.

A memorandum from the Manager: Traffic Services, dated 20 May 2019, is attached as **annexure 8.3.4**.

The matter is tabled to the Executive Mayoral Committee for consideration.

RECOMMENDED

For consideration.

8.3.5 Project: Installation of CCTV cameras along Voortrekker Road, Vos Street, , the R46 (Ceres to Nduli), Ceres as well as Voortrekker and Olienhout Street in Prince Alfred's Hamlet

Item 7.3.5 of the Executive Mayoral Committee meeting, still to be held, refers.

The following documents are attached:

(a) Memorandum from Municipal Manager, dated 22 May 2019: **Annexure 8.3.5(a)**.
(b) Map of route identified: **Annexure 8.3.5(b)**.

The matter is tabled to the Executive Mayoral Committee for consideration.

RECOMMENDED

For consideration.

8.3.6 Policy: Management of business properties for local economic development with the aim of empowering the previously disadvantaged communities (17/19/P)

Item 7.3.6 of the Executive Mayoral Committee meeting, still to be held, refers.

Council resolved per item 8.3.4 of 27 February 2019 that Senior Management develop a criteria guiding Council and its committees to deal with matters of local economic development where the previously disadvantaged are concerned in a just, equitable and transparent manner as prescribed by the Constitution and Municipal Finance Management Act. The draft policy is attached as **annexure 8.3.6**.

The matter is tabled to the Executive Mayoral Committee for consideration.

RECOMMENDED

For consideration.

8.4 Direktoraat Korporatiewe Dienste / Directorate Corporate Services

8.4.1 Request for lease agreement: Erf 8069, Carson Street alley, Ceres (15/4/R & 7/1/4/1)

The following items refer:

(a) Item 7.4.1 of the Executive Mayoral Committee meeting, held on 25 March 2019.
(b) Item 8.4.1 of the Council meeting, held on 26 March 2019.
(c) Item 7.4.1 of the Executive Mayoral Committee meeting still to be held.

The following documents are attached:

(a) E-mail from Mr Wynand du Plessis, dated 14 January 2019: **Annexure 8.4.1(a)**.

(b) Memorandum from Manager: Town Planning and Building Control, dated 7 March 2019: **Annexure 8.4.1(b)**.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(i) that a portion of erf 8069 Ceres be leased to the owner of erf 5042, Mr Wynand du Plessis, as it is not required for provision of the minimum level of basic services [MFMA Section 14.2(a)].

(ii) that Council enters into a lease agreement for a ten-year period for the purposes of enclosing the land for the benefit of erf 5042.

(iii) that an option be given for renewal of the new lease agreement on the discretion of the municipality.

(iv) that the fair market value not be applicable due to the economic and community value that are received in exchange for the lease of the asset [MFMA Section 14.2(a)].

(v) that Council determines the rental amount.

(vi) that the owner of erf 5042 be responsible for maintaining the strip of land.

(vii) that the owner of erf 5042 be responsible for removing the existing lamp post at his own cost.

(viii) that the portion of erf 8069, Ceres will stay the property of the municipality after the expiry or cancellation of the lease agreement.

(ix) that the Municipal Manager be authorised to sign the lease agreement on behalf of Council.

The Executive Mayoral Committee resolved on 25 March 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the request for a lease agreement with regard to erf 8069, Carson Street alley, Ceres be held in abeyance until the next meeting.

Council unanimously resolved on 26 March 2019 that the matter in respect of the request for a lease agreement with regard to erf 8069, Carson Street alley, Ceres be held in abeyance until the next meeting for further inspections in loco.

The following recommendation is tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(i) that a portion of erf 8069 Ceres be leased to the owner of erf 5042, Mr Wynand du Plessis, as it is not required for provision of the minimum level of basic services [MFMA Section 14.2(a)].

(ii) that Council enters into a lease agreement for a ten-year period for the purposes of enclosing the land for the benefit of erf 5042.

(iii) that an option be given for renewal of the new lease agreement on the discretion of the municipality.

(iv) that the fair market value not be applicable due to the economic and community value that are received in exchange for the lease of the asset [MFMA Section 14.2(a)].

(v) that Council determines the rental amount.

(vi) that the owner of erf 5042 be responsible for maintaining the strip of land.

(vii) that the owner of erf 5042 be responsible for removing the existing lamp post at his own cost.

(viii) that the portion of erf 8069, Ceres will stay the property of the municipality after the expiry or cancellation of the lease agreement.

(ix) that the Municipal Manager be authorised to sign the lease agreement on behalf of Council.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

(i) that a portion of erf 8069 Ceres be leased to the owner of erf 5042, Mr Wynand du Plessis, as it is not required for provision of the minimum level of basic services [MFMA Section 14.2(a)].

(ii) that Council enters into a lease agreement for a ten-year period for the purposes of enclosing the land for the benefit of erf 5042.

(iii) that an option be given for renewal of the new lease agreement on the discretion of the municipality.

(iv) that the fair market value not be applicable due to the economic and community value that are received in exchange for the lease of the asset [MFMA Section 14.2(a)].

(v) that Council determines the rental amount.

(vi) that the owner of erf 5042 be responsible for maintaining the strip of land.

(vii) *that the owner of erf 5042 be responsible for removing the existing lamp post at his own cost.*

(viii) *that the portion of erf 8069, Ceres will stay the property of the municipality after the expiry or cancellation of the lease agreement.*

(ix) *that the Municipal Manager be authorised to sign the lease agreement on behalf of Council.*

8.4.2 International relations: Approval of twinning agreement between Witzenberg Municipality and Beelitz Municipality, Germany (10/2/3 & 17/1/4/1)

Item 7.4.2 of the Executive Mayoral Committee meeting, still to be held, refers.

The following memorandum, dated 14 May 2019, was received from the Manager: Amenities and Environment:

"Purpose

To recommend to Council to consider and approve the request from Stadt Beelitz, Germany on the possibility of a potential partnership/twinning agreement between the two municipalities.

Background and reasoning

Stadt Beelitz Municipality (Germany) has sent a formal letter to Council requesting that Council considers the potential of a partnership agreement between the municipalities

Peter Kirsten was delegated by the said Beelitz Municipality (as per **annexure 8.4.2**) to pursue the possibility of the joint partnership between the respective communities. Mr Kirsten met with the Municipal Manager and the Environmental Management section at the main office in Ceres to discuss the potential agreement.

In terms of the discussions the focus will be on environmental projects that will support and contribute to the sustainable development goals (SDG) of the Agenda 2030, namely to:

- protect, restore and promote sustainable use of terrestrial ecosytems,
- sustainably manage forests,
- combat desertification
- reverse land degradation and
- halt biodiversity loss

The goals of development partnership will further be to strengthen the mutual cooperation between the administration, economy and civil society of both Municipalities.

The first phase of the project will focus on site visits to investigate the possibility of future projects. If there is consensus after the visits that any future projects will benefit both communities, a formal agreement will be concluded by the two municipalities and funding will be made available for such projects.

At this stage no dates for the visits are proposed as it will depend on Council's resolution.

Financial implications

(a) Council will be responsible for its delegation's travel and related costs to Germany. (This will be covered by the future formal agreement after consensus has been reached).

(b) Council may also be required to contribute financially to the agreed projects.

(c) Beelitz Municipality will bear their own costs when traveling to Witzenberg.

Legal implications

Council must approve all overseas visits and costs incurred."

The matter is tabled to the Executive Mayoral Committee for consideration.

RECOMMENDED

For consideration.

8.4.3 International relations: Twinning agreement between Essen, Belgium and Witzenberg Municipality
(10/2/3)

Item 7.4.3 of the Executive Mayoral Committee meeting, still to be held, refers.

The following memorandum, dated 21 May 2019, was received from the Municipal Manager:

"Purpose

To recommend to Council to consider the possible participation of a Witzenberg choir during the World Choir Games, scheduled for July 2020 in Flanders, Belgium.

Background

Council has a twinning agreement with Essen Gemeente, Belgium which is in existence for more than ten years. In terms of the said agreement the current focus is on environmental management and youth capacitation.

On 27 March 2019 a Witzenberg delegation, led by the Executive Mayor, held a video conference with the Executive Mayor of Essen and his delegation. The purpose of the video conference was to introduce the newly elected Mayco of Essen and to assess the progress of the Federal programme (Environmental management). During the engagement Essen raised the World Choir Games and enquired whether the municipality will be interested in sending a choir to Belgium to participate in the World Choir Games. Essen also wants to schedule a choir event on 4 and 5 July 2020 in Essen. The World Choir Games will officially start on 6 July 2020 in Gent and Antwerp. In terms of the earlier discussion the expenses will be partially subsidised by Essen and one of the funding programmes. The municipality will, however, be responsible for a large portion of the travelling expenses of the choir members. Details of the World Choir Games are attached as **annexure 8.4.3**. In terms of the program attached, the municipal choir will qualify to enter the open competition. The choir will perform four compositions.

Each composition at least eight minutes long and not more than fifteen minutes. Three compositions may be performed with original instruments and at least one in terms of *a capella*."

RECOMMENDED

For consideration.

8.4.4 Council's immovable property: Long lease or alienation of Klip River Park Resort, Tulbagh (7/1/4/1)

Item 7.4.4 of the Executive Mayoral Committee meeting, still to be held, refers.

The following report, dated 22 May 2019, was received from the Municipal Manager:

"Purpose

To recommend to Council to consider extending the lease period of Klip River Park from 15 years to 30 years or alienating the property known as Klip River Park together with adjacent land in terms of Council's Supply Chain process.

Background

Council resolved per item 8.1.3 on 28 August 2008:

(i) That Klip River Park and surrounding land be retained as a holiday resort and a recreational area.

(ii) That possible developments to be requested from interested parties for consideration by Council in future.

(iii) That the report of the developers and interested parties be tabled to Council.

A Section 78 investigation as per the Municipal Systems Act of 2000 was then followed to look at the Council resolution with the view of entering into a private public partnership agreement. A report was compiled, which is attached as **annexure 8.4.4(a)**. The report recommended that Council should either alienate the said land or follow a PPP process. During discussions with various stakeholders and National Treasury the option of a PPP was eliminated because of the possible turnover of the project (was being regarded as too small). The item was referred back to Council and it was resolved to follow a Supply Chain process in terms whereof Klip River Park would be leased on a long term period of 30 years. The Supply Chain process was advertised on two occasions in both the National and Provincial newspapers without any success. An extract from the tender document which was then advertised, is attached as **annexure 8.4.4(b)**. Site meetings during the advertisement process were compulsory and at all the meetings there were community members claiming that Council's process was flawed and that they would create problems for any successful bidder. At the last site meeting there were two company representatives who flew from Johannesburg and whom had shown genuine interest in as a potential lessee. They have, however, not submitted any bids after the said site meetings. Some of the inputs received during the clarification meetings and also from potential interested parties were that the lease period was not long enough and that the capital investment required at the park would not make the park a viable option for the 15 year period. The area for rental in terms of the said Council resolution is approximately 14.5 ha. A copy of a Google aerial photo is attached as **annexure 8.4.4(c)**.

The green section of Klip River Park is part of Galgeheuwel local Nature Reserve and cannot be developed whether the land is alienated or being part of a rental agreement. When the lease option was initially considered Council took into account the capital required to upgrade the park. At the time the park had to be re-electrified at a major cost. The swimming pool also required repairs which included a total replacement of the pump system. When the resort was operational it provided the following facilities:

(i) 18 Chalets
(ii) 69 Camping Sites
(iii) 4 Ablution blocks
(iv) Small office
(v) Swimming pool

Although the resort is not in operation there are two security guards guarding the property on a 24-hour basis. The cost of the security is approximately R35 000,00 per month. All the previous staff members were transferred and/or placed to other departments within the municipality. The previous report of 2010 has placed an evaluation of R5.2 million on the resort as well as the adjacent land. The resort forms part of commonage of Tulbagh. The municipal valuator has been requested for an updated valuation of the property in question.

Legal implication

If Council considers approving the long term lease agreement the process must be advertised in the local newspaper and submitted to Provincial and National Treasury for their comments as well. Council already took a decision that the land in question is not required for basic services as per the requirements of Section 14 of the Municipal Finance Management Act of 2003. The value of the land might be such that it will fall within the threshold of a special process that needs to be followed when such asset is alienated. In the latter instance it must also be advertised and Treasury must also be notified for inputs.

Financial implication

Council is not deriving any financial benefit from the property. Council in fact is losing money on the security spent as well as loss of potential income. Resorts are not a core function of Council."

The matter is tabled to the Executive Mayoral Committee for consideration.

RECOMMENDED

For consideration.

9. URGENT MATTERS SUBMITTED AFTER DISPATCHING OF THE AGENDA

10. FORMAL AND STATUTORY MATTERS

10.1 Feedback on matters of outside bodies (3/R)

11. QUESTIONS and/or MATTERS RAISED by COUNCILLORS

12. COUNCIL-IN-COMMITTEE

MINUTES OF THE COUNCIL MEETING OF WITZENBERG MUNICIPALITY, HELD IN THE COUNCIL CHAMBERS, MUNICIPAL OFFICES, 50 VOORTREKKER STREET, CERES ON TUESDAY, 26 MARCH 2019 AT 10:00

PRESENT

Councillors

Alderman TT Godden (Speaker)
Councillor BC Klaasen (Executive Mayor)
Alderman K Adams (Deputy Executive Mayor)
Councillor TE Abrahams
Councillor P Daniels
Councillor MD Jacobs
Councillor D Kinnear
Councillor GG Laban
Councillor C Lottering
Councillor M Mdala
Councillor ZS Mzauziwa
Councillor MJ Ndaba
Alderlady JT Phungula
Alderman JW Schuurman
Councillor EM Sidego
Councillor RJ Simpson
Alderman HJ Smit
Councillor D Swart
Alderman JJ Visagie

Officials

Mr D Nasson (Municipal Manager)
Mr J Barnard (Director: Technical Services)
Mr M Mpeluza (Director: Corporate Services)
Mr A Raubenheimer (Acting Director: Finance)
Mr G Louw (Head: Internal Audit)
Mr A Hofmeester (Manager: IDP)
Mr CG Wessels (Manager: Administration)
Ms MJ Prins (Acting Principal Administrative Officer)
Mr CJ Titus (Committee Clerk)
Ms M Badela (Interpreter)

1. OPENING AND WELCOME

The Speaker welcomed everyone present after which he requested Councillor C Lottering (DA) to open the meeting with a prayer.

NOTED

2. CONSIDERATION OF APPLICATION FOR LEAVE OF ABSENCE, IF ANY (3/1/2/1)

Applications for leave of absence from the meeting were received from Councillors HF Visagie, N Phatsoane and TP Mgoboza (ANC).

UNANIMOUSLY RESOLVED

that the applications for leave of absence from the meeting, received from Councillors HF Visagie, N Phatsoane and TP Mgoboza (ANC), be approved and accepted.

3. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED

3.1 Gratitude, Congratulations and Commiseration (11/4/3)

Councillor TE Abrahams conveyed on behalf of Council congratulations to the following Councillors on their birthdays:

- Councillor MJ Ndaba 3 March
- Councillor GG Laban 19 March 2019

NOTED

3.2 Matters raised by the Speaker (09/1/1)

The Speaker raised concern with the distribution of hard copy agendas to various councillors and requested that the electronic tablets be utilised as Council had decided.

NOTED

3.3 Matters raised by the Executive Mayor (09/1/1)

This matter was handled under item 8.1.2.

NOTED

4. MINUTES

4.1 Approval of minutes (3/1/2/3)

The minutes of the Council meeting, held on 27 February 2019, are attached as **annexure 4.1**.

UNANIMOUSLY RESOLVED

that the minutes of the Council meeting, held on 27 February 2019, be approved and signed by the Speaker.

4.2 Outstanding matters (3/3/2)

Number	File reference	Heading, item no. and date	Directorate	Action	Progress	Target date
4.2.1	7/1/4/2	Item 8.4.2 of 5 December 2017 Request to purchase erf 3605, Ceres or a portion thereof	Municipal Manager	That the matter be held in abeyance until the next meeting.	Awaiting outcome of meeting between MEC for Housing and Bella Vista community	30 April 2019.
4.2.2	17/19/1	Item 8.3.4 of 27 February 2019 Application: Relocation of established Nduli Carwash to erf 5145, Nduli, Ceres	Community Services	That the matter be held in abeyance until the next meeting in order to ensure a fair supply chain process.	Policy being developed.	30 April 2019.

Alderman JW Schuurman requested that attention be given to the development of businesses along the main roads in the various townships of the municipal area.

RESOLVED

(a) that notice be taken of the outstanding matter regarding erf 3605, Ceres and the matter be held in abeyance until the next meeting.

(b) that notice be taken of the outstanding matter regarding the Nduli Carwash, erf 5145, Nduli, Ceres and the matter be held in abeyance until the next meeting.

5. MOTIONS AND NOTICE OF SUGGESTIONS

This matter was handled under item 12.2.2.

NOTED

6. INTERVIEWS WITH DELEGATIONS

None

NOTED

7. GEDELEGEERDE BEVOEGDHEDE / DELEGATED POWERS

7.1 Minutes: Committee meetings (03/3/2)

None

NOTED

8. GERESERVEERDE BEVOEGDHEDE / RESERVED POWERS

8.1 Direktoraat Finansies / Directorate Finance

8.1.1 Section 71 Monthly Budget Statement Reports of Directorate Finance: January and February 2019 (9/1/2/2)

Note: These reports are tabled directly to the Executive Mayoral Committee and Council, because the committee meetings for March 2019 have been cancelled.

Item 7.1.1 of the Executive Mayoral Committee meeting, held on 25 March 2019, refers.

The following Section 71 Monthly Budget Statement Reports of the Directorate Finance are attached:

(a) January 2019 **Annexure 8.1.1(a)**.
(b) February 2019 **Annexure 8.1.1(b)**.

The following remarks/questions were highlighted:

- That the delay with regard to the DORA pay-outs has been settled and pay-out done.
- That in respect of outstanding debt discussions were held with the Departments of Education and Rural Development. Schools receive their pay-out during April 2019 and the matter will be addressed.
- That the Acting Director: Finance submits a report in respect of the budget and expenditure of the TASK process at the next meeting.
- That the amount of R531 000-00 was received as operational MIG funding.

The Executive Mayoral Committee resolved on 25 March 2019:

(a) that the Acting Director: Finance submits a report in respect of the budget and expenditure of the TASK process at the next meeting.

(b) That the Executive Mayoral Committee recommends to Council:

that notice be taken of the Section 71 Monthly Budget Statement Reports of the Directorate Finance for January and February 2019 and same be accepted.

UNANIMOUSLY RESOLVED

that notice be taken of the Section 71 Monthly Budget Statement Reports of the Directorate Finance for January and February 2019 and same be accepted.

8.1.2 Finance: Draft Budget, Draft Review IDP and Draft Top Layer SDBIP: 2019/2020 (5/1/1/18; 2/2/1 & 5/1/5/12)

The following memorandum, dated 19 March 2019, was received from the Acting Director: Finance:

"1. Purpose

The purpose of this report is to table the 2019/2020 Draft Budget, Draft IDP Review and Draft Top Layer SDBIP for consideration to Council.

2. Legal framework

Section 16 - 18 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) stipulates as follows:

'Annual budgets

16. (1) The council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year.

(2) **In order for a municipality to comply with subsection (1), the mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.**

(3) Subsection (1) does not preclude the appropriation of money for capital expenditure for a period not exceeding three financial years, provided a separate appropriation is made for each of those financial years.'

'Contents of annual budgets and supporting documents

17. (1) An annual budget of a municipality must be a schedule in the prescribed format –

(a) setting out realistically anticipated revenue for the budget year from each revenue source;
(b) appropriating expenditure for the budget year under the different votes of the municipality;
(c) setting out indicative revenue per revenue source and projected expenditure by vote for the two financial years following the budget year;
(d) setting out –
(i) estimated revenue and expenditure by vote for the current year; and
(ii) actual revenue and expenditure by vote for the financial year preceding the current year; and
(e) a statement containing any other information required by section 215(3) of the Constitution or as may be prescribed.

(2) An annual budget must generally be divided into a capital and an operating budget in accordance with international best practice, as may be prescribed.

(3) When an annual budget is tabled in terms of Section 16 (2), it must be accompanied by the following documents:

(a) draft resolutions –
  (i) approving the budget of the municipality;
  (ii) imposing any municipal tax and setting any municipal tariffs as may be required for the budget year;
  (iii) approving the budgets for the relevant financial year of each municipal entity under the sole or shared control of the municipality; and
  (iv) approving any other matter that may be prescribed;

(b) measurable performance objectives for each vote in the budget, taking into account the municipality's integrated development plan;

(c) a projection of cash flow for the budget year by revenue source, broken down per month;

(d) any proposed amendments to the municipality's integrated development plan following the annual review of the integrated development plan in terms of section 34 of the Municipal Systems Act;

(e) any proposed amendments to the budget-related policies of the municipality;

(f) particulars of the municipality's investments;

(g) any prescribed budget information on municipal entities under the sole or shared control of the municipality;

(h) particulars of all proposed new municipal entities which the municipality intends to establish or in which the municipality intends to participate;

(i) particulars of any proposed service delivery agreements, including material amendments to existing service delivery agreements;

(j) particulars of any proposed allocations or grants by the municipality to –
  (i) other municipalities;
  (ii) any municipal entities and other external mechanisms assisting the municipality in the exercise of its functions or powers;
  (iii) any other organs of state;
  (iv) any organisations or bodies referred to in section 67(1);

(k) the proposed cost to the municipality for the budget year of the salary, allowances and benefits of –
  (i) each political office-bearer of the municipality;
  (ii) councillors of the municipality; and
  (iii) the municipal manager, the chief financial officer, each senior manager of the municipality and any other official of the municipality at a remuneration package at least equal to that of a senior manager;

(l) the proposed cost for the budget year to a municipal entity under the sole or shared control of the municipality of the salary, allowances and benefits of –
  (i) each member of the entity's board of directors; and
  (ii) the chief executive officer and each senior manager of the entity; and

(m) any other supporting documentation as may be prescribed.'

'Funding of expenditures

18. (1) An annual budget may only be funded from –
(a) realistically anticipated revenues to be collected;
(b) cash-backed accumulated funds from previous years' surpluses not committed for other purposes; and
(c) borrowed funds, but only for the capital budget referred to in section 17 (2).

(2) Revenue projections in the budget must be realistic, taking into account –
(a) projected revenue for the current year based on collection levels to date; and
(b) actual revenue collected in previous financial years.'

The following documents are attached:

(a) Draft Review Integrated Development Plan: 2019/2020: **Annexure 8.1.2(a)**.
(b) Draft Top Layer SDBIP: 2019/2020: **Annexure 8.1.2(b)**.
(c) Draft Budget: 2019/2020 – 2021/2022: **Annexure 8.1.2(c)**.
(d) Draft Budget Related Policies: 2019/2020: **Annexure 8.1.2(d)**.
(e) Draft Budget Schedules: 2019/2020 – 2021/2022: **Annexure 8.1.2(e)**.
(f) Procurement Plan: 2019/2020: **Annexure 8.1.2(f)**.

The Acting Director: Finance submitted the Draft Budget, Draft Review IDP and Draft Top Layer SDIP for 2019/2020.

The following matters were highlighted:

- that the expected increase in tariffs from NERSA is still awaited.
- that increases in municipal tariffs are in consideration until after the IDP process.
- Concern was expressed with regard to the dates of the IDP public participation process and the upcoming provincial and national elections.
- that notice be taken that pensioners will receive a 4,2 % increase in comparison with the possible 13 % increase of tariffs by NERSA.

UNANIMOUSLY RESOLVED

(a) that Council takes notice of the Draft Budget, the Draft Review IDP and the Draft Top Layer SDBIP of the Witzenberg Municipality for the financial year 2019/2020 and the indicative budget for the two years 2019/2020 and 2020/2021 that have been tabled by the Executive Mayor in Council.

(b) that the public participation process as per the IDP and Budget Process Plan be followed.

8.2 Direktoraat Tegniese Dienste / Directorate Technical Services

8.2.1 Proposed street fencing: Pick & Pay: De Keur Shopping Centre, Ceres (15/04/R)

Item 7.2.1 of the Executive Mayoral Committee meeting, held on 25 March 2019, refers.

The following memorandum, dated 26 February 2019, was received from the Manager: Town Planning and Building Control:

"Purpose

To make a recommendation with regard to a preliminary building plan application for the erection of a street boundary fence.

Deliberation

The owners of the Pick & Pay at De Keur shopping centre propose to erect a street boundary fence as per the attached drawing. It will be a *clearvu* fence at 1.8 m height with gates at the two entrances enclosing the entire street front of the centre.

The applicant motivates that there has been an increase in criminal related activities at the centre and that the fence is needed as a security measure.

It should be noted that in a recent Constitutional Court judgement (Trustees of the Simcha Trust v Da Cruz and Others; City of Cape Town v Da Cruz and Others) the court held that when considering a proposed building, the decision-maker should consider whether the proposed building would probably, or will in fact, be so disfiguring of the area, objectionable or unsightly, or derogate from the value of adjacent properties, that it would exceed the legitimate expectations of a hypothetical owner of a neighbouring property.

In terms of Section 7(1)(b)(ii)(aa) of the National Building Regulations and Building Standards Act, a local authority must refuse to approve an application if the local authority —

' is satisfied that the building to which the application in question relates —

(aa) is to be erected in such manner or will be of such nature or appearance that —

(aaa) the area in which it is to be erected will probably or in fact be disfigured thereby;
(bbb) it will probably or in fact be unsightly or objectionable;
(ccc) it will probably or in fact derogate from the value of adjoining or neighbouring properties. '

It is considered that the fence is not desirable for the following reasons:

- The proposal is contrary to the character of the main street. Properties along Voortrekker Street are not fenced and the street has an *open* character.
- The fence will have an industrial appearance that is out of character with the area.
- It will discourage free movement after hours when the gates are closed, thereby disturbing the convenience of the area.
- It raises the perception that Ceres is not a safe place.

The following documents are attached:

(a) Front boundary fencing plan: **Annexure 8.2.1(a)**.
(b) Examples of new street boundary fencing: **Annexure 8.2.1(b)**."

The Executive Mayoral Committee resolved on 25 March 2019:

That the Executive Mayoral Committee recommends to Council:

(a) that the application for a proposed street boundary fence on erf 7696 Ceres, illustrated by AXION drawing no 100-10, be refused having regard to Section 7(1)(b)(ii)(aa) of the National Building Regulations and Building Standards Act 103 of 1977.

(b) that the application is refused on the basis of having due regard to the proposal in its wider context considering that:

- the fence will be unsightly, objectionable; causing the area in which it is to be erected to be disfigured thereby.

UNANIMOUSLY RESOLVED

(a) that the application for a proposed street boundary fence on erf 7696 Ceres, illustrated by AXION drawing no 100-10, be refused having regard to Section 7(1)(b)(ii)(aa) of the National Building Regulations and Building Standards Act 103 of 1977.

(b) that the application is refused on the basis of having due regard to the proposal in its wider context considering that:

- *the fence will be unsightly, objectionable; causing the area in which it is to be erected to be disfigured thereby.*

8.2.2 Policy: Development Charges (15/4/P)

The following items refer:

(a) Item 7.2.2 of the Executive Mayoral Committee meeting, held on 3 December 2018.
(b) Item 8.2.2 of the Council meeting, held on 6 December 2018.
(c) Item 7.2.5 of the Executive Mayoral Committee meeting held on 26 February 2019.
(d) Item 8.2.2 of the Council meeting, held on 27 February 2019.
(e) Item 7.2.2 of the Executive Mayoral Committee meeting, held on 25 March 2019.

The following documents are attached:

(a) Memorandum from Director: Technical Services, dated 21 November 2018: **Annexure 8.2.2(a)**.

(b) Witzenberg Municipality Development Charges Policy: **Annexure 8.2.2(b)**.

(c) Services Agreement for Private Residential Township Development: **Annexure 8.2.2(c)**.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that the Development Charges Policy (revision 00) be adopted as a policy document.

(b) that the Services Agreement for Private Residential Township Development be adopted as a policy document.

The Executive Mayoral Committee resolved on 3 December 2018:

That the Executive Mayoral Committee recommends to Council:

(a) that the Development Charges Policy (revision 00) be workshopped by Council.
(b) that the matter in respect of supra (a) be held in abeyance until after the workshop.

Council unanimously resolved on 6 December 2018:

(a) that the Development Charges Policy (revision 00) be workshopped by Council.
(b) that the matter in respect of supra (a) be held in abeyance until after the workshop.

The matter was workshopped on 22 January 2019 and Council took notice of a presentation made regarding the Development Charges Policy revision.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

that notice be taken of the Policy: Development Charges and same be approved and accepted.

The Executive Mayoral Committee resolved on 26 February 2019 that the Executive Mayoral Committee recommends to Council:

that the matter in respect of the Policy: Development Charges be held in abeyance until the next meeting.

Council unanimously resolved on 27 February 2019 that the matter in respect of the Policy: Development Charges be held in abeyance until the next meeting.

The Executive Mayoral Committee resolved on 25 March 2019:

That the Executive Mayoral Committee recommends to Council:

that notice be taken of the Policy: Development Charges and same be approved and accepted.

UNANIMOUSLY RESOLVED

that notice be taken of the Policy: Development Charges and same be approved and accepted.

8.3 Direktoraat Gemeenskapsdienste / Directorate Community Services

8.3.1 Proposal for utilisation of Busy Bee Building: Erf 1567, Piet Retief Street, Tulbagh (7/1/4/1)

The following items refer:

(a) Item 7.1 of the meeting of the Committee for Local Economic Development and Tourism, held on 20 February 2019.

(b) Item 7.3.3 of the Executive Mayoral Committee meeting held on 26 February 2019.

(c) Item 8.3.5 of the Council meeting, held on 27 February 2019.

(d) Item 7.3.1 of the Executive Mayoral Committee meeting, held on 25 March 2019.

A memorandum from the Acting Manager: Socio Economic Development, dated 27 September 2018, is attached as **annexure 8.3.1**.

The Committee for Local Economic Development resolved on 20 February 2019 to recommend to the Executive Mayoral Committee and Council:

(a) that the Acting Manager: Socio-Economic Development investigates and takes control of the municipal assets at the Busy Bee Building, erf 1567, Piet Retief Street, Tulbagh.

(b) To recommend to the Executive Mayoral Committee and Council:

(i) that the building located on erf 1567, Piet Retief Street, Tulbagh be leased to Tulbagh Tourism in order to utilise the premises for local tourism, entrepreneurs from Witzenville and Chris Hani to get exposure to tourists visiting the area.

(ii) that the building supra (a) must contribute towards economic transformation through tourism and skills impartation.

(iii) that the Municipal Manager be mandated to sign the Service Level Agreement with Tulbagh Tourism.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(i) that the building located on erf 1567, Piet Retief Street, Tulbagh be leased to Tulbagh Tourism in order to utilise the premises for local tourism, entrepreneurs from Witzenville and Chris Hani to get exposure to tourists visiting the area.

(ii) that the building supra (a) must contribute towards economic transformation through tourism and skills impartation.

(iii) that the Municipal Manager be mandated to sign the Service Level Agreement with Tulbagh Tourism.

The Executive Mayoral Committee resolved on 26 February 2019 that the Executive Mayoral Committee recommends to Council:

that the matter in respect of the utilisation of the Busy Bee building on erf 1567, Piet Retief Street, Tulbagh be held in abeyance until the next meeting and the cost for repairs be determined and done.

Council resolved on 27 February 2019 that the matter in respect of the utilisation of the Busy Bee building on erf 1567, Piet Retief Street, Tulbagh be held in abeyance until the next meeting and the cost for repairs be determined and done.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(i) that the building located on erf 1567, Piet Retief Street, Tulbagh be leased to Tulbagh Tourism in order to utilise the premises for local tourism, entrepreneurs from Witzenville and Chris Hani to get exposure to tourists visiting the area.

(ii) that the building supra (a) must contribute towards economic transformation through tourism and skills impartation.

(iii) that the Municipal Manager be mandated to sign the Service Level Agreement with Tulbagh Tourism.

The Executive Mayoral Committee resolved on 25 March 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the proposal for utilisation of the Busy Bee building, situated on erf 1567, Piet Retief Street, Tulbagh be held in abeyance to obtain clarity and for further deliberations regarding the matter.

UNANIMOUSLY RESOLVED

that the matter in respect of the proposal for utilisation of the Busy Bee building, situated on erf 1567, Piet Retief Street, Tulbagh be held in abeyance to obtain clarity and for further deliberations regarding the matter.

8.4 Direktoraat Korporatiewe Dienste / Directorate Corporate Services

8.4.1 Request for lease agreement: Erf 8069, Carson Street alley, Ceres (15/4/R & 7/1/4/1)

Item 7.4.1 of the Executive Mayoral Committee meeting, held on 25 March 2019, refers.

The following documents are attached:

(a) E-mail from Mr Wynand du Plessis, dated 14 January 2019: **Annexure 8.4.1(a)**.

(b) Memorandum from Manager: Town Planning and Building Control, dated 7 March 2019: **Annexure 8.4.1(b)**.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(i) that a portion of erf 8069 Ceres be leased to the owner of erf 5042, Mr Wynand du Plessis, as it is not required for provision of the minimum level of basic services [MFMA Section 14.2(a)].

(ii) that Council enters into a lease agreement for a ten-year period for the purposes of enclosing the land for the benefit of erf 5042.

(iii) that an option be given for renewal of the new lease agreement on the discretion of the municipality.

(iv) that the fair market value not be applicable due to the economic and community value that are received in exchange for the lease of the asset [MFMA Section 14.2(a)].

(v) that Council determines the rental amount.

(vi) that the owner of erf 5042 be responsible for maintaining the strip of land.

(vii) that the owner of erf 5042 be responsible for removing the existing lamp post at his own cost.

(viii) that the portion of erf 8069, Ceres will stay the property of the municipality after the expiry or cancellation of the lease agreement.

(ix) that the Municipal Manager be authorised to sign the lease agreement on behalf of Council.

The Executive Mayoral Committee resolved on 25 March 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the request for a lease agreement with regard to erf 8069, Carson Street alley, Ceres be held in abeyance until the next meeting.

UNANIMOUSLY RESOLVED

that the matter in respect of the request for a lease agreement with regard to erf 8069, Carson Street alley, Ceres be held in abeyance until the next meeting for further inspections in loco.

8.4.2 Proposed Council meeting program: April until December 2019 (3/1/2/3)

Item 7.4.2 of the Executive Mayoral Committee meeting, held on 25 March 2019, refers.

The following memorandum, dated 18 March 2019, was received from the Manager: Administration:

"**1. Purpose**

To obtain the approval of the Executive Mayoral Committee as well as Council for the proposed Council meeting program for April until December 2019.

2. For decision

Council.

3. Executive summary

The Council meeting program and meeting schedule for April until December 2019 is attached as **annexure 8.4.2**. The program is essentially similar to the program as scheduled in 2018. It is recommended that the attached program for the period April until December 2019 be approved. Numerous requests were lodged to SALGA to provide their 2019 meeting and workshop dates and it was only received during March 2019. Council approved the meeting program for the period Januarie until March 2019 and made a resolution that the program be finalised when the SALGA dates have been received. The complete Council meeting program of Witzenberg Municipality has been synchronised with SALGA meeting and workshop dates and is now submitted to Council for approval.

4. Discussion

4.1 Background and discussion

In terms of Section 19 of the Local Government Municipals Systems Act, (No 32 of 2000) the Municipal Manager must give notice to the public in a manner determined by the Municipal Council of the time, date and venue of every ordinary meeting of the Council and special or urgent meeting of the Council except when time constraints make this impossible.

The proposed Council meeting program for April until December 2019 provides the list of scheduled Council, Executive Mayoral Committee, the various Section 80 Committees, Municipal Public Accounts Committee (MPAC), Performance Risk and Audit Committee (PRAC) and Local Labour Forum (LLF) meetings with the applicable time, venue and dates of the meetings.

- Senior Management meetings are once again proposed to be held every Monday.
- Section 80 Committee meetings are proposed for the third Tuesday, Wednesday and Thursday of every month.
- Council workshop meetings are proposed for the day prior to the Council meeting.
- Council meetings are proposed for the last Wednesday of the month, depending on specific circumstances. Council meetings are also synchronised with the Council meetings of the Cape Winelands District Municipality.

4.2 Constitutional and policy implications

This program has no constitutional and policy implications for the municipality.

4.3 Environmental implications

This program has no environmental implications.

4.4 Financial implications

The proposed Council meeting program is published in the local community newspaper, the cost of which is duly budgeted for.

4.5 Legal implications

In terms of Section 19 of the Local Government Municipals Systems Act (No. 32 of 200) the Municipal Manager must give notice to the public in a manner determined by the municipal Council of the time, date and venue of every ordinary meeting and special or urgent meetings of the Council except when time constraints make this impossible.

Council meetings are planned for every month except for April, June, September and November. This exceeds the minimum requirement of one meeting per quarter as prescribed.

All legislative and policy requirements are complied with."

The Executive Mayoral Committee resolved on 25 March 2019:

That the Executive Mayoral Committee recommends to Council:

that the Council meeting program for the period April until December 2019 be approved.

UNANIMOUSLY RESOLVED

that the Council meeting program for the period April until December 2019 be approved on condition that amendments can be made as needed after the provincial and national elections.

9. URGENT MATTERS SUBMITTED AFTER DISPATCHING OF THE AGENDA

None / Geen

NOTED / AANGETEKEN

10. FORMAL AND STATUTORY MATTERS

10.1 Feedback on matters of outside bodies (3/R)

None / Geen

NOTED / AANGETEKEN

11. QUESTIONS and/or MATTERS RAISED by COUNCILLORS

11.1 Ceres golf estate development (15/4/1/1/5)

Alderman JW Schuurman posed the following questions in his e-mail to the Municipal Manager, dated 6 November 2017 and as per council item 11.1 of 28 March 2018:

"One evening as I was travelling on a plane from Johannesburg to Cape Town, I sat next to a certain Mr Bill de Swardt who was the then golf landscape architect for Mr Sol Kerzner. I asked him about his profession and he explained that he is designing golf course developments. I invited him to do on own risk a feasibility study for the Ceres golf development and to look at increasing the then 9 holes to 18 holes. The land belonged to the municipality and the 99 year lease of the golf club has also reached the expiry date. Mr de Swardt could not get an interested developer and had to abandon the project. Some years later I was then invited to a golf course development in Robertson and met a developer who was interested in the Ceres golf development project. I introduced the item to Council only to find out that two other parties, McGregor Estates and Par Chance, also claimed an interest in the development. We then placed the item on tender for a proposal call. Group 5, together with Par Chance, after a serious round of negotiations as a joint venture got the tender. I left Council in May 2005 only to find out that Par Chance, a black economic development group, settled to do a separate development with the assistance of the proceeds from the golf course development. I paid a visit to the development yesterday and was clearly shocked to see that none of our previously disadvantaged local people are benefitting out of the project. Our local and very competent builders from the previously disadvantaged community is nowhere on the scene. The land was sold for a merely R1,2 million to the developer. How did this happen, did Council forget about the conditions of the tender and that our local people must participate and benefit out of the project?"

The following response was received from the Municipal Manager:

"The Witzenberg Municipality advertised as per public tender inviting interested parties to submit a feasibility study and proposals for the development of erven 1010, 1011 and a portion of erf 1001, Ceres. A copy of the said bid document is **attached 11.1(a)**.

Mr Dupré Lombard from Macroplan compiled a report on behalf of the Municipal Manager, Mr Dana du Plessis, summarising and presenting the bids received from three interested parties, namely:

- Par Chance BK
- Group Five Development
- Mark Brummer Property Developments

which was tabled at the Executive Mayoral Committee on 19 October 2002 and 24 October 2002 respectively. The matter was discussed at various Council platforms. Copies of the reports are attached as annexures **11.1(b)(i)** and **11.1(b)(ii)**.

It appears from the municipal records that the matter was discussed at a special council meeting on 6 November 2002 where the interested parties were recommended in order of preference, namely:

- McGregor Estates (Group Five)
- Mark Brummer
- Par Chance

No specific resolution was taken at the aforesaid meeting and at the council meeting of 30 April 2003, as per item 8.9, the political parties were given a period of fourteen days to resolve the matters for a decision. The minutes of the various council meetings are attached as **annexure 11.1(c)**.

Council resolved at a special council meeting of 20 May 2003 as per the ANC resolution that the development be awarded to a joint venture between Messrs McGregor Estates (Group Five) and Par Chance. It was further conditional that the development proposals of both groups be accepted on condition that the parties be given thirty days to conclude an agreement failing which new proposals for the development of the golf estate be called for. On 4 May 2004 the then Executive Mayor, Alderman Schuurman, requested the Municipal Manager, Mr Dana du Plessis, to arrange a meeting with the two parties for purposes of drafting a report on the progress of the project. See copy attached as **annexure 11.1(d)**.

On 30 October 2003 Orange Tree Development, in a letter to the Municipal Manager, confirmed that an agreement as per the council resolution was concluded, the terms of conditions accepted and signed by both parties. Copies attached as **annexure 11.1(e)(i)** and **11.1(e)(ii)**.

A report by Mr Dupré Lombaard, dated 14 November 2003, was also compiled on the valuation of the property, attached as **annexure 11.1(f)**. On 18 November 2003 the then Executive Mayoral Committee under item 7.11 resolved to give the Municipal Manager a mandate to negotiate with the developers on the sale of the municipal land of nominal value on condition that Council will not be responsible for any cost which the taxpayer might be liable for and further that all bulk levies be paid by the developer. A copy of the resolution is attached as **annexure 11.1(g)**.

On 17 August 2005 the then Executive Mayor, Mr Nigrini, resolved to inter alia sell erven 1001, 1010, 1011, 1889, 2035, 3659 and 4542 for a market related price of R1 million. There were no conditions as to local development and black empowerment. See resolution attached as **annexure 11.1(h)**. The Municipal Manager referred to the resolution to the Council's attorney who drafted the sale agreement for the land, attached as **annexure 11.1(i)**.

In a letter to the then Executive Mayor Schuurman from Messrs Orange Tree the issue of black empowerment was dealt with, attached as **annexure 11.1(j)**."

UNANIMOUSLY RESOLVED

that the matter in respect of the Ceres Golf Estate development be held in abeyance to obtain further clarification and after that be submitted again.

Councillor BC Klaasen requested on behalf of the DA a caucus break from 11:10 until 11:30.

12. COUNCIL-IN-COMMITTEE

MINUTES OF THE EXECUTIVE MAYORAL COMMITTEE MEETING OF WITZENBERG MUNICIPALITY, HELD IN THE COUNCIL CHAMBERS, MUNICIPAL OFFICES, 50 VOORTREKKER STREET, CERES ON MONDAY, 21 JANUARY 2019 AT 14:00

PRESENT

Executive Mayoral Committee

Councillor BC Klaasen (Executive Mayor)
Alderman K Adams (Deputy Executive Mayor)
Councillor TE Abrahams
Councillor EM Sidego
Alderman JJ Visagie

Councillors not on Executive Mayoral Committee

Alderman TT Godden (Speaker) (ex officio)
Councillor MD Jacobs (Chairperson Municipal Public Accounts Committee)

Officials

Mr D Nasson (Municipal Manager)
Mr J Barnard (Director: Technical Services)
Mr A Raubenheimer (Acting Director: Finance)
Mr G Louw (Head: Internal Audit)
Mr CG Wessels (Manager: Administration)
Ms MJ Prins (Acting Principal Administrative Officer)

Other attendees

Mr N Bettesworth (Ceres Business Initiative)

1. OPENING AND WELCOME

The Executive Mayor welcomed everyone and requested the Acting Director: Finance to open the meeting with prayer.

NOTED

2. CONSIDERATION OF APPLICATION FOR LEAVE OF ABSENCE, IF ANY (3/1/2/1)

An application for leave of absence from the meeting was received from Alderman HJ Smit.

An apology for absence from the meeting was received from the Director: Corporate Services.

RESOLVED

(a) that the application for absence from the meeting, received from Alderman HJ Smit, be approved and accepted.

(b) that notice be taken of the apology for absence from the meeting, received from the Director: Corporate Services.

3. MINUTES

3.1 Approval of minutes (3/1/2/3)

The minutes of the Executive Mayoral Committee meeting, held on 3 December 2018, are attached as **annexure 3.1**.

RESOLVED

That the minutes of the Executive Mayoral Committee meeting, held on 3 December 2018, be approved and signed by the Executive Mayor:

3.2 Outstanding matters (3/3/2)

Item number	File reference	Heading, item no. and date	Directorate	Action	Progress	Target date
3.2.1	17/18/1	Item 8.3.1 of 05-12-2017 Allocation of land for informal traders	Community Services (Local Economic Development)	That the matter be held in abeyance.	Site tour has been undertaken by Committee for Local Economic Development.	
3.2.2	7/1/4/2	Item 7.4.4 of 28-05-2018 Alienation of municipal property: Erf 935, Wolseley	Corporate Services	(a) that the Municipal Manager obtains a legal opinion pertaining to the various concerns raised by the Executive Mayoral Committee. (b) that the matter be held in abeyance until the next meeting.	Municipal Manager to obtain legal opinion.	
3.2.3	17/9/2	Item 7.3.1 of 30-10-2018 Report on site meetings and public participation process: Parks innovation programme	Community Services	That the matter be held in abeyance. (Matter was referred back to Committee for Community Development by Council).		
3.2.4	17/4/R	Item 7.3.4 of 30-10-2018 Housing: Vacant land investigation: Bella Vista, Ceres	Community Services	That the matter be held in abeyance until the next meeting.	To be workshopped.	

3.2.5	5/6/1	Item 7.3.5 of 30-10-2018 Housing: Witzenberg Municipal Housing Pipeline for 2018/2019	Community Services	That the matter be held in abeyance until the next meeting.		

RESOLVED

That notice be taken of the outstanding matters.

4. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED BY EXECUTIVE MAYOR (9/1/1)

(a) The Executive Mayor welcomed everyone back from recess and congratulated the Administration for obtaining a sixth Clean Audit Report.

(b) The Executive Mayor expressed his gratitude and appreciation towards the Administration for rendering services during the holidays.

(c) The Executive Mayor mentioned that an election will take place in 2019, which will bring along challenges. The municipality can expect both labour and political unrest due to wage negotiations.

(d) The Executive Mayor expressed condolences to all who experienced the loss of loved ones and wished all the bereaved peace of mind.

(e) The Executive Mayor mentioned that a strategic session will be held in the near future.

NOTED

5. INTERVIEWS WITH DELEGATIONS

None

NOTED

6. GEDELEGEERDE BEVOEGDHEDE / DELEGATED POWERS

None

NOTED

7. GERESERVEERDE BEVOEGDHEDE / RESERVED POWERS

7.1 Direktoraat Finansies / Directorate Finance

7.1.1 Section 71 monthly reports of the Directorate Finance: September, October and November 2018 (9/1/2/2)

Note: These reports have not been tabled to the Committee for Corporate and Financial Services as there are no committee meetings scheduled for January 2019.

The following items refer:

(a) Item 8.1 of the Performance, Risk and Audit Committee, held on 26 October 2018.
(b) Item 8.1 of the Performance, Risk and Audit Committee, held on 23 November 2018.

The following Section 71 monthly reports of the Directorate Finance are attached:

(a) September 2018: **Annexure 7.1.1(a)**.
(b) October 2018: **Annexure 7.1.1.1(b)**.
(c) November 2018: **Annexure 7.1.1(c)**.

The Performance, Risk and Audit Committee resolved on 26 October 2018 to recommend to the Executive Mayoral Committee and Council:

that the Section 71 monthly report of the Directorate Finance for September 2018 be approved and accepted.

Extract from the minutes of the Performance, Risk and Audit Committee meeting, held on 23 November 2018:

- The Performance, Risk and Audit Committee expressed concern with regard to the amount for overtime for the fire-fighters.
- The Director: Finance explained that the increase for salaries in the budget is due to a number of new appointments.
- The Performance, Risk and Audit Committee requested that in future all deviations be thoroughly substantiated with valid reasons. The Committee furthermore requested that when deviations show massive increases a note be included in the statements to explain.
- The Performance, Risk and Audit Committee expressed concern with regard to the numbers which did not agree as it was used for the first time in the new report. The numbers also complicate the report. The Chief Financial Officer mentioned that the format of the report has changed to be more in line with the budgetary report of the Department Treasury. However, the Chief Financial Officer will look into the matter.

The Performance, Risk and Audit Committee resolved on 23 November 2018 that the Performance, Risk and Audit Committee recommends to the Executive Mayoral Committee and Council:

that the Section 71 monthly report of the Directorate Finance for October 2018 be noted and accepted.

The Municipal Manager reported that twelve EPWP workers were appointed as fire fighters in the place of the fire fighters to prevent overtime.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

that notice be taken of the Section 71 monthly reports of the Department Finance for September, October and November 2018 and same be accepted.

7.1.2. AGSA Audit report: 2017/2018
(5/14/1/15)

Item 5 of the Performance, Risk and Audit Committee meeting, held on 23 November 2018, refers.

The AGSA Audit Report for 2017/2018 is attached as **annexure 7.1.2**.

The Performance, Risk and Audit Committee resolved on 23 November 2018 to recommend to the Executive Mayoral Committee and Council:

that notice be taken of the AGSA Audit Report for 2017/2018 and same be accepted.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

that notice be taken of the AGSA Audit Report for 2017/2018 and same be accepted.

7.1.3 Mid-year Budget Statement and Performance Assessment (Section 72 Report) for period 1 July to 31 December 2018
(9/1/1 & 5/1/5/11)

The following documents are attached:

(a) Memorandum from the Acting Director: Finance, dated 15 January 2019: **Annexure 7.1.3(a)**.

(b) Mid-year Budget Statement and Performance Assessment (Section 72 Report) for the period 1 July to 31 December 2018: **Annexure 7.1.3(b)**.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

that notice be taken of the Mid-year Budget Statement and Performance Assessment (Section 72 Report) for the period 1 July to 31 December 2018 and same be accepted.

7.1.4 Quarterly Budget Statement Report [Section 52(d)] for period 1 October 2018 to 31 December 2018
(9/1/2/2)

The Quarterly Budget Statement Report [Section 52(d)] for the period 1 October 2018 to 31 December 2018 is attached as **annexure 7.1.4**.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

(a) that notice be taken of the Quarterly Budget Statement Report [Section 52(d)] for the period 1 October 2018 to 31 December 2018 and same be accepted.

(b) that the report be referred to the Municipal Public Accounts Committee and Performance, Risk and Audit Committee of Council.

7.2 Direktoraat Tegniese Dienste / Directorate Technical Services

7.2.1 Notule van vergadering van die Beplanningstribunaal van Munisipaliteit Witzenberg: 20 April 2018 (15/04/P)

Die volgende items verwys:

(a) Item 7.3 van die vergadering van die Komitee vir Tegniese Dienste, gehou op 23 Mei 2018.

(b) Item 7.2.4 van die Uitvoerende Burgemeesterskomitee vergadering, gehou op 23 Julie 2018.

(c) Item 8.2.5 van die Raadsvergadering, gehou op 25 Julie 2018.

(d) Item 7.2.1 van die Uitvoerende Burgemeesterskomitee vergadering gehou op 30 Oktober 2018.

(e) Item 8.2.1 van die raadsvergadering, gehou op 31 Oktober 2018.

Die notule van 'n vergadering van die Beplanningstribunaal van Munisipaliteit Witzenberg, gehou op 20 April 2018, word aangeheg as **bylae 7.2.1**.

Die Komitee vir Tegniese Dienste het op 23 Mei 2018 besluit:

Om by die Uitvoerende Burgemeesterskomitee en Raad aan te beveel:

dat die Raad kennis neem van die notule van 'n vergadering van die Beplanningstribunaal van Munisipaliteit Witzenberg, gehou op 20 April 2018 en dat dit aanvaar word.

Die volgende aanbeveling is aan die Uitvoerende Burgemeesterskomitee voorgelê:

Dat die Uitvoerende Burgemeesterskomitee by die Raad aanbeveel:

dat die Raad kennis neem van die notule van 'n vergadering van die Beplanningstribunaal van Munisipaliteit Witzenberg, gehou op 20 April 2018 en dat dit aanvaar word.

Die Uitvoerende Burgemeesterskomitee het op 23 Julie 2018 besluit dat die aangeleentheid rakende die notule van 'n vergadering van die Beplanningstribunaal van Munisipaliteit Witzenberg, gehou op 20 April 2018, oorstaan tot die eerskomende vergadering.

Die Raad het op 25 Julie 2018 eenparig besluit dat kennis geneem word dat die aangeleentheid rakende die notule van 'n vergadering van die Beplanningstribunaal van Munisipaliteit Witzenberg, gehou op 20 April 2018, oorgehou is deur die Uitvoerende Burgemeesterskomitee tot die eerskomende vergadering.

Die Uitvoerende Burgemeesterskomitee het op 30 Oktober 2018 besluit dat die aangeleentheid rakende die notule van 'n vergadering van die Beplanningstribunaal van Munisipaliteit Witzenberg, gehou op 20 April 2018, oorstaan tot die volgende vergadering.

Die Raad het op 31 Oktober 2018 eenparig besluit dat die aangeleentheid rakende die notule van 'n vergadering van die Beplanningstribunaal van Munisipaliteit Witzenberg, gehou op 20 April 2018, oorstaan tot die eerskomende vergadering.

BESLUIT

Dat die Uitvoerende Burgemeesterskomitee by die Raad aanbeveel:

dat die Raad kennis neem van die notule van 'n vergadering van die Beplanningstribunaal van Munisipaliteit Witzenberg, gehou op 20 April 2018 en dat dit aanvaar word.

7.2.2 Essential Services: Witzenberg Electrical Master Plan (16/3/1)

The following items refer:

(a) Item 7.3 of the meeting of the Committee for Technical Services, held on 19 September 2018.

(b) Item 7.2.8 of the Executive Mayoral Committee meeting, held on 30 October 2018.

(c) Item 8.2.9 of the council meeting, held on 31 October 2018.

The following documents are attached:

(a) Memorandum from the Senior Manager: Electro-Technical Services, dated 27 June 2018: **Annexure 7.2.2(a)**.

(b) Master Planning and Status Report on 11 kV structure in Ceres: Period 2018 – 2028: Document 1: **Annexure 7.2.2(b)**.

(c) Master Planning and Status Report on 11 kV structure in Tulbagh: Period 2018 – 2028: Document 2: **Annexure 7.2.2(c)**.

(d) Master Planning and Status Report on 11 kV structure in Wolseley: Period 2018 – 2028: Document 3: **Annexure 7.2.2(d)**.

The Committee for Technical Services resolved on 19 September 2018 that the Committee for Technical Services recommends to the Executive Mayoral Committee and Council:

(a) that Council approves the "Master Planning and Status Report on the 11 kV infrastructure in Ceres, Tulbagh and Wolseley: Period 2018 - 2028" as developed by Neil Lyners and Associates in conjunction with the personnel of the Electrical Department.

(b) that Council adopts the Electrical Master Plan as the primary source document for budgeting and forward planning.

(c) that the matter pertaining to Essential Services: Witzenberg Electrical Master Plan be workshopped with Council.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that Council approves the "Master Planning and Status Report on the 11 kV infrastructure in Ceres, Tulbagh and Wolseley: Period 2018 - 2028" as developed by Neil Lyners and Associates in conjunction with the personnel of the Electrical Department.

(b) that Council adopts the Electrical Master Plan as the primary source document for budgeting and forward planning.

(c) that the matter pertaining to Essential Services: Witzenberg Electrical Master Plan be workshopped with Council.

The Executive Mayoral Committee resolved on 30 October 2018 that the matter in respect of the Witzenberg Electrical Master Plan be held in abeyance until the next meeting.

Council unanimously resolved on 31 October 2018 that the matter in respect of the Witzenberg Electrical Master Plan be held in abeyance until the next meeting.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

(a) that Council approves the "Master Planning and Status Report on the 11 kV infrastructure in Ceres, Tulbagh and Wolseley: Period 2018 - 2028" as developed by Neil Lyners and Associates in conjunction with the personnel of the Electrical Department.

(b) that Council adopts the Electrical Master Plan as the primary source document for budgeting and forward planning.

(c) that the matter pertaining to Essential Services: Witzenberg Electrical Master Plan be workshopped with Council.

7.2.3 Appèl teen tweede wooneenheid: Erf 2245, Albertsingel 26, Ceres (15/4/R)

Die volgende items verwys:

(a) Item 8.2.1 van die raadsvergadering gehou op 25 Januarie 2016.

(b) Item 7.2.4 van die Uitvoerende Burgemeesterskomitee-vergadering gehou op 30 Oktober 2018.

(c) Item 8.2.5 van die raadsvergadering gehou op 31 Oktober 2018.

(d) Item 7.2.3 van die Uitvoerende Burgemeesterskomitee-vergadering, gehou op 3 Desember 2018.

(e) Item 8.2.3 van die raadsvergadering gehou op 6 Desember 2018.

Die Raad het op 25 Januarie 2016 besluit dat die appèl van mnr. P Hardneck teen die Komitee vir Tegniese Dienste se goedkeuring van die aansoek om vergunning vir 'n tweede wooneenheid op erf 2245, Albertsingel 26, Ceres, gehandhaaf word.

'n Memorandum vanaf die Direkteur: Tegniese Dienste, gedateer 17 September 2018, word aangeheg as **bylae 7.2.3(a)**.

Die Uitvoerende Burgemeesterskomitee het op 30 Oktober 2018 besluit dat die aangeleentheid rakende die appèl teen 'n tweede wooneenheid op erf 2245, Albertsingel 26, Ceres oorstaan tot die eerskomende vergadering.

Die Raad het op 31 Oktober 2018 eenparig besluit dat die aangeleentheid rakende die appèl teen 'n tweede wooneenheid op erf 2245, Albertsingel 26, Ceres oorstaan tot die eerskomende vergadering.

Die Uitvoerende Burgemeesterskomitee het op 3 Desember 2018 besluit:

(a) dat die aangeleentheid rakende die appèl teen 'n tweede wooneenheid op erf 2245, Albertsingel 26, Ceres oorstaan tot die eerskomende vergadering

(b) dat die komiteelede na die transkripsie van die bandopnames luister.

Die Raad het op 6 Desember 2018 besluit:

(a) dat die aangeleentheid rakende die appèl teen 'n tweede wooneenheid op erf 2245, Albertsingel 26, Ceres oorstaan tot die eerskomende vergadering.

(b) dat die bandopname van die bespreking van item 8.2.1 van die raadsvergadering gehou op 25 Januarie 2016, getranskribeer word.

Die transkripsie word aangeheg as **bylae 7.2.3(b)**.

BESLUIT

Dat die Uitvoerende Burgemeesterskomitee by die Raad aanbeveel:

(a) Dat die proses rakende die appèl teen die tweede wooneenheid geleë erf 2245, Albertsingel 26, Ceres weer gevolg word ten einde kommentaar en besware in te dien.

(b) Dat die kantoor van die Munisipale Bestuurder 'n verslag opstel rakende die effek van twee wooneenhede per erf op die sanitasie en dienslewering van die munisipaliteit en sodanige verslag aan die Uitvoerende Burgemeesterskomitee voorlê.

7.2.4 DBSA's infrastructure planning support: Development of Roads and Storm Water Master Plans for Witzenberg Municipality: Municipal contribution (16/P)

Item 8.2.5 of the council meeting, held on 28 March 2018, refers.

Council unanimously resolved on 28 March 2018:

(a) that the application for identified master plans be approved by Council.

(b) that Council approves the provision for co-funding to the total amount of R350 000 in the 2018/2019 budget.

(c) that the Municipal Manager be mandated to sign the necessary Memorandum of Agreement with the Development Bank of South Africa agreements.

The following documents are attached:

(a) Memorandum from Manager: Streets and Storm Water, dated 16 January 2019: **Annexure 7.2.4(a)**.

(b) Memorandum from Manager: Projects and Performance, dated 20 March 2018: **Annexure 7.2.4(b)**.

(c) Council resolution 8.2.5 of 28 March 2018: **Annexure 7.2.4(c)**.

(d) Letter from Department of Local Government and DBSA South Africa, dated 13 December 2018: **Annexure 7.2.4(d)**.

(e) Quotation from SMEC, dated 30 November 2018: **Annexure 7.2.4(e)**.

(f) Revised quotation from SMEC, dated 15 January 2019: **Annexure 7.2.4(f)**.

(g) Revised technical report from Manager: Streets and Storm Water, dated 14 January 2019: **Annexure 7.2.4(g)**.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

(a) that Council approves the provision for co-funding to the total amount of R399 941-95 (Vat included) in the 2018/2019 budget for the development of Roads and Storm Water Master Plans.

(b) That the Municipal Manager be mandated to sign the necessary Memorandum of Agreement with the DBSA agreements.

7.3 Direktoraat Gemeenskapsdienste / Directorate Community Services

7.3.1 Lease agreement: Vrolike Vinkies (7/1/4/1)

The following items refer:

(a) Item 7.2 of the meeting of the Committee for Community Development, held on 19 April 2018.

(b) Item 7.3.3 of the Executive Mayoral Committee meeting, held on 23 July 2018.

(c) Item 8.3.3 of the Council meeting, held on 25 July 2018.

(d) Item 7.3.2 of the Executive Mayoral Committee meeting held on 30 October 2018.

(e) Item 8.3.2 of the Council meeting, held on 31 October 2018.

A memorandum from the Director: Community Services, dated 6 April 2018, is attached as **annexure 7.3.1**.

The Committee for Community Development resolved on 19 April 2018 to recommend to the Executive Mayoral Committee and Council:

that Council considers the request for the renewal of the lease agreement and the erection of Nutech building in relation to the future plans of The Island Resort.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

that Council considers the request for the renewal of the lease agreement and the erection of Nutech building in relation to the future plans of The Island Resort.

The Executive Mayoral Committee resolved on 23 July 2018 that the matter in respect of the lease agreement of Vrolike Vinkies be held in abeyance until the next meeting.

Council resolved on 25 July 2018 that notice be taken that the matter in respect of the lease agreement of Vrolike Vinkies was held in abeyance by the Executive Mayoral Committee.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

that Council considers the request for the renewal of the lease agreement and the erection of Nutech building in relation to the future plans of The Island Resort.

The Executive Mayoral Committee resolved on 30 October 2018 that the matter in respect of the Vrolike Vinkies lease agreement be held in abeyance until the next meeting.

Council unanimously resolved on 31 October 2018 that the matter in respect of the Vrolike Vinkies lease agreement be held in abeyance until the next meeting.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

that Council considers the request for the renewal of the lease agreement and the erection of Nutech building in relation to the future plans of The Island Resort.

RESOLVED

that the matter with regard to Vrolike Vinkies crèche be referred to the Committee for Community Development to consider the possibilities to move the crèche to an alternative venue due to safety reasons for the children.

7.4 Direktoraat Korporatiewe Dienste / Directorate Corporate Services

None

NOTED

8. URGENT MATTERS SUBMITTED AFTER DISPATCHING OF THE AGENDA

None

NOTED

9. FORMAL AND STATUTORY MATTERS

None

NOTED

10. EXECUTIVE MAYORAL COMMITTEE-IN-COMMITTEE

MINUTES OF THE MEETING OF THE COMMITTEE FOR HOUSING MATTERS OF WITZENBERG MUNICIPALITY, HELD IN THE COUNCIL CHAMBERS, MUNICIPAL OFFICES, 50 VOORTREKKER STREET, CERES ON THURSDAY, 7 FEBRUARY 2019 AT 10h00

NOTULE VAN DIE VERGADERING VAN DIE KOMITEE VIR BEHUISINGSAANGELEENTHEDE VAN DIE MUNISIPALITEIT WITZENBERG, GEHOU OP DONDERDAG, 7 FEBRUARIE 2019 OM 10:00 IN DIE RAADSAAL, MUNISIPALE KANTORE, VOORTREKKERSTRAAT 50, CERES

PRESENT / TEENWOORDIG

Committee Members / Komiteelede

Councillor / Raadslid E Sidego (Chairperson / Voorsitter)
Councillor / Raadslid Z Mzauziwa
Alderlady / Raadsdame J Phungula

Non-committee Members / Nie-komiteelede

Councillor / Raadslid N Phatsoane
Councillor / Raadslid M Mdala
Alderman / Raadsheer K Adams

Officials / Amptenare

Mr / Mnr D Nasson (Municipal Manager / Munisipale Bestuurder)
Ms / Me C Mackenzie (Manager: Housing / Bestuurder: Behuising)
Mr / Mnr T Plaatjies (Senior Housing Officer / Senior Behuisingsbeampte)
Mr / Mnr C Titus (Committee Clerk / Komiteeklerk)
Ms W Roode (Word Processor Operator / Woordverwerkeroperateur)

1. OPENING AND WELCOME / OPENING EN VERWELKOMING

The Chairperson welcomed everyone present and requested Councillor Z Mzauziwa to open the meeting with prayer.

Die Voorsitter heet almal teenwoordig welkom en versoek Raadslid Z Mzauziwa om die vergadering met gebed te open.

NOTED / AANGETEKEN

2. CONSIDERATION OF APPLICATION FOR LEAVE OF ABSENCE, IF ANY / OORWEGING VAN AANSOEKE OM VERLOF TOT AFWESIGHEID, INDIEN ENIGE
(3/1/2/1)

None / Geen

NOTED / AANGETEKEN

3. NOTULES

3.1 Approval of minutes / Goedkeuring van notules (3/1/2/3)

The following minutes are attached:

(a) Special meeting for Housing Matters, held on 1 November 2018: **Annexure 3.1(a).**
(a) Housing Matters, held on 8 November 2018: **Annexure 3.1(b)**.
(b) Special meeting for Housing Matters, held on 11 December 2018: **Annexure 3.1(c)**.

Corrections to the minutes of the Special meeting for Housing Matters, held on 11 December 2018:

Resolution (c) of item 4.1.1 that reads *that the elderly from seventy (70) years and above from Nduli be prioritised for the 154 single dwellings in the First Phase of Vredebes Housing* should read:

"that the Disabled, Vulnerable Groups and Elderly from seventy (70) years and above in the Witzenberg area be prioritised for the 154 single dwellings in the First Phase of the Vredebes Housing Project."

RESOLVED

that the following minutes be approved and signed by the Chairperson:

(i) Special meeting of Committee for Housing Matters, held on 1 November 2018.
(ii) Meeting of Committee for Housing Matters, held on 8 November 2018.
(iii) Special meeting of Committee for Housing Matters, held on 11 December 2018, as amended.

Die volgende notules word aangeheg:

(a) Spesiale vergadering vir Behuisingsaangeleenthede, gehou op 1 November 2018: **Bylae 3.1(a).**

(b) Behuisingsaangeleenthede, gehou op 8 November 2018: **Bylae 3.1(b).**

(c) Spesiale vergadering vir Behuisingsaangeleenthede, gehou op 11 Desember 2018: **Bylae 3.1(c).**

Korreksies aan die notule van die Spesiale vergadering vir Behuisingsaangeleenthede, gehou op 11 Desember 2018:

Besluit (c) van item 4.1.1 wat lees *dat die Bejaardes van sewentig (70) jaar en ouer in die Nduli geprioritiseer word vir die 154 enkel wooneenhede in die Eerste Fase van die Vredebes Behuisingsprojek* moet lees*:*

"dat die Gestremdes, Kwesbare Groepe en Bejaardes van sewentig (70) jaar en ouer in die Witzenberg-area geprioritiseer word vir die 154 enkel wooneenhede in die Eerste Fase van die Vredebes Behuisingsprojek.

BESLUIT

dat die volgende notules goedgekeur en deur die Voorsitter onderteken word

(i) Spesiale vergadering van Komitee vir Behuisingsaangeleenthede, gehou op 1 November 2018.

(ii) Vergadering van Komitee vir Behuisingsaangeleenthede, gehou op 8 November 2018.

(iii) Spesiale vergadering van Komitee vir Behuisingsaangeleenthede, gehou op 11 Desember 2018, soos gewysig.

3.2 Outstanding matters (3/3/2)

Number / Nommer	File Ref. Nr. / Lêer Verw. No.	Item nr. and date of meeting / Item no. en datum van vergadering	Title of item / Onderwerp van item	Besluit / Resolution	Responsibility / Verantwoordelikheid	Remarks / Opmerkings
1.	09/01/2/2	6.2 of 11 October 2018	Risk Management: Fourth quarter 2017/2018: Risk Management Report: Department Housing / Risiko Bestuur: Vierde Kwartaal van 2017/2018: Risiko Bestuur Verslag: Departement Behuising	That cognisance be taken of the outstanding mater / dat kennis geneem word van die uitstaande saak.	Head: Internal Audit	7 February 2019
		3.2 of 8 November 2018		That notice be taken of the outstanding matter / Dat kennis geneem word van die uitstaande saak.		

RESOLVED

that notice be taken of the outstanding matter.

BESLUIT

dat kennis geneem word van die uitstaande saak.

4. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED BY CHAIRPERSON / VERKLARINGS, MEDEDELINGS OF SAKE INGEDIEN DEUR DIE VOORSITTER

The Chairperson mentioned that the Committee still needs to focus on affordable / GAP Housing. The Committee for Social Affordable Housing / GAP still needs to be established and elected for the Vredebes Housing Project.

The Committee for Housing Matters requested that the signing of the agreement between Witzenberg Municipality and Mr Joye Daniels with regard to the transfer of property at 70 Fourth Avenue, Tulbagh be withheld.

NOTED

5. INTERVIEWS WITH DELEGATIONS / ONDERHOUDE MET AFGEVAARDIGDES

None / Geen

NOTED / AANGETEKEN

6. GEDELEGEERDE BEVOEGDHEDE / DELEGATED POWERS

6.1 Monthly reports of the Section Housing / Maandverslae van die Afdeling Behuising (9/1/2/4)

The following monthly reports of the Section Housing are attached:

Die volgende maandverslae van die Afdeling Behuising word ingebind:

(a)	November 2018	**Annexure / Bylae 6.1(a)**
(b)	December / Desember 2018	**Annexure / Bylae 6.1(b)**
(c)	Januarie / January 2019	**Annexure / Bylae 6.1(c)**

The Manager: Housing informed the meeting that the municipality will be embarking on a door to door campaign in respect of the transfer of municipal rental houses. It will be a joint operation between the Departments of Finance and Community Services.

RESOLVED

that the Committee for Housing Matters takes notice of the content of the monthly reports of the Section Housing for November and December 2018 and January 2019 and same be accepted.

BESLUIT

dat die Komitee vir Behuisingsaangeleenthede kennis neem van die inhoud van die maandverslae van die Afdeling Behuising vir November en Desember 2018 en Januarie 2019 en dat die verslae aanvaar word.

7. RESERVED POWERS / GERESERVEERDE BEVOEGDHEDE

None / Geen

NOTED / AANGETEKEN

8. URGENT MATTERS SUBMITTED AFTER DISPATCHING OF THE AGENDA / DRINGENDE SAKE NA AFSENDING VAN DIE AGENDA

None / Geen

NOTED / AANGETEKEN

9. COMMITTEE FOR HOUSING MATTERS-IN-COMMITTEE / KOMITEE VIR BEHUISINGSAANGELEENTHEDE-IN-KOMITEE

MINUTES OF THE PERFORMANCE, RISK AND AUDIT COMMITTEE MEETING OF WITZENBERG MUNICIPALITY, HELD IN THE COUNCIL CHAMBERS, MUNICIPAL OFFICES, 50 VOORTREKKER STREET, CERES ON FRIDAY, 8 FEBRUARY 2019 AT 08:30

PRESENT

Performance, Risk and Audit Committee

Mr J George (Chairperson)
Mr J Basson (Deputy Chairperson)
Ms MC Fagan
Mr SA Redelinghuys

Officials

Mr D Nasson (Municipal Manager)
Mr M Mpeluza (Director: Corporate Services)
Mr A Raubenheimer (Acting Director: Finance)
Mr G Louw (Head: Internal Audit)
Mr JH Swanepoel (Manager: Projects and Performance)
Mr CG Wessels (Manager: Administration)
Ms S Hendricks (Senior Internal Auditor)
Ms MJ Prins (Acting Principal Administrative Officer)
Mr CJ Titus (Committee Clerk)

Other attendees

Mr A Allie (AGSA)

1. OPENING AND WELCOME

The Chairperson, Mr J George, welcomed everyone present.

NOTED

2. CONSIDERATION OF APPLICATIONS FOR LEAVE OF ABSENCE, IF ANY (3/1/2/1)

An application for leave of absence from the meeting was received from Mr Tsepo Lesihla.

RESOLVED

that the application for leave of absence from the meeting, received from Mr Tsepo Lesihla, be approved and accepted.

3. ATTENDANCE REGISTER, CONFIDENTIALITY AND CONFLICT OF INTEREST DECLARATION

The Attendance register, Confidentiality and Conflict of Interest Declaration was signed by all attendees.

NOTED

4. MINUTES

4.1 Approval of minutes (3/1/2/3)

The minutes of the Performance, Risk and Audit Committee meeting, held on 23 November 2018, are attached as **annexure 4.1**.

RESOLVED

that the minutes of the Performance, Risk and Audit Committee meeting, held on 23 November 2018, be approved and signed by the Chairperson.

4.2 Corrections and matters from the minutes

None

NOTED

4.3 PRAC resolutions register (5/14/4)

- Status of the implementation of PRAC resolutions
- Feedback to PRAC regarding resolutions referred to Council.

The PRAC resolutions register, as at 1 February 2019, is attached as **annexure 4.3**.

The Head: Internal Audit submitted the PRAC resolutions register. The following were highlighted:

- No. 79: the Risk Management Report for the First Quarter 2018/2019 was submitted.
- No. 87: The PRAC Work Plan 2018/2019 was submitted.
- No. 88: the Management Audit Action Plan (MAAP) Report for the First Quarter 2018/2019 was submitted.
- No. 91: The Department Finance will put a note to deviations which show massive increases in the January 2019 finance report.

RESOLVED

that the Performance, Risk and Audit Committee takes notice of the PRAC Resolutions Register dated 1 February 2019 and approves and accepts same.

5. PRESENTATIONS

None

NOTED

6. PERFORMANCE MANAGEMENT

None

NOTED

7. RISK MANAGEMENT

7.1 Risk Management Report: Second quarter 2018/2019 (5/14/2)

The Risk Management Report for the second quarter of 2018/2019, dated December 2018, is attached as **annexure 7.1**.

The Head: Internal Audit submitted the Risk Management Report for the Second quarter of 2018/2019.

The Performance, Risk and Audit Committee took notice that municipal insurance cover is extremely high due to vandalism and theft.

RESOLVED

that the Performance, Risk and Audit Committee takes notice of the Risk Management Report for the Second quarter of 2018/2019 and approves and accepts same.

8. AUDIT AND FINANCIAL MANAGEMENT

8.1 Section 71 Monthly Budget Statement Reports of the Directorate Finance: November and December 2018 (9/1/2/2)

The following Section 71 Monthly Budget Statement Reports of the Directorate Finance are attached:

(a) November 2018: **Annexure 8.1(a)**.
(b) December 2018: **Annexure 8.1(b)**.

The Acting Director: Finance submitted the Section 71 Monthly Budget Statement Reports for November and December 2018.

RESOLVED

To recommend to the Executive Mayoral Committee and Council:

that notice be taken of the Section 71 Monthly Budget Statement Reports for November and December 2018 and same be approved and accepted.

8.2 Quarterly Budget Statement [Section 52(d)] Report: First quarter of 2018/2019 (1 July 2018 to 30 September 2018) (9/1/2/2)

The following items refer:

(a) Item 7.1.20 of the Executive Mayoral Committee meeting, held on 30 October 2018.
(b) Item 8.1.3 of the council meeting, held on 31 October 2018.

The following report, dated 23 October 2018, was received from the Director: Finance:

"**1. Purpose**

The purpose of this memorandum is to submit the Quarterly Budget Statement Report to Council for information.

2. Background

The required report in terms of Section 52(d) is attached as **annexure 8.2**.

The Executive Mayoral Committee resolved on 30 October 2018 that the Executive Mayoral Committee recommends to Council:

(a) that notice be taken of the tabling of the Quarterly Budget Statement Report in terms of Section 52(d) for the period 1 July 2018 to 30 September 2018.

(b) that the report be referred to Council's Municipal Public Accounts Committee and Performance, Risk and Audit Committee Committees for their recommendations to Council.

Council unanimously resolved on 31 October 2018:

(a) that notice be taken of the tabling of the Quarterly Budget Statement Report in terms of Section 52(d) for the period 1 July 2018 to 30 September 2018.

(b) that the report be referred to Council's Municipal Public Accounts Committee and Performance, Risk and Audit Committee for their recommendations to Council.

The Acting Director: Finance tabled the Quarterly Budget Statement [Section 52(d)] Report for the first quarter of 2018/2019.

RESOLVED

that the Performance, Risk and Audit Committee takes notice of the Quarterly Budget Statement [Section 52(d)] Report for the first quarter of 2018/2019 and approves and accepts same.

8.3 Quarterly Budget Statement Report [Section 52(d)]: Second quarter of 2018/2019 (1 October 2018 to 31 December 2018)
(9/1/2/2)

The following items refer:

(a) Item 7.1.4 of the Executive Mayoral Committee meeting, held on 21 January 2019.
(b) Item 8.1.4 of the Council meeting, held on 23 January 2019.

The Quarterly Budget Statement Report [Section 52(d)] for the period 1 October 2018 to 31 December 2018 is attached as **annexure 8.3**.

The Executive Mayoral Committee resolved on 21 January 2019 that the Executive Mayoral Committee recommends to Council:

(a) that notice be taken of the Quarterly Budget Statement Report [Section 52(d)] for the period 1 October 2018 to 31 December 2018 and same be accepted.

(b) that the report be referred to the Municipal Public Accounts Committee and Performance, Risk and Audit Committee of Council.

Council unanimously resolved on 23 January 2019

(a) that notice be taken of the Quarterly Budget Statement Report [Section 52(d)] for the period 1 October 2018 to 31 December 2018 and same be accepted.

(b) that the report be referred to the Municipal Public Accounts Committee and Performance, Risk and Audit Committee of Council.

The Acting Director: Finance tabled the Quarterly Budget Statement [Section 52(d)] Report for the second quarter of 2018/2019.

RESOLVED

that the Performance, Risk and Audit Committee takes notice of the Quarterly Budget Statement [Section 52(d)] Report for the second quarter of 2018/2019 and approves and accepts same.

8.4 Mid-year Budget Statement and Performance Assessment (Section 72 Report) for period 1 July to 31 December 2018
(9/1/1 & 5/1/5/11)

The following items refer:

(a) Item 7.1.3 of the Executive Mayoral Committee meeting, held on 21 January 2019.
(b) Item 8.1.3 of the Council meeting, held on 23 January 2019.

The following documents are attached:

(a) Memorandum from the Acting Director: Finance, dated 15 January 2019: **Annexure 8.4(a)**.

(b) Mid-year Budget Statement and Performance Assessment (Section 72 Report) for the period 1 July to 31 December 2018: **Annexure 8.4(b)**.

The Executive Mayoral Committee resolved on 21 January 2019 that the Executive Mayoral Committee recommends to Council:

that notice be taken of the Mid-year Budget Statement and Performance Assessment (Section 72 Report) for the period 1 July to 31 December 2018 and same be accepted.

Council unanimously resolved on 23 January 2019 that notice be taken of the Mid-year Budget Statement and Performance Assessment (Section 72 Report) for the period 1 July to 31 December 2018 and same be accepted.

The Acting Director: Finance tabled the Mid-year Budget Statement and Performance Assessment (Section 72 Report) for the period 1 July to 31 December 2018.

- The Performance, Risk and Audit Committee took with concern notice of the delayed DORA pay-outs to Witzenberg Municipality.
- The Performance, Risk and Audit Committee raised concern with regard to the high level of debt and that it is increasing.
- The Performance, Risk and Audit Committee advised that Council look at the matter of debt on a regular basis and reassess the situation.

RESOLVED

To recommend to the Executive Mayoral Committee and Council:

that the Performance, Risk and Audit Committee takes notice of Council's ad hoc committee on finance and advises that Council look on a regular basis at the matter of debt and reassess the situation.

9. OTHER MATTERS

9.1 PRAC work plan: 2nd quarter 2018/2019 (5/14/4)

This is a standing item on the agenda.

The PRAC work plan for the second quarter of 2018/2019 is attached as **annexure 9.1**.

RESOLVED

(a) that clause (1) of the sub-section Reporting Responsibilities in the PRAC Charter which reads: "The Chairperson of PRAC will report on a quarterly basis, or more frequently if required, to the municipal Council on the operations of the internal audit unit and the PRAC" be removed.

(b) that the PRAC Charter be rectified accordingly for the next annual review.

(c) that the matter in respect of fraud be a standing item on the agenda.

(d) that the Performance, Risk and Audit Committee takes notice of the PRAC Work Plan for the Second Quarter of 2018/2019 and same be approved and accepted.

9.2 Induction: Performance, Risk and Audit Committee (5/14/4)

RESOLVED

that Senior Management will determine a date for a PRAC induction and inform the members accordingly.

9.3 Information Technology (6/2/5)

The Municipal Manager informed the Performance, Risk and Audit Committee that the IT Steering Committee will be attended to.

NOTED

9.4 Appointment of a Chief Financial Officer (4/3/2/1)

The Municipal Manager informed the Performance, Risk and Audit Committee that the appointment of a Chief Financial Officer is delayed due to the lack of qualified and experienced applicants in terms of the regulations of the Department Treasury. An application will be forwarded to the MEC for Local Government to extend the acting of the Deputy Director: Finance for a further two months.

NOTED

10. NEXT MEETING
(03/1/2/3)

The Performance, Risk and Audit Committee approved that the Municipal Manager can consult with the members in respect of future meetings from June until December 2019 and finalise the matter.

RESOLVED

that the next meeting of the Performance, Risk and Audit Committee will be held in the Council Chambers, Municipal Offices, 50 Voortrekker Street, Ceres on 17 May 2019 at 08:30 for members and 09:00 for everyone else.

11. ADJOURNMENT

The meeting adjourned at 12:20.

Approved on _____ with / without amendments.

_____
J GEORGE
CHAIRPERSON

MJ Prins

MINUTES OF THE MEETING OF THE COMMITTEE FOR TECHNICAL SERVICES OF THE WITZENBERG MUNICIPALITY, HELD IN THE COUNCIL CHAMBERS, MUNICIPAL OFFICES, 50 VOORTREKKER STREET, CERES ON TUESDAY, 19 FEBRUARY 2019 AT 10h00

NOTULE VAN DIE VERGADERING VAN DIE KOMITEE VIR TEGNIESE DIENSTE VAN DIE MUNISIPALITEIT WITZENBERG, GEHOU OP DINSDAG, 19 FEBRUARIE 2019 OM 10H00 IN DIE RAADSAAL, MUNISIPALE KANTORE, VOORTREKKERSTRAAT 50, CERES

PRESENT / TEENWOORDIG

Committee members / Komiteelede

Alderman / Raadsheer JJ Visagie (Chairperson / Voorsitter)
Councillor / Raadslid R Simpson
Councillor / Raadslid D Swart

Officials / Amptenare

Mr / Mnr J Barnard (Director: Technical Services / Direkteur: Tegniese Dienste)
Mr / Mnr P Van den Heever (Senior Manager: Electro-Technical Services / Senior Bestuurder: Elektrotegniese Dienste)
Mr / Mnr N Jacobs (Manager: Water and Sewerage / Bestuurder: Water en Riolering)
Mr / Mnr J Jacobs (Senior Superintendent: Solid Waste and Cleansing Services / Senior Superintendent: Vaste Afval en Reiningsdienste)
Mr / Mnr O Gatyene (Manager: Fleet and Workshop / Bestuurder: Vloot en Werkswinkel)
Mr / Mnr E Lintnaar (Manager: Streets and Storm Water / Bestuurder: Strate en Stormwater)
Mr / Mnr R Van der Merwe (Senior Town Planner / Senior Stadsbeplanner)
Mr / Mnr C Titus (Committee Clerk / Komiteeklerk)
Ms / Me W Roode (Word Processor Operator / Woordverwerkeroperateur)

1. OPENING AND WELCOME / OPENING EN VERWELKOMING

The Chairperson requested Councillor D. Swart to open the meeting with prayer after which he welcome everyone present.

Die Voorsitter versoek Raadslid D. Swart om die vergadering met gebed te open waarna hy almal teenwoordig welkom heet.

NOTED / AANGETEKEN

2. CONSIDERATION OF APPLICATION FOR LEAVE OF ABSENCE, IF ANY / OORWEGING VAN AANSOEKE OM VERLOF TOT AFWESIGHEID, INDIEN ENIGE
(3/1/2/1)

Apologies for absence for leave from the meeting were received from the Municipal Manager, Manager: Town Planning and Building Control and Manager: Electro-Technical Services.

Verskonings om verlof tot afwesigheid van die vergadering was ontvang vanaf die Munisipale Bestuurder, Bestuurder: Stadsbeplanning en Boubeheer en Bestuurder: Elektrotegniese Dienste.

RESOLVED

that notice be taken of the apologies for absence from the meeting received from the Municipal Manager, Manager: Town Planning and Building Control and Manager: Electro Technical Services.

BESLUIT

dat kennis geneem word van die verskonings vir afwesigheid van die vergadering ontvang vanaf die Munisipale Bestuurder, Bestuurder: Stadsbeplanning en Boubeheer en Bestuurder: Elektrotegniese Dienste.

3. MINUTES / NOTULES

3.1 Approval of minutes / Goedkeuring van notules
(3/1/2/3)

The minutes of the meeting of the Committee for Technical Services, held on 19 September 2018, are attached as **annexure 3.1**.

Die notule van die vergadering van die Komitee vir Tegniese Dienste, gehou op 19 September 2018, is ingebind as **bylae 3.1.**

RESOLVED

That the minutes of the meeting of the Committee for Technical Services held on 19 September 2018, be approved and signed by the Chairperson.

BESLUIT

dat die notule van die vergadering van die Komitee vir Tegniese Dienste gehou op 19 September 2018, goedgekeur en deur die Voorsitter onderteken word.

3.2 Outstanding matters / Uitstaande sake (3/3/2)

Number / Nommer	File Reference nr. / Leêr Verwysing Nommer	Item nr. and date of meeting / Item no. en datum van vergadering	Title of item / Onderwerp van item	Resolution / Besluit	Responsibility / Verantwoordelikheid	Target date / Teiken datum
1.	09/1/2/2	6.1 of 19 September 2018	Risk Management Report: Fourth Quarter 2017/ 2018 Risk Management Report: Directorate for Technical Services	That the Director: Technical Services will liaise with the Head: Internal Audit with regard to the submission of the Risk Management Report for the Fourth Quarter 2017/2018 of Directorate Technical Services	Head: Internal Audit / Director: Technical Services	19 February 2019

RESOLVED

that notice be taken of the outstanding matter.

BESLUIT

dat kennis geneem word van die uitstaande saak.

4. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED BY CHAIRPERSON / VERKLARINGS, MEDEDELINGS OF SAKE INGEDIEN DEUR DIE VOORSITTER

None / Geen

NOTED / AANGETEKEN

5. INTERVIEWS WITH DELEGATIONS / ONDERHOUDE MET AFGEVAARDIGDES

None / Geen

NOTED / AANGETEKEN

6. GEDELEGEERDE BEVOEGDHEDE / DELEGATED POWERS

6.1 Risk Management: Fourth Quarter of 2017/2018 Risk Management Report: Directorate for Technical Services / Risiko Bestuur: Vierde Kwartaal van 2017/2018 Risiko Bestuur Verslag: Direktoraat vir Tegniese Dienste
(9/1/2/2)

This is a quarterly item on the agenda / Hierdie is 'n kwartaallikse item op die agenda.

None / Geen

NOTED / AANGETEKEN

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7. RESERVED POWERS / GERESERVEERDE BEVOEGDHEDE

7.1 Proposed position of the ablution block at Op-die-Berg / Voorgestelde posisie van die ablusieblok te Op-die-Berg
(15/04/R)

A memorandum from the Director: Technical Services, dated 26 September 2018, is attached as **annexure 7.1.**

'n Memorandum vanaf die Direkteur: Tegniese Dienste, gedateer 26 September 2018, word aangeheg as **bylae 7.1.**

RESOLVED

To recommend to Executive Mayoral Committee and Council:

that Council approves approximately 100m² of erven 58, Bersig Street, Op-die-Berg as a suitable terrain for the construction of a municipal ablution block as per attached sketch plan.

BESLUIT

Om by die Uitvoerende Burgemeesterskomitee en Raad aan te beveel:

dat die Raad ongeveer 100m² van erf 58, Bersigstraat, Op-die-Berg, goedgekeur as 'n geskikte terrein vir die konstruksie van munisipale ablusieblok soos per aangehegte sketsplan.

7.2 Minutes of a meeting of the Planning Tribunal of Witzenberg Municipality: 17 August 2018 / Notule van 'n vergadering van die Beplanningstribunaal van Munisipaliteit Witzenberg: 17 Augustus 2018
(15/04/P)

The minutes of a meeting of the Planning Tribunal of Witzenberg Municipality, held on 17 August 2018, is attached as **annexure 7.2.**

Die notule van 'n vergadering van die Beplanningstribunaal van Munisipaliteit Witzenberg, gehou op 17 Augustus 2018, word aangeheg as **bylae 7.2.**

RESOLVED

that the Committee for Technical Services takes notice of the minutes of a meeting of the Planning Tribunal of Witzenberg Municipality, held on 17 August 2018, and that it be approved.

BESLUIT

dat die Komitee vir Tegniese Dienste kennis neem van die notule van 'n vergadering van die Beplanningstribunaal van Munisipaliteit Witzenberg, gehou op 17 Augustus 2018 en dat dit aanvaar word.

7.3 Proposed position of the Material Recovery Facility (MRF) at Ceres / Voorgestelde posisie van die Material Recovery Facility (MRF) te Ceres
(17/3/2)

A memorandum from the Director: Technical Services, dated 14 September 2018, is attached as **annexure 7.3.**

'n Memorandum vanaf die Direkteur: Tegniese Dienste, gedateer 14 September 2018,word aangeheg as **bylae 7.3.**

RESOLVED

To recommend to Executive Mayoral Committee and Council:

that Council approves 4000m² of erven 364/82 Ceres, as a suitable terrain for the construction of material recovery facility as per attached sketch plan.

BESLUIT

Om by die Uitvoerende Burgemeesterskomitee en Raad aan te beveel:

dat die Raad 4000m² van erf 364/82 Ceres, goedkeur as 'n geskikte terrein vir die konstruksie van 'n materiaal herwinnings fasiliteit soos per aangehegte sketsplan.

7.4 Approval of Water Services Development Plan / Goedkeuring van Water Dienste Ontwikkeling Plan
(16/02/P)

A memorandum from the Manager: Water and Sewerage, dated 1 October 2018, is attached as **annexure 7.4.**

'n Memorandum vanaf die Bestuurder: Water en Riolering, gedateer 1 Oktober 2018, word aangeheg as **bylae 7.4.**

RESOLVED

To recommend to Executive Mayoral Committee and Council:

that notice be taken of the Water Services Development Plan and same be approved and accepted.

BESLUIT

Om by die Uitvoerende Burgemeesterskomitee en Raad aan te beveel:

dat kennis geneem word van die Water Dienste Ontwikkeling Plan en dat dit goegekeur en aanvaar word.

7.5 Upgrading of open gravel storm water channel to underground pipe system: Pine Valley, Wolseley
(16/4/4/3)

The following memorandum, dated 4 February 2019, was received from the Manager: Streets and Storm Water:

"1. The following documents are attached:

(a) Application from Witzenberg Municipality to the Department of Rural Development and Land Reform for the upgrading of an open gravel storm water channel to an underground pipe system, Pine Valley, Wolseley; dated 12 March 2018: **Annexure 7.5(a)**.

(b) Approval of funding from the Department of Rural Development and Land Reform for the upgrading of an open gravel storm water channel to an underground pipe system, Pine Valley, Wolseley, dated 24 January 2019: **Annexure 7.5(b)**.

2. Since the Pine Valley Phase 2B development was established in 2015 the open gravel channel gave rise to unhealthy living conditions as it is being used as a dumping place by residents. Mainly household refuge and raw sewerage are being dumped in the channel.

3. In March 2018 the municipality applied for funding at the Department of Rural Development and Land Reform for the upgrading of an open gravel storm water channel to an underground pipe system in Pine Valley, Wolseley.

4. The scope of work entails the closing of the gravel channel with 475 meters of prefabricated portal culverts, construction of manholes and headwalls.

5. On 24 January 2019 the Department of Rural Development and Land Reform approved the funding for the project to an amount of R3 000 000.00 for the upgrading of an open gravel storm water channel to an underground pipe system in Pine Valley, Wolseley, subject to the following conditions:

   (i) The municipality will co-implement the project in accordance with a Memorandum of Understanding agreement signed by the Municipal Manager.

   (ii) The Department of Rural Development and Land Reform will procure the services of the contractor whereas the municipality will be providing funding and resources to ensure that the project is properly designed, planned and implemented.

   (iii) The estimated cost to procure the services of a Professional Service Provider for the design, planning and implementation is estimated at R400 000.00.

   (iv) On completion of this project, the asset will be handed over to the municipality, which will add it to its asset register and assume responsibility for the future maintenance thereof."

RESOLVED

To recommend to the Executive Mayoral Committee and Council:

(i) that Council gives approval that the municipality will co-implement the project for the upgrading of an open gravel storm water channel to an underground pipe system in Pine Valley, Wolseley with the Department of Rural Development and Land Reform in accordance with a Memorandum of Understanding.

(ii) that Council approves the provision of an estimated R400 000.00 on the budget to procure the services of a Professional Service Provider for the design, planning and implementation of the project.

(iii) that the Municipal Manager be mandated to sign the Memorandum of Understanding with the Department of Rural Development and Land Reform.

8. URGENT MATTERS SUBMITTED AFTER DISPATCHING OF THE AGENDA / DRINGENDE SAKE NA AFSENDING VAN DIE AGENDA

None / Geen

NOTED / AANGETEKEN

9. QUESTIONS / REMARKS / RAISED BY COMMITTEE MEMBERS
VRAE / OPMERKINGS / GEOPPER DEUR KOMITEELEDE

- Councillor D. Swart mentioned that he still needs to obtain the inputs from the surrounding neighbours in respect of the application for distributing packaging of meat from the garage in Sultana Street, Ceres.

- Senior Manager: Electro-Technical Services reported that they experience challenges at Supply Chain process with regard to the upgrading of streetlights in Waboom Avenue, but will commence as soon as possible.

- Manager: Fleet and Mechanical Workshop reported that a digger loader was purchased and is currently at the Section Fleet and Mechanical Workshop.

- A Committee member requested that an additional flood light be erected near the Dwars River Bank in direction of Flanigan's Bistro Club as its currently a dark spot for criminal activities.

- Manager: Streets and Storm Water reported that they are currently in the final design in respect of the upgrading of the Breda Bridge and needs to be approved by Department of Transport and Public Works.

- The Committee requested that a safety board be erected at the hill in Waboom Avenue Bridge to warn motorist that they should be aware of the sharp turn.

NOTED / AANGETEKEN

10. ADJOURNMENT / VERDAGING

The meeting adjourned at 10:45 / Die vergadering verdaag om 10:45.

Approved on / Goedgekeur op _____

_____
COUNCILLOR / RAADSLID JJ VISAGIE
CHAIRPERSON / VOORSITTER

/wr

MINUTES OF THE EXECUTIVE MAYORAL COMMITTEE MEETING OF WITZENBERG MUNICIPALITY, HELD IN THE COUNCIL CHAMBERS, MUNICIPAL OFFICES, 50 VOORTREKKER STREET, CERES ON TUESDAY, 26 FEBRUARY 2019 AT 09:00

PRESENT

Executive Mayoral Committee

Councillor BC Klaasen (Executive Mayor)
Alderman K Adams (Deputy Executive Mayor)
Councillor TE Abrahams
Councillor EM Sidego
Alderman HJ Smit
Alderman JJ Visagie

Councillor not on Executive Mayoral Committee

Alderman TT Godden (Speaker) (ex officio)
Councillor MD Jacobs

Officials

Mr D Nasson (Municipal Manager)
Mr J Barnard (Director: Technical Services)
Mr M Mpeluza (Director: Corporate Services)
Mr A Raubenheimer (Acting Director: Finance)
Mr CG Wessels (Manager: Administration)
Mr CJ Titus (Committee Clerk)
Ms MJ Prins (Acting Principal Administrative Officer)

Other attendees

Mr N Bettesworth (Ceres Business Initiative)

1. OPENING AND WELCOME

The Executive Mayor welcomed everyone present after which he requested Alderman H Smit to open the meeting with prayer.

Alderman T Godden conveyed, on behalf of the Mayoral Committee, congratulations to Alderman Smit on his birthday.

NOTED

2. CONSIDERATION OF APPLICATION FOR LEAVE OF ABSENCE, IF ANY (3/1/2/1)

An apology for absence from the meeting was received from the Head: Internal Audit.

RESOLVED

that notice be taken of the apology for absence from the meeting, received from the Head: Internal Audit, and same be accepted.

3. MINUTES

3.1 Approval of minutes (3/1/2/3)

The minutes of the Executive Mayoral Committee meeting, held on 21 January 2019, are attached as **annexure 3.1**.

RESOLVED

That the minutes of the Executive Mayoral Committee meeting, held on 21 January 2019, be approved and signed by the Executive Mayor:

3.2 Outstanding matters (3/3/2)

Item number	File reference	Heading, item no. and date	Directorate	Action	Progress	Target date
3.2.1	17/18/1	8.3.1 of 05-12-2017 Allocation of land for informal traders	Community Services (Local Economic Development)	That the matter be held in abeyance.	Site tour has been undertaken by Committee for Local Economic Development.	
3.2.2	7/1/4/2	7.4.4 of 28-05-2018 Alienation of municipal property: Erf 935, Wolseley	Corporate Services	(a) that the Municipal Manager obtains a legal opinion pertaining to the various concerns raised by the Executive Mayoral Committee. (b) that the matter be held in abeyance until the next meeting.	Municipal Manager to obtain legal opinion.	

RESOLVED

That notice be taken of the outstanding matters.

4. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED BY EXECUTIVE MAYOR (9/1/1)

- The Executive Mayor mentioned that the housing matter at Bella Vista, Ceres is currently a legal process and ongoing.
- The Executive Mayor announced that only one set of Portfolio Committee meetings will be held before the coming national and provincial elections.
- The Executive Mayor mentioned that the housing project challenge at Vredebes in respect of typography was settled.

- The Executive Mayor mentioned that all towns in the Witzenberg municipal area are overcrowded on a Saturday. This challenge will be addressed with the agricultural sector in order to ensure that all role players are satisfied.
- The Executive Mayor announced that one more Executive Mayoral Committee meeting will be held before the coming elections.

NOTED

5. INTERVIEWS WITH DELEGATIONS

None

NOTED

6. GEDELEGEERDE BEVOEGDHEDE / DELEGATED POWERS

None

NOTED

7. GERESERVEERDE BEVOEGDHEDE / RESERVED POWERS

7.1 Direktoraat Finansies / Directorate Finance

7.1.1 Section 71 Monthly Budget Statement Report of Directorate Finance: December 2018 (9/1/2/2)

The following items refer:

(a) Item 8.2 of the Performance, Risk and Audit Committee meeting, held on 8 February 2019.

(b) Item 8.1 of the Performance, Risk and Audit Committee meeting, held on 8 February 2019.

(c) Item 7.1 of the meeting of the Committee for Corporate and Financial Services, held on 19 February 2019.

The Section 71 Monthly Budget Statement Report of the Directorate Finance for December 2018 is attached as **annexure 7.1.1**.

The Performance, Risk and Audit Committee resolved on 8 February 2019 to recommend to the Executive Mayoral Committee and Council:

that notice be taken of the Section 71 Monthly Budget Statement Reports for November and December 2018 and same be approved and accepted.

The Committee for Corporate and Financial Services resolved on 19 February 2019 to recommend to the Executive Mayoral Committee and Council:

that the Committee for Corporate and Financial Services takes notice, after consideration of the content of the Section 71 monthly reports of the Department Finance for September, October November and December 2018 and that same be approved and accepted.

The Acting Chief Financial Officer submitted the Section 71 Monthly Budget Statement Report of the Directorate Finance for December 2018.

The following matters/questions/remarks were highlighted and clarified by the Municipal Manager or Chief Financial Officer:

- The outstanding monies of state departments.
- The projects which caused an underspending.
- The funding for the tender in respect of alien vegetation cleaning.
- Appeals received with regard to tenders.
- That AGSA provides guidance with regard to local service providers who do not qualify for contracts.
- The matter of stock taking and a report on possible losses.
- The matter of claims.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

that notice be taken of the Section 71 Monthly Budget Statement Report of the Directorate Finance for December 2018 and same be approved and accepted.

7.1.2 Service Delivery and Budget Implementation Plan 2018/2019: Proposed revisions as per Section 54(1)(c) of MFMA
(5/1/5/11)

A memorandum from the Manager: Projects and Performance, dated 11 February 2018, is attached as **annexure 7.1.2**.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

that the proposed revisions as per Section 54(1)(c) of the Municipal Finance Management Act in terms of the Service Delivery and Budget Implementation Plan 2018/2019 be approved and accepted.

7.1.3 Mid-year Budget Statement and Performance Assessment (Section 72 Report) for period 1 July to 31 December 2018
(9/1/1 & 5/1/5/11)

The following items refer:

(a) Item 7.1.3 of the Executive Mayoral Committee meeting, held on 21 January 2019.

(b) Item 8.1.3 of the Council meeting, held on 23 January 2019.

(c) Item 8.4 of the Performance, Risk and Audit Committee meeting, held on 8 February 2019.

The following documents are applicable, but are not attached as the matter was already tabled to the Executive Mayoral Committee and Council in January 2019:

(a) Memorandum from the Acting Director: Finance, dated 15 January 2019.

(b) Mid-year Budget Statement and Performance Assessment (Section 72 Report) for the period 1 July to 31 December 2018.

The Executive Mayoral Committee resolved on 21 January 2019 that the Executive Mayoral Committee recommends to Council:

that notice be taken of the Mid-year Budget Statement and Performance Assessment (Section 72 Report) for the period 1 July to 31 December 2018 and same be accepted.

Council unanimously resolved on 23 January 2019 that notice be taken of the Mid-year Budget Statement and Performance Assessment (Section 72 Report) for the period 1 July to 31 December 2018 and same be accepted.

Extract from the minutes of the Performance, Risk and Audit Committee meeting, held on 8 February 2019:

The Acting Director: Finance tabled the Mid-year Budget Statement and Performance Assessment (Section 72 Report) for the period 1 July to 31 December 2018.

- The Performance, Risk and Audit Committee took with concern notice of the delayed DORA pay-outs to Witzenberg Municipality.
- The Performance, Risk and Audit Committee raised concern with regard to the high level of debt and that it is increasing.
- The Performance, Risk and Audit Committee advised that Council look at the matter of debt on a regular basis and reassess the situation.

The Performance, Risk and Audit Committee resolved on 8 February 2019 to recommend to the Executive Mayoral Committee and Council:

that the Performance, Risk and Audit Committee takes notice of Council's ad hoc committee on finance and advises that Council look on a regular basis at the matter of debt and reassess the situation.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

(a) that notice be taken that the Mid-year Budget Statement and Performance Assessment (Section 72 Report) for the period 1 July to 31 December 2018 was already tabled to and accepted by Council on 23 January 2019.

(b) that the Performance, Risk and Audit Committee recommends to Council:

that the Performance, Risk and Audit Committee takes notice of Council's ad hoc committee on finance and advises that Council look on a regular basis at the matter of debt and reassess the situation.

7.1.4 Finance: Adjustments budget: 2018/2019 to 2020/2021 (5/1/1/17)

The following documents are attached:

(a) Adjustments budget: 2018/2019 to 2020/2021: **Annexure 7.1.4(a)**.
(b) Adjustments budget summary: **Annexure 7.1.4(b)**.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

that the Adjustments budget for 2018/2019 to 2020/2021 be approved and same be accepted.

7.2 Direktoraat Tegniese Dienste / Directorate Technical Services

7.2.1 Proposed position of the ablution block at Op-die-Berg (15/04/R)

Item 7.1 of the meeting of the Committee for Technical Services, held on 19 February 2019, refers.

A memorandum from the Director: Technical Services, dated 26 September 2018, is attached as **annexure 7.2.1**.

The Committee for Technical Services resolved on 19 February 2019 to recommend to the Executive Mayoral Committee and Council:

that Council approves approximately 100 m² of erf 58, Bergsig Street, Op-die-Berg as a suitable terrain for the construction of a municipal ablution block as per the attached sketch plan.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

that Council approves approximately 100 m² of erf 58, Bergsig Street, Op-die-Berg as a suitable terrain for the construction of a municipal ablution block as per the attached sketch plan.

7.2.2 Upgrading of open gravel storm water channel to underground pipe system: Pine Valley, Wolseley (16/4/4/3)

Item 7.5 of the meeting of the Committee for Technical Services, held on 19 February 2019, refers.

The following memorandum, dated 4 February 2019, was received from the Manager: Streets and Storm Water:

"1. The following documents are attached:

(a) Application from Witzenberg Municipality to the Department of Rural Development and Land Reform for the upgrading of an open gravel storm water channel to an underground pipe system, Pine Valley, Wolseley; dated 12 March 2018: **Annexure 7.2.2(a)**.

(b) Approval of funding from the Department of Rural Development and Land Reform for the upgrading of an open gravel storm water channel to an underground pipe system, Pine Valley, Wolseley, dated 24 January 2019: **Annexure 7.2.2(b)**.

2. Since the Pine Valley Phase 2B development was established in 2015 the open gravel channel gave rise to unhealthy living conditions as it is being used as a dumping place by residents. Mainly household refuge and raw sewerage are being dumped in the channel.

3. In March 2018 the municipality applied for funding at the Department of Rural Development and Land Reform for the upgrading of an open gravel storm water channel to an underground pipe system in Pine Valley, Wolseley.

4. The scope of work entails the closing of the gravel channel with 475 meters of prefabricated portal culverts, construction of manholes and headwalls.

5. On 24 January 2019 the Department of Rural Development and Land Reform approved the funding for the project to an amount of R3 000 000.00 for the upgrading of an open gravel storm water channel to an underground pipe system in Pine Valley, Wolseley, subject to the following conditions:

   (i) The municipality will co-implement the project in accordance with a Memorandum of Understanding agreement signed by the Municipal Manager.

   (ii) The Department of Rural Development and Land Reform will procure the services of the contractor whereas the municipality will be providing funding and resources to ensure that the project is properly designed, planned and implemented.

   (iii) The estimated cost to procure the services of a Professional Service Provider for the design, planning and implementation is estimated at R400 000.00.

   (iv) On completion of this project, the asset will be handed over to the municipality, which will add it to its asset register and assume responsibility for the future maintenance thereof."

The Committee for Technical Services resolved on 19 February 2019 to recommend to the Executive Mayoral Committee and Council:

(i) that Council gives approval that the municipality will co-implement the project for the upgrading of an open gravel storm water channel to an underground pipe system in Pine Valley, Wolseley with the Department of Rural Development and Land Reform in accordance with a Memorandum of Understanding.

(ii) that Council approves the provision of an estimated R400 000.00 on the budget to procure the services of a Professional Service Provider for the design, planning and implementation of the project.

(iii) that the Municipal Manager be mandated to sign the Memorandum of Understanding with the Department of Rural Development and Land Reform.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

(i) that Council gives approval that the municipality will co-implement the project for the upgrading of an open gravel storm water channel to an underground pipe system in Pine Valley, Wolseley with the Department of Rural Development and Land Reform in accordance with a Memorandum of Understanding.

(ii) that Council approves the provision of an estimated R400 000.00 on the budget to procure the services of a Professional Service Provider for the design, planning and implementation of the project.

(iii) that the Municipal Manager be mandated to sign the Memorandum of Understanding with the Department of Rural Development and Land Reform.

7.2.3 Proposed position of the Material Recovery Facility (MRF) at Ceres (17/3/2)

Item 7.3 of the meeting of the Committee for Technical Services, held on 19 February 2019, refers.

A memorandum from the Director: Technical Services, dated 14 September 2018, is attached as **annexure 7.2.3.**

The Committee for Technical Services resolved on 19 February 2019 to recommend to the Executive Mayoral Committee and Council:

that Council approves 4 000 m² of erf 364/82 Ceres as a suitable terrain for the construction of a material recovery facility as per the attached sketch plan.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

that Council approves 4 000 m² of erf 364/82 Ceres as a suitable terrain for the construction of a material recovery facility as per the attached sketch plan.

7.2.4 Approval of Water Services Development Plan
(16/02/P)

Item 7.4 of the meeting of the Committee for Technical Services, held on 19 February 2019, refers.

A memorandum from the Manager: Water and Sewerage, dated 1 October 2018, is attached as **annexure 7.2.4**.

The Committee for Technical Services resolved on 19 February 2019 to recommend to the Executive Mayoral Committee and Council:

that notice be taken of the Water Services Development Plan and same be approved and accepted.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

that notice be taken of the Water Services Development Plan and same be approved and accepted.

7.2.5 Policy: Development Charges
(15/4/P)

The following items refer:

(a) Item 7.2.2 of the Executive Mayoral Committee meeting, held on 3 December 2018.
(b) Item 8.2.2 of the council meeting, held on 6 December 2018.

The following documents are attached:

(a) Memorandum from Director: Technical Services, dated 21 November 2018: **Annexure 7.2.5(a)**.

(b) Witzenberg Municipality Development Charges Policy: **Annexure 7.2.5(b)**.

(c) Services Agreement for Private Residential Township Development: **Annexure 7.2.5(c)**.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that the Development Charges Policy (revision 00) be adopted as a policy document.

(b) that the Services Agreement for Private Residential Township Development be adopted as a policy document.

The Executive Mayoral Committee resolved on 3 December 2018:

That the Executive Mayoral Committee recommends to Council:

(a) that the Development Charges Policy (revision 00) be workshopped by Council.
(b) that the matter in respect of supra (a) be held in abeyance until after the workshop.

Council unanimously resolved on 6 December 2018:

(a) that the Development Charges Policy (revision 00) be workshopped by Council.
(b) that the matter in respect of supra (a) be held in abeyance until after the workshop.

The matter was workshopped on 22 January 2019 and Council took notice of a presentation made regarding the Development Charges Policy revision.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

that notice be taken of the Policy: Development Charges and same be approved and accepted.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the Policy: Development Charges be held in abeyance until the next meeting.

7.3 Direktoraat Gemeenskapsdienste / Directorate Community Services

7.3.1 Report on site meetings and public participation process: Parks innovation programme (17/9/2)

The following items refer:

(a) Item 7.3.2 of the Executive Mayoral Committee meeting, held on 23 July 2018.

(b) Item 8.3.2 of the Council meeting, held on 25 July 2018.

(c) Item 7.3.1 of the Executive Mayoral Committee held on 30 October 2018.

(d) Item 8.3.1 of the Council meeting held on 31 October 2018.

(e) Item 7.1 of the meeting of the Committee for Community Development, held on 14 February 2019.

A report from the Manager: Amenities and Environment, dated 4 April 2018, is attached as **annexure 7.3.1**.

The Executive Mayoral Committee resolved on 23 July 2018 that the matter in respect of the parks innovation programme be held in abeyance until the next meeting.

Council resolved on 25 July 2018 that notice be taken that the matter in respect of the parks innovation programme was held in abeyance by the Executive Mayoral Committee.

The Executive Mayoral Committee resolved on 30 October 2018 that the matter in respect of the report on site meetings and a public participation process for the parks innovation programme be held in abeyance until the next meeting.

Council resolved on 31 October 2018 that matter with regard to the report on site meetings and a public participation process in respect of the parks innovation programme be held in abeyance and referred back to the Committee for Community Development.

The Committee for Community Development resolved on 14 February 2019 to recommend to the Executive Mayoral Committee and Council.

that Council considers the installation of an irrigation system to green the current play parks and open spaces.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

that Council considers the installation of an irrigation system to green the current play parks and open spaces.

7.3.2 Community facilities: Sport facilities
(17/5/2)

Item 6.3 of the meeting of the Committee for Community Development, held on 14 February 2019, refers.

The Committee enquired with regard to the closed sports ground at Pine Valley sports ground.

The Acting Director: Community Services informed the Committee that the mentioned sports ground is closed due to vandalism.

The Committee for Community Development resolved on 14 February 2019:

(a) that the Committee for Community Development takes notice of the content of the monthly reports of the Section Amenities and Environment for September, October, November, December 2018 and January 2019 and same be accepted.

(b) that the Acting Director: Community Services in conjunction with the Manager: Amenities and Environment makes a cost analysis for the upgrading of the Kluitjieskraal sports ground.

(c) To recommend to the Executive Mayoral Committee and Council

(i) that Council considers exempting each bona fide sport organisation twice a week for paying fees for municipal sport and recreation facilities.

(ii) that if Council approves supra (i), it be implemented from 1 March 2019.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

(i) that Council considers exempting each bona fide sport organisation twice a week for paying fees for municipal sport and recreation facilities.

(ii) that if Council approves supra (i), it be implemented from 1 March 2019.

7.3.3 Proposal for utilisation of Busy Bee Building: Erf 1567, Piet Retief Street, Tulbagh
(7/1/4/1)

Item 7.1 of the meeting of the Committee for Local Economic Development and Tourism, held on 20 February 2019, refers.

A memorandum from the Acting Manager: Socio Economic Development, dated 27 September 2018, is attached as **annexure 7.3.3**.

The Committee for Local Economic Development resolved on 20 February 2019 to recommend to the Executive Mayoral Committee and Council:

(a) that the Acting Manager: Socio-Economic Development investigates and takes control of the municipal assets at the Busy Bee Building, erf 1567, Piet Retief Street, Tulbagh.

(b) To recommend to the Executive Mayoral Committee and Council:

(i) that the building located on erf 1567, Piet Retief Street, Tulbagh be leased to Tulbagh Tourism in order to utilise the premises for local tourism, entrepreneurs from Witzenville and Chris Hani to get exposure to tourists visiting the area.

(ii) that the building supra (a) must contribute towards economic transformation through tourism and skills impartation.

(iii) that the Municipal Manager be mandated to sign the Service Level Agreement with Tulbagh Tourism.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(i) that the building located on erf 1567, Piet Retief Street, Tulbagh be leased to Tulbagh Tourism in order to utilise the premises for local tourism, entrepreneurs from Witzenville and Chris Hani to get exposure to tourists visiting the area.

(ii) that the building supra (a) must contribute towards economic transformation through tourism and skills impartation.

(iii) that the Municipal Manager be mandated to sign the Service Level Agreement with Tulbagh Tourism.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the utilisation of the Busy Bee building on erf 1567, Piet Retief Street, Tulbagh be held in abeyance until the next meeting and the cost for repairs be determined and done.

7.3.4 Application: Relocation of established Nduli Carwash to erf 5145, Nduli, Ceres (17/19/1)

Item 7.2 of the meeting of the Committee for Local Economic Development and Tourism, held on 20 February 2019, refers.

A memorandum from the Acting Manager: Socio Economic Development, dated 5 September 2018, is attached as **annexure 7.3.4**.

The Committee for Local Economic Development resolved on 20 February 2019 to recommend to the Executive Mayoral Committee and Council:

(a) that the Executive Mayoral Committee and Council consider approval of the application to relocate the established Ngcani Carwash business to erf 5145 on corner of Chris Hani Drive and R46 adjacent Mooi Blom Prison.

(b) that should the Executive Mayoral Committee and Council approve supra (a), a lease agreement be entered with Ngcani Carwash.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that the Executive Mayoral Committee and Council consider approval of the application to relocate the established Ngcani Carwash business to erf 5145 on the corner of Chris Hani Drive and the R46 adjacent to Warm Bokkeveld Prison.

(b) that should the Executive Mayoral Committee and Council approve supra (a), a lease agreement be entered with Ngcani Carwash.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the relocation of the established Nduli Carwash on erf 5145, Nduli, Ceres be held in abeyance until the next meeting in order to ensure a fair supply chain process.

7.3.5 Housing: Revised Financed Linked Individual Subsidy Programme (17/04/P)

Item 9.2.1 of the meeting of the Committee for Housing Matters, held on 7 February 2019, refers.

The following memorandum, dated 10 January 2019, was received from the Manager: Housing:

"Deliberation

Attached a self-explanatory circular for the Department of Human Settlement regarding the Revised Financed Link Individual Subsidy Programme (FLIPS).

Municipalities are requested to communicate this information to their communities".

A letter from the Department of Human Settlement, dated 5 October 2018, is attached as **annexure 7.3.5**.

The Committee for Housing Matters resolved on 7 February 2019 to recommend to the Executive Mayoral Committee and Council:

that Council takes notice of the Housing Revised Financed Linked Individual Subsidy Programme.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

that notice be taken of the Housing Revised Financed Linked Individual Subsidy Programme.

7.4 Direktoraat Korporatiewe Dienste / Directorate Corporate Services

None

NOTED

8. URGENT MATTERS SUBMITTED AFTER DISPATCHING OF THE AGENDA

8.1.1 Council meeting: March 2019
(3/1/2/3)

RESOLVED

That the Executive Mayoral Committee recommends to Council:

that the next Council meeting be held in the Council Chambers, Municipal Offices, 50 Voortrekker Street, Ceres on Wednesday, 20 March 2019 at 10:00.

8.1.2 IDP Process
(2/2/1)

RESOLVED

That the Executive Mayoral Committee recommends to Council:

that the IDP process starts earlier due to the coming provincial and national elections.

9. FORMAL AND STATUTORY MATTERS

None

NOTED

10. EXECUTIVE MAYORAL COMMITTEE-IN-COMMITTEE



Monthly Budget Statement Report
Section 71 for March 2019

Financial data is in respect of the period
1 July 2018 to 31 March 2019

Glossary

Adjustments Budgets – Prescribed in section 28 of the Municipal Finance Management Act. It is the formal means by which a municipality may revise its budget during a financial year.

Allocations – Money received from Provincial or National Government or other municipalities.

AFS – Annual Financial Statements

Budget – The financial plan of a municipality.

Budget related policy – Policy of a municipality affecting or affected by the budget.

Capital Expenditure – Spending on municipal assets such as land, buildings, distribution networks, treatment plants and vehicles. Any capital expenditure must be reflected as an asset on a municipality's balance sheet.

Cash Flow Statement – A statement showing when actual cash will be received and spent by the Municipality, and the month end balances of cash and short term investments. Cash receipts and payments do not always coincide with budgeted income and expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month that the services or goods are received, even though it may not be paid in the same period.

CFO – Chief Financial Officer / Director: Finance

DORA – Division of Revenue Act. An annual piece of legislation indicating the allocations from National Government to Local Government.

Equitable Share – A general grant paid to municipalities. It is predominantly targeted to assist with free basic services.

Fruitless and wasteful expenditure – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

GDFI - Gross Domestic Fixed Investment

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates comparisons between municipalities.

GRAP – Generally Recognized Accounting Practice. The new standard for municipal accounting and basis upon which AFS are prepared.

IDP – Integrated Development Plan. The main strategic planning document of a municipality.

KPI's – Key Performance Indicators. Measures of service output and/or outcome.

MFMA – Municipal Finance Management Act (No 53 of 2003). The principle piece of legislation relating to municipal financial management.

Glossary (Continued)

MIG – Municipal Infrastructure Grant

MPRA – Municipal Property Rates Act (No 6 of 2004).

MTREF – Medium Term Revenue and Expenditure Framework as prescribed by the MFMA sets out indicative revenue and projected expenditure for the budget year plus two outer financial years to determine the affordability level. Also includes details of the previous three years and current years' financial position.

NT – National Treasury

Net Assets – Net assets are the residual interest in the assets of the entity after deducting all its liabilities. This means the net assets of the municipality equates to the "net wealth" of the municipality, after all assets were sold/recovered and all liabilities paid. Transactions which do not meet the definition of Revenue or Expenses, such as increases in values of Property, Plant and Equipment where there is no inflow or outflow of resources are accounted for in Net Assets.

Operating Expenditure – Spending on the day to day expenses of a municipality such as general expenses, salaries & wages and repairs & maintenance.

Rates – Local Government tax based on assessed valuation of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

RBIG – Regional Bulk Infrastructure Grant

R&M – Repairs and maintenance on property, plant and equipment.

SCM – Supply Chain Management.

SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

Strategic Objectives – The main priorities of a municipality as set out in the IDP Budgeted spending must contribute towards achievement of these strategic objectives.

TMA – Total Municipal Account

Unauthorised expenditure – Generally, **s**pending without, or in excess of, an approved budget.

Virement – A transfer of budget.

Virement Policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

Vote – One of the main segments into which a budget is divided, usually at department level.

WM – Witzenberg Municipality

Legal requirements

2.3 Monthly budget statements

In terms of Section 71 of the MFMA the accounting officer must prepare monthly budget statements that comply with this section. This section read as follows:

"71. (1) The accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month:

(a) Actual revenue, per revenue source;
(b) actual borrowings;
(c) actual expenditure, per vote;
(d) actual capital expenditure, per vote;
(e) the amount of any allocations received;
(f) actual expenditure on those allocations, excluding expenditure on—
(i) its share of the local government equitable share; and
(ii) allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and
(g) when necessary, an explanation of—
(i) any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
(ii) any material variances from the service delivery and budget implementation plan; and
(iii) any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's approved budget.

(2) The statement must include—
(a) a projection of the relevant municipality's revenue and expenditure for the rest of the financial year, and any revisions from initial projections; and
(b) the prescribed information relating to the state of the budget of each municipal entity as provided to the municipality in terms of section 87(10).

(3) The amounts reflected in the statement must in each case be compared with the corresponding amounts.

budgeted for in the municipality's approved budget.
(4) The statement to the provincial treasury must be in the format of a signed document and in electronic format.

(5) The accounting officer of a municipality which has received an allocation referred to in subsection (1)(e) during any particular month must, by no later than 10 working days

2.3 Maandelikse begroting state

In terme van Artikel 71 van die MFMA die rekenpligtige beampte moet 'n maandelikse begroting state wat voldoen aan hierdie artikel. Hierdie artikel lees soos volg:

"71. (1) Die rekenpligtige beampte van 'n munisipaliteit moet nie later as 10 werk dae na die einde van elke maand aan die burgemeester van die munisipaliteit en die betrokke Provinsiale Tesourie 1 verklaring in die voorgeskrewe formaat oor die toestand van die munisipaliteit se begroting wat die volgende besonderhede vir die maand en vir die finansiële jaar tot die einde van die maand:

(a) werklike inkomste per bron van inkomste;
(b) werklike lenings;
(c) die werklike uitgawes per stem;
(d) die werklike kapitaalbesteding, per stem;
(e) die bedrag van enige toekennings ontvang;
(f) die werklike uitgawes op daardie toekennings, uitgesluit besteding op
(i) sy deel van die plaaslike regering billike deel;
(ii) toekennings vrygestel is by die jaarlikse Verdeling van Inkomste van die nakoming van hierdie paragraaf, en
(g) wanneer dit nodig is, 'n verduideliking van-
(i) enige wesenlike afwykings van die munisipaliteit se geprojekteerde inkomste deur die bron, en van die munisipaliteit se uitgawe projeksies per stem;
(ii) enige wesenlike afwykings van die dienslewering en begrotings implementeringsplan;
(iii) enige remediërende of korrektiewe stappe geneem is of geneem word om te verseker dat die geprojekteerde inkomste en uitgawes in die munisipaliteit se goedgekeurde begroting bly.

(2) Die staat moet die volgende insluit-
(a) 'n projeksie van die betrokke munisipaliteit se inkomste en uitgawes vir die res van die finansiële jaar, en enige wysigings van die aanvanklike projeksies, en
(b) die voorgeskrewe inligting met betrekking tot die toestand van die begroting van elke munisipale entiteit wat aan die munisipaliteit in terme van artikel 87 (10).

(3) die bedrae wat in die verklaring moet in elke geval in vergelyking met die ooreenstemmende bedrae begroot vir die munisipaliteit se goedgekeurde begroting.

(4) Die verklaring aan die provinsiale tesourie moet in die formaat van 'n getekende dokument en in elektroniese formaat.

(5) Die rekenpligtige beampte van 'n munisipaliteit wat 'n toekenning bedoel in subartikel (1)(e) gedurende 'n bepaalde maand ontvang het, moet nie later nie as 10 werksdae na die

after the end of that month, submit that part of the statement reflecting the particulars referred to in subsection (1)(e) and (f) to the national or provincial organ of state or municipality which transferred the allocation.

(6) The provincial treasury must by no later than 22 working days after the end of each month submit to the National Treasury a consolidated statement in the prescribed format on the state of the municipalities' budgets, per municipality and per municipal entity.

(7) The provincial treasury must, within 30 days after the end of each quarter, make public as may be prescribed, a consolidated statement in the prescribed format on the state of municipalities' budgets per municipality and per municipal entity. The MEC for finance must submit such consolidated statement to the provincial legislature no later than 45 days after the end of each quarter."

einde van die maand, moet daardie deel van die verklaring wat die besonderhede bedoel in subartikel (1)(e) en (f) om die nasionale of provinsiale orgaan van die staat of munisipaliteit wat die toekenning oorgedra

(6) Die Provinsiale Tesourie moet nie later nie as 22 werksdae na die einde van elke maand aan die Nasionale Tesourie 'n gekonsolideerde staat in die voorgeskrewe formaat oor die stand van die munisipaliteite se begrotings, per munisipaliteit en per munisipale entiteit.

(7) Die Provinsiale Tesourie moet, binne 30 dae na die einde van elke kwartaal, openbaar te maak as wat voorgeskryf mag word, 'n gekonsolideerde staat in die voorgeskrewe formaat oor die stand van munisipaliteite se begrotings per munisipaliteit en per munisipale entiteit. Die LUR vir finansies moet so 'n gekonsolideerde staat nie later nie as 45 dae na die einde van elke kwartaal aan die provinsiale wetgewer dien."

A MAYOR'S REPORT

Credit control for various reasons remains a challenge for the municipality.

The unwillingness / unability of government departments to pay their municipal accounts was a big concern. However department are slowing starting to make payment. The debt is in access of R 4.4 million.

The monthly billing was also done as scheduled and during this process 16 712 accounts amounting to R 32.7 million was printed and distributed to consumers. The prepaid electricity sales amounted to R 3.9 million.

The indigent cost to the municipality for the month amounts to R 1.8 million. The number of indigent households is increasing due to the policy amendments approved by council

The accumulated debtor's collection target for the year is 94%, and the actual accumulated year to date debtor's collection is 94%.

The municipality issued orders to the value of R 38.6 million of which R 0.3 million was in terms of deviations.

The municipality currently has R 67.5 million in its primary bank account and a R 70 million in investments

B RECOMMENDATION

It is recommended that council take cognisance of the quarterly budget assessment for the month of March 2019 .

C EXECUTIVE SUMMARY

The following tables provides a summary of the financial information:

A BURGEMEESTERS VERSLAG

Kredietbeheer bly 'n uitdaging vir die munisipaliteit as gevolg van verskillende redes.

Die onwilligheid / onvermoë van staats departemente om hulle munisipale rekeninge te betaal was 'n groot bekommernis. Departemente is stadig besig om hul betalings te maak. Die skuld beloop tans R 4.4 miljoen.

Die maandelikse rekeninge is ook gehef soos geskeduleer en tydens hierdie proses is 16 712 rekeninge ten bedrae van R 32.7 miljoen gedruk en aan verbruikers versprei. Die voorafbetaalde elektrisiteit verkope beloop R 3.9 miljoen.

Die deernis subsidies vir die maand beloop R 1.8 miljoen. Die aantal goedgekeurde huishoudings is aan die toeneem as gevolg van die veranderinge aan die beleid.

Die opgehoopte debiteure verhaling se teiken vir die jaar is 94%, en die werklike jaar tot op datum invordering is 94%

Bestellings ter waarde van R 38.6 miljoen uitgereik, waarvan R 0.3 miljoen ten opsigte van afwykings is.

Die munisipaliteit het R 67.5 miljoen in die primêre bankrekening en R 70 miljoen in beleggings

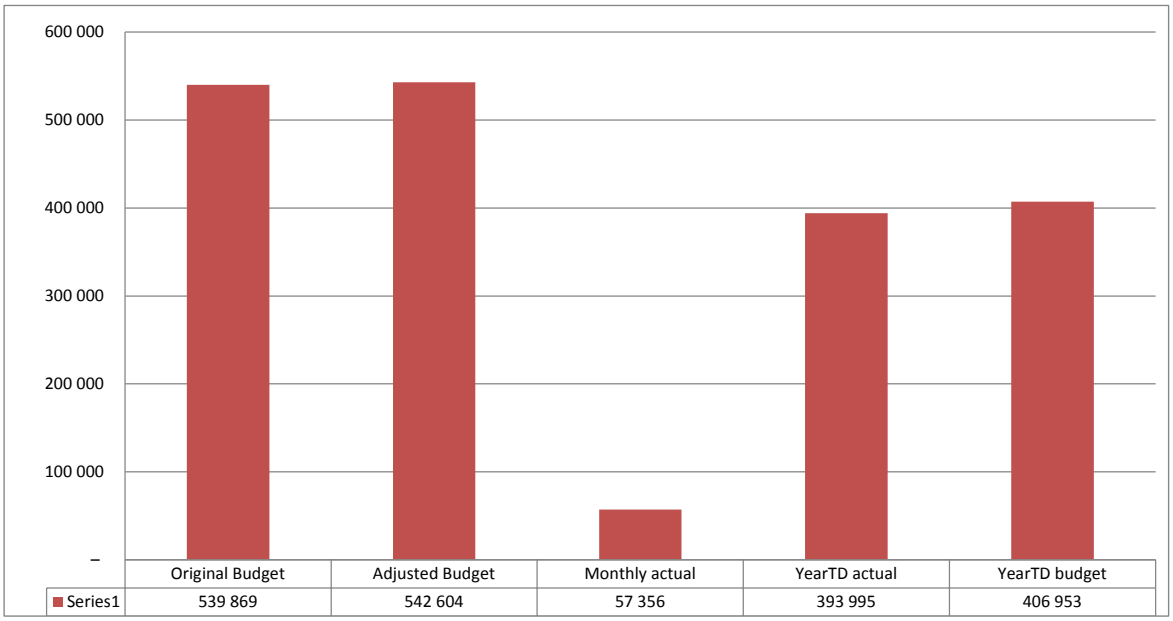
B AANBEVELING

Dit word aanbeveel dat die raad kennis neem van die finansiële maandverslag en ondersteunende dokumente vir Maart 2019 .

C OPSOMMING

Die volgende tabelle voorsien n opsomming van die finansiele inligting:

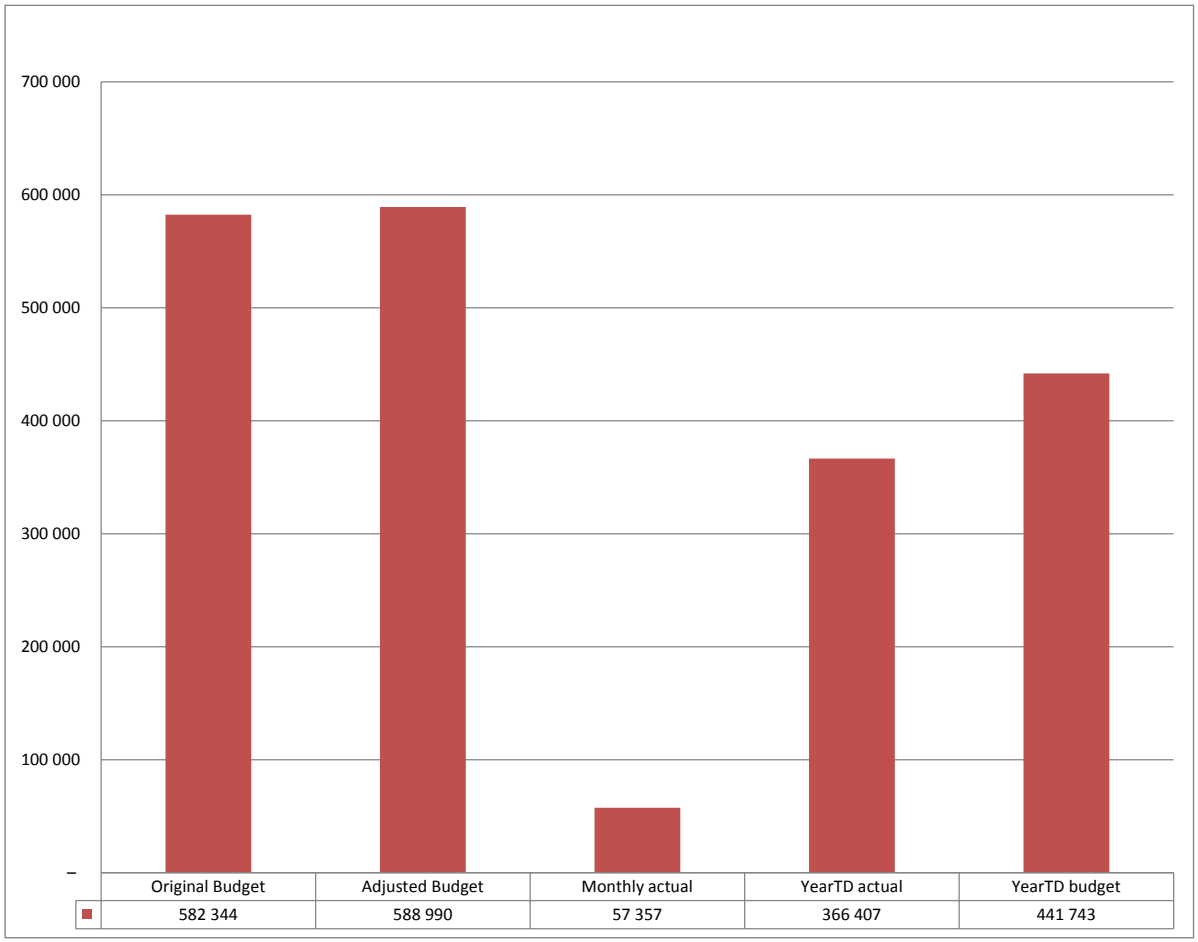
TOTAL OPERATIONAL REVENUE



For the period 1 July 2018 to 31 March 2019, 72.61% of the budgeted operational revenue was raised.

Vir die periode 1 Julie 2018 to 31 Maart 2019, is 72.61% van die begrote operasionele inkomste gehef.

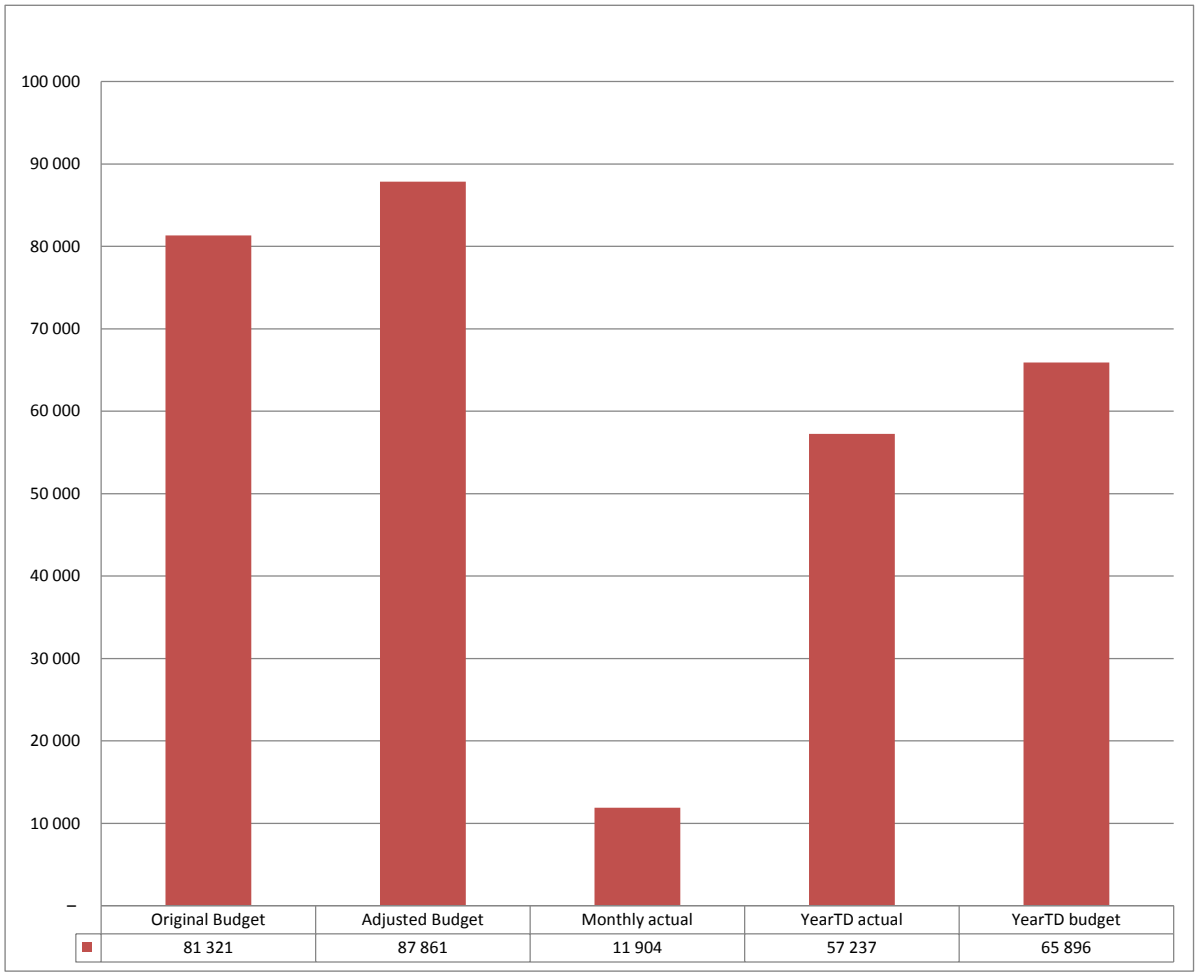
TOTAL OPERATIONAL EXPENDITURE



For the period 1 July 2018 to 31 March 2019, 62.21% of the budgeted operational expenditure was incurred. This figure will increase as some invoices are still outstanding.

Vir die periode 1 Julie 2018 to 31 Maart 2019, is 62.21% van die begrote operasionele uitgawes aangegaan. Die syfer mag verhoog aangesien daar nog uitstaande fakture is.

CAPITAL EXPENDITURE



For the period 1 July 2018 to 31 March 2019, 65.14% of the budgeted capital expenditure was incurred.

There is currently also R 18.9 million on order for capital expenditure.

Vir die periode 1 Julie 2018 to 31 Maart 2019, is 65.14% van die begrote kapitale uitgawes aangegaan.

Daar is tans ook R 18.9 miljoen op bestelling vir kapitaal uitgawes.

In-year budget statement tables

The following table provides a summary of the financial performance and financial position of the municipality as at 31 March 2019.

WC022 Witzenberg - Table C1 Monthly Budget Statement Summary - M09 March

Description	2017/18	Budget Year 2018/19							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	63 712	70 002	68 191	3 079	59 485	51 143	8 342	16%	68 191
Service charges	306 170	316 407	318 218	29 747	218 241	238 663	(20 422)	-9%	318 218
Investment revenue	8 122	8 198	8 198	550	6 075	6 149	(74)	-1%	8 198
Transfers recognised - operational	93 967	91 069	92 448	21 392	86 752	69 336	17 416	25%	92 448
Other own revenue	57 662	54 194	55 549	2 588	23 442	41 662	(18 220)	-44%	55 549
transfers and contributions)	529 632	539 869	542 604	57 356	393 995	406 953	(12 958)	-3%	542 604
Employee costs	9 170	177 699	170 326	9 830	127 908	127 745	164	0%	170 326
Remuneration of Councillors	9 170	10 709	10 709	794	7 077	8 032	(955)	-12%	10 709
Depreciation & asset impairment	28 699	43 032	45 165	–	12 532	33 874	(21 342)	-63%	45 165
Finance charges	8 675	3 671	8 005	5	398	6 004	(5 606)	-93%	8 005
Materials and bulk purchases	194 879	218 562	214 912	33 283	144 587	161 184	(16 597)	-10%	214 912
Transfers and grants	13 920	14 407	14 417	3 751	4 828	10 813	(5 985)	-55%	14 417
Other expenditure	251 704	114 264	125 456	9 694	69 078	94 092	(25 013)	-27%	125 456
Total Expenditure	516 217	582 344	588 990	57 357	366 407	441 743	(75 336)	-17%	588 990
Surplus/(Deficit)	13 415	(42 474)	(46 386)	(1)	27 588	(34 790)	62 378	-179%	(46 386)
Transfers recognised - capital	34 777	75 847	73 852	3 716	22 680	55 389	(32 709)	-59%	73 852
Contributions & Contributed assets	–	–	–	–	–	–	–		–
& contributions	48 192	33 372	27 466	3 715	50 268	20 599	29 669	144%	27 466
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	48 192	33 372	27 466	3 715	50 268	20 599	29 669	144%	27 466
Capital expenditure & funds sources									
Capital expenditure	63 800	81 321	87 861	11 904	57 237	65 896	(8 659)	-13%	87 861
Capital transfers recognised	34 183	52 938	52 672	8 130	37 196	39 504	(2 308)	-6%	52 672
Public contributions & donations	–	–	–	–	–	–	–		–
Borrowing	3 528	1 550	1 550	–	1 485	1 163	322	28%	1 550
Internally generated funds	26 089	26 833	33 639	3 773	18 556	25 229	(6 673)	-26%	33 639
Total sources of capital funds	63 800	81 321	87 861	11 904	57 237	65 896	(8 659)	-13%	87 861
Financial position									
Total current assets	178 612	65 801	163 630		221 915				221 915
Total non current assets	905 207	38 293	947 706		949 920				949 920
Total current liabilities	77 653	55 489	48 095		108 302				108 302
Total non current liabilities	158 745	15 233	173 993		165 844				165 844
Community wealth/Equity	847 421	33 372	889 248		897 689				897 689
Cash flows									
Net cash from (used) operating	83 978	173 205	66 013	30 257	95 061	49 510	45 551	92%	66 013
Net cash from (used) investing	(60 010)	(83 247)	(85 599)	(3 041)	(130 449)	(64 199)	(66 250)	103%	(85 599)
Net cash from (used) financing	(2 795)	3 500	2 640	39	(601)	1 980	(2 581)	-130%	(601)
end	97 506	93 458	80 552	–	61 513	84 788	(23 275)	-27%	81 417

Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	37 458	3 844	3 082	2 869	2 549	2 447	18 692	101 889	172 831
Creditors Age Analysis									
Total Creditors	637	–	–	–	–	–	–	–	637

The following table provides detail of revenue and expenditure according to the international standard classification framework.

WC022 Witzenberg - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M09 March

Description	2017/18	Budget Year 2018/19							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Functional									
Governance and administration	85 944	93 204	92 699	4 490	72 335	69 524	2 811	4%	92 699
Finance and administration	85 944	93 204	92 699	4 490	72 335	69 524	2 811	4%	92 699
Community and public safety	101 163	140 845	118 583	25 761	96 205	88 937	7 268	8%	118 583
Community and social services	80 916	98 728	96 722	21 447	86 641	72 542	14 100	19%	96 722
Sport and recreation	7 477	9 020	8 981	587	5 471	6 736	(1 265)	-19%	8 981
Public safety	3	6	6	3	3	4	(1)	-24%	6
Housing	12 766	33 091	12 874	3 724	4 090	9 655	(5 565)	-58%	12 874
Economic and environmental services	32 369	43 682	51 559	405	15 293	38 669	(23 376)	-60%	51 559
Planning and development	1 540	2 510	2 268	59	1 118	1 701	(583)	-34%	2 268
Road transport	30 827	41 160	48 339	345	14 167	36 254	(22 087)	-61%	48 339
Environmental protection	2	12	952	–	8	714	(706)	-99%	952
Trading services	344 933	337 984	353 616	30 417	232 841	265 212	(32 371)	-12%	353 616
Energy sources	209 994	240 206	239 796	22 741	158 205	179 847	(21 642)	-12%	239 796
Water management	67 545	52 679	52 216	3 584	31 981	39 162	(7 181)	-18%	52 216
Waste water management	41 431	22 399	38 077	1 922	23 856	28 558	(4 702)	-16%	38 077
Waste management	25 962	22 700	23 527	2 171	18 799	17 646	1 154	7%	23 527
Total Revenue - Functional	564 409	615 716	616 456	61 073	416 675	462 342	(45 667)	-10%	616 456
Expenditure - Functional									
Governance and administration	88 216	115 817	117 769	3 534	73 630	88 327	(14 697)	-17%	117 769
Executive and council	22 887	27 771	27 709	1 713	16 346	20 782	(4 436)	-21%	27 709
Finance and administration	63 186	85 942	87 906	1 646	55 561	65 929	(10 369)	-16%	87 906
Internal audit	2 144	2 104	2 154	175	1 723	1 616	107	7%	2 154
Community and public safety	70 971	82 467	80 742	9 176	48 180	60 557	(12 377)	-20%	80 742
Community and social services	21 733	25 460	25 162	1 896	16 791	18 872	(2 080)	-11%	25 162
Sport and recreation	23 574	28 896	27 802	2 610	17 537	20 852	(3 314)	-16%	27 802
Public safety	9 196	8 925	8 925	632	6 794	6 694	100	2%	8 925
Housing	16 468	19 186	18 853	4 037	7 057	14 140	(7 083)	-50%	18 853
Economic and environmental services	62 903	65 573	67 663	3 736	36 032	50 747	(14 716)	-29%	67 663
Planning and development	8 797	10 614	10 651	661	6 163	7 988	(1 825)	-23%	10 651
Road transport	52 785	53 213	54 326	3 055	28 861	40 744	(11 883)	-29%	54 326
Environmental protection	1 321	1 747	2 686	19	1 007	2 015	(1 008)	-50%	2 686
Trading services	293 298	317 593	321 937	40 910	207 945	241 453	(33 508)	-14%	321 937
Energy sources	201 572	224 738	223 182	34 046	149 792	167 386	(17 594)	-11%	223 182
Water management	28 025	28 985	30 068	2 740	17 861	22 551	(4 690)	-21%	30 068
Waste water management	28 364	29 256	29 139	1 808	18 874	21 854	(2 980)	-14%	29 139
Waste management	35 338	34 615	39 549	2 317	21 418	29 661	(8 243)	-28%	39 549
Other	828	893	878	1	621	659	(38)	-6%	878
Total Expenditure - Functional	516 217	582 344	588 990	57 357	366 407	441 743	(75 336)	-17%	588 990
Surplus/ (Deficit) for the year	48 192	33 372	27 466	3 715	50 268	20 599	29 669		27 466

The following table provides detail of revenue and expenditure according to the international standard classification framework.

WC022 Witzenberg - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M09 March

Description	2017/18	Budget Year 2018/19							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Functional									
Municipal governance and administration	85 944	93 204	92 699	4 490	72 335	69 524	2 811	4%	92 699
Finance and administration	85 944	93 204	92 699	4 490	72 335	69 524	2 811	4%	92 699
Administrative and Corporate Support	0	8	8	–	0	6	(6)	-97%	8
Budget and Treasury Office	6 882	5 442	5 292	221	2 370	3 969	(1 599)	-40%	5 292
Finance	78 169	87 149	86 694	4 240	69 688	65 020	4 668	7%	86 694
Human Resources	212	585	585	–	211	439	(228)	-52%	585
Marketing, Customer Relations, Publicity and Media	–	4	104	28	28	78	(50)	-64%	104
Supply Chain Management	682	16	16	1	38	12	26	212%	16
Community and public safety	101 163	140 845	118 583	25 761	96 205	88 937	7 268	8%	118 583
Community and social services	80 916	98 728	96 722	21 447	86 641	72 542	14 100	19%	96 722
Aged Care	72 016	88 298	86 352	21 330	86 032	64 764	21 268	33%	86 352
Cemeteries, Funeral Parlours and Crematoriums	246	210	210	19	169	157	12	7%	210
Community Halls and Facilities	525	814	814	93	383	611	(227)	-37%	814
Libraries and Archives	8 130	9 406	9 346	5	57	7 010	(6 953)	-99%	9 346
Sport and recreation	7 477	9 020	8 981	587	5 471	6 736	(1 265)	-19%	8 981
Recreational Facilities	7 347	8 575	8 575	581	5 386	6 431	(1 044)	-16%	8 575
Sports Grounds and Stadiums	130	446	406	6	84	305	(221)	-72%	406

Description	2017/18	Budget Year 2018/19							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance		Full Year Forecast
Public safety	3	6	6	3	3	4	(1)	-24%	6
Fire Fighting and Protection	3	6	6	3	3	4	(1)	-24%	6
Housing	12 766	33 091	12 874	3 724	4 090	9 655	(5 565)	-58%	12 874
Housing	12 766	33 091	12 874	3 724	4 090	9 655	(5 565)	-58%	12 874
Economic and environmental services	32 369	43 682	51 559	405	15 293	38 669	(23 376)	-60%	51 559
Planning and development	1 540	2 510	2 268	59	1 118	1 701	(583)	-34%	2 268
Economic Development/Planning	295	288	577	–	–	432	(432)	-100%	577
Town Planning, Building Regulations and Enforcemen	1 233	1 691	1 691	59	1 118	1 268	(150)	-12%	1 691
Project Management Unit	11	531	–	–	–	–	–		–
Road transport	30 827	41 160	48 339	345	14 167	36 254	(22 087)	-61%	48 339
Police Forces, Traffic and Street Parking Control	26 637	26 166	26 166	345	4 611	19 625	(15 014)	-77%	26 166
Roads	4 189	14 993	22 173	–	9 557	16 629	(7 073)	-43%	22 173
Environmental protection	2	12	952	–	8	714	(706)	-99%	952
Biodiversity and Landscape	2	12	952	–	8	714	(706)	-99%	952
Trading services	344 933	337 984	353 616	30 417	232 841	265 212	(32 371)	-12%	353 616
Energy sources	209 994	240 206	239 796	22 741	158 205	179 847	(21 642)	-12%	239 796
Electricity	209 994	238 858	239 081	22 741	158 102	179 310	(21 209)	-12%	239 081
Street Lighting and Signal Systems	–	1 348	715	–	103	536	(433)	-81%	715
Water management	67 545	52 679	52 216	3 584	31 981	39 162	(7 181)	-18%	52 216
Water Distribution	67 545	52 679	52 216	3 584	31 981	39 162	(7 181)	-18%	52 216
Waste water management	41 431	22 399	38 077	1 922	23 856	28 558	(4 702)	-16%	38 077
Sewerage	39 642	18 266	25 996	1 922	21 315	19 497	1 818	9%	25 996
Storm Water Management	1 789	4 133	12 082	–	2 541	9 061	(6 520)	-72%	12 082
Waste management	25 962	22 700	23 527	2 171	18 799	17 646	1 154	7%	23 527
Solid Waste Removal	25 962	22 700	23 527	2 171	18 799	17 646	1 154	7%	23 527
Total Revenue - Functional	564 409	615 716	616 456	61 073	416 675	462 342	(45 667)	-10%	616 456

WC022 Witzenberg - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M09 March

Description	2017/18	Budget Year 2018/19							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Expenditure - Functional									
Municipal governance and administration	88 216	115 817	117 769	3 534	73 630	88 327	(14 697)	-17%	117 769
Executive and council	22 887	27 771	27 709	1 713	16 346	20 782	(4 436)	-21%	27 709
Mayor and Council	13 781	17 908	18 128	1 167	10 660	13 596	(2 936)	-22%	18 128
Municipal Manager, Town Secretary and Chief Execut	9 106	9 863	9 582	546	5 686	7 186	(1 500)	-21%	9 582
Finance and administration	63 186	85 942	87 906	1 646	55 561	65 929	(10 369)	-16%	87 906
Administrative and Corporate Support	8 010	6 682	11 175	1 194	7 083	8 382	(1 299)	-15%	11 175
Asset Management	59	6 288	1 595	3	13	1 196	(1 184)	-99%	1 595
Budget and Treasury Office	9 631	16 913	17 984	472	9 389	13 488	(4 099)	-30%	17 984
Finance	10 169	13 476	13 550	1 451	11 486	10 163	1 324	13%	13 550
Fleet Management	1 756	3 122	2 673	185	1 910	2 005	(95)	-5%	2 673
Human Resources	17 485	19 167	19 722	(2 716)	14 469	14 791	(323)	-2%	19 722
Information Technology	2 056	3 179	3 930	243	1 961	2 947	(987)	-33%	3 930
Legal Services	1 780	2 248	2 344	105	1 656	1 758	(102)	-6%	2 344
Marketing, Customer Relations, Publicity and Media	3 055	3 580	3 719	204	2 260	2 789	(530)	-19%	3 719
Property Services	3 554	3 334	3 336	46	1 032	2 502	(1 470)	-59%	3 336
Risk Management	3	407	407	–	16	305	(289)	-95%	407
Supply Chain Management	4 869	5 844	5 768	437	3 886	4 326	(440)	-10%	5 768
Valuation Service	758	1 703	1 703	23	400	1 277	(877)	-69%	1 703
Internal audit	2 144	2 104	2 154	175	1 723	1 616	107	7%	2 154
Governance Function	2 144	2 104	2 154	175	1 723	1 616	107	7%	2 154
Community and public safety	70 971	82 467	80 742	9 176	48 180	60 557	(12 377)	-20%	80 742
Community and social services	21 733	25 460	25 162	1 896	16 791	18 872	(2 080)	-11%	25 162
Aged Care	4 541	4 298	3 981	399	3 511	2 986	525	18%	3 981
Cemeteries, Funeral Parlours and Crematoriums	2 581	3 272	3 231	222	2 078	2 423	(345)	-14%	3 231
Child Care Facilities	26	771	771	–	2	579	(577)	-100%	771
Community Halls and Facilities	5 441	5 903	5 839	423	3 946	4 379	(434)	-10%	5 839
Disaster Management	57	56	71	3	23	53	(30)	-57%	71
Education	8	661	661	–	4	496	(492)	-99%	661
Libraries and Archives	9 079	10 499	10 608	850	7 228	7 956	(728)	-9%	10 608
Sport and recreation	23 574	28 896	27 802	2 610	17 537	20 852	(3 314)	-16%	27 802
Community Parks (including Nurseries)	5 591	6 678	6 670	485	4 223	5 002	(780)	-16%	6 670
Recreational Facilities	13 592	17 469	16 299	1 767	10 101	12 224	(2 123)	-17%	16 299
Sports Grounds and Stadiums	4 391	4 748	4 833	358	3 213	3 625	(412)	-11%	4 833
Public safety	9 196	8 925	8 925	632	6 794	6 694	100	2%	8 925
Fire Fighting and Protection	9 196	8 925	8 925	632	6 794	6 694	100	2%	8 925
Housing	16 468	19 186	18 853	4 037	7 057	14 140	(7 083)	-50%	18 853
Housing	16 143	17 593	17 258	4 023	6 895	12 943	(6 048)	-47%	17 258
Informal Settlements	325	1 594	1 596	15	162	1 197	(1 035)	-86%	1 596

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	YearTD budget
R thousands								%	
Economic and environmental services	62 903	65 573	67 663	3 736	36 032	50 747	(14 716)	-29%	67 663
Planning and development	8 797	10 614	10 651	661	6 163	7 988	(1 825)	-23%	10 651
Corporate Wide Strategic Planning (IDPs, LEDs)	1 761	2 308	2 304	118	1 166	1 728	(563)	-33%	2 304
Economic Development/Planning	1 921	2 215	2 585	101	951	1 939	(987)	-51%	2 585
Town Planning, Building Regulations and Enforcement	3 637	3 748	3 904	313	2 880	2 928	(48)	-2%	3 904
Project Management Unit	1 479	2 342	1 857	129	1 166	1 393	(227)	-16%	1 857
Road transport	52 785	53 213	54 326	3 055	28 861	40 744	(11 883)	-29%	54 326
Police Forces, Traffic and Street Parking Control	31 375	28 142	28 141	1 494	12 242	21 106	(8 864)	-42%	28 141
Roads	21 410	25 071	26 185	1 562	16 620	19 639	(3 019)	-15%	26 185
Environmental protection	1 321	1 747	2 686	19	1 007	2 015	(1 008)	-50%	2 686
Biodiversity and Landscape	388	1 747	2 686	19	329	2 015	(1 686)	-84%	2 686
Pollution Control	934	–	–	–	679	–	679		–
Trading services	293 298	317 593	321 937	40 910	207 945	241 453	(33 508)	-14%	321 937
Energy sources	201 572	224 738	223 182	34 046	149 792	167 386	(17 594)	-11%	223 182
Electricity	199 399	222 463	220 258	33 986	147 989	165 193	(17 204)	-10%	220 258
Street Lighting and Signal Systems	2 173	2 275	2 924	59	1 803	2 193	(390)	-18%	2 924
Water management	28 025	28 985	30 068	2 740	17 861	22 551	(4 690)	-21%	30 068
Water Treatment	34	1 458	1 458	2	16	1 094	(1 078)	-99%	1 458
Water Distribution	25 401	23 935	25 268	2 596	15 960	18 951	(2 991)	-16%	25 268
Water Storage	2 590	3 592	3 341	142	1 884	2 506	(622)	-25%	3 341
Waste water management	28 364	29 256	29 139	1 808	18 874	21 854	(2 980)	-14%	29 139
Public Toilets	1 363	1 660	1 658	113	1 055	1 244	(188)	-15%	1 658
Sewerage	20 919	19 661	19 753	1 333	13 198	14 815	(1 617)	-11%	19 753
Storm Water Management	6 049	5 621	5 413	362	4 617	4 059	557	14%	5 413
Waste Water Treatment	33	2 315	2 315	–	4	1 736	(1 732)	-100%	2 315
Waste management	35 338	34 615	39 549	2 317	21 418	29 661	(8 243)	-28%	39 549
Solid Waste Disposal (Landfill Sites)	8 543	10 735	15 910	325	3 077	11 932	(8 855)	-74%	15 910
Solid Waste Removal	25 366	22 639	22 398	1 845	17 112	16 798	314	2%	22 398
Street Cleaning	1 429	1 241	1 241	146	1 230	931	299	32%	1 241
Other	828	893	878	1	621	659	(38)	-6%	878
Licensing and Regulation	60	87	72	1	17	54	(38)	-69%	72
Tourism	768	806	806	–	604	604	(0)	0%	806
Total Expenditure - Functional	516 217	582 344	588 990	57 357	366 407	441 743	(75 336)	-17%	588 990
Surplus/ (Deficit) for the year	48 192	33 372	27 466	3 715	50 268	20 599	29 669	144%	27 466

The table provides detail of revenue and expenditure according to municipal votes including capital transfers.

WC022 Witzenberg - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M09 March

Vote Description	2017/18	Budget Year 2018/19							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote									
Vote 1 - Financial Services	83 282	89 434	88 829	4 278	70 289	66 622	3 667	5.5%	88 829
Vote 2 - Community Services	128 355	167 972	146 937	26 107	101 051	110 203	(9 152)	-8.3%	146 937
Vote 3 - Corporate Services	212	597	697	28	239	523	(283)	-54.2%	697
Vote 4 - Technical Services	352 005	356 363	379 174	30 614	244 690	284 380	(39 690)	-14.0%	379 174
Vote 5 - Muncipal Manager	554	1 350	819	45	406	614	(208)	-33.9%	819
Total Revenue by Vote	564 409	615 716	616 456	61 073	416 675	462 342	(45 667)	-9.9%	616 456
Vote 1 - Financial Services	27 219	45 537	41 774	2 416	26 115	31 330	(5 216)	-16.6%	41 774
Vote 2 - Community Services	106 806	115 777	115 285	10 780	62 336	86 463	(24 127)	-27.9%	115 285
Vote 3 - Corporate Services	50 721	56 641	62 795	324	39 578	47 096	(7 518)	-16.0%	62 795
Vote 4 - Technical Services	321 647	351 143	356 400	43 110	230 604	267 300	(36 697)	-13.7%	356 400
Vote 5 - Muncipal Manager	9 824	13 246	12 737	728	7 775	9 553	(1 778)	-18.6%	12 737
Total Expenditure by Vote	516 217	582 344	588 990	57 357	366 407	441 743	(75 336)	-17.1%	588 990
Surplus/ (Deficit) for the year	48 192	33 372	27 466	3 715	50 268	20 599	29 669	144.0%	27 466

The table provides detail of revenue according to source and expenditure according to type.

WC022 Witzenberg - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 March

Description	2017/18	Budget Year 2018/19							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue By Source									
Property rates	63 712	70 002	68 191	3 079	59 485	51 143	8 342	16%	68 191
Service charges - electricity revenue	210 359	235 714	235 937	22 767	158 120	176 953	(18 832)	-11%	235 937
Service charges - water revenue	45 429	41 882	42 180	3 220	25 845	31 635	(5 789)	-18%	42 180
Service charges - sanitation revenue	26 997	17 387	18 116	1 792	17 161	13 587	3 574	26%	18 116
Service charges - refuse revenue	23 384	21 424	21 985	1 968	17 115	16 489	626	4%	21 985
Service charges - other	–	–	–	–	–	–	–		–
Rental of facilities and equipment	5 990	10 198	10 198	624	4 232	7 649	(3 416)	-45%	10 198
Interest earned - external investments	8 122	8 198	8 198	550	6 075	6 149	(74)	-1%	8 198
Interest earned - outstanding debtors	10 927	7 284	7 284	889	7 528	5 463	2 065	38%	7 284
Dividends received	–	4	4	–	–	3	(3)	-100%	4
Fines, penalties and forfeits	22 002	18 904	18 904	4	1 171	14 178	(13 007)	-92%	18 904
Licences and permits	1 164	155	155	110	838	116	721	620%	155
Agency services	3 586	8 378	8 378	263	2 743	6 283	(3 540)	-56%	8 378
Transfers recognised - operational	93 967	91 069	92 448	21 392	86 752	69 336	17 416	25%	92 448
Other revenue	13 993	9 271	10 626	698	6 929	7 970	(1 041)	-13%	10 626
Gains on disposal of PPE	–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)	529 632	539 869	542 604	57 356	393 995	406 953	(12 958)	-3%	542 604
Expenditure By Type									
Employee related costs	155 415	177 699	170 326	9 830	127 908	127 745	164	0%	170 326
Remuneration of councillors	9 170	10 709	10 709	794	7 077	8 032	(955)	-12%	10 709
Debt impairment	35 513	22 219	22 219	2 469	13 494	16 664	(3 171)	-19%	22 219
Depreciation & asset impairment	28 699	43 032	45 165	–	12 532	33 874	(21 342)	-63%	45 165
Finance charges	8 675	3 671	8 005	5	398	6 004	(5 606)	-93%	8 005
Bulk purchases	179 705	197 541	197 541	32 574	134 145	148 156	(14 011)	-9%	197 541
Other materials	15 173	21 021	17 371	709	10 442	13 029	(2 586)	-20%	17 371
Contracted services	36 101	41 902	51 518	4 132	25 621	38 638	(13 017)	-34%	51 518
Transfers and grants	13 920	14 407	14 417	3 751	4 828	10 813	(5 985)	-55%	14 417
Other expenditure	33 845	50 142	51 719	3 092	29 964	38 789	(8 825)	-23%	51 719
Loss on disposal of PPE	–	–	–	–	–	–	–		–
Total Expenditure	516 217	582 344	588 990	57 357	366 407	441 743	(75 336)	-17%	588 990
Surplus/(Deficit)	13 415	(42 474)	(46 386)	(1)	27 588	(34 790)	62 378	(0)	(46 386)
Transfers recognised - capital	34 777	75 847	73 852	3 716	22 680	55 389	(32 709)	(0)	73 852
Contributions recognised - capital	–	–	–	–	–	–	–		–
Contributed assets	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	48 192	33 372	27 466	3 715	50 268	20 599			27 466
Surplus/(Deficit) attributable to	48 192	33 372	27 466	3 715	50 268	20 599			27 466
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	48 192	33 372	27 466	3 715	50 268	20 599			27 466

The revenue and expenditure figures excludes internal charges.

The tables provides detail of capital expenditure according to municipal votes.

WC022 Witzenberg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M09 March

Vote Description	2017/18	Budget Year 2018/19							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Multi-Year expenditure appropriation									
Vote 2 - Community Services	–	650	460	–	6	345	(339)	-98%	460
Vote 4 - Technical Services	14 570	45 777	45 766	5 199	29 454	34 325	(4 870)	-14%	45 766
Total Capital Multi-year expenditure	14 570	46 427	46 226	5 199	29 460	34 669	(5 209)	-15%	46 226
Single Year expenditure appropriation									
Vote 1 - Financial Services	215	180	210	84	103	158	(55)	-35%	210
Vote 2 - Community Services	5 950	4 282	5 960	1 019	1 338	4 470	(3 132)	-70%	5 960
Vote 3 - Corporate Services	1 257	970	1 069	306	600	802	(202)	-25%	1 069
Vote 4 - Technical Services	41 782	29 312	34 266	5 296	25 734	25 700	35	0%	34 266
Vote 5 - Muncipal Manager	27	150	130	–	1	98	(96)	-99%	130
Total Capital single-year expenditure	49 231	34 894	41 636	6 705	27 776	31 227	(3 450)	-11%	41 636
Total Capital Expenditure	63 800	81 321	87 861	11 904	57 237	65 896	(8 659)	-13%	87 861

WC022 Witzenberg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M09 March

Vote Description R thousands	2017/18 Audited Outcome	Budget Year 2018/19 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital Expenditure - Standard Classification									
Governance and administration	1 576	1 340	2 551	407	765	1 913	(1 148)	-60%	2 551
Executive and council	279	250	1 462	58	151	1 097	(946)	-86%	1 462
Finance and administration	1 297	1 090	1 089	350	615	817	(202)	-25%	1 089
Community and public safety	3 586	3 402	4 358	989	1 166	3 269	(2 102)	-64%	4 358
Community and social services	645	1 000	1 054	28	57	790	(733)	-93%	1 054
Sport and recreation	2 034	2 402	3 304	961	1 109	2 478	(1 369)	-55%	3 304
Public safety	549	–	–	–	–	–	–		–
Housing	359	–	–	–	–	–	–		–
Economic and environmental servic	11 560	29 788	35 450	6 035	28 931	26 588	2 343	9%	35 450
Planning and development	31	20	531	30	152	399	(247)	-62%	531
Road transport	11 529	28 268	33 419	6 005	28 779	25 064	3 715	15%	33 419
Environmental protection	–	1 500	1 500	–	–	1 125	(1 125)	-100%	1 500
Trading services	47 078	46 791	45 502	4 473	26 374	34 126	(7 752)	-23%	45 502
Energy sources	4 728	11 654	11 250	1 153	6 012	8 438	(2 425)	-29%	11 250
Water management	22 269	14 746	10 016	945	6 535	7 512	(977)	-13%	10 016
Waste water management	16 820	19 219	23 064	2 375	12 819	17 298	(4 479)	-26%	23 064
Waste management	3 261	1 171	1 171	–	1 008	878	130	15%	1 171
Total Capital Expenditure - Standard Cl	63 800	81 321	87 861	11 904	57 237	65 896	(8 659)	-13%	87 861
Funded by:									
National Government	20 014	33 070	23 505	2 864	15 073	17 629	(2 556)	-14%	23 505
Provincial Government	14 170	19 569	28 406	5 266	21 666	21 305	362	2%	28 406
District Municipality	–	300	761	–	457	571	(114)	-20%	761
Transfers recognised - capital	34 183	52 938	52 672	8 130	37 196	39 504	(2 308)	-6%	52 672
Borrowing	3 528	1 550	1 550	–	1 485	1 163	322	28%	1 550
Internally generated funds	26 089	26 833	33 639	3 773	18 556	25 229	(6 673)	-26%	33 639
Total Capital Funding	63 800	81 321	87 861	11 904	57 237	65 896	(8 659)	-13%	87 861

The table provides detail of the municipality's financial position as at period end.

WC022 Witzenberg - Table C6 Monthly Budget Statement - Financial Position - M09 March

Description	2017/18	Budget Year 2018/19			
R thousands	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS					
Current assets					
Cash	97 506	83 129	80 552	61 523	61 523
Call investment deposits	–	47	47	70 000	70 000
Consumer debtors	57 003	(33 750)	52 542	69 754	69 754
Other debtors	12 701	14 940	14 940	8 766	8 766
Current portion of long-term receivables	–	–	–	–	–
Inventory	11 402	1 435	15 551	11 872	11 872
Total current assets	178 612	65 801	163 630	221 915	221 915
Non current assets					
Long-term receivables	–	–	–	–	–
Investments	–	4	4	–	–
Investment property	45 660	(626)	45 034	45 518	45 518
Investments in Associate	–	–	–	–	–
Property, plant and equipment	856 160	38 951	899 316	901 202	901 202
Agricultural	–	–	–	–	–
Biological assets	–	–	–	–	–
Intangible assets	2 837	(36)	2 802	2 650	2 650
Other non-current assets	550	–	550	550	550
Total non current assets	905 207	38 293	947 706	949 920	949 920
TOTAL ASSETS	1 083 819	104 095	1 111 336	1 171 835	1 171 835
LIABILITIES					
Current liabilities					
Bank overdraft	–	–	–	–	–
Borrowing	–	–	–	–	–
Consumer deposits	6 418	–	6 418	6 963	6 963
Trade and other payables	53 808	46 998	15 760	88 179	88 179
Provisions	17 426	8 491	25 917	13 160	13 160
Total current liabilities	77 653	55 489	48 095	108 302	108 302
Non current liabilities					
Borrowing	4 175	2 200	6 389	2 557	2 557
Provisions	154 570	13 033	167 603	163 287	163 287
Total non current liabilities	158 745	15 233	173 993	165 844	165 844
TOTAL LIABILITIES	236 399	70 723	222 088	274 146	274 146
NET ASSETS	847 421	33 372	889 248	897 689	897 689
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	837 066	33 372	878 894	887 334	887 334
Reserves	10 355	–	10 355	10 355	10 355
TOTAL COMMUNITY WEALTH/EQUITY	847 421	33 372	889 248	897 689	897 689

The cash flows for the year to date are indicated in the following table:

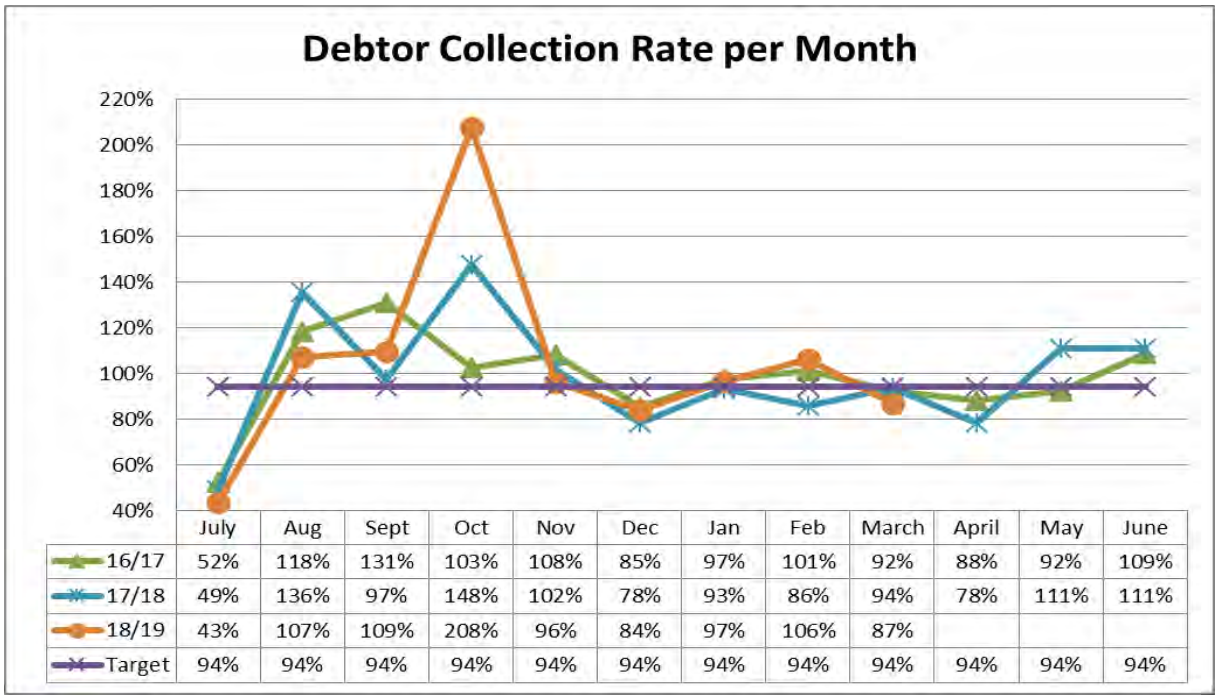
WC022 Witzenberg - Table C7 Monthly Budget Statement - Cash Flow - M09 March

Description	2017/18	Budget Year 2018/19							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates, penalties & collection charges	63 592	61 689	66 502	3 522	57 538	49 876	7 661	15%	66 502
Service charges	308 615	291 601	300 586	29 891	242 764	225 440	17 324	8%	300 586
Other revenue	–	17 246	22 414	1 251	15 239	16 810	(1 571)	-9%	22 414
Government - operating	132 666	97 846	98 828	24 656	102 677	74 121	28 557	39%	98 828
Government - capital	–	63 230	60 133	15 965	56 431	45 100	11 331	25%	60 133
Interest	19 166	13 112	8 176	551	6 076	6 132	(56)	-1%	8 176
Dividends									
Payments									
Suppliers and employees	(424 386)	(369 994)	(489 132)	(41 822)	(380 662)	(366 849)	13 813	-4%	(489 132)
Finance charges	(15 676)	(938)	(906)	(5)	(150)	(679)	(529)	78%	(906)
Transfers and Grants	–	(587)	(587)	(3 751)	(4 852)	(440)	4 411	-1002%	(587)
NET CASH FROM/(USED) OPERATING ACTIVITIES	83 978	173 205	66 013	30 257	95 061	49 510	80 942	163%	66 013
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	3 790	–	–	–	–	–	–		–
Decrease (Increase) in non-current debtors	–	–	–	–	–	–	–		–
Decrease (increase) other non-current receivables	–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments	–	–	–	10 000	(70 000)	–	(70 000)		–
Payments									
Capital assets	(63 800)	(83 247)	(85 599)	(13 041)	(60 449)	(64 199)	(3 750)	6%	(85 599)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(60 010)	(83 247)	(85 599)	(3 041)	(130 449)	(64 199)	66 250	-103%	(85 599)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	–	–	–	–	–	–	–		–
Borrowing long term/refinancing	–	3 500	3 500	–	–	2 625	(2 625)	-100%	3 500
Increase (decrease) in consumer deposits	1 023	–	–	55	582	–	582		–
Payments									–
Repayment of borrowing	(3 818)	–	(860)	(17)	(1 184)	(645)	539	-84%	–
NET CASH FROM/(USED) FINANCING ACTIVITIES	(2 795)	3 500	2 640	39	(601)	1 980	2 581	130%	(601)
									–
NET INCREASE/ (DECREASE) IN CASH HELD	21 173	93 458	(16 945)	27 256	(35 989)	(12 709)			(16 085)
Cash/cash equivalents at beginning:	76 333	–	97 497		97 502	97 497			97 502
Cash/cash equivalents at month/year end:	97 506	93 458	80 552		61 513	84 788			81 417

The debtors age analysis per Income source and customer group is as follows:

WC022 Witzenberg - Supporting Table SC3 Monthly Budget Statement - aged debtors - M09 March

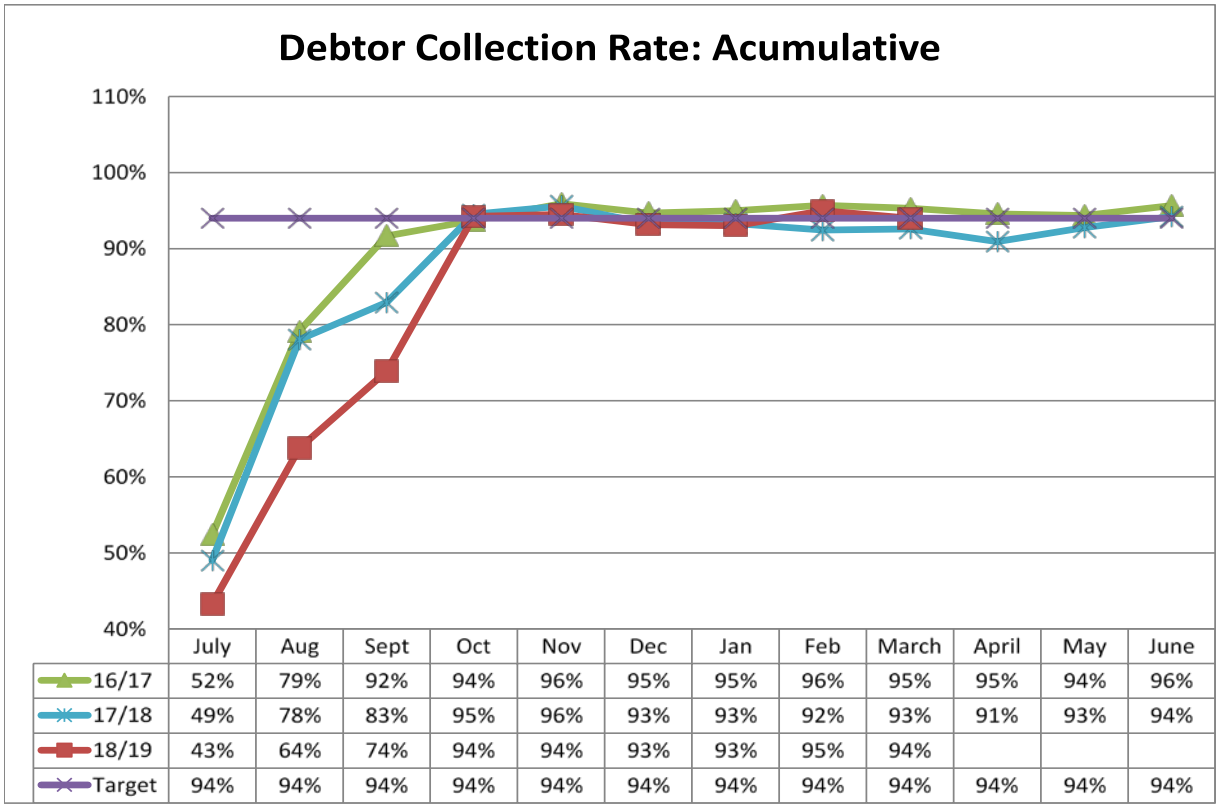
Description	NT Code	Budget Year 2018/19									
R thousands		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days
Debtors Age Analysis By Income Source											
Water	1200	8 768	1 433	982	1 021	819	768	6 654	30 963	51 409	40 225
Electricity	1300	16 051	480	256	222	197	193	1 127	1 553	20 080	3 293
Property Rates	1400	3 943	368	317	234	220	166	3 327	12 200	20 775	16 147
Waste Water Management	1500	4 908	680	707	592	570	560	3 172	15 137	26 326	20 031
Waste Management	1600	5 658	752	679	643	582	561	2 916	16 529	28 321	21 232
Property Rental Debtors	1700	139	18	17	16	16	15	90	593	904	730
Interest on Arrear Accounts	1810	1 496	87	96	113	116	132	1 231	24 042	27 314	25 636
Recoverable expenditure	1820	–	–	–	–	–	–	–	–	–	–
Other	1900	(3 505)	26	28	27	29	51	174	872	(2 298)	1 152
Total By Income Source	2000	37 458	3 844	3 082	2 869	2 549	2 447	18 692	101 889	172 831	128 447
2017/18 - totals only										–	–
Debtors Age Analysis By Customer Group											
Organs of State	2200	895	140	106	77	61	59	1 362	2 646	5 347	4 205
Commercial	2300	14 166	614	420	287	253	243	2 246	6 773	25 003	9 802
Households	2400	21 058	2 819	2 349	2 329	2 040	1 979	13 776	83 652	130 002	103 776
Other	2500	1 339	270	206	176	195	167	1 308	8 818	12 478	10 663
Total By Customer Group	2600	37 458	3 844	3 082	2 869	2 549	2 447	18 692	101 889	172 831	128 447



	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June
16/17	52%	118%	131%	103%	108%	85%	97%	101%	92%	88%	92%	109%
17/18	49%	136%	97%	148%	102%	78%	93%	86%	94%	78%	111%	111%
18/19	43%	107%	109%	208%	96%	84%	97%	106%	87%			
Target	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%

The purpose of this graph is to illustrate the collection against targets set for the relevant months. The target for the month is 94% while the actual figure for March 2019 amounts to 87% in comparison to the previous year 94%.

Die doel van hierdie grafiek is om die verhaling van debiteure te illustreer teen die teikens gestel vir die onderskeie maande. Die teiken vir die maand is 94%, terwyl die syfer vir Maart 2019 – 87 % beloop in vergelyking met die vorige jaar 94 %.



	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June
16/17	52%	79%	92%	94%	96%	95%	95%	96%	95%	95%	94%	96%
17/18	49%	78%	83%	95%	96%	93%	93%	92%	93%	91%	93%	94%
18/19	43%	64%	74%	94%	94%	93%	93%	95%	94%			
Target	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%

The purpose of this graph is to illustrate effectiveness of collection of debt against targets set for the year. The target for the year to date is 94% while the actual figure is 94%.

Die doel van hierdie grafiek is om die doeltreffendheid van die verhaling van skuld te illustreer teen die teikens gestel vir die jaar. Die teiken vir die jaar tot datum is 94%, terwyl die werklike syfer 94% beloop.

WC022 Witzenberg - Supporting Table SC4 Monthly Budget Statement - aged creditors - M09 March

Description R thousands	NT Code	Budget Year 2018/19								
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	–	–	–	–	–	–	–	–	–
Bulk Water	0200	–	–	–	–	–	–	–	–	–
PAYE deductions	0300	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	637	–	–	–	–	–	–	–	637
Auditor General	0800	–	–	–	–	–	–	–	–	–
Other	0900	–	–	–	–	–	–	–	–	–
Total By Customer Type	1000	637	–	–	–	–	–	–	–	637

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The movement in investments is detailed below.

WC022 Witzenberg - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M09 March

Investments by maturity Name of institution & investment ID R thousands	Period of Investment Yrs/Months	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of month	Change in market value	Market value at end of the month
Municipality								
ABSA	–	–	–	–		–	–	15 000
Investec	–	–	–	–		–	–	20 000
Nedbank	–	–	–	–		–	–	23 000
Standard Bank	–	–	–	–		–	–	12 000
FNB	–	–	–	–		–	–	(0)
	–	–	–	–		–	–	–
TOTAL INVESTMENTS AND INTEREST				–		–	–	70 000

Operating and Capital transfers recognised as revenue are indicated in the following table:
Transfers are rcognised when the conditions are met.

WC022 Witzenberg - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M09 March

Description	2017/18	Budget Year 2018/19							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
RECEIPTS:									
Operating Transfers and Grants									
National Government:	–	88 231	87 752	21 392	86 745	65 814	20 931	31.8%	87 752
Equitable Share	–	84 602	84 602	21 123	84 584	63 452	21 133	33.3%	84 602
Local Government Financial Management Grant	–	1 550	1 400	62	719	1 050	(331)	-31.5%	1 400
Expanded Public Works Programme Integrated G	–	1 548	1 750	207	1 442	1 313	129	9.9%	1 750
Municipal Infrastructure Grant [Schedule 5B]	–	531	–	–	–	–	–		–
Provincial Government:	–	45 019	22 193	3 716	4 036	16 645	(12 609)	-75.8%	22 193
Housing	–	32 839	12 621	3 716	4 029	9 466	(5 437)	-57.4%	12 621
Financial Management	–	360	360	–	0	270	(270)	-100.0%	360
Financial Management Support Grant	–	330	330	–	–	248	(248)	-100.0%	330
Libraries, Archives and Museum	–	9 342	8 882	–	–	6 662	(6 662)	-100.0%	8 882
Community Development Workers	–	148	–	–	6	–	6		–
Regional Socio-economic Project/Violence Prever	–	2 000	–	–	–	–	–		–
District Municipality:	–	–	600	–	–	450	(450)	-100.0%	600
Other grant providers:	–	576	4 065	–	–	375	(375)	-100.0%	4 065
Water Drought Support	–	–	500	–	–	375	(375)	-100.0%	500
Other grant providers:	–	288	1 783	–	–	–	–		1 783
Belguim Grant	–	288	1 083	–	–	–	–		1 083
Table Mountain Fund	–	–	700	–	–	–	–		700
Total Operating Transfers and Grants	–	133 826	114 011	25 108	90 781	82 834	7 947	9.6%	114 011
National Government:	–	31 235	23 505	–	6 151	17 629	(11 478)	-65.1%	23 505
Municipal Infrastructure Grant [Schedule 5B]	–	18 626	19 157	–	5 945	14 368	(8 423)	-58.6%	19 157
Regional Bulk Infrastructure Grant (Schedule 5B)	–	8 261	–	–	–	–	–		–
Integrated National Electrification Programme (Mu	–	4 348	4 348	–	205	3 261	(3 055)	-93.7%	4 348
Provincial Government:	–	300	26 424	–	12 500	19 623	(7 123)	-36.3%	26 424
Housing	–	–	26 164	–	12 500	19 623	(7 123)	-36.3%	26 164
Sport & Recreation	–	300	261	–	–	–	–		261
Total Capital Transfers and Grants	–	31 535	49 930	–	18 651	37 252	(18 601)	-49.9%	49 930
TOTAL RECEIPTS OF TRANSFERS & GRANTS	–	165 361	163 940	25 108	109 431	120 085	(10 654)	-8.9%	163 940

Operating and Capital expenditure financed from grants are indicated in the following table:

WC022 Witzenberg - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M09 March

Description	2017/18	Budget Year 2018/19							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:	62 092	88 231	87 752	21 392	86 745	65 814	20 931	31.8%	87 752
Equitable Share	59 438	84 602	84 602	21 123	84 584	63 452	21 133	33.3%	84 602
Local Government Financial Management Grant	1 161	1 550	1 400	62	719	1 050	(331)	-31.5%	1 400
Expanded Public Works Programme Integrated (	1 493	1 548	1 750	207	1 442	1 313	129	9.9%	1 750
Municipal Infrastructure Grant [Schedule 5B]	–	531	–	–	–	–	–		–
Other transfers and grants [insert description]	–	–	–	–	–	–	–		–
Provincial Government:	158	46 862	24 036	3 716	4 036	18 027	(13 991)	-77.6%	24 036
Housing	–	32 839	12 621	3 716	4 029	9 466	(5 437)	-57.4%	12 621
Financial Management	–	360	360	–	0	270	(270)	-100.0%	360
Financial Management Support Grant	120	330	330	–	–	248	(248)	-100.0%	330
Replacement Funding for most vulnerable B3 mu	38	–	–	–	–	–	–		–
Libraries, Archives and Museum	–	9 342	8 882	–	–	6 662	(6 662)	-100.0%	8 882
Community Development Workers	–	148	–	–	6	–	6	#DIV/0!	–
Maintenance of Main Roads	–	1 843	1 843	–	–	1 382	(1 382)	-100.0%	1 843
Regional Socio-economic Project/Violence Preve	–	2 000	–	–	–	–	–		–
District Municipality:	–	–	600	–	–	450	(450)	-100.0%	600
Tourism	–	–	100	–	–	75	(75)	-100.0%	100
Water Drought Support	–	–	500	–	–	375	(375)	-100.0%	500
Other grant providers:	–	288	1 783	–	–	–	–		1 783
Belguim Grant	–	288	1 083	–	–	–	–		1 083
Table Mountain Fund	–	–	700	–	–	–	–		700
Total operating expenditure of Transfers and Grant	62 249	135 381	114 171	25 108	90 781	84 291	6 490	7.7%	114 171
Capital expenditure of Transfers and Grants									
National Government:	20 002	31 235	23 505	–	6 151	17 629	(11 478)	-65.1%	23 505
Municipal Infrastructure Grant [Schedule 5B]	19 941	18 626	19 157	–	5 945	14 368	(8 423)	-58.62%	19 157
Regional Bulk Infrastructure Grant (Schedule 5B	61	8 261	–	–	–	–	–		–
Integrated National Electrification Programme (M	–	4 348	4 348	–	205	3 261	(3 055)	-93.70%	4 348
Other capital transfers [insert description]	–	–	–	–	–	–	–		–
Provincial Government:	–	300	26 424	–	12 500	19 623	(7 123)	-36.3%	26 424
Housing	–	–	26 164	–	12 500	19 623	(7 123)	-36.3%	26 164
Sport & Recreation	–	300	261	–	–	–	–		261
District Municipality:		–	–	–	–	–	–		–
	–	–	–	–	–	–	–		–
Other grant providers:	–	–	–	–	–	–	–		–
	–	–	–	–	–	–	–		–
Total capital expenditure of Transfers and Grants	20 002	31 535	49 930	–	18 651	37 252	(18 601)	-49.9%	49 930
TOTAL EXPENDITURE OF TRANSFERS AND GRAN	82 252	166 916	164 100	25 108	109 431	121 542	(12 111)	-10.0%	164 100

Expenditure on councillor allowances and employee benefits:

WC022 Witzenberg - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M09 March

Summary of Employee and Councillor remuneration	Budget Year 2018/19							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands							%	
	B	C						D
Councillors (Political Office Bearers plus Other)								
Basic Salaries and Wages	7 213	7 213	608	5 419	5 410	9	0%	7 213
Pension and UIF Contributions	1 063	1 063	88	784	797	(13)	-2%	1 063
Medical Aid Contributions	212	212	16	136	159	(24)	-15%	212
Motor Vehicle Allowance	692	692	–	–	519	(519)	-100%	692
Cellphone Allowance	1 023	1 023	78	697	767	(70)	-9%	1 023
Housing Allowances	455	455	3	41	341	(300)	-88%	455
Other benefits and allowances	50	50	–	–	38	(38)	-100%	50
Sub Total - Councillors	10 709	10 709	794	7 077	8 032	(955)	-12%	10 709
Senior Managers of the Municipality								
Basic Salaries and Wages	3 594	3 294	208	2 388	2 470	(83)	-3%	3 294
Pension and UIF Contributions	739	739	15	143	554	(411)	-74%	739
Medical Aid Contributions	127	127	6	49	95	(46)	-48%	127
Overtime	–	–	–	–	–	–		–
Performance Bonus	840	840	42	441	630	(189)	-30%	840
Motor Vehicle Allowance	993	993	74	608	744	(137)	-18%	993
Cellphone Allowance	67	67	–	21	50	(30)	-59%	67
Housing Allowances	145	145	–	–	109	(109)	-100%	145
Other benefits and allowances	108	88	12	116	66	50	75%	88
Payments in lieu of leave	–	–	–	–	–	–		–
Long service awards	–	–	–	–	–	–		–
Post-retirement benefit obligations	–	–	–	–	–	–		–
Sub Total - Senior Managers	6 614	6 294	357	3 766	4 720	(954)	-20%	6 294
Other Municipal Staff								
Basic Salaries and Wages	108 292	100 954	8 252	73 803	75 715	(1 913)	-3%	100 954
Pension and UIF Contributions	16 388	16 377	1 312	11 631	12 283	(651)	-5%	16 377
Medical Aid Contributions	7 283	7 283	633	5 425	5 462	(37)	-1%	7 283
Overtime	11 713	11 728	1 176	12 220	8 796	3 424	39%	11 728
Performance Bonus	7 651	7 651	664	5 943	5 738	206	4%	7 651
Motor Vehicle Allowance	4 099	4 129	396	3 393	3 097	296	10%	4 129
Cellphone Allowance	378	378	40	370	284	86	30%	378
Housing Allowances	1 541	1 541	120	1 087	1 156	(69)	-6%	1 541
Other benefits and allowances	4 035	4 035	308	2 361	3 026	(665)	-22%	4 035
Payments in lieu of leave	831	831	(4 271)	200	623	(424)	-68%	831
Long service awards	407	407	76	682	305	377	124%	407
Post-retirement benefit obligations	10 632	10 632	921	8 290	7 974	316	4%	10 632
Sub Total - Other Municipal Staff	173 251	165 946	9 627	125 406	124 460	946	1%	165 946
TOTAL SALARY, ALLOWANCES &	190 573	182 949	10 778	136 248	137 212	(963)	-1%	182 949
% increase								
TOTAL MANAGERS AND STAFF	179 864	172 240	9 984	129 172	129 180	(8)	0%	172 240

The monthly cash flows for the year to date are indicated in the following table:

WC022 Witzenberg - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M09 March

Description	Ref	Budget Year 2018/19											
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget
Cash Receipts By Source													
Property rates		3 857	8 244	6 776	19 563	4 045	3 164	4 286	4 080	3 522	1 297	2 297	8 870
Service charges - electricity revenue		21 587	21 605	23 318	18 875	17 174	16 003	15 014	18 598	23 326	18 789	18 789	12 393
Service charges - water revenue		3 448	3 418	2 171	3 193	2 007	2 782	2 585	3 766	2 534	3 883	3 883	12 928
Service charges - sanitation revenue		1 772	2 329	2 546	1 857	1 611	1 416	2 141	2 136	1 845	1 074	1 074	5 090
Service charges - refuse		2 068	2 194	1 965	2 306	1 723	2 086	1 884	2 104	1 653	2 199	2 199	4 007
Service charges - other		–	–	–	–	–	–	–	2 942	533	–	–	(3 475)
Rental of facilities and equipment		210	225	384	435	367	56	628	525	564	39	39	6 726
Interest earned - external investments		371	539	705	423	651	491	1 388	956	550	681	681	738
Interest earned - outstanding debtors		–	–	–	–	–	–	–	–	1	–	–	(1)
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–
Fines		199	111	251	64	259	65	104	266	110	339	339	1 962
Licences and permits		574	214	705	764	1 608	398	735	136	352	305	305	(2 441)
Agency services		–	–	–	–	–	–	–	–	–	406	406	4 065
Transfer receipts - operating		36 119	1 992	3 514	1 987	2 028	28 183	–	4 199	24 656	2 854	3 653	9 553
Other revenue		236	382	645	1 982	721	226	1 086	391	225	666	666	766
Cash Receipts by Source		70 442	41 253	42 981	51 450	32 194	54 869	29 850	40 100	59 871	32 533	34 332	61 181
Other Cash Flows by Source													–
Transfer receipts - capital		17 000	–	–	3 500	5 400	7 566	–	7 000	15 965	1 403	1 403	(18 399)
Contributions & Contributed assets		–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on disposal of PPE		–	–	–	–	–	–	–	–	–	–	–	–
Short term loans		–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–	–	–
Increase in consumer deposits		63	81	51	74	95	46	31	87	55	–	–	(582)
Receipt of non-current debtors		–	–	–	–	–	–	–	–	–	–	–	–
Receipt of non-current receivables		–	–	–	–	–	–	–	–	–	–	–	–
Change in non-current investments		–	–	(100 000)	25 000	25 000	(35 000)	45 000	(40 000)	10 000	20 000	20 000	30 000
Total Cash Receipts by Source		87 505	41 334	(56 969)	80 024	62 689	27 481	74 881	7 187	85 891	53 936	55 735	72 200
Cash Payments by Type													–
Employee related costs		11 219	13 141	12 270	12 453	19 675	12 559	12 584	15 145	12 678	13 723	13 723	19 654
Remuneration of councillors		876	874	867	836	848	868	1 070	897	906	892	892	881
Interest paid		–	–	88	–	–	57	–	–	5	–	–	3 521
Bulk purchases - Electricity		23 704	24 512	23 657	13 718	13 545	13 196	12 009	16 071	16 413	15 113	15 113	(5 698)
Bulk purchases - Water & Sewer		–	–	–	–	–	–	–	–	–	–	–	–
Other materials		862	428	662	2 694	1 729	2 075	1 369	3 562	1 468	1 875	1 875	3 901
Contracted services		2 263	2 211	3 840	3 679	4 259	4 041	1 893	1 754	5 148	3 600	3 600	11 797
Grants and subsidies paid - other municipalities		–	–	–	–	–	–	–	–	–	–	–	–
Grants and subsidies paid - other		200	155	121	205	–	2	364	53	3 751	1 200	1 200	7 156
General expenses		4 372	5 044	5 304	6 236	5 582	4 311	1 322	1 392	3 122	1 800	1 300	(176)
Cash Payments by Type		43 495	46 366	46 809	39 821	45 637	37 109	30 613	38 873	43 491	38 204	37 704	41 035
Other Cash Flows/Payments by Type													
Capital assets		1 686	4 061	8 879	6 352	10 008	2 511	5 673	7 652	13 041	9 348	8 272	19 383
Repayment of borrowing		–	–	1 058	–	–	109	–	–	17	452	852	65 571
Other Cash Flows/Payments		(453)	591	(737)	3 824	(30 696)	34 490	1 844	1 802	2 087	(18 751)	(14 902)	24 741
Total Cash Payments by Type		44 728	51 017	56 009	49 997	24 949	74 219	38 130	48 327	58 636	29 253	31 925	150 731
NET INCREASE/(DECREASE) IN CASH HELD		42 777	(9 684)	(112 978)	30 027	37 740	(46 738)	36 751	(41 140)	27 256	24 683	23 810	(78 531)
Cash/cash equivalents at the month/year beginning:		97 502	140 279	130 595	17 618	47 645	85 385	38 647	75 398	34 257	61 513	86 196	110 005
Cash/cash equivalents at the month/year end:		140 279	130 595	17 618	47 645	85 385	38 647	75 398	34 257	61 513	86 196	110 005	31 474

WC022 Witzenberg - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M09 March

Month	2017/18	Budget Year 2018/19							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
Monthly expenditure performance trend									
July		6 777	7 268	767	767	7 268	6 501	89.4%	1%
August		6 777	7 268	3 991	4 758	14 537	9 779	67.3%	6%
September		6 777	7 268	9 026	13 784	21 805	8 021	36.8%	17%
October		6 777	7 268	6 488	20 272	29 074	8 802	30.3%	25%
November		6 777	7 268	9 446	29 717	36 342	6 625	18.2%	37%
December		6 777	7 268	2 178	31 896	43 611	11 715	26.9%	39%
January		6 777	7 268	5 567	37 463	50 879	13 417	26.4%	46%
February		6 777	7 268	7 870	45 333	58 148	12 815	22.0%	56%
March		6 777	7 268	11 904	57 237	65 416	8 180	12.5%	70%
April		6 777	7 268	–		72 685	–		
May		6 777	7 268	–		79 953	–		
June		6 777	7 268	–		87 222	–		
Total Capital expenditure	–	81 321	87 222	57 237					

3.2 SUPPLY CHAIN MANAGEMENT

3.2.1 Demand and Acquisition

3.2.1.1 Advertisement stage

The following competitive bids are currently in the advertisement stage:

3.2 VOORSIENINGSKANAAL BESTUUR

3.2.1 Aanvraag en Verkryging

3.2.1.1 Adverteringsfase

Die volgende mededingende tenders is tans in die adverterings fase:

BID NO	DESCRIPTION / BESKRYWING	CLOSING DATE / SLUITINGS DATUM
08/2/16/35	Provision of online electronic CIPC and credit search services	24-Apr-2019
08/2/16/52	Maintenance of the Witzenberg Municipality's ICT Environment	24-Apr-2019
08/2/16/56	Training of Municipal officials on Learner ships and skills programme	05-Apr-2019

No formal written price quotations are currently in the advertisement stage.

Geen formele geskrewe pryskwotasies is tans in die adverteringsfase nie.

3.2.1.2 Evaluation stage:

The following competitive bids are currently in the evaluation stage:

3.2.1.2 Evaluering stadium:

Die volgende mededingende tenders is tans in die evalueringsfase:

BID NO	DESCRIPTION / BESKRYWING	CLOSING DATE SLUITINGS DATUM	DATE TECHNICAL REPORT RECEIVED	RESPONSIBLE MANAGER
08/2/16/25	Supply and installation of base radio stations, mobile radio stations and portable digital radios	01-Feb-2019	12-Feb-2019 28-Mar-2019	D Greeff
08/2/16/40	The supply, delivery and installation of process aerators / mixers for Witzenberg Municipality	07-Nov-2018	21-Jan-2019 Referred back	N Jacobs
08/2/16/49	Construction of Kiosk at Bella Vista sports field	29-Mar-2019	Awaiting	H Truter
08/2/16/57	Provision of security services	28-Feb-2019	06-Mar-2019 Referred back	C Wessels

The following formal written price quotations are currently in the evaluation stage:

Die volgende formele geskrewe pryskwotasie is tans in die evalueringsfase:

BID NO	DESCRIPTION / BESKRYWING	CLOSING DATE / SLUITINGS DATUM	DATE TECHNICAL REPORT RECEIVED	RESPONSIBLE MANAGER
08/2/16/39	Supply and delivery of six shutter roller doors (Re-advertisement)	26-Mar-2019	Awaiting	R Fick
08/2/16/43	Supply, delivery and installation of Flooring Witzenberg municipal offices	30-Jan-2019	19-Feb-2019 25-Mar-2019	C Wessels
08/2/16/48	Painting of external surfaces at Montana and Pine Valley community halls Wolseley	13-Feb-2019	Awaiting	H Truter
08/2/16/53	Service and maintenance of fire extinguishers and hose reels	19-Feb-2019	12-Mar-2019	R Groenewald
08/2/16/54	Supply and delivery of fire fighting equipment - Fire Hoses	20-Feb-2019	12-Mar-2019	R Groenewald

3.2.1.3 Adjudication stage

The following competitive bid is currently in the adjudication stage:

3.2.1.3 Toekenningsfase:

Die volgende mededingende tender is tans in die toekenningsfase:

BID NO	DESCRIPTION / BESKRYWING	CLOSING DATE / SLUITINGS DATUM	DATE TECHNICAL REPORT RECEIVED	DATE OF BEC
08/2/16/23	Facilitation of training for municipal minimum competency levels MMCL Programme for a three year period	06-Nov-2018	29-Nov-2018	*05-Feb-2019
08/2/16/28	Supply, delivery and manufacturing of 9 steel pavilions (Re-advertisement)	08-Feb-2019	15-Feb-2019 28-Feb-2019 08-Mar-2019 19-Mar-2019	19-Mar-2019
08/2/16/33	Cutting and removing of pine trees at Pine Forest holiday resort	15-Nov-2018	28-Jan-2019 25-Mar-2019	26-Mar-2019
08/2/16/42	Upgrading of John Steyn library	28-Nov-2018	14-Dec-2018 23-Jan-2019	19-Feb-2019

* Extension were requested until 30 April 2019.

No formal written price quotations are currently in the adjudication stage.

Geen formele geskrewe prys kwotasie is tans in die Toekenningsfase nie.

3.2.1.4 Bids awarded

The following competitive bid were awarded by the Accounting Officer during the month of March 2019:

3.2.1.4 Tenders toegeken

Die volgende mededingende tenders was toegeken deur die Rekenpligtige Beampte gedurende Maart 2019:

Bid ref number	Date	Name of supplier	Brief description of services	Reason why award made	Value (incl. VAT)
08/2/16/38	11-Mar-2019	Actophambili Roads (PTY) Ltd	Resealing of existing streets in Witzenberg municipal area	Bidder scored the highest points	Based on tendered rates not exceeding R 20 000 000.00

No bid was awarded by the Bid Adjudication Committee during the month of March 2019.

Geen tender was toegeken deur die Tender Toekenningskomitee gedurende Maart 2019 nie.

3.2.1.5 Paragraph 13 (1): Cancellation and re-invitation of tenders

The following formal written price quotation or competitive bid was cancelled during the month of March 2019:

3.2.1.5 Paragraaf 13 (1): Kansellasie en her-uitnodiging van tenders

Die volgende formele geskrewe prys kwotasie of mededingende tender was gekanselleer gedurende Maart 2019:

Bid ref number	Date	Brief description of services	Reason why bid is cancelled
08/2/16/31	25-Mar-2019	Repair and maintenance to Montana and Pine Forest swimming pools	No acceptable bids were received and funds are no longer available to cover the total envisaged expenditure
08/2/16/64	29-Mar-2019	Provision of cash in transit services for the period of 3 months	No acceptable bids were received

3.2.1.6 Paragraph 19 (1) l and 19 (2): Written price quotations

The following written price quotations were approved during the month of March 2019:

3.2.1.6 Paragraaf 19 (1) (c) en 19 (2): Geskrewe Prys Kwotasies

Die volgende geskrewe prys kwotasies was goedgekeur gedurende Maart 2019:

Order number	Date	Name of supplier	Brief description of services	Reason why award made	Amount	Official acting i.t.o sub delegation
158873	05-Mar-2019	Ultimate Recruitment Solutions	Advertisement of Bid: 08/2/16/49: Construction of Kiosk in Bella Vista	Only responsive quotation	R 7 703.03 (Incl. VAT)	Acting Chief Financial Officer
159239	27-Mar-2019	Quenet's Hunting and Fishing (Pty) Ltd	Supply and Delivery of Firearms holders and magazine pouches for Traffic & Law Enforcement Officers	Lowest responsive quotation	R 6 525.00 (Incl. VAT)	Acting Chief Financial Officer

3.2.1.7 Formal Written Price Quotations

The following formal written price quotations, in excess of R 30 000 were awarded by an official acting in terms of a sub-delegation for the month of March 2019:

3.2.1.7 Formele Geskrewe Prys Kwotasies

Die volgende formele geskrewe kwotasies, wat meer is as R 30 000.00 is toegeken deur 'n amptenaar wat in terme van 'n sub-afvaardiging vir die maand van Maart 2019:

Bid ref number	Date	Name of supplier	Brief description of services	Reason why award made	Amount	Official acting i.t.o sub delegation
08/2/16/50	11-Mar-2019	Tjeka Training Matters (PTY) Ltd	Service provider for training of municipal officials on a digger/ backhoe loader & front end loader course	Only responsive bidder	R 150 650.00 (Incl. VAT)	Director: Corporate services

3.2.1.8 Appeals

The following appeals were lodged and are being dealt with by the Accounting Officer:

3.2.1.8 Appèlle

Die volgende appèlle is ontvang en word hanteer deur die Rekenpligtige beampte:

Bid ref number	Date	Name of supplier	Brief description of services	Reason why award made	Amount	Official acting i.t.o sub delegation
08/2/15/80	Reconstruction and repair of storm damaged properties at Pine Forest resort	14 Nov 2018	Williams Loodgieters	Reason for non-compliance	Appeal is being dealt with by the Accounting Officer	Accounting Officer
08/2/15/91	Professional engineering services for Witzenberg municipality	06 Nov 2018	RHDHV	Reason for non-compliance		
		06 Nov 2018	EOH Industrial Technologies (Pty) Ltd	Calculation of cluster points		
		08 Nov 2018	Bigen Africa Services (PTY) Ltd	Reason for non-compliance		

3.2.1.9 Deviations

The following table contains the approved deviations by the Accounting Officer for the month of March 2019 which totals R 357 540.01:

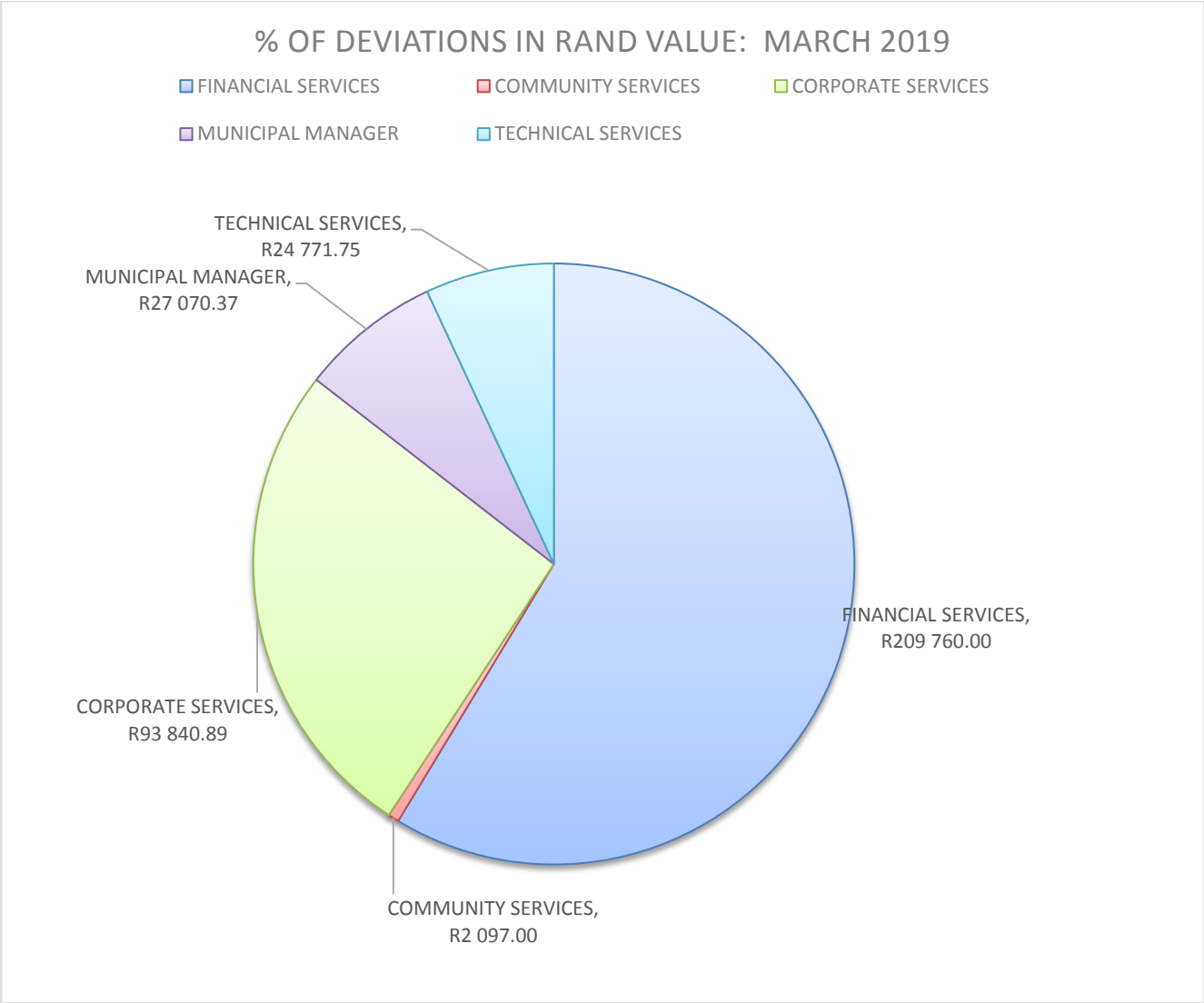
3.2.1.9 Afwykings

Die volgende tabel bevat die goedgekeurde afwykings deur die Rekenpligtige Beampte vir die maand van Maart 2019 wat beloop op die totaal van R 357 540.01:

Date	Name of supplier	Description of goods and services	Reason for deviation	Order number	AMOUNT R
21-Feb-19	Chama General Services	Recovery of accident damaged vehicle: CT 1811	Emergency	158659	3,950.00
22-Feb-19	VDM Transport	Transport services: Old age function	Impractical	158679	1,800.00
22-Feb-19	SJ Peres Tours	Transport services: Old age function	Impractical	158680	1,200.00
1-Mar-19	Lateral Unison	Insurance cover increase: Underwriter	Emergency	158836	207,000.00
4-Mar-19	Johan Behuidenhout Attorneys	Registration and transportation of Rental stock Reg. 168 (1)	Impractical	158840	2,097.00
5-Mar-19	Spilhaus Ceres	Supply of material: After Hours	Emergency	158874	8,995.50
5-Mar-19	Ceres Agrico	Supply of material: After Hours	Emergency	158875	5,766.10
5-Mar-19	WC Communications	Repair of telephone system SCM & LED	Impractical	158878	3,805.47
5-Mar-19	Ceres Alarms	Monitoring & Reaction services March - June 2019	Impractical	158912	49,309.95
7-Mar-19	Witzenberg Herald	Publication Notice 2018/2019 Adjustment Budget and Adjusted SDBIP 08 March 2019	Impractical	158945	2,760.00
11-Mar-19	Trans Manufacturing (PTY) Ltd T/A Transtech	Replace of gutter brooms on sweeper	Impractical	158980	6,060.15
12-Mar-19	Lesvos Fisheries	Refreshments for special operations	Emergency	159023	1,680.00
12-Mar-19	Lesvos Fisheries	Refreshments for special operations	Emergency	159026	4,375.07
13-Mar-19	PBSA Batsumi Enterprises (PTY) Ltd	Postage and ribbons for franking machine	Impractical	159038	27,020.00
20-Mar-19	Witzenberg Herald	Publish notice: Rescheduling of council meeting to 26 Mar 2019	Single supplier	159169	2,944.00
25-Mar-19	Marieka Van Rooyen Attorneys	Legal Services	Impractical	159201	24,070.37
29-Mar-19	Ceres Spar	Supply of newspapers	Impractical	159266	1,676.40
29-Mar-19	Multichoice	DSTV Subscription: 2 months	Single supplier	159267	3,030.00

MONTH / MAAND	DEVIATION AMOUNT AFWYKING BEDRAG	TOTAL VALUE OF ORDERS ISSUED TOTALE WAARDE VAN BESTELLINGS UITGEREIK	% DEVIATIONS OF TOTAL ORDERS ISSUED % AFWYKINGS VAN TOTALE BESTELLINGS UITGEREIK
January 2019	R 24 724.50	R20 367 100.98	0.13%
February 2019	R 427 415.33	R20 780 258.95	2.06%
March 2019	R 357 540.01	R38 697 517.34	0.92%

DEVIATIONS PER DIRECTORATE



Logistics

The table below contains a high level summary of information regarding the stores section:

Logistieke

Die tabel hieronder bevat 'n hoë vlak opsomming van inligting rakende die magasyn (stoor):

	31 January 2019	28 February 2019	31 March 2019
Value of inventory at hand	R 10 783 890.61	R 11 958 348.55	R 12 000 039.16
Turnover rate of total value of inventory	1.58	1.24	1.21
Turnover rate excluding Chinese meters	1.58	1.24	1.21
Date of latest stores reconciliation	31 March 2019		
Date of last stock count	20 March 2019		
Date of next stock count	27 June 2019		

WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

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Suid Afrika/ South Africa
+27 23 316 1854
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admin@witzenberg.gov.za
www.witzenberg.gov.za

QUALITY CERTIFICATE

I, Mr D Nasson, Municipal Manager of Witzenberg Municipality, hereby certify that –

- The monthly in year monitoring reports for the month of March 2019

has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Mr D Nasson

Municipal Manager of WITZENBERG MUNICIPALITY.

Signature : _____

Date: 11/04/19

WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

Quarterly Budget Statement Report {Section 52(d)} for the Period 1 January 2019 to 31 March 2019

Financial data is in respect of the period 1 July 2018 to 31 March 2019

Glossary

Adjustments Budgets – Prescribed in section 28 of the Municipal Finance Management Act. It is the formal means by which a municipality may revise its budget during a financial year.

Allocations – Money received from Provincial or National Government or other municipalities.

AFS – Annual Financial Statements

Budget – The financial plan of a municipality.

Budget related policy – Policy of a municipality affecting or affected by the budget.

Capital Expenditure – Spending on municipal assets such as land, buildings, distribution networks, treatment plants and vehicles. Any capital expenditure must be reflected as an asset on a municipality's balance sheet.

Cash Flow Statement – A statement showing when actual cash will be received and spent by the Municipality, and the month end balances of cash and short term investments. Cash receipts and payments do not always coincide with budgeted income and expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month that the services or goods are received, even though it may not be paid in the same period.

CFO – Chief Financial Officer / Director: Finance

DORA – Division of Revenue Act. An annual piece of legislation indicating the allocations from National Government to Local Government.

Equitable Share – A general grant paid to municipalities. It is predominantly targeted to assist with free basic services.

Fruitless and wasteful expenditure – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

GDFI - Gross Domestic Fixed Investment

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates comparisons between municipalities.

GRAP – Generally Recognized Accounting Practice. The new standard for municipal accounting and basis upon which AFS are prepared.

IDP – Integrated Development Plan. The main strategic planning document of a municipality.

KPI's – Key Performance Indicators. Measures of service output and/or outcome.

MFMA – Municipal Finance Management Act (No 53 of 2003). The principle piece of legislation relating to municipal financial management.

Glossary (Continued)

MIG – Municipal Infrastructure Grant

MPRA – Municipal Property Rates Act (No 6 of 2004).

MTREF – Medium Term Revenue and Expenditure Framework as prescribed by the MFMA sets out indicative revenue and projected expenditure for the budget year plus two outer financial years to determine the affordability level. Also includes details of the previous three years and current years' financial position.

NT – National Treasury

Net Assets – Net assets are the residual interest in the assets of the entity after deducting all its liabilities. This means the net assets of the municipality equates to the "net wealth" of the municipality, after all assets were sold/recovered and all liabilities paid. Transactions which do not meet the definition of Revenue or Expenses, such as increases in values of Property, Plant and Equipment where there is no inflow or outflow of resources are accounted for in Net Assets.

Operating Expenditure – Spending on the day to day expenses of a municipality such as general expenses, salaries & wages and repairs & maintenance.

Rates – Local Government tax based on assessed valuation of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

RBIG – Regional Bulk Infrastructure Grant

R&M – Repairs and maintenance on property, plant and equipment.

SCM – Supply Chain Management.

SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

Strategic Objectives – The main priorities of a municipality as set out in the IDP Budgeted spending must contribute towards achievement of these strategic objectives.

TMA – Total Municipal Account

Unauthorised expenditure – Generally, **s**pending without, or in excess of, an approved budget.

Virement – A transfer of budget.

Virement Policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

Vote – One of the main segments into which a budget is divided, usually at department level.

WM – Witzenberg Municipality

Legal requirements

In terms of Section 52 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003):

52. General Responsibilities. — The mayor of a municipality—

(*a*) must provide general political guidance over the fiscal and financial affairs of the municipality;

(*b*) in providing such general political guidance, may monitor and, to the extent provided in this Act, oversee the exercise of responsibilities assigned in terms of this Act to the accounting officer and the chief financial officer, but may not interfere in the exercise of those responsibilities;

(*c*) must take all reasonable steps to ensure that the municipality performs its constitutional and statutory functions within the limits of the municipality's approved budget;

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

(*e*) must exercise the other powers and perform the other duties assigned to the mayor in terms of this Act or delegated by the council to the mayor.

In terms of section 11 (4) (a), the Accounting Officer must within 30 days after the end of each quarter table in the municipal council a consolidated report of all withdrawals made in terms of subsection (1) (b) to (j) during that quarter. Section 11(1) read as follow:

"11. (1) Only the accounting officer or the chief financial officer of a municipality, or any other senior financial official of the municipality acting on the written authority of the accounting officer, may withdraw money or authorise the withdrawal of money from any of the municipality's bank accounts, and may do so only—

(a) to defray expenditure appropriated in terms of an approved budget;
(b) to defray expenditure authorised in terms of section 26(4);
(c) to defray unforeseeable and unavoidable expenditure authorised in terms of section 29(1);
(d) in the case of a bank account opened in terms of section 12, to make payments from the account in accordance with subsection (4) of that section;
(e) to pay over to a person or organ of state money received by the municipality on behalf of that person or organ of state, including—
(i) money collected by the municipality on behalf of that person or organ of state by agreement; or
(ii) any insurance or other payments received by the municipality for that person or organ of state;
(f) to refund money incorrectly paid into a bank account;
(g) to refund guarantees, sureties and security deposits;
(h) for cash management and investment purposes in accordance with section 13;
(i) to defray increased expenditure in terms of section 31; or
(j) for such other purposes as may be prescribed."

In terms of Section 66 of the MFMA the Accounting Officer must prepare a report on all expenditure incurred with relation to staff benefits.

Section 66 reads as follow:
"66. The accounting officer of a municipality must, in a format and for periods as may be prescribed, report to the council on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits, and in a manner that discloses such expenditure per type of expenditure, namely—

(a) salaries and wages;
(b) contributions for pensions and medical aid;

(c) travel, motor car, accommodation, subsistence and other allowances;
(d) housing benefits and allowances;
(e) overtime payments;
(f) loans and advances; and
(g) any other type of benefit or allowance related to staff."

The following regulations of the Local Government: Municipal Finance Management Act Municipal Budget and Reporting Regulations are relevant:

Quarterly reports on implementation of budget

31. (1) The mayor's quarterly report on the implementation of the budget and the financial state of affairs of the municipality as required by section 52(d) of the Act must be-
    {a) in the format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act; and
    (b) consistent with the monthly budget statements for September, December, March and June as applicable; and
    (c) submitted to the National Treasury and the relevant provincial treasury within five days of tabling of the report in the council.

Publication of quarterly reports on implementation of budget

32. When publishing the quarterly reports on the implementation of the budget in terms of section 75(1)(k) of the Act, the municipal manager must make public any other information that the municipal council considers appropriate to facilitate public awareness of the quarterly report on the implementation of the budget and the financial state of affairs of the municipality, including -
    (a) summaries of quarterly report in alternate languages predominant in the community; and
    {b) information relevant to each ward in the municipality.

PART 1 - IN-YEAR REPORT

Mayors Report

Speaker
Deputy Executive Mayor
Members of the Mayoral Committee
Councillors
Representatives of Provincial Government
Municipal Manager
Directors and officials
Distinguished guests
Members of the media

It is my privilege to present to you the quarterly Budget Statement Report for the three months from 1 January 2019 to 31 March 2019.

Credit control for various reasons remains a challenge for the municipality. A special task team to assist Council in obtaining a solution for the collection of outstanding debt was established by Council.

The year to date recovery rate for the year excluding traffic fines is 94%, with the annual target also being 94%. Government departments and commercial customers are in arrears and this matter are receiving immediate attention in order to improve cash flow. Household debt remains a serious concern.

Capital expenditure is R6.9 million under budget, but we are hopeful to achieve the set target as per currently capital budget. It should also be noted that the Department of Water affairs and Sanitation has paid over the gazetted amount as per DORA, which will enable the construction of the Tulbagh Dam.



COUNCILLOR BC KLAASEN
EXECUTIVE MAYOR

Recommendation

It is recommended that council take cognisance of the quarterly budget assessment for the period 1 January 2019 to 31 March 2019.

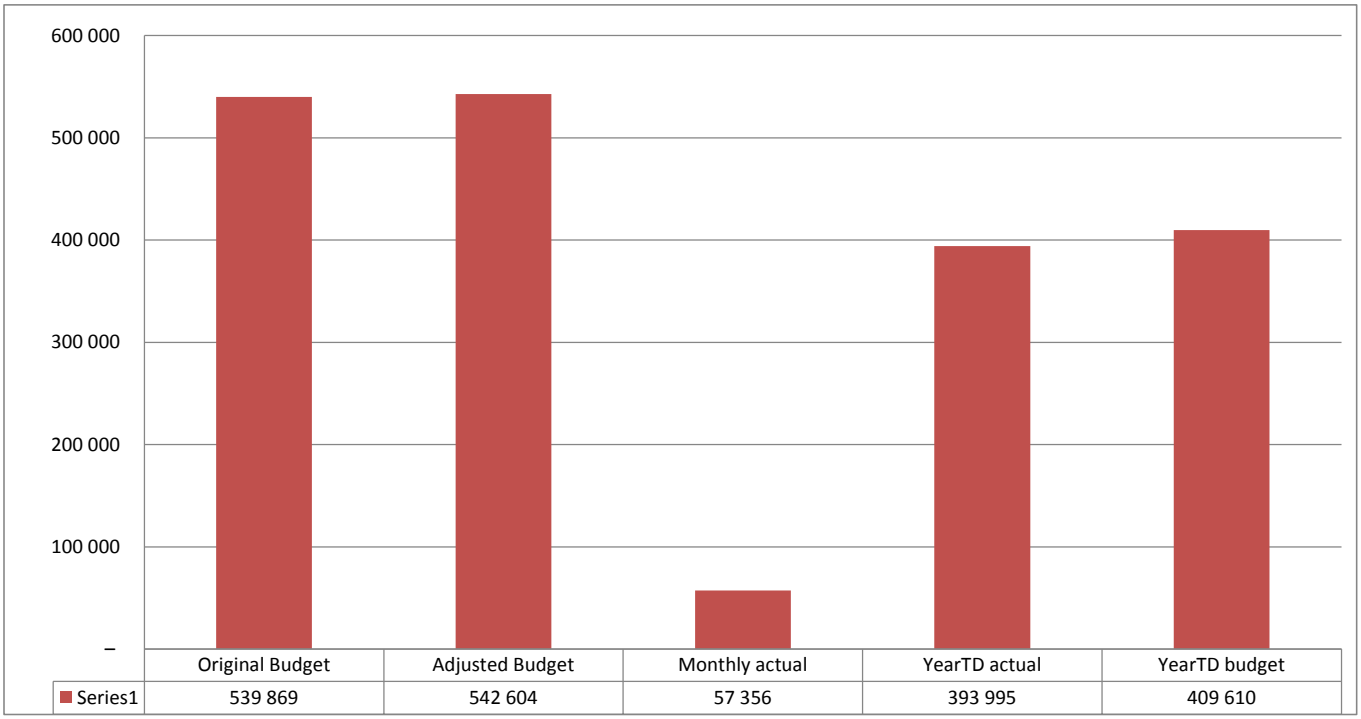
C EXECUTIVE SUMMARY

The following tables provides a summary of the financial information:

C OPSOMMING

Die volgende tabelle voorsien n opsomming van die finansiele inligting:

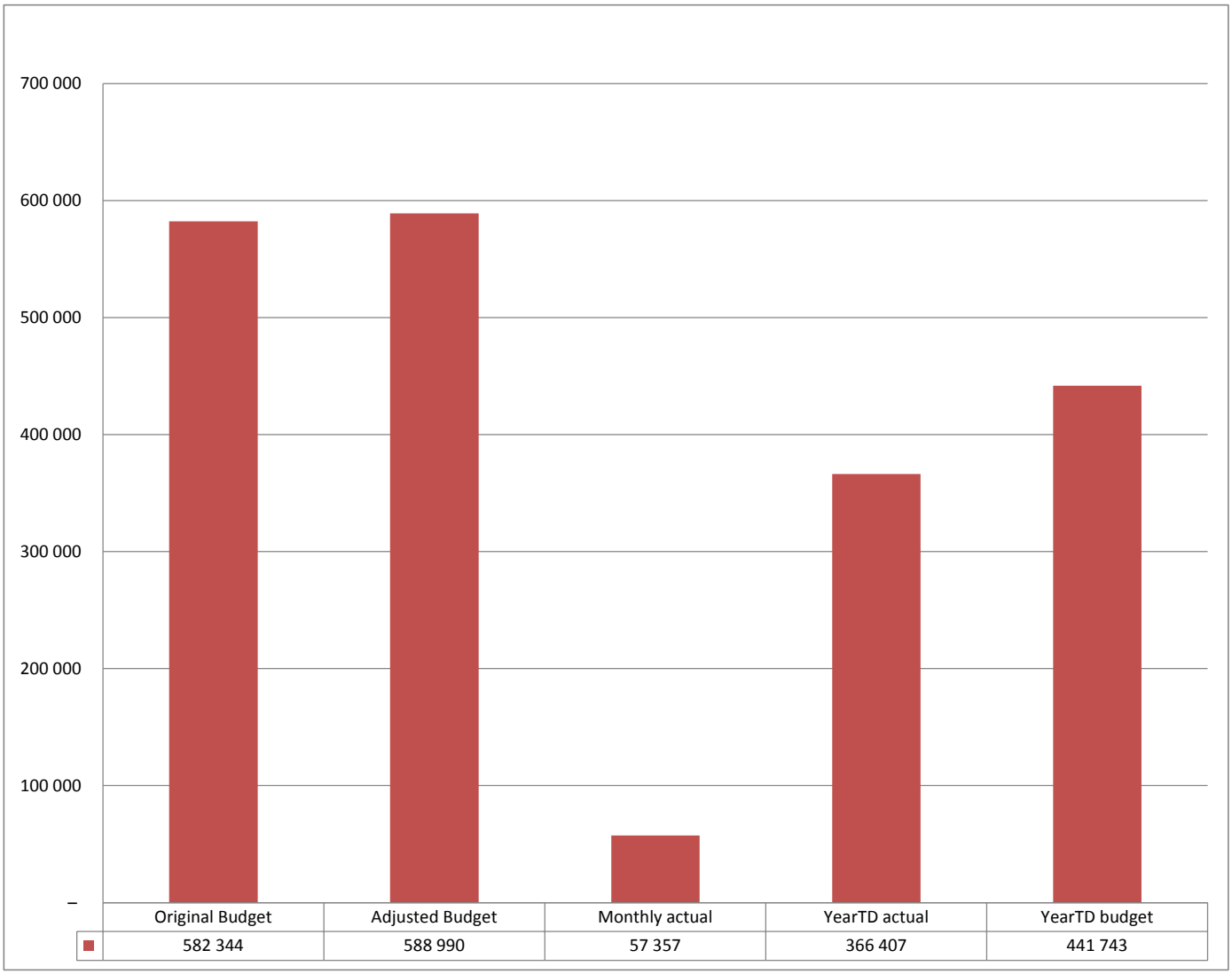
TOTAL OPERATIONAL REVENUE



For the period 1 July 2018 to 31 March 2019, 72.61% of the budgeted operational revenue was raised.

Vir die periode 1 Julie 2018 to 31 Maart 2019, is 72.61% van die begrote operasionele inkomste gehef.

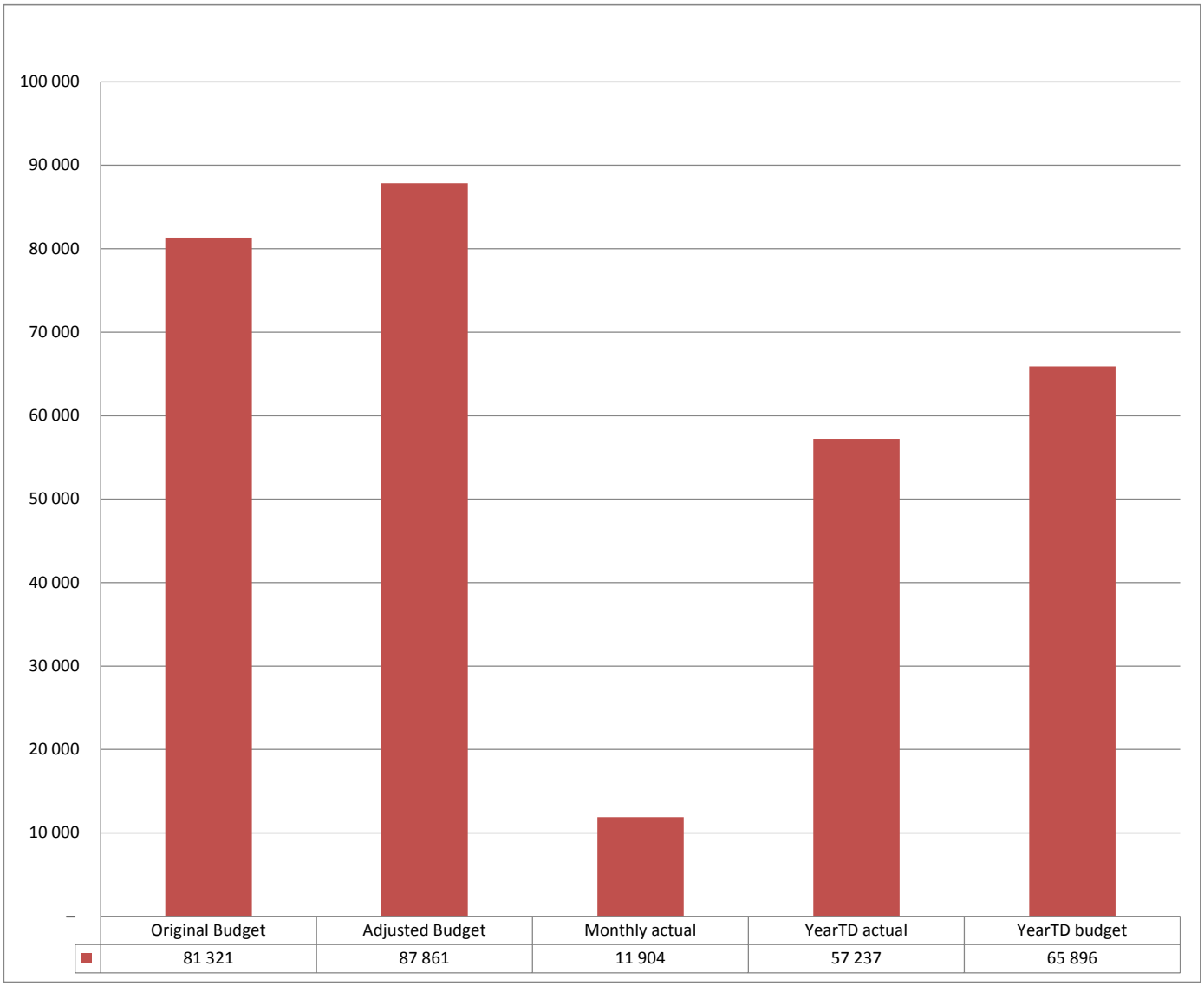
TOTAL OPERATIONAL EXPENDITURE



For the period 1 July 2018 to 31 March 2019, 62.21% of the budgeted operational expenditure was incurred. This figure will increase as some invoices are still outstanding.

Vir die periode 1 Julie 2018 to 31 Maart 2019, is 62.21% van die begrote operasionele uitgawes aangegaan. Die syfer mag verhoog aangesien daar nog uitstaande fakture is.

CAPITAL EXPENDITURE



For the period 1 July 2018 to 31 March 2019, 65.14% of the budgeted capital expenditure was incurred.

There is currently also R 18.9 million on order for capital expenditure.

Vir die periode 1 Julie 2018 to 31 Maart 2019, is 65.14% van die begrote kapitale uitgawes aangegaan.

Daar is tans ook R 18.9 miljoen op bestelling vir kapitaal uitgawes.

In-year budget statement tables

The following table provides a summary of the financial performance and financial position of the municipality as at 31 March 2019.

WC022 Witzenberg - Table C1 Monthly Budget Statement Summary - Q3 Third Quarter

Description	2017/18	Budget Year 2018/19							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	63 712	70 002	68 191	3 079	59 485	51 143	8 342	16%	68 191
Service charges	306 170	316 407	318 218	29 747	218 241	238 663	(20 422)	-9%	318 218
Investment revenue	8 122	8 198	8 198	550	6 075	6 149	(74)	-1%	15 482
Transfers recognised - operational	93 967	91 069	92 448	21 392	86 752	69 336	17 416	25%	92 448
Other own revenue	57 662	54 194	55 549	2 588	23 442	44 318	(20 876)	-47%	55 549
transfers and contributions)	529 632	539 869	542 604	57 356	393 995	409 610	(15 614)	-4%	549 888
Employee costs	9 170	177 699	170 326	9 830	127 908	127 745	164	0%	170 326
Remuneration of Councillors	9 170	10 709	10 709	794	7 077	8 032	(955)	-12%	10 709
Depreciation & asset impairment	28 699	43 032	45 165	–	12 532	33 874	(21 342)	-63%	45 165
Finance charges	8 675	3 671	8 005	5	398	6 004	(5 606)	-93%	8 005
Materials and bulk purchases	194 879	218 562	214 912	33 283	144 587	161 184	(16 597)	-10%	214 912
Transfers and grants	13 920	14 407	14 417	3 751	4 828	10 813	(5 985)	-55%	14 417
Other expenditure	251 704	114 264	125 456	9 694	69 078	94 092	(25 013)	-27%	108 166
Total Expenditure	516 217	582 344	588 990	57 357	366 407	441 743	(75 336)	-17%	571 701
Surplus/(Deficit)	13 415	(42 474)	(46 386)	(1)	27 588	(32 133)	59 721	-186%	(21 814)
Transfers recognised - capital	34 777	75 847	73 852	3 716	22 680	55 389	(32 709)	-59%	73 852
Contributions & Contributed assets	–	–	–	–	–	–	–		–
& contributions	48 192	33 372	27 466	3 715	50 268	23 256	27 012	116%	52 038
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	48 192	33 372	27 466	3 715	50 268	23 256	27 012	116%	52 038
Capital expenditure & funds sources									
Capital expenditure	63 800	81 321	87 861	11 904	57 237	65 896	(8 659)	-13%	87 861
Capital transfers recognised	34 183	52 938	52 672	8 130	37 196	39 504	(2 308)	-6%	52 672
Public contributions & donations	–	–	–	–	–	–	–		–
Borrowing	3 528	1 550	1 550	–	1 485	1 163	322	28%	1 550
Internally generated funds	26 089	26 833	33 639	3 773	18 556	25 229	(6 673)	-26%	33 639
Total sources of capital funds	63 800	81 321	87 861	11 904	57 237	65 896	(8 659)	-13%	87 861
Financial position									
Total current assets	178 612	65 801	163 630		221 915				221 915
Total non current assets	905 207	38 293	947 706		949 920				949 920
Total current liabilities	77 653	55 489	48 095		108 302				108 302
Total non current liabilities	158 745	15 233	173 993		165 844				165 844
Community wealth/Equity	847 421	33 372	889 248		897 689				897 689
Cash flows									
Net cash from (used) operating	83 978	173 205	66 013	30 257	95 061	49 510	45 551	92%	66 013
Net cash from (used) investing	(60 010)	(83 247)	(85 599)	(3 041)	(130 449)	(64 199)	(66 250)	103%	(85 599)
Net cash from (used) financing	(2 795)	3 500	2 640	39	(601)	1 980	(2 581)	-130%	(601)
end	97 506	93 458	80 552	–	61 513	84 788	(23 275)	-27%	81 417
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	37 458	3 844	3 082	2 869	2 549	2 447	18 692	101 889	172 831
Creditors Age Analysis									
Total Creditors	637	–	–	–	–	–	–	–	637

The following table provides detail of revenue and expenditure according to the international standard classification framework.

WC022 Witzenberg - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - Q3 Third Quarter

Description	2017/18	Budget Year 2018/19							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Functional									
Governance and administration	85 944	93 204	92 699	4 490	72 335	69 524	2 811	4%	92 699
Finance and administration	85 944	93 204	92 699	4 490	72 335	69 524	2 811	4%	92 699
Community and public safety	101 163	140 845	118 583	25 761	96 205	88 937	7 268	8%	118 583
Community and social services	80 916	98 728	96 722	21 447	86 641	72 542	14 100	19%	96 722
Sport and recreation	7 477	9 020	8 981	587	5 471	6 736	(1 265)	-19%	8 981
Public safety	3	6	6	3	3	4	(1)	-24%	6
Housing	12 766	33 091	12 874	3 724	4 090	9 655	(5 565)	-58%	12 874
Economic and environmental services	32 369	43 682	51 559	405	15 293	38 669	(23 376)	-60%	51 559
Planning and development	1 540	2 510	2 268	59	1 118	1 701	(583)	-34%	2 268
Road transport	30 827	41 160	48 339	345	14 167	36 254	(22 087)	-61%	48 339
Environmental protection	2	12	952	–	8	714	(706)	-99%	952
Trading services	344 933	337 984	353 616	30 417	232 841	265 212	(32 371)	-12%	353 616
Energy sources	209 994	240 206	239 796	22 741	158 205	179 847	(21 642)	-12%	239 796
Water management	67 545	52 679	52 216	3 584	31 981	39 162	(7 181)	-18%	52 216
Waste water management	41 431	22 399	38 077	1 922	23 856	28 558	(4 702)	-16%	38 077
Waste management	25 962	22 700	23 527	2 171	18 799	17 646	1 154	7%	23 527
Total Revenue - Functional	564 409	615 716	616 456	61 073	416 675	462 342	(45 667)	-10%	616 456
Expenditure - Functional									
Governance and administration	88 216	115 817	117 769	3 534	73 630	88 327	(14 697)	-17%	117 769
Executive and council	22 887	27 771	27 709	1 713	16 346	20 782	(4 436)	-21%	27 709
Finance and administration	63 186	85 942	87 906	1 646	55 561	65 929	(10 369)	-16%	87 906
Internal audit	2 144	2 104	2 154	175	1 723	1 616	107	7%	2 154
Community and public safety	70 971	82 467	80 742	9 176	48 180	60 557	(12 377)	-20%	80 742
Community and social services	21 733	25 460	25 162	1 896	16 791	18 872	(2 080)	-11%	25 162
Sport and recreation	23 574	28 896	27 802	2 610	17 537	20 852	(3 314)	-16%	27 802
Public safety	9 196	8 925	8 925	632	6 794	6 694	100	2%	8 925
Housing	16 468	19 186	18 853	4 037	7 057	14 140	(7 083)	-50%	18 853
Economic and environmental services	62 903	65 573	67 663	3 736	36 032	50 747	(14 716)	-29%	67 663
Planning and development	8 797	10 614	10 651	661	6 163	7 988	(1 825)	-23%	10 651
Road transport	52 785	53 213	54 326	3 055	28 861	40 744	(11 883)	-29%	54 326
Environmental protection	1 321	1 747	2 686	19	1 007	2 015	(1 008)	-50%	2 686
Trading services	293 298	317 593	321 937	40 910	207 945	241 453	(33 508)	-14%	321 937
Energy sources	201 572	224 738	223 182	34 046	149 792	167 386	(17 594)	-11%	223 182
Water management	28 025	28 985	30 068	2 740	17 861	22 551	(4 690)	-21%	30 068
Waste water management	28 364	29 256	29 139	1 808	18 874	21 854	(2 980)	-14%	29 139
Waste management	35 338	34 615	39 549	2 317	21 418	29 661	(8 243)	-28%	39 549
Other	828	893	878	1	621	659	(38)	-6%	878
Total Expenditure - Functional	516 217	582 344	588 990	57 357	366 407	441 743	(75 336)	-17%	588 990
Surplus/ (Deficit) for the year	48 192	33 372	27 466	3 715	50 268	20 599	29 669		27 466

The following table provides detail of revenue and expenditure according to the international standard classification framework.

WC022 Witzenberg - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - Q3 Third Quarter

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue - Functional									
Municipal governance and administration	85 944	93 204	92 699	4 490	72 335	69 524	2 811	4%	92 699
Finance and administration	85 944	93 204	92 699	4 490	72 335	69 524	2 811	4%	92 699
Administrative and Corporate Support	0	8	8	–	0	6	(6)	-97%	8
Budget and Treasury Office	6 882	5 442	5 292	221	2 370	3 969	(1 599)	-40%	5 292
Finance	78 169	87 149	86 694	4 240	69 688	65 020	4 668	7%	86 694
Human Resources	212	585	585	–	211	439	(228)	-52%	585
Marketing, Customer Relations, Publicity and Media	–	4	104	28	28	78	(50)	-64%	104
Supply Chain Management	682	16	16	1	38	12	26	212%	16
Community and public safety	101 163	140 845	118 583	25 761	96 205	88 937	7 268	8%	118 583
Community and social services	80 916	98 728	96 722	21 447	86 641	72 542	14 100	19%	96 722
Aged Care	72 016	88 298	86 352	21 330	86 032	64 764	21 268	33%	86 352
Cemeteries, Funeral Parlours and Crematoriums	246	210	210	19	169	157	12	7%	210
Community Halls and Facilities	525	814	814	93	383	611	(227)	-37%	814
Libraries and Archives	8 130	9 406	9 346	5	57	7 010	(6 953)	-99%	9 346
Sport and recreation	7 477	9 020	8 981	587	5 471	6 736	(1 265)	-19%	8 981
Recreational Facilities	7 347	8 575	8 575	581	5 386	6 431	(1 044)	-16%	8 575
Sports Grounds and Stadiums	130	446	406	6	84	305	(221)	-72%	406

Description	2017/18	Budget Year 2018/19							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance		Full Year Forecast
Public safety	3	6	6	3	3	4	(1)	-24%	6
Fire Fighting and Protection	3	6	6	3	3	4	(1)	-24%	6
Housing	12 766	33 091	12 874	3 724	4 090	9 655	(5 565)	-58%	12 874
Housing	12 766	33 091	12 874	3 724	4 090	9 655	(5 565)	-58%	12 874
Economic and environmental services	32 369	43 682	51 559	405	15 293	38 669	(23 376)	-60%	51 559
Planning and development	1 540	2 510	2 268	59	1 118	1 701	(583)	-34%	2 268
Economic Development/Planning	295	288	577	–	–	432	(432)	-100%	577
Town Planning, Building Regulations and Enforcemen	1 233	1 691	1 691	59	1 118	1 268	(150)	-12%	1 691
Project Management Unit	11	531	–	–	–	–	–		–
Road transport	30 827	41 160	48 339	345	14 167	36 254	(22 087)	-61%	48 339
Police Forces, Traffic and Street Parking Control	26 637	26 166	26 166	345	4 611	19 625	(15 014)	-77%	26 166
Roads	4 189	14 993	22 173	–	9 557	16 629	(7 073)	-43%	22 173
Environmental protection	2	12	952	–	8	714	(706)	-99%	952
Biodiversity and Landscape	2	12	952	–	8	714	(706)	-99%	952
Pollution Control	0	–	–	–	0	–	0		–
Trading services	344 933	337 984	353 616	30 417	232 841	265 212	(32 371)	-12%	353 616
Energy sources	209 994	240 206	239 796	22 741	158 205	179 847	(21 642)	-12%	239 796
Electricity	209 994	238 858	239 081	22 741	158 102	179 310	(21 209)	-12%	239 081
Street Lighting and Signal Systems	–	1 348	715	–	103	536	(433)	-81%	715
Water management	67 545	52 679	52 216	3 584	31 981	39 162	(7 181)	-18%	52 216
Water Distribution	67 545	52 679	52 216	3 584	31 981	39 162	(7 181)	-18%	52 216
Waste water management	41 431	22 399	38 077	1 922	23 856	28 558	(4 702)	-16%	38 077
Sewerage	39 642	18 266	25 996	1 922	21 315	19 497	1 818	9%	25 996
Storm Water Management	1 789	4 133	12 082	–	2 541	9 061	(6 520)	-72%	12 082
Waste management	25 962	22 700	23 527	2 171	18 799	17 646	1 154	7%	23 527
Solid Waste Removal	25 962	22 700	23 527	2 171	18 799	17 646	1 154	7%	23 527
Total Revenue - Functional	564 409	615 716	616 456	61 073	416 675	462 342	(45 667)	-10%	616 456

WC022 Witzenberg - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - Q3 Third Quarter

Description	2017/18	Budget Year 2018/19							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Expenditure - Functional									
Municipal governance and administration	88 216	115 817	117 769	3 534	73 630	88 327	(14 697)	-17%	117 769
Executive and council	22 887	27 771	27 709	1 713	16 346	20 782	(4 436)	-21%	27 709
Mayor and Council	13 781	17 908	18 128	1 167	10 660	13 596	(2 936)	-22%	18 128
Municipal Manager, Town Secretary and Chief Execut	9 106	9 863	9 582	546	5 686	7 186	(1 500)	-21%	9 582
Finance and administration	63 186	85 942	87 906	1 646	55 561	65 929	(10 369)	-16%	87 906
Administrative and Corporate Support	8 010	6 682	11 175	1 194	7 083	8 382	(1 299)	-15%	11 175
Asset Management	59	6 288	1 595	3	13	1 196	(1 184)	-99%	1 595
Budget and Treasury Office	9 631	16 913	17 984	472	9 389	13 488	(4 099)	-30%	17 984
Finance	10 169	13 476	13 550	1 451	11 486	10 163	1 324	13%	13 550
Fleet Management	1 756	3 122	2 673	185	1 910	2 005	(95)	-5%	2 673
Human Resources	17 485	19 167	19 722	(2 716)	14 469	14 791	(323)	-2%	19 722
Information Technology	2 056	3 179	3 930	243	1 961	2 947	(987)	-33%	3 930
Legal Services	1 780	2 248	2 344	105	1 656	1 758	(102)	-6%	2 344
Marketing, Customer Relations, Publicity and Media	3 055	3 580	3 719	204	2 260	2 789	(530)	-19%	3 719
Property Services	3 554	3 334	3 336	46	1 032	2 502	(1 470)	-59%	3 336
Risk Management	3	407	407	–	16	305	(289)	-95%	407
Supply Chain Management	4 869	5 844	5 768	437	3 886	4 326	(440)	-10%	5 768
Valuation Service	758	1 703	1 703	23	400	1 277	(877)	-69%	1 703
Internal audit	2 144	2 104	2 154	175	1 723	1 616	107	7%	2 154
Governance Function	2 144	2 104	2 154	175	1 723	1 616	107	7%	2 154
Community and public safety	70 971	82 467	80 742	9 176	48 180	60 557	(12 377)	-20%	80 742
Community and social services	21 733	25 460	25 162	1 896	16 791	18 872	(2 080)	-11%	25 162
Aged Care	4 541	4 298	3 981	399	3 511	2 986	525	18%	3 981
Cemeteries, Funeral Parlours and Crematoriums	2 581	3 272	3 231	222	2 078	2 423	(345)	-14%	3 231
Child Care Facilities	26	771	771	–	2	579	(577)	-100%	771
Community Halls and Facilities	5 441	5 903	5 839	423	3 946	4 379	(434)	-10%	5 839
Disaster Management	57	56	71	3	23	53	(30)	-57%	71
Education	8	661	661	–	4	496	(492)	-99%	661
Libraries and Archives	9 079	10 499	10 608	850	7 228	7 956	(728)	-9%	10 608
Sport and recreation	23 574	28 896	27 802	2 610	17 537	20 852	(3 314)	-16%	27 802
Community Parks (including Nurseries)	5 591	6 678	6 670	485	4 223	5 002	(780)	-16%	6 670
Recreational Facilities	13 592	17 469	16 299	1 767	10 101	12 224	(2 123)	-17%	16 299
Sports Grounds and Stadiums	4 391	4 748	4 833	358	3 213	3 625	(412)	-11%	4 833
Public safety	9 196	8 925	8 925	632	6 794	6 694	100	2%	8 925
Fire Fighting and Protection	9 196	8 925	8 925	632	6 794	6 694	100	2%	8 925
Housing	16 468	19 186	18 853	4 037	7 057	14 140	(7 083)	-50%	18 853
Housing	16 143	17 593	17 258	4 023	6 895	12 943	(6 048)	-47%	17 258
Informal Settlements	325	1 594	1 596	15	162	1 197	(1 035)	-86%	1 596

Description	2017/18	Budget Year 2018/19							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	YearTD budget
Economic and environmental services	62 903	65 573	67 663	3 736	36 032	50 747	(14 716)	-29%	67 663
Planning and development	8 797	10 614	10 651	661	6 163	7 988	(1 825)	-23%	10 651
Corporate Wide Strategic Planning (IDPs, LEDs)	1 761	2 308	2 304	118	1 166	1 728	(563)	-33%	2 304
Economic Development/Planning	1 921	2 215	2 585	101	951	1 939	(987)	-51%	2 585
Town Planning, Building Regulations and Enforcement	3 637	3 748	3 904	313	2 880	2 928	(48)	-2%	3 904
Project Management Unit	1 479	2 342	1 857	129	1 166	1 393	(227)	-16%	1 857
Road transport	52 785	53 213	54 326	3 055	28 861	40 744	(11 883)	-29%	54 326
Police Forces, Traffic and Street Parking Control	31 375	28 142	28 141	1 494	12 242	21 106	(8 864)	-42%	28 141
Roads	21 410	25 071	26 185	1 562	16 620	19 639	(3 019)	-15%	26 185
Environmental protection	1 321	1 747	2 686	19	1 007	2 015	(1 008)	-50%	2 686
Biodiversity and Landscape	388	1 747	2 686	19	329	2 015	(1 686)	-84%	2 686
Pollution Control	934	–	–	–	679	–	679		–
Trading services	293 298	317 593	321 937	40 910	207 945	241 453	(33 508)	-14%	321 937
Energy sources	201 572	224 738	223 182	34 046	149 792	167 386	(17 594)	-11%	223 182
Electricity	199 399	222 463	220 258	33 986	147 989	165 193	(17 204)	-10%	220 258
Street Lighting and Signal Systems	2 173	2 275	2 924	59	1 803	2 193	(390)	-18%	2 924
Water management	28 025	28 985	30 068	2 740	17 861	22 551	(4 690)	-21%	30 068
Water Treatment	34	1 458	1 458	2	16	1 094	(1 078)	-99%	1 458
Water Distribution	25 401	23 935	25 268	2 596	15 960	18 951	(2 991)	-16%	25 268
Water Storage	2 590	3 592	3 341	142	1 884	2 506	(622)	-25%	3 341
Waste water management	28 364	29 256	29 139	1 808	18 874	21 854	(2 980)	-14%	29 139
Public Toilets	1 363	1 660	1 658	113	1 055	1 244	(188)	-15%	1 658
Sewerage	20 919	19 661	19 753	1 333	13 198	14 815	(1 617)	-11%	19 753
Storm Water Management	6 049	5 621	5 413	362	4 617	4 059	557	14%	5 413
Waste Water Treatment	33	2 315	2 315	–	4	1 736	(1 732)	-100%	2 315
Waste management	35 338	34 615	39 549	2 317	21 418	29 661	(8 243)	-28%	39 549
Solid Waste Disposal (Landfill Sites)	8 543	10 735	15 910	325	3 077	11 932	(8 855)	-74%	15 910
Solid Waste Removal	25 366	22 639	22 398	1 845	17 112	16 798	314	2%	22 398
Street Cleaning	1 429	1 241	1 241	146	1 230	931	299	32%	1 241
Other	828	893	878	1	621	659	(38)	-6%	878
Licensing and Regulation	60	87	72	1	17	54	(38)	-69%	72
Tourism	768	806	806	–	604	604	(0)	0%	806
Total Expenditure - Functional	516 217	582 344	588 990	57 357	366 407	441 743	(75 336)	-17%	588 990
Surplus/ (Deficit) for the year	48 192	33 372	27 466	3 715	50 268	20 599	29 669	144%	27 466

The table provides detail of revenue and expenditure according to municipal votes including capital transfers.

WC022 Witzenberg - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Q3 Third Quarter

Vote Description	2017/18	Budget Year 2018/19							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote									
Vote 1 - Financial Services	83 282	89 434	88 829	4 278	70 289	66 622	3 667	5.5%	88 829
Vote 2 - Community Services	128 355	167 972	146 937	26 107	101 051	110 203	(9 152)	-8.3%	146 937
Vote 3 - Corporate Services	212	597	697	28	239	523	(283)	-54.2%	697
Vote 4 - Technical Services	352 005	356 363	379 174	30 614	244 690	284 380	(39 690)	-14.0%	379 174
Vote 5 - Muncipal Manager	554	1 350	819	45	406	614	(208)	-33.9%	819
Total Revenue by Vote	564 409	615 716	616 456	61 073	416 675	462 342	(45 667)	-9.9%	616 456
Expenditure by Vote									
Vote 1 - Financial Services	27 219	45 537	41 774	2 416	26 115	31 330	(5 216)	-16.6%	41 774
Vote 2 - Community Services	106 806	115 777	115 285	10 780	62 336	86 463	(24 127)	-27.9%	115 285
Vote 3 - Corporate Services	50 721	56 641	62 795	324	39 578	47 096	(7 518)	-16.0%	62 795
Vote 4 - Technical Services	321 647	351 143	356 400	43 110	230 604	267 300	(36 697)	-13.7%	356 400
Vote 5 - Muncipal Manager	9 824	13 246	12 737	728	7 775	9 553	(1 778)	-18.6%	12 737
Total Expenditure by Vote	516 217	582 344	588 990	57 357	366 407	441 743	(75 336)	-17.1%	588 990
Surplus/ (Deficit) for the year	48 192	33 372	27 466	3 715	50 268	20 599	29 669	144.0%	27 466

WC022 Witzenberg - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - A - Q3 Third Quarter

Vote Description	2017/18	Budget Year 2018/19							
R thousand	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote									
Vote 1 - Financial Services	83 282	89 434	88 829	4 278	70 289	66 622	3 667	6%	88 829
1.1 - Assessment Rates	60 998	73 667	73 667	3 155	55 035	55 250	(215)	0%	73 667
1.2 - Treasury: Administration	22 570	19 029	20 234	1 173	15 871	15 176	695	5%	20 234
1.3 - Treasury: Debtors	(1 058)	(3 487)	(5 299)	(51)	(694)	(3 974)	3 279	-83%	(5 299)
1.4 - Treasury: Credit controle	90	210	210	(0)	40	157	(118)	-75%	210
1.5 - Supply Chain Management	682	16	16	1	38	12	26	212%	16
Vote 2 - Community Services	128 355	167 972	146 937	26 107	101 051	110 203	(9 152)	-8%	146 937
2.1 - Cemetries	246	210	210	19	169	157	12	7%	210
2.2 - Housing: Administration	13 006	33 612	13 394	3 739	4 237	10 045	(5 808)	-58%	13 394
2,3 - Library Services	8 130	9 406	9 346	5	57	7 010	(6 953)	-99%	9 346
2,4 - Fire Protection Sevices	3	6	6	3	3	4	(1)	-24%	6
2,5 - Pine Forest : Administration	7 346	8 573	8 573	581	5 386	6 430	(1 043)	-16%	8 573
2.7-Community Halls And Facilities	321	571	571	72	274	428	(154)	-36%	571
2.8-Licensing & Regulation	100	103	103	2	98	77	21	27%	103
2.9-Enviromental Protection	2	12	952	–	8	714	(706)	-99%	952
2.10-Parks	(2)	107	107	–	–	80	(80)	-100%	107
2.11-Traffic	26 637	21 289	21 289	345	4 611	15 967	(11 356)	-71%	21 289
2.13-Social & Welfare Services	72 016	88 298	86 352	21 330	86 032	64 764	21 268	33%	86 352
2.15-Recreational Land	130	446	406	6	84	305	(221)	-72%	406
2.16-Swimming Pools	126	175	175	4	92	131	(40)	-30%	175
2.17-Vehicle Licensing & Testing	–	4 878	4 878	–	–	3 658	(3 658)	-100%	4 878
2.18-L E D	295	288	577	–	–	432	(432)	-100%	577
Vote 3 - Corporate Services	212	597	697	28	239	523	(283)	-54%	697
3.3-Human Resources	212	585	585	–	211	439	(228)	-52%	585
3.7-Marketing & Communications	–	4	104	28	28	78	(50)	-64%	104
3.9-Administration	0	8	8	–	0	6	(6)	-97%	8
Vote 4 - Technical Services	352 005	356 363	379 174	30 614	244 690	284 380	(39 690)	-14%	379 174
4.1-Building Regulations & Enforce	690	848	848	27	815	636	179	28%	848
4.2-Electricity: Administration	211 203	240 464	240 687	22 829	158 897	180 515	(21 618)	-12%	240 687
4.3-Electricity: Street Lights	–	1 348	715	–	103	536	(433)	-81%	715
4.5-Sewerage	40 320	18 541	26 271	1 985	21 867	19 703	2 163	11%	26 271
4.7-Town Planning	303	713	713	19	130	535	(405)	-76%	713
4.8-Stormwater Management	1 789	4 133	12 082	–	2 541	9 061	(6 520)	-72%	12 082
4.9-Roads	4 189	14 993	22 173	–	9 557	16 629	(7 073)	-43%	22 173
4.10-Solid Waste (Dumping Site)	859	1 296	1 296	172	459	972	(513)	-53%	1 296
4.11-Solid Waste (Garden)	–	4	4	–	–	3	(3)	-100%	4
4.12-Solid Waste (Removal)	25 107	21 343	22 170	1 999	18 341	16 628	1 713	10%	22 170
4.14-Water Distribution	67 545	52 679	52 216	3 584	31 981	39 162	(7 181)	-18%	52 216
Vote 5 - Muncipal Manager	554	1 350	819	45	406	614	(208)	-34%	819
5.1-Property & Legal Services	543	819	819	45	406	614	(208)	-34%	819
5.3-Project Management	11	531	–	–	–	–	–		–
Total Revenue by Vote	564 409	615 716	616 456	61 073	416 675	462 342	(45 667)	-10%	616 456
Vote 1 - Financial Services	27 219	45 537	41 774	2 416	26 115	31 330	(5 216)	-17%	41 774
1.1 - Assessment Rates	(1 651)	870	870	377	2 247	653	1 595	244%	870
1.2 - Treasury: Administration	9 688	23 200	19 579	474	9 399	14 684	(5 285)	-36%	19 579
1.3 - Treasury: Debtors	5 136	5 977	5 814	360	3 550	4 361	(810)	-19%	5 814
1.4 - Treasury: Credit controle	7 420	7 980	8 217	735	6 069	6 163	(94)	-2%	8 217
1.5 - Supply Chain Management	4 871	5 844	5 768	437	3 889	4 326	(438)	-10%	5 768
1.6 - Director: Finance	1 755	1 665	1 526	32	961	1 144	(184)	-16%	1 526
Vote 2 - Community Services	106 806	115 777	115 285	10 780	62 336	86 463	(24 127)	-28%	115 285
2.1 - Cemetries	2 581	3 272	3 231	222	2 078	2 423	(345)	-14%	3 231
2.2 - Housing: Administration	16 468	19 186	18 853	4 037	7 057	14 140	(7 083)	-50%	18 853
2,3 - Library Services	9 079	10 258	10 367	850	7 228	7 775	(548)	-7%	10 367
2,4 - Fire Protection Sevices	9 196	8 925	8 925	632	6 794	6 694	100	2%	8 925
2,5 - Pine Forest : Administration	10 404	10 619	10 606	1 191	7 414	7 954	(540)	-7%	10 606
2.6-Klipriver Park: Administration	867	1 258	1 256	72	663	942	(279)	-30%	1 256
2.7-Community Halls And Facilities	5 043	5 501	5 526	389	3 653	4 145	(492)	-12%	5 526
2.8-Licensing & Regulation	60	87	72	1	17	54	(38)	-69%	72
2.9-Enviromental Protection	1 321	1 747	2 686	19	1 007	2 015	(1 008)	-50%	2 686
2.10-Parks	5 578	6 904	6 895	485	4 214	5 172	(957)	-19%	6 895
2.11-Traffic	27 953	24 311	24 299	1 144	9 504	18 224	(8 720)	-48%	24 299
2.12-Disaster Management	57	56	71	3	23	53	(30)	-57%	71
2.13-Social & Welfare Services	4 575	5 731	5 414	399	3 517	4 060	(543)	-13%	5 414
2.15-Recreational Land	4 391	4 748	4 833	358	3 213	3 625	(412)	-11%	4 833
2.16-Swimming Pools	2 322	5 592	4 437	503	2 024	3 328	(1 304)	-39%	4 437
2.17-Vehicle Licensing & Testing	3 422	3 831	3 843	350	2 737	2 882	(144)	-5%	3 843
2.18-L E D	1 921	2 215	2 585	101	951	1 939	(987)	-51%	2 585
2.19-Director: Community Services	1 569	1 535	1 385	21	242	1 039	(797)	-77%	1 385
Vote 3 - Corporate Services	50 721	56 641	62 795	324	39 578	47 096	(7 518)	-16%	62 795
3.1-Property Administration	3 529	410	409	46	351	307	44	14%	409
3.2-Information Tecnology	2 056	3 107	3 856	243	1 931	2 892	(961)	-33%	3 856

3.3-Human Resources	17 485	19 167	19 722	(2 716)	14 469	14 791	(323)	-2%	19 722
3.5-Council Cost	13 781	17 908	18 128	1 167	10 660	13 596	(2 936)	-22%	18 128
3.5-Town Secretary	1 200	1 298	1 298	108	971	973	(2)	0%	1 298
3.6-Tourism	768	806	806	–	604	604	(0)	0%	806
3.7-Marketing & Communications	3 055	3 652	3 793	205	2 289	2 845	(555)	-20%	3 793
3.8-Thusong Centre	417	422	333	34	304	250	54	22%	333
3.9-Administration	6 811	8 113	12 606	1 085	6 793	9 455	(2 662)	-28%	12 606
3.10-Director Corporate Services	1 620	1 758	1 844	152	1 205	1 383	(178)	-13%	1 844
Vote 4 - Technical Services	321 647	351 143	356 400	43 110	230 604	267 300	(36 697)	-14%	356 400
4.1-Building Regulations & Enforce	2 500	2 558	2 558	205	1 940	1 918	22	1%	2 558
4.2-Electricity: Administration	199 246	223 698	220 592	33 794	147 826	165 444	(17 618)	-11%	220 592
4.3-Electricity: Street Lights	134	–	–	–	–	–	–		–
4.4-Mechanical Workshop	1 756	3 122	2 673	185	1 910	2 005	(95)	-5%	2 673
4.4-Public Toilets	1 363	1 660	1 658	113	1 055	1 244	(188)	-15%	1 658
4.5-Sewerage	23 139	22 748	24 391	1 584	15 165	18 293	(3 128)	-17%	24 391
4.7-Town Planning	1 136	1 189	1 346	108	940	1 010	(70)	-7%	1 346
4.8-Stormwater Management	6 049	5 621	5 413	362	4 617	4 059	557	14%	5 413
4.9-Roads	21 410	25 071	26 185	1 562	16 620	19 639	(3 019)	-15%	26 185
4.10-Solid Waste (Dumping Site)	8 543	10 735	15 910	325	3 077	11 932	(8 855)	-74%	15 910
4.11-Solid Waste (Garden)	13 672	12 443	12 430	720	8 482	9 323	(841)	-9%	12 430
4.12-Solid Waste (Removal)	13 122	11 437	11 209	1 272	9 860	8 407	1 453	17%	11 209
4.13-Water Storage	2 590	3 606	3 356	142	1 884	2 517	(633)	-25%	3 356
4.14-Water Distribution	25 435	25 615	26 948	2 598	15 976	20 211	(4 235)	-21%	26 948
4.15-Director: Technical Services	1 552	1 641	1 732	141	1 251	1 299	(48)	-4%	1 732
Vote 5 - Muncipal Manager	9 824	13 246	12 737	728	7 775	9 553	(1 778)	-19%	12 737
5.1-Property & Legal Services	1 805	2 463	2 562	105	1 656	1 922	(266)	-14%	2 562
5.2-IDP	1 761	2 308	2 304	118	1 166	1 728	(563)	-33%	2 304
5.3-Project Management	512	1 028	593	44	398	445	(47)	-11%	593
5.4-Performance Management	967	1 314	1 264	85	769	948	(180)	-19%	1 264
5.5-Internal Audit	2 147	2 511	2 561	175	1 739	1 920	(181)	-9%	2 561
5.6-Municipal Manager	2 632	3 622	3 452	202	2 047	2 589	(542)	-21%	3 452
Total Expenditure by Vote	516 217	582 344	588 990	57 357	366 407	441 743	(75 336)	(0)	588 990
Surplus/ (Deficit) for the year	48 192	33 372	27 466	3 715	50 268	20 599	29 669	0	27 466

The table provides detail of revenue according to source and expenditure according to type.

WC022 Witzenberg - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q3 Third Quarter

Description	2017/18	Budget Year 2018/19							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue By Source									
Property rates	63 712	70 002	68 191	3 079	59 485	51 143	8 342	16%	68 191
Service charges - electricity revenue	210 359	235 714	235 937	22 767	158 120	176 953	(18 832)	-11%	235 937
Service charges - water revenue	45 429	41 882	42 180	3 220	25 845	31 635	(5 789)	-18%	42 180
Service charges - sanitation revenue	26 997	17 387	18 116	1 792	17 161	13 587	3 574	26%	18 116
Service charges - refuse revenue	23 384	21 424	21 985	1 968	17 115	16 489	626	4%	21 985
Service charges - other	–	–	–	–	–	–	–		–
Rental of facilities and equipment	5 990	10 198	10 198	624	4 232	7 649	(3 416)	-45%	10 198
Interest earned - external investments	8 122	8 198	8 198	550	6 075	6 149	(74)	-1%	8 198
Interest earned - outstanding debtors	10 927	7 284	7 284	889	7 528	5 463	2 065	38%	7 284
Dividends received	–	4	4	–	–	3	(3)	-100%	4
Fines, penalties and forfeits	22 002	18 904	18 904	4	1 171	14 178	(13 007)	-92%	18 904
Licences and permits	1 164	155	155	110	838	116	721	620%	155
Agency services	3 586	8 378	8 378	263	2 743	6 283	(3 540)	-56%	8 378
Transfers recognised - operational	93 967	91 069	92 448	21 392	86 752	69 336	17 416	25%	92 448
Other revenue	13 993	9 271	10 626	698	6 929	10 626	(3 698)	-35%	10 626
Gains on disposal of PPE	–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)	529 632	539 869	542 604	57 356	393 995	409 610	(15 614)	-4%	542 604
Expenditure By Type									
Employee related costs	155 415	177 699	170 326	9 830	127 908	127 745	164	0%	170 326
Remuneration of councillors	9 170	10 709	10 709	794	7 077	8 032	(955)	-12%	10 709
Debt impairment	35 513	22 219	22 219	2 469	13 494	16 664	(3 171)	-19%	(0)
Depreciation & asset impairment	28 699	43 032	45 165	–	12 532	33 874	(21 342)	-63%	45 165
Finance charges	8 675	3 671	8 005	5	398	6 004	(5 606)	-93%	8 005
Bulk purchases	179 705	197 541	197 541	32 574	134 145	148 156	(14 011)	-9%	197 541
Other materials	15 173	21 021	17 371	709	10 442	13 029	(2 586)	-20%	17 371
Contracted services	36 101	41 902	51 518	4 132	25 621	38 638	(13 017)	-34%	51 518
Transfers and grants	13 920	14 407	14 417	3 751	4 828	10 813	(5 985)	-55%	14 417
Other expenditure	33 845	50 142	51 719	3 092	29 964	38 789	(8 825)	-23%	56 649
Loss on disposal of PPE	–	–	–	–	–	–	–		–
Total Expenditure	516 217	582 344	588 990	57 357	366 407	441 743	(75 336)	-17%	571 701
Surplus/(Deficit)	13 415	(42 474)	(46 386)	(1)	27 588	(32 133)	59 721	(0)	(29 097)
Transfers recognised - capital	34 777	75 847	73 852	3 716	22 680	55 389	(32 709)	(0)	73 852
Contributions recognised - capital	–	–	–	–	–	–	–		–
Contributed assets	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	48 192	33 372	27 466	3 715	50 268	23 256			44 755
Surplus/(Deficit) attributable to	48 192	33 372	27 466	3 715	50 268	23 256			44 755
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	48 192	33 372	27 466	3 715	50 268	23 256			44 755

The revenue and expenditure figures excludes internal charges.

The tables provides detail of capital expenditure according to municipal votes.

WC022 Witzenberg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - Q3 Third Quarter

Vote Description	2017/18	Budget Year 2018/19							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Multi-Year expenditure appropriation									
Vote 2 - Community Services	–	650	460	–	6	345	(339)	-98%	460
Vote 4 - Technical Services	14 570	45 777	45 766	5 199	29 454	34 325	(4 870)	-14%	45 766
Total Capital Multi-year expenditure	14 570	46 427	46 226	5 199	29 460	34 669	(5 209)	-15%	46 226
Single Year expenditure appropriation									
Vote 1 - Financial Services	215	180	210	84	103	158	(55)	-35%	210
Vote 2 - Community Services	5 950	4 282	5 960	1 019	1 338	4 470	(3 132)	-70%	5 960
Vote 3 - Corporate Services	1 257	970	1 069	306	600	802	(202)	-25%	1 069
Vote 4 - Technical Services	41 782	29 312	34 266	5 296	25 734	25 700	35	0%	34 266
Vote 5 - Muncipal Manager	27	150	130	–	1	98	(96)	-99%	130
Total Capital single-year expenditure	49 231	34 894	41 636	6 705	27 776	31 227	(3 450)	-11%	41 636
Total Capital Expenditure	63 800	81 321	87 861	11 904	57 237	65 896	(8 659)	-13%	87 861

WC022 Witzenberg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - Q3 Third Quarter

Vote Description R thousands	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital Expenditure - Standard Classification									
Governance and administration	1 576	1 340	2 551	407	765	1 913	(1 148)	-60%	2 551
Executive and council	279	250	1 462	58	151	1 097	(946)	-86%	1 462
Finance and administration	1 297	1 090	1 089	350	615	817	(202)	-25%	1 089
Community and public safety	3 586	3 402	4 358	989	1 166	3 269	(2 102)	-64%	4 358
Community and social services	645	1 000	1 054	28	57	790	(733)	-93%	1 054
Sport and recreation	2 034	2 402	3 304	961	1 109	2 478	(1 369)	-55%	3 304
Public safety	549	–	–	–	–	–	–		–
Housing	359	–	–	–	–	–	–		–
Economic and environmental service	11 560	29 788	35 450	6 035	28 931	26 588	2 343	9%	35 450
Planning and development	31	20	531	30	152	399	(247)	-62%	531
Road transport	11 529	28 268	33 419	6 005	28 779	25 064	3 715	15%	33 419
Environmental protection	–	1 500	1 500	–	–	1 125	(1 125)	-100%	1 500
Trading services	47 078	46 791	45 502	4 473	26 374	34 126	(7 752)	-23%	45 502
Energy sources	4 728	11 654	11 250	1 153	6 012	8 438	(2 425)	-29%	11 250
Water management	22 269	14 746	10 016	945	6 535	7 512	(977)	-13%	10 016
Waste water management	16 820	19 219	23 064	2 375	12 819	17 298	(4 479)	-26%	23 064
Waste management	3 261	1 171	1 171	–	1 008	878	130	15%	1 171
Total Capital Expenditure - Standard Cla	63 800	81 321	87 861	11 904	57 237	65 896	(8 659)	-13%	87 861
Funded by:									
National Government	20 014	33 070	23 505	2 864	15 073	17 629	(2 556)	-14%	23 505
Provincial Government	14 170	19 569	28 406	5 266	21 666	21 305	362	2%	28 406
District Municipality	–	300	761	–	457	571	(114)	-20%	761
Transfers recognised - capital	34 183	52 938	52 672	8 130	37 196	39 504	(2 308)	-6%	52 672
Borrowing	3 528	1 550	1 550	–	1 485	1 163	322	28%	1 550
Internally generated funds	26 089	26 833	33 639	3 773	18 556	25 229	(6 673)	-26%	33 639
Total Capital Funding	63 800	81 321	87 861	11 904	57 237	65 896	(8 659)	-13%	87 861

WC022 Witzenberg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - A - Q3 Third Quarter

Vote Description	2017/18	Budget Year 2018/19							
R thousand	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure - Municipal Vote									
Expenditure of multi-year capital appropriation									
Vote 2 - Community Services	–	350	460	–	6	345	(339)	-98%	460
2.10-Parks	–	350	460	–	6	345	(339)	-98%	460
Vote 3 - Corporate Services	–	300	–	–	–	–	–		–
3.5-Council Cost	–	300	–	–	–	–	–		–
Vote 4 - Technical Services	14 570	45 777	45 766	5 199	29 454	34 325	(4 884)	-14%	45 766
4.2-Electricity: Administration	–	9 648	9 648	648	4 788	7 236	(2 448)	-34%	9 648
4.3-Electricity: Street Lights	–	1 887	1 252	505	1 137	939	198	21%	1 252
4.5-Sewerage	–	4 636	7 000	875	5 264	5 250	14	0%	7 000
4.8-Stormwater Management	–	10 684	12 082	1 421	6 639	9 061	(2 422)	-27%	12 082
4.9-Roads	–	5 406	8 164	875	5 848	6 123	(275)	-4%	8 164
4.10-Solid Waste (Dumping Site)	–	621	621	–	515	466	49	10%	621
4.14-Water Distribution	14 570	12 896	7 000	875	5 264	5 250			7 000
Total multi-year capital expenditure	14 570	46 427	46 226	5 199	29 460	34 669	(5 209)	-15%	46 226
							–		
Capital expenditure - Municipal Vote									
Expenditue of single-year capital appropriation							–		
Vote 1 - Financial Services	215	180	210	84	103	158	(55)	-35%	210
1.2 - Treasury: Administration	176	150	150	66	66	113	(46)	-41%	150
1.6 - Director: Finance	39	30	60	18	37	45	(8)	-18%	60
Vote 2 - Community Services	14 784	46 607	5 960	1 019	1 338	4 470	(3 132)	-70%	5 960
2.1 - Cemetries	14 570	46 427	–	–	–	–	–		–
2,3 - Library Services	–	–	400	–	–	300	(300)	-100%	400
2,5 - Pine Forest : Administration	215	180	412	204	204	309	(105)	-34%	412
2.7-Community Halls And Facilities	–	–	654	–	9	490	(481)	-98%	654
2.9-Enviromental Protection	–	–	1 500	–	–	1 125	(1 125)	-100%	1 500
2.10-Parks	–	–	1 985	757	899	1 488	(589)	-40%	1 985
2.16-Swimming Pools			102	–	–	76	(76)	-100%	102
2.18-L E D			531	58	200	399	(199)	-50%	531
2.19-Director: Community Services			30	–	26	23	3	14%	30
Vote 3 - Corporate Services	1 257	970	1 069	306	600	802	(202)	-25%	1 069
3.2-Information Tecnology	314	350	600	276	346	450	(104)	-23%	600
3.7-Marketing & Communications	661	190	258	6	133	193	(61)	-31%	258
3.9-Administration	113	400	81	2	70	61	9	15%	81
3.10-Director Corporate Services	169	30	130	23	51	98	(46)	-47%	130
Vote 4 - Technical Services	41 782	29 312	34 266	5 296	25 734	25 700	35	0%	34 266
4.2-Electricity: Administration	3 794	120	120	0	88	90	(2)	-3%	120
4.3-Electricity: Street Lights	934	–	230	–	–	173	(173)	-100%	230
4.4-Mechanical Workshop	33	–	–	(0)	(0)	–	(0)	#DIV/0!	–
4.4-Public Toilets	–	500	200	–	–	150	(150)	-100%	200
4.5-Sewerage	15 031	3 100	3 482	79	615	2 612	(1 996)	-76%	3 482
4.8-Stormwater Management	1 789	300	300	–	300	225	75	33%	300
4.9-Roads	9 211	22 862	25 255	5 130	22 931	18 942	3 989	21%	25 255
4.11-Solid Waste (Garden)	3 261	550	550	–	494	413	81	20%	550
4.14-Water Distribution	7 699	1 850	3 016	70	1 271	2 262	(991)	-44%	3 016
4.15-Director: Technical Services	30	30	1 112	17	36	834	(798)	-96%	1 112
Vote 5 - Muncipal Manager	27	150	130	–	1	98	(96)	-99%	130
5.3-Project Management	11	20	–	–	–	–	–		–
5.6-Municipal Manager	15	130	130	–	1	98	(96)	-99%	130
Total single-year capital expenditure	58 065	77 219	41 636	6 705	27 776	31 227	(3 450)	(0)	41 636
Total Capital Expenditure	72 635	123 646	87 861	11 904	57 237	65 896	(8 659)	(0)	87 861

The table provides detail of the municipality's financial position as at period end.

WC022 Witzenberg - Table C6 Monthly Budget Statement - Financial Position - Q3 Third Quarter

Description	2017/18	Budget Year 2018/19			
R thousands	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS					
Current assets					
Cash	97 506	83 129	80 552	61 523	61 523
Call investment deposits	–	47	47	70 000	70 000
Consumer debtors	57 003	(33 750)	52 542	69 754	69 754
Other debtors	12 701	14 940	14 940	8 766	8 766
Current portion of long-term receivables	–	–	–	–	–
Inventory	11 402	1 435	15 551	11 872	11 872
Total current assets	178 612	65 801	163 630	221 915	221 915
Non current assets					
Long-term receivables	–	–	–	–	–
Investments	–	4	4	–	–
Investment property	45 660	(626)	45 034	45 518	45 518
Investments in Associate	–	–	–	–	–
Property, plant and equipment	856 160	38 951	899 316	901 202	901 202
Agricultural	–	–	–	–	–
Biological assets	–	–	–	–	–
Intangible assets	2 837	(36)	2 802	2 650	2 650
Other non-current assets	550	–	550	550	550
Total non current assets	905 207	38 293	947 706	949 920	949 920
TOTAL ASSETS	1 083 819	104 095	1 111 336	1 171 835	1 171 835
LIABILITIES					
Current liabilities					
Bank overdraft	–	–	–	–	–
Borrowing	–	–	–	–	–
Consumer deposits	6 418	–	6 418	6 963	6 963
Trade and other payables	53 808	46 998	15 760	88 179	88 179
Provisions	17 426	8 491	25 917	13 160	13 160
Total current liabilities	77 653	55 489	48 095	108 302	108 302
Non current liabilities					
Borrowing	4 175	2 200	6 389	2 557	2 557
Provisions	154 570	13 033	167 603	163 287	163 287
Total non current liabilities	158 745	15 233	173 993	165 844	165 844
TOTAL LIABILITIES	236 399	70 723	222 088	274 146	274 146
NET ASSETS	847 421	33 372	889 248	897 689	897 689
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	837 066	33 372	878 894	887 334	887 334
Reserves	10 355	–	10 355	10 355	10 355
TOTAL COMMUNITY WEALTH/EQUITY	847 421	33 372	889 248	897 689	897 689

The cash flows for the year to date are indicated in the following table:

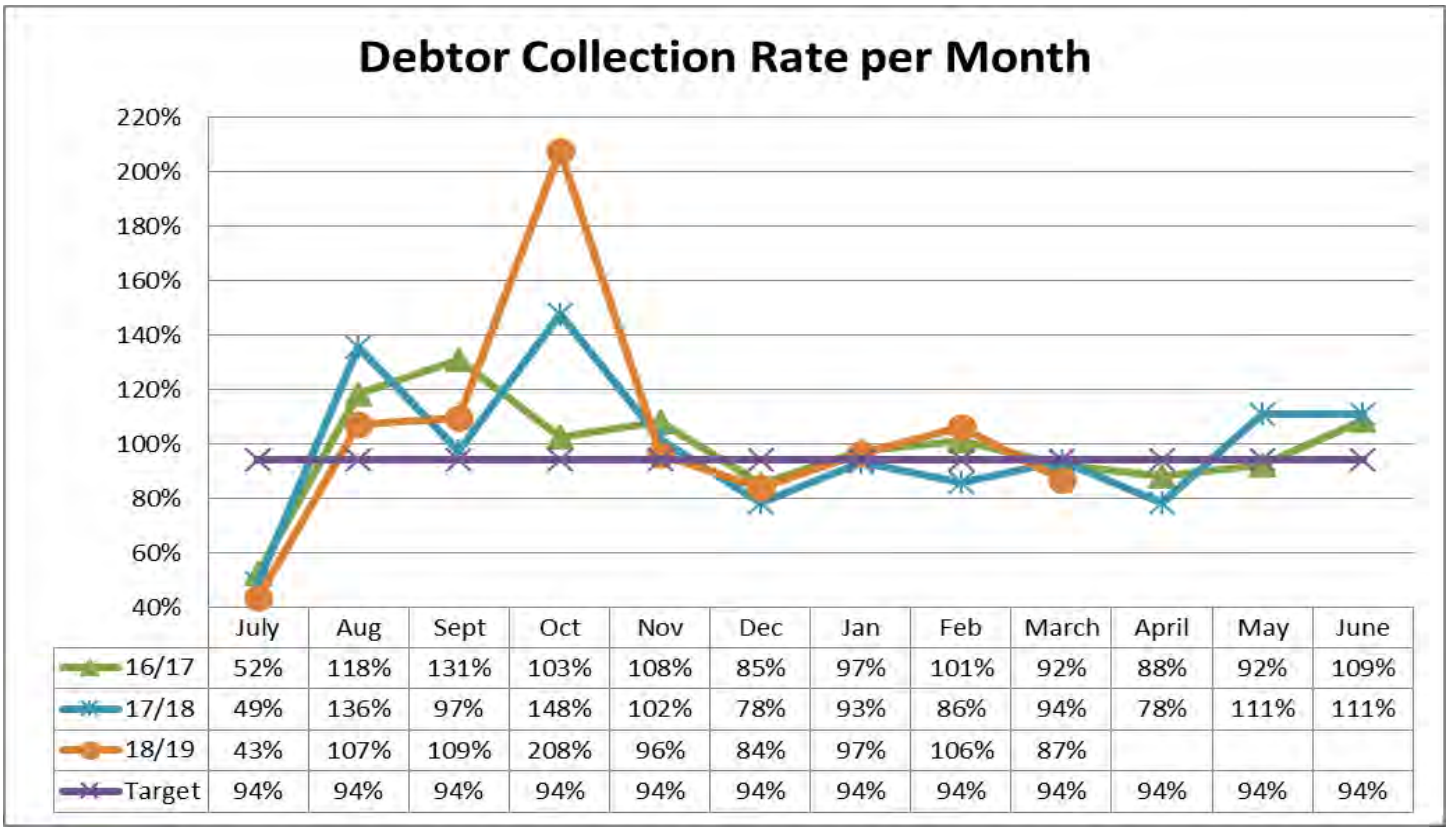
WC022 Witzenberg - Table C7 Monthly Budget Statement - Cash Flow - Q3 Third Quarter

Description	2017/18	Budget Year 2018/19							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates, penalties & collection charges	63 592	61 689	66 502	3 522	57 538	49 876	7 661	15%	66 502
Service charges	308 615	291 601	300 586	29 891	242 764	225 440	17 324	8%	300 586
Other revenue	–	17 246	22 414	1 251	15 239	16 810	(1 571)	-9%	22 414
Government - operating	132 666	97 846	98 828	24 656	102 677	74 121	28 557	39%	98 828
Government - capital	–	63 230	60 133	15 965	56 431	45 100	11 331	25%	60 133
Interest	19 166	13 112	8 176	551	6 076	6 132	(56)	-1%	8 176
Dividends									
Payments									
Suppliers and employees	(424 386)	(369 994)	(489 132)	(41 822)	(380 662)	(366 849)	13 813	-4%	(489 132)
Finance charges	(15 676)	(938)	(906)	(5)	(150)	(679)	(529)	78%	(906)
Transfers and Grants	–	(587)	(587)	(3 751)	(4 852)	(440)	4 411	-1002%	(587)
NET CASH FROM/(USED) OPERATING ACTIVITIES	83 978	173 205	66 013	30 257	95 061	49 510	80 942	163%	66 013
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	3 790	–	–	–	–	–	–		–
Decrease (Increase) in non-current debtors	–	–	–	–	–	–	–		–
Decrease (increase) other non-current receivables	–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments	–	–	–	10 000	(70 000)	–	(70 000)		–
Payments									
Capital assets	(63 800)	(83 247)	(85 599)	(13 041)	(60 449)	(64 199)	(3 750)	6%	(85 599)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(60 010)	(83 247)	(85 599)	(3 041)	(130 449)	(64 199)	66 250	-103%	(85 599)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	–	–	–	–	–	–	–		–
Borrowing long term/refinancing	–	3 500	3 500	–	–	2 625	(2 625)	-100%	3 500
Increase (decrease) in consumer deposits	1 023	–	–	55	582	–	582		–
Payments									–
Repayment of borrowing	(3 818)	–	(860)	(17)	(1 184)	(645)	539	-84%	–
NET CASH FROM/(USED) FINANCING ACTIVITIES	(2 795)	3 500	2 640	39	(601)	1 980	2 581	130%	(601)
									–
NET INCREASE/ (DECREASE) IN CASH HELD	21 173	93 458	(16 945)	27 256	(35 989)	(12 709)			(16 085)
Cash/cash equivalents at beginning:	76 333	–	97 497		97 502	97 497			97 502
Cash/cash equivalents at month/year end:	97 506	93 458	80 552		61 513	84 788			81 417

The debtors age analysis per Income source and customer group is as follows:

WC022 Witzenberg - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q3 Third Quarter

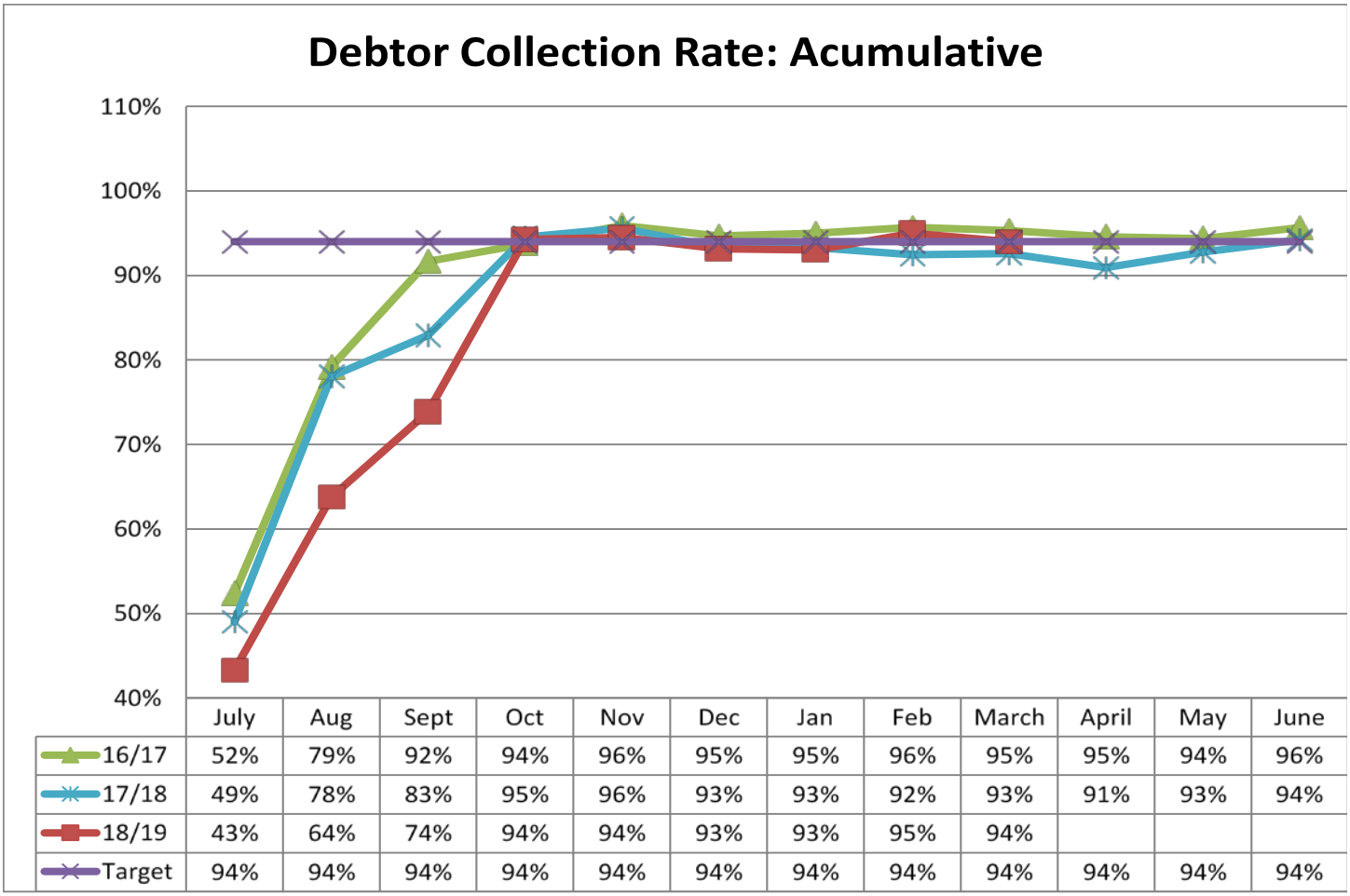
Description	NT Code	Budget Year 2018/19									
R thousands		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days
Debtors Age Analysis By Income Source											
Water	1200	8 768	1 433	982	1 021	819	768	6 654	30 963	51 409	40 225
Electricity	1300	16 051	480	256	222	197	193	1 127	1 553	20 080	3 293
Property Rates	1400	3 943	368	317	234	220	166	3 327	12 200	20 775	16 147
Waste Water Management	1500	4 908	680	707	592	570	560	3 172	15 137	26 326	20 031
Waste Management	1600	5 658	752	679	643	582	561	2 916	16 529	28 321	21 232
Property Rental Debtors	1700	139	18	17	16	16	15	90	593	904	730
Interest on Arrear Accounts	1810	1 496	87	96	113	116	132	1 231	24 042	27 314	25 636
Recoverable expenditure	1820	–	–	–	–	–	–	–	–	–	–
Other	1900	(3 505)	26	28	27	29	51	174	872	(2 298)	1 152
Total By Income Source	2000	37 458	3 844	3 082	2 869	2 549	2 447	18 692	101 889	172 831	128 447
Debtors Age Analysis By Customer Group											
Organs of State	2200	895	140	106	77	61	59	1 362	2 646	5 347	4 205
Commercial	2300	14 166	614	420	287	253	243	2 246	6 773	25 003	9 802
Households	2400	21 058	2 819	2 349	2 329	2 040	1 979	13 776	83 652	130 002	103 776
Other	2500	1 339	270	206	176	195	167	1 308	8 818	12 478	10 663
Total By Customer Group	2600	37 458	3 844	3 082	2 869	2 549	2 447	18 692	101 889	172 831	128 447



	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June
16/17	52%	118%	131%	103%	108%	85%	97%	101%	92%	88%	92%	109%
17/18	49%	136%	97%	148%	102%	78%	93%	86%	94%	78%	111%	111%
18/19	43%	107%	109%	208%	96%	84%	97%	106%	87%			
Target	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%

The purpose of this graph is to illustrate the collection against targets set for the relevant months. The target for the month is 94% while the actual figure for March 2019 amounts to 87% in comparison to the previous year 94%.

Die doel van hierdie grafiek is om die verhaling van debiteure te illustreer teen die teikens gestel vir die onderskeie maande. Die teiken vir die maand is 94%, terwyl die syfer vir Maart 2019 87 % beloop in vergelyking met die vorige jaar 94 %.



	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June
16/17	52%	79%	92%	94%	96%	95%	95%	96%	95%	95%	94%	96%
17/18	49%	78%	83%	95%	96%	93%	93%	92%	93%	91%	93%	94%
18/19	43%	64%	74%	94%	94%	93%	93%	95%	94%			
Target	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%

The purpose of this graph is to illustrate effectiveness of collection of debt against targets set for the year. The target for the year to date is 94% while the actual figure is 94%.

Die doel van hierdie grafiek is om die doeltreffendheid van die verhaling van skuld te illustreer teen die teikens gestel vir die jaar. Die teiken vir die jaar tot datum is 94%, terwyl die werklike syfer 94% beloop.

WC022 Witzenberg - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q3 Third Quarter

Description R thousands	NT Code	Budget Year 2018/19								
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	–	–	–	–	–	–	–	–	–
Bulk Water	0200	–	–	–	–	–	–	–	–	–
PAYE deductions	0300	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	637	–	–	–	–	–	–	–	637
Auditor General	0800	–	–	–	–	–	–	–	–	–
Other	0900	–	–	–	–	–	–	–	–	–
Total By Customer Type	1000	637	–	–	–	–	–	–	–	637

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The movement in investments is detailed below.

WC022 Witzenberg - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Q3 Third Quarter

Investments by maturity Name of institution & investment ID R thousands	Period of Investment Yrs/Months	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of month	Change in market value	Market value at end of the month
Municipality								
ABSA	–	–	–	–		–	–	15 000
Investec	–	–	–	–		–	–	20 000
Nedbank	–	–	–	–		–	–	23 000
Standard Bank	–	–	–	–		–	–	12 000
FNB	–	–	–	–		–	–	(0)
	–	–	–	–		–	–	–
TOTAL INVESTMENTS AND INTEREST				–		–	–	70 000

Operating and Capital transfers recognised as revenue are indicated in the following table:
Transfers are rcognised when the conditions are met.

WC022 Witzenberg - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Q3 Third Quarter

Description	2017/18	Budget Year 2018/19							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
RECEIPTS:									
Operating Transfers and Grants									
National Government:	–	88 231	87 752	21 392	86 745	65 814	20 931	31.8%	87 752
Equitable Share	–	84 602	84 602	21 123	84 584	63 452	21 133	33.3%	84 602
Local Government Financial Management Grant [S	–	1 550	1 400	62	719	1 050	(331)	-31.5%	1 400
Expanded Public Works Programme Integrated Gra	–	1 548	1 750	207	1 442	1 313	129	9.9%	1 750
Municipal Infrastructure Grant [Schedule 5B]	–	531	–	–	–	–	–		–
Provincial Government:	–	45 019	22 193	3 716	5 644	16 645	(11 001)	-66.1%	22 193
Housing	–	32 839	12 621	3 716	4 029	9 466	(5 437)	-57.4%	12 621
Financial Management	–	360	360	–	0	270	(270)	-100.0%	360
Financial Management Support Grant	–	330	330	–	1 608	248	1 361	549.7%	330
Libraries, Archives and Museum	–	9 342	8 882	–	–	6 662	(6 662)	-100.0%	8 882
Community Development Workers	–	148	–	–	6	–	6		–
Regional Socio-economic Project/Violence Preventi	–	2 000	–	–	–	–	–		–
District Municipality:	–	–	600	–	–	450	(450)	-100.0%	600
Other grant providers:	–	576	4 065	–	–	375	(375)	-100.0%	4 065
Water Drought Support	–	–	500	–	–	375	(375)	-100.0%	500
Other grant providers:	–	288	1 783	–	–	–	–		1 783
Belguim Grant	–	288	1 083	–	–	–	–		1 083
Table Mountain Fund	–	–	700	–	–	–	–		700
	–	–	–	–	–	–	–		–
	–	–	–	–	–	–	–		–
	–	–	–	–	–	–	–		–
Total Operating Transfers and Grants	–	133 826	114 011	25 108	92 389	82 834	9 555	11.5%	114 011
National Government:	–	62 470	47 010	–	12 301	35 258	(22 957)	-65.1%	47 010
Capital Transfers and Grants	–	–	–	–	–	–	–		–
Regional Bulk Infrastructure Grant (Schedule 5B)	–	8 261	–	–	–	–	–		–
Integrated National Electrification Programme (Mun	–	4 348	4 348	–	205	3 261	(3 055)	-93.7%	4 348
	–	–	–	–	–	–	–		–
	–	–	–	–	–	–	–		–
Provincial Government:	–	600	52 849	–	25 000	39 245	(14 245)	-36.3%	52 849
Sport & Recreation	–	300	261	–	–	–	–		261
	–	–	–	–	–	–	–		–
	–	–	–	–	–	–	–		–
Total Capital Transfers and Grants	–	63 070	99 859	–	37 301	74 503	(37 202)	-49.9%	99 859
TOTAL RECEIPTS OF TRANSFERS & GRANTS	–	196 896	213 870	25 108	129 690	157 337	(27 647)	-17.6%	213 870

Operating and Capital expenditure financed from grants are indicated in the following table:

WC022 Witzenberg - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Q3 Third Quarter

Description	2017/18	Budget Year 2018/19							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:	62 360	167 932	124 409	28 824	94 810	93 307	1 503	1.6%	124 409
Equitable Share	59 438	84 602	84 602	21 123	84 584	63 452	21 133	33.3%	84 602
Local Government Financial Management Grant [	1 161	1 550	1 400	62	719	1 050	(331)	-31.5%	1 400
Expanded Public Works Programme Integrated Gr	1 493	1 548	1 750	207	1 442	1 313	129	9.9%	1 750
Municipal Infrastructure Grant [Schedule 5B]	–	531	–	–	–	–	–		–
Provincial Government:	268	46 862	24 036	3 716	4 036	18 027	(13 991)	-77.6%	24 036
Housing	–	32 839	12 621	3 716	4 029	9 466	(5 437)	-57.4%	12 621
Provincial Government:	62 517	12 239	14 520	–	6	8 741	(8 735)	-99.9%	14 520
Financial Management Support Grant	120	330	330	–	–	248	(248)	-100.0%	330
Replacement Funding for most vulnerable B3 mun	38	–	–	–	–	–	–		–
Libraries, Archives and Museum	–	9 342	8 882	–	–	6 662	(6 662)	-100.0%	8 882
Community Development Workers	–	148	–	–	6	–	6	#DIV/0!	–
Maintenance of Main Roads	–	1 843	1 843	–	–	1 382	(1 382)	-100.0%	1 843
Tourism	–	–	100	–	–	75	(75)	-100.0%	100
Water Drought Support	62 360	–	500	–	–	375	(375)	-100.0%	500
Other grant providers:	–	288	1 783	–	–	–	–		1 783
Belguim Grant	–	288	1 083	–	–	–	–		1 083
Other capital transfers [insert description]	–	300	26 424	–	12 500	19 623	(7 123)	-36.3%	26 424
Provincial Government:	–	300	26 424	–	12 500	19 623	(7 123)	-36.3%	26 424
Total operating expenditure of Transfers and Grants	124 877	180 470	165 353	28 824	107 317	121 670	(14 354)	-11.8%	165 353
National Government:	20 002	63 070	99 859	–	37 301	74 503	(37 202)	-49.9%	99 859
National Government:	19 941	31 235	23 505	–	6 151	17 629	(11 478)	-65.1%	23 505
Municipal Infrastructure Grant [Schedule 5B]	61	18 626	19 157	–	5 945	14 368	(8 423)	-58.6%	19 157
Regional Bulk Infrastructure Grant (Schedule 5B)	–	8 261	–	–	–	–	–		–
Integrated National Electrification Programme (Mu	–	4 348	4 348	–	205	3 261	(3 055)	-93.7%	4 348
Provincial Government:	–	300	26 424	–	12 500	19 623	(7 123)	-36.3%	26 424
Housing	–	–	26 164	–	12 500	19 623	(7 123)	-36.3%	26 164
Sport & Recreation		300	261	–	–	–	–		261
	20 002	–	–	–	–	–	–		–
	82 362	–	–	–	–	–	–		–
	20 002	31 535	49 930	–	18 651	37 252	(18 601)	-49.9%	49 930
Total capital expenditure of Transfers and Grants	20 002	31 535	49 930	–	18 651	37 252	(18 601)	-49.9%	49 930
Other grant providers:	82 362	–	–	–	–	–	–		–
	82 362	–	–	–	–	–	–		–
Total capital expenditure of Transfers and Grants	122 366	94 605	149 789	–	55 952	111 755	(55 803)	-49.9%	149 789
TOTAL EXPENDITURE OF TRANSFERS AND GRAN	247 243	275 075	315 143	28 824	163 268	233 425	(70 157)	-30.1%	315 143

Expenditure on councillor allowances and employee benefits:

WC022 Witzenberg - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Q3 Third Quarter

Summary of Employee and Councillor remuneration R thousands	Budget Year 2018/19							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	B	C						D
Councillors (Political Office Bearers plus Other)								
Basic Salaries and Wages	7 213	7 213	608	5 419	5 410	9	0%	7 213
Pension and UIF Contributions	1 063	1 063	88	784	797	(13)	-2%	1 063
Medical Aid Contributions	212	212	16	136	159	(24)	-15%	212
Motor Vehicle Allowance	692	692	–	–	519	(519)	-100%	692
Cellphone Allowance	1 023	1 023	78	697	767	(70)	-9%	1 023
Housing Allowances	455	455	3	41	341	(300)	-88%	455
Other benefits and allowances	50	50	–	–	38	(38)	-100%	50
Sub Total - Councillors	10 709	10 709	794	7 077	8 032	(955)	-12%	10 709
Senior Managers of the Municipality								
Basic Salaries and Wages	3 594	3 294	208	2 388	2 470	(83)	-3%	3 294
Pension and UIF Contributions	739	739	15	143	554	(411)	-74%	739
Medical Aid Contributions	127	127	6	49	95	(46)	-48%	127
Overtime	–	–	–	–	–	–		–
Performance Bonus	840	840	42	441	630	(189)	-30%	840
Motor Vehicle Allowance	993	993	74	608	744	(137)	-18%	993
Cellphone Allowance	67	67	–	21	50	(30)	-59%	67
Housing Allowances	145	145	–	–	109	(109)	-100%	145
Other benefits and allowances	108	88	12	116	66	50	75%	88
Payments in lieu of leave	–	–	–	–	–	–		–
Long service awards	–	–	–	–	–	–		–
Post-retirement benefit obligations	–	–	–	–	–	–		–
Sub Total - Senior Managers	6 614	6 294	357	3 766	4 720	(954)	-20%	6 294
Other Municipal Staff								
Basic Salaries and Wages	108 292	100 954	8 252	73 803	75 715	(1 913)	-3%	100 954
Pension and UIF Contributions	16 388	16 377	1 312	11 631	12 283	(651)	-5%	16 377
Medical Aid Contributions	7 283	7 283	633	5 425	5 462	(37)	-1%	7 283
Overtime	11 713	11 728	1 176	12 220	8 796	3 424	39%	11 728
Performance Bonus	7 651	7 651	664	5 943	5 738	206	4%	7 651
Motor Vehicle Allowance	4 099	4 129	396	3 393	3 097	296	10%	4 129
Cellphone Allowance	378	378	40	370	284	86	30%	378
Housing Allowances	1 541	1 541	120	1 087	1 156	(69)	-6%	1 541
Other benefits and allowances	4 035	4 035	308	2 361	3 026	(665)	-22%	4 035
Payments in lieu of leave	831	831	(4 271)	200	623	(424)	-68%	831
Long service awards	407	407	76	682	305	377	124%	407
Post-retirement benefit obligations	10 632	10 632	921	8 290	7 974	316	4%	10 632
Sub Total - Other Municipal Staff	173 251	165 946	9 627	125 406	124 460	946	1%	165 946
TOTAL SALARY, ALLOWANCES &	190 573	182 949	10 778	136 248	137 212	(963)	-1%	182 949
% increase								
TOTAL MANAGERS AND STAFF	179 864	172 240	9 984	129 172	129 180	(8)	0%	172 240

The monthly cash flows for the year to date are indicated in the following table:

WC022 Witzenberg - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - Q3 Third Quarter

Description	Ref	Budget Year 2018/19											
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget
Cash Receipts By Source													
Property rates		3 857	8 244	6 776	19 563	4 045	3 164	4 286	4 080	3 522	1 297	2 297	8 870
Service charges - electricity revenue		21 587	21 605	23 318	18 875	17 174	16 003	15 014	18 598	23 326	18 789	18 789	12 393
Service charges - water revenue		3 448	3 418	2 171	3 193	2 007	2 782	2 585	3 766	2 534	3 883	3 883	12 928
Service charges - sanitation revenue		1 772	2 329	2 546	1 857	1 611	1 416	2 141	2 136	1 845	1 074	1 074	5 090
Service charges - refuse		2 068	2 194	1 965	2 306	1 723	2 086	1 884	2 104	1 653	2 199	2 199	4 007
Service charges - other		–	–	–	–	–	–	–	2 942	533	–	–	(3 475)
Rental of facilities and equipment		210	225	384	435	367	56	628	525	564	39	39	6 726
Interest earned - external investments		371	539	705	423	651	491	1 388	956	550	681	681	738
Interest earned - outstanding debtors		–	–	–	–	–	–	–	–	1	–	–	(1)
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–
Fines		199	111	251	64	259	65	104	266	110	339	339	1 962
Licences and permits		574	214	705	764	1 608	398	735	136	352	305	305	(2 441)
Agency services		–	–	–	–	–	–	–	–	–	406	406	4 065
Transfer receipts - operating		36 119	1 992	3 514	1 987	2 028	28 183	–	4 199	24 656	2 854	3 653	9 553
Other revenue		236	382	645	1 982	721	226	1 086	391	225	666	666	766
Cash Receipts by Source		70 442	41 253	42 981	51 450	32 194	54 869	29 850	40 100	59 871	32 533	34 332	61 181
Other Cash Flows by Source													–
Transfer receipts - capital		17 000	–	–	3 500	5 400	7 566	–	7 000	15 965	1 403	1 403	(18 399)
Contributions & Contributed assets		–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on disposal of PPE		–	–	–	–	–	–	–	–	–	–	–	–
Short term loans		–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–	–	–
Increase in consumer deposits		63	81	51	74	95	46	31	87	55	–	–	(582)
Receipt of non-current debtors		–	–	–	–	–	–	–	–	–	–	–	–
Receipt of non-current receivables		–	–	–	–	–	–	–	–	–	–	–	–
Change in non-current investments		–	–	(100 000)	25 000	25 000	(35 000)	45 000	(40 000)	10 000	20 000	20 000	30 000
Total Cash Receipts by Source		87 505	41 334	(56 969)	80 024	62 689	27 481	74 881	7 187	85 891	53 936	55 735	72 200
Cash Payments by Type													–
Employee related costs		11 219	13 141	12 270	12 453	19 675	12 559	12 584	15 145	12 678	13 723	13 723	19 654
Remuneration of councillors		876	874	867	836	848	868	1 070	897	906	892	892	881
Interest paid		–	–	88	–	–	57	–	–	5	–	–	3 521
Bulk purchases - Electricity		23 704	24 512	23 657	13 718	13 545	13 196	12 009	16 071	16 413	15 113	15 113	(5 698)
Bulk purchases - Water & Sewer		–	–	–	–	–	–	–	–	–	–	–	–
Other materials		862	428	662	2 694	1 729	2 075	1 369	3 562	1 468	1 875	1 875	3 901
Contracted services		2 263	2 211	3 840	3 679	4 259	4 041	1 893	1 754	5 148	3 600	3 600	11 797
Grants and subsidies paid - other municipalities		–	–	–	–	–	–	–	–	–	–	–	–
Grants and subsidies paid - other		200	155	121	205	–	2	364	53	3 751	1 200	1 200	7 156
General expenses		4 372	5 044	5 304	6 236	5 582	4 311	1 322	1 392	3 122	1 800	1 300	(176)
Cash Payments by Type		43 495	46 366	46 809	39 821	45 637	37 109	30 613	38 873	43 491	38 204	37 704	41 035
Other Cash Flows/Payments by Type													
Capital assets		1 686	4 061	8 879	6 352	10 008	2 511	5 673	7 652	13 041	6 900	6 900	(4 658)
Repayment of borrowing		–	–	1 058	–	–	109	–	–	17	–	–	(324)
Other Cash Flows/Payments		(453)	591	(737)	3 824	(30 696)	34 490	1 844	1 802	2 087	452	852	65 571
Total Cash Payments by Type		44 728	51 017	56 009	49 997	24 949	74 219	38 130	48 327	58 636	45 556	45 456	101 624
NET INCREASE/(DECREASE) IN CASH HELD		42 777	(9 684)	(112 978)	30 027	37 740	(46 738)	36 751	(41 140)	27 256	8 379	10 278	(29 424)
Cash/cash equivalents at the month/year beginning:		97 502	140 279	130 595	17 618	47 645	85 385	38 647	75 398	34 257	61 513	69 893	80 171
Cash/cash equivalents at the month/year end:		140 279	130 595	17 618	47 645	85 385	38 647	75 398	34 257	61 513	69 893	80 171	50 746

WC022 Witzenberg - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - Q3 Third Quarter

Month	2017/18	Budget Year 2018/19							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
Monthly expenditure performance trend									
July		8 115	7 322	767	767	7 322	6 555	89.5%	1%
August		4 486	7 322	3 991	4 758	14 644	9 886	67.5%	8%
September		6 249	7 322	9 026	13 784	21 965	8 181	37.2%	22%
October		5 191	7 322	6 488	20 272	29 287	9 016	30.8%	32%
November		3 943	7 322	9 446	29 717	36 609	6 892	18.8%	47%
December		4 437	7 322	2 178	31 896	43 931	12 035	27.4%	51%
January		3 986	7 322	5 567	37 463	51 253	13 790	26.9%	59%
February		4 787	7 322	7 870	45 333	58 574	13 241	22.6%	72%
March		4 547	7 322	11 904	57 237	65 896	8 659	13.1%	91%
April		6 449	7 322			73 218	–		
May		6 276	7 322			80 540	–		
June		4 606	7 322			87 861	–		
Total Capital expenditure	–	63 072	87 861	57 237					

MUNICIPALITY WITZENBERG

Report: Withdrawals from Municipal Bank Accounts
Quarter ending March 2019
Report in terms of section 11(4)(a) of the MFMA, Act no 56 of 2003

		Income	Income	Income	Expenditure	Expenditure	Expenditure				
MFMA Section	**Item Description**	**Income transactions January 2019**	**Income transactions February 2019**	**Income transactions March 2019**	**Expenditure transactions January 2019**	**Expenditure transactions February 2019**	**Expenditure transactions March 2019**	**Income YTD transactions Quarter 3**	**Expenditure YTD transactions Quarter 3**	**Total YTD Income**	**Total YTD Expenditure**
		R	**R**		**R**	**R**		**R**	**R**	**R**	**R**
11(1) (b)	Expenditure authorised in terms of section 26(4) (Expenditure before annual budget is approved)							-	-	-	-
11(1) (c)	Unforeseeable and unavoidable expenditure authorised in terms of section 29(1) (Mayor may approve emergency or other exceptional circumstances expenditure for which no budget provision was made)							-	-	-	-
11(1) (d)	Section 12 withdrawals (Relief, charitable, trust or other funds withdrawals)							-	-	-	-
11(1) (e) (i)	Money collected on behalf of organ of state:							-	-	-	-
	- VAT	-	-	-	2 202 787	2 949 487	3 479 247	-	8 631 522	-	25 736 337
	- Agency fees, for example motor registration, drivers licence, etc.	-	-	30 257	-	-	-	30 257	-	30 257	-
11(1) (e) (ii)	Insurance received by the Municipality on behalf of organ of state							-	-	-	-
11(1) (f)	Refund of money incorrectly paid into bank account							-	-	-	-
11(1) (g)	Refund of guarantees, sureties & security deposits	-225 676	-226 160	-205 944	154 962	135 585	125 715	-657 781	416 262	-1 691 940	1 172 960
		-225 676	**-226 160**	**-175 687**	**2 357 750**	**3 085 072**	**3 604 962**	**-627 524**	**9 047 784**	**-1 661 683**	**26 909 297**

		Transactions January 2019	**Transactions February 2019**	**Transactions March 2019**	**YTD Transactions Quarter 3**
11(1) (h)	Cash management and investment purposes:				-
	- Realised	-45 000 000	-40 000 000	-10 000 000	-182 000 000
	- Made	-	80 000 000	-	240 000 000
	- Nett movement	**-45 000 000**	**40 000 000**	**-10 000 000**	**58 000 000**

WITZENBERG MUNICIPALITY

Report: Expenditure on Staff & Councillor Benefits - YTD Act Mar

(Report in terms of Section 66 of the MFMA)

MFMA Section	Item Description	Original Budget 2018/2019	Amended Budget 2018/2019	Year to Date Total	% Spent to date
Staff Benefits					
66(a)	Salaries and Wages	111 885 561	106 991 217	76 250 778	71.27%
66(b)	Contributions to pension funds and medical aid	24 537 483	24 528 637	17 248 065	70.32%
66(c)	Travel, accomodation and subsistence	5 091 933	5 121 933	4 000 610	78.11%
66(d)	Housing benefits and allowances	1 686 048	1 686 048	1 086 675	64.45%
66(e)	Overtime	11 713 179	11 728 179	12 220 137	104.19%
66(f)	Loans and advances	0	0	0	0.00%
66(g)	Other type of benefit or allowances related to staff	24 949 898	25 134 069	18 488 560	73.56%
	Sub - Total (Staff Benefits)	**R 179 864 102**	**R 175 190 083**	**R 129 294 826**	**73.80%**
Councillor Benefits					
MAY	Mayor	915 791	915 791	479 853	52.40%
DM	Deputy Mayor	681 867	681 867	435 060	63.80%
SP	Speaker	682 142	682 142	433 846	63.60%
MCM	Mayoral Committee members	2 453 677	2 453 677	1 612 065	65.70%
CLLR	Other Councillors	4 700 235	4 700 235	3 195 756	67.99%
MED	Medical aid contributions	212 480	212 480	135 662	63.85%
PEN	Pension fund contributions	1 062 928	1 062 928	784 270	73.78%
WARD	Ward Committee Alllowance	1 440 000	1 440 000	976 500	67.81%
	Sub - Total (Councillors' Benefits)	**12 149 120**	**R 12 149 120.00**	**R 8 053 012.11**	**66.28%**
Total Councillor and Staff Benefits		**R 192 013 222**	**R 187 339 203**	**R 137 347 838**	**73.32%**

WITZENBERG QUARTERLY SDBIP REPORT : 3RD QUARTER 2018/19

Key Performance Area	Strategic Objective	Ref Nr	Key Performance Indicator	Annual Target	3rd Quarter		Reason if target not acieved	Corrective measures
					Target	Result		
Essential services	Sustainable provision & maintenance of basic services	TecDir1	Percentage expenditure on maintenance budget by Technical Directorate.	99%	75%	85%		
		TecDir3	Percentage expenditure on capital budget by Technical Directorate.	96%	60%	69%		
		TecRo7	Kilometres of roads upgraded & rehabilitated.	3	2	2.4		
		TecWat21	Percentage compliance with drinking water quality standards	98%	98%	100%		
		TecWat20	Decrease unaccounted water losses.	18%	18%	17%		
		TecEl37	Decrease unaccounted electricity losses.	10%	10%	14%	Increase due to typical annual cycle related to fruit industry peak time.	Unaccounted percentage will decrease towards July.
		FinInc17	Number of outstanding valid applications for water services expressed as a % of total number of billings for the service.	<1%	0%	0%		
		FinInc18	Number of outstanding valid applications for sewerage services expressed as a % of total number of billings for the service.	<1%	0%	0%		
		FinInc19	Number of outstanding valid applications for electricity services expressed as a % of total number of billings for the service.	<1%	0%	0%		
		FinInc20	Number of outstanding valid applications for waste removal services expressed as a % of total number of billings for the service.	<1%	0%	0%		
	Provide for the needs of informal settlements through improved services	TecDir2	Number of subsidised serviced sites developed.	529	300	486		
		TecWat22	Provide basic services - number of informal areas with sufficient communal water service points (taps).	3	3	3		
		TecSan13	Provide basic services - number of informal areas with sufficient communal sanitation service points(toilets).	3	3	3		
		TecRef31	Improve basic services - number of informal settlements receiving a door-to-door refuse collection and area cleaning service.	3	3	3		
		TecEl36	Percentage of houses in a subsidised housing project connected to the electrical network.	95%				
Governance	Support institutional development & transformation	CorpHR12	Report on percentage of people from employment equity target groups employed in the three highest levels of management in the municipality.	4	3	3		
		CorpHR13	Percentage budget spend on the implementation of the Workplace Skills Plan	96%	75%	63%	Delay in procurement processes.	Tender awarded. Payments to be issued accoording to contract, target will be achieved.
	Financial Viability	MM1	Pecentage spend on maintenance for the whole municipality.	99%	75%	84%		
		MM2	Percentage spend on Capital Budget for the whole municipality.	96%	60%	65%		
		FinDir3	Achieve an unqualified opinion of the Auditor-General on annual financial statements of the previous year.	1 Unqualified Report	1	1		
		FinFAdm9	Financial viability expressed as Cost-Coverage ratio	2.8	2.8	4	Increase in the available cash due to Grant Disbursements	
		FinFAdm10	Financial viability expressed as Debt-Coverage ratio	90	90	155	Reduction in outstanding loan balance resulting in an improvement of the ratio	
		FinFAdm11	Financial viability expressed outstanding service debtors	44%	44%	61%	Incremental Outstanding Debtors Balance	Collectability of Debtors' Outstanding Balance needs to be analysed
		FinInc15	Increased revenue collection	94%	94%	94%		
	Strengthen relations	MMIDP9	Number of IDP community meetings held.	14	7	7		
		ComSoc49	Number of meetings with intergovernmental partners.	12	9	10		
Communal services	Provide & maintain facilities	ComDir1	Percentage expenditure on maintenance budget by Community Directorate.	99%	75%	88%		
		ComDir2	Percentage expenditure on capital budget by Community Directorate.	96%	60%	20%	Delay in procurement processes.	Outstanding amount to be spent just over R4m, will be achievd by end of June 2019.
		ComAm34	Report on annual customer satisfaction survey on community facilities.	1	1	1		
Socio-Economic Support Services	Support the poor & vulnerable	ComLed8	The number of jobs created through the municipality's local economic development initiatives including capital projects.	390	300	300		
		ComHS14	Number of housing opportunities provided per year - top structures.	30				
		ComHS15	Number of rental stock transferred.	40	30	24	Delays for individual transfer as set out in letter from Transferring Attorneys dated 10/04/2019.	As from March 2019, a door-to-door campaign started by Housing Officials to sign contracts and debt collection agreements to expedite the process of transfers. 3 Meetings were held with Tulbagh tenants where applications for subsidies were completed. A meeting was set up with Johan Bezuidenhout Attorneys to explain the process of transferring of rental stock. The not-achieving of our targets were discussed. 16 contracts were send to the attorney for March.
		ComSoc41	Number of account holders subsidised through the municipality's Indigent Policy	4500	4500	3717		
		ComSoc42	Number of social development programmes implemented.	20	15	17		
	Create an enabling environment to attract investment & support local economy.	MMProp21	Quarterly report on the alienation of municipal properties to support economic growth.	4	3	3		
		ComLed4	Quarterly report on the implementation of strategies and planned actions as identified in the Witzenberg LED Strategy.	4	3	3		

Municipal Manager's quality certification

Quality Certificate

I, Mr D Nasson, Municipal Manager of Witzenberg Municipality, hereby certify that the quarterly budget assessment has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Print name Mr D NASSON

Municipal Manager of WITZENBERG MUNICIPALITY.

Signature: 

Date 29/04/19

IRRIGATION BOARD
KOEKEDOUW BESPROEIINGSRAAD

Telefoon: 0233155569 / 0832920590

Email: gerda.kbr@gmail.com

Posbus 804
CERES
6835

13 Maart 2019

Hiermee word verklaar dat onderstaande onderneming se KBR rekening vir die besproeiings-termyn van 1 Julie 2018 tot 30 Junie 2019, ten volle betaal is.

Aangeheg is die berekening van die uitstaande bedrag ten opsigte van die RAB-lening van die onderstaande onderneming:

Hierdie uitstaande bedrag is betaalbaar aan KBR teen die 25ste Junie 2019.

Entiteit	**WITZENBERG MUNISIPALITEIT**		
Plaas	**VREDEBES**		
	RAB Skuld / Ha	**Ha'e**	**Bedrag**
Winter	34,386.78	-	-
Somer	59,326.13	15.00	889,891.98
Drink	34,386.78	-	-
Totaal			**889,891.98**

Aannames:

1. KBR aanvaar die skriftelike bevestiging, van die uitstaande bedrag van R50 549 585.83 verskuldig aan RAB op 30 Junie 2019.
2. KBR lewer eenmalig 'n faktuur aan die betrokke onderneming vir sy gedeelte van die RAB skuld, in verhouding tot sy water-inlysting.
3. Elke onderneming reël sy eie finansiering om die betrokke faktuur te betaal.
4. Elke onderneming reël met sy betrokke bank sy eie terugbetaligsterme.
5. Elke onderneming moet 'n persoon aanwys met wie Gerda Roux kan skakel tydens hierdie proses.
6. Gerda Roux gaan elke 14dae telefonies opvolg met aangewese persoon in ondernemings,tov die finansierings-vordering.
7. Mikpunt is om teen die 15de Mei 2019, alle finansiering in plek te hê.
8. KBR wil teen 31 Mei 2019 alle fakture aan ondernemings lewer, vir betaling teen die 25ste Junie 2019.

RAB TERUGBETALINGSOPSIES
BESTAANDE vs NUWE VOORSTEL

	OU FINANSIERINGSMODEL		NUWE FINANSIERINGSMODEL	
UITSTAANDE SKULD JUN 2019	54,687,042		50,549,586	
RENTEKOERS	16.63%		10.25%	
	PMT	KAPITAAL SALDO	PMT	KAPITAAL SALDO
JAAR 1 - 2019	6,820,678	52,239,059	8,315,271	47,415,648
JAAR 2	7,161,712	54,430,496	8,315,271	43,960,481
JAAR 3	7,519,797	56,685,260	8,315,271	40,151,160
JAAR 4	7,895,787	58,968,941	8,315,271	35,951,383
JAAR 5	8,290,576	61,267,933	8,315,271	31,321,129
JAAR 6	8,705,105	63,663,418	8,315,271	26,216,275
JAAR 7	9,140,360	65,887,726	8,315,271	20,588,172
JAAR 8	9,597,379	68,122,383	8,315,271	14,383,189
JAAR 9	10,077,247	70,278,468	8,315,271	7,542,196
JAAR 10 - 2028	10,581,110	72,355,397	8,315,271	-
JAAR 11	11,110,165	74,315,997	-	-
JAAR 12	11,665,674	75,995,898	-	-
JAAR 13	12,248,957	77,313,101	-	-
JAAR 14	12,861,405	78,376,761	-	-
JAAR 15	13,504,475	78,947,087	-	-
JAAR 16	14,179,699	78,944,608	-	-
JAAR 17	14,888,684	78,317,008	-	-
JAAR 18	15,633,118	76,706,169	-	-
JAAR 19	16,414,774	74,066,193	-	-
JAAR 20	17,235,513	70,131,395	-	-
JAAR 21	18,097,289	64,628,215	-	-
JAAR 22	19,002,153	57,335,471	-	-
JAAR 23	19,952,261	47,679,442	-	-
JAAR 24	20,949,874	35,240,909	-	-
JAAR 25	21,997,367	19,572,061	-	-
JAAR 26 - 2044	23,097,236	-	-	-
Totale terugbetalings	348,628,396		83,152,706	

Notas :

* bestaande finansieringsmodel is verkry van RAB
* uitstaande skuld op 30 Junie 2019 is verkry van RAB
* nuwe voorstel gebruik aanname van 10 jaar terugbetalingstermyn teen Prima rentekoers

WITZENBERG

MUNISIPALITEIT UMASIPALA MUNICIPALITY

- MEMORANDUM -

AAN / TO: Chief Financial Officer

VAN / FROM: Manager: Supply Chain

DATUM / DATE: 3 January 2019

VERW. / REF.: 09/1/2/2

SUPPLY CHAIN MANAGEMENT: PARAGRAPH 7 (3) QUARTERLY REPORT ENDING 31 DECEMBER 2018: IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY

1. PURPOSE

(a) To report on the implementation of Council's Supply Chain Management Policy with regards to the following sub sections:

(i) Demand management
(ii) Acquisition management
(iii) Logistics management
(iv) Disposal management
(v) Performance management
(vi) Other matters

2. POLICY REQUIREMENTS

Paragraph 7 (3) of Council's Supply Chain Management Policy as approved on 29 May 2018, states the following:

The Supply Chain Manager must, within 4 days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the Chief Financial Officer, of which he must submit it within 3 days to the Accounting Officer. The Accounting Officer must within 3 days after receiving the report submit it to the Mayor.

3. DISCUSSION: SUPPLY CHAIN MANAGEMENT COMPONENTS

(a) Demand management

Demand management requires timely planning and management process to ensure that all goods and services which are required are quantified, budgeted for and delivered in a timely and effective manner at the right locations and at the critical delivery dates. These goods and services must be of appropriate quality and quantity at a fair cost.

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Furthermore the required specifications must ensure that needs are met.

In order to enhance the demand planning process, an annual procurement plan was implemented for the 2018-2019 financial year for capital spending. The revised Capital budget for the 2018-2019 is R 85 499 556. The capital spending for the second quarter amounted to R 31 815 037 which equals 37.21%. This is below the target of 40% for the first quarter.

Specifications have been drafted unbiased and advertised as such in order to promote the five pillars of procurement as set out in section 217 of the Constitution of South Africa (Act 108 of 1996). It ultimately ensured that the needs are addressed effectively.

(b) Acquisition management

The system of acquisition management must ensure the following:

(i) That goods and services are procured in accordance with authorized processes only;
(ii) That expenditure on goods and services is incurred in terms of an approved budget in terms of section 15 of the Municipal Finance Management Act (Act 56 of 2003);
(iii) That the threshold values for different procurement processes are complied with;
(iv) That bid documentation, evaluation and adjudication criteria and general conditions of a contract are in accordance with any applicable legislation; and
(v) That any Treasury guidelines on acquisition management are properly taken into account.

The bid documentation that is utilized is in accordance with the general conditions of contract and applicable legislation such as the Construction Industry Development Board Act (Act 38 of 2000). We have also taken into account guidelines issued by National and Provincial Treasury in order to further enhance our processes.

The SCM system is in the process of being computerized. The testing of the Electronic purchasing program before implementation started in June 2015. The final date of implementation was postponed to June 2019 due to the system being upgraded to web-based.

I. Bid committees

The following table details the number of bid committee meetings held for the quarter under review:

Month	Bid Specification Committee	Bid Evaluation Committee	Bid Adjudication Committee
Oct 2018	4	6	3
Nov 2018	4	3	3
Dec 2018	0	3	1

In addition, the Internal Auditor and the Local Economic development department have been invited to attend our bid committee meetings on an ad-hoc basis. This is an effort to promote transparency with regards to the processes that they will be concentrating on.

Competitive bids (in excess of R 200 000) to the value of **R 24 814 459.43 (incl. VAT)** was awarded during the quarter under review.

The following table details the number of competitive bids awarded by the bid adjudication committee including the combined values of those bids:

Month	Number of awards	Combined value of awards
Oct 2018	3	R 4 775 043.96
Nov 2018	6	R 10 039 415.47
Dec 2018	0	R 0.00
Total	**9**	**R 14 814 459.43**

The following competitive bid(s) was awarded by the Accounting Officer during the quarter under review:

Month	Number of awards	Combined value of awards
Oct 2018	0	-
Nov 2018	0	-
Dec 2018	1	R 10 000 000.00
Total	**1**	**R 10 000 000.00**

The municipality did not make use of Supply Chain Management Regulation 32 which refers to contracts secured by other organs of state for the quarter under review.

The following table details the five highest bids awarded during the quarter under review according to its contract value:

Department	Bid number	Bid description	Contract value
Corporate Services	08/2/15/78	The Supply, maintenance of digital speed cameras and the administration of the back office	R 10 000 000.00
Technical Services	08/2/16/08	Electrification of low cost houses in Vredebes, Ceres	R 5 650 097.06
Technical Services	08/2/16/02	"Supply and delivery of bricks, pavers and readymix concrete Cluster 1: Concrete brick & pavers"	R 2 780 310.00
Community Services	08/2/16/11	Supply and delivery of two new trailer mounted cherry pickers	R 1 702 322.00
Technical Services	08/2/16/05	Supply and delivery of one (1) New backhoe loader	R 1 139 650.00

II. Formal written price quotations

Formal written price quotations (between R 30 000 and R 200 000) to the value of **R 765 658.10** (incl. VAT) were awarded during the quarter under review. The following table details the number of formal written price quotations that were awarded including the combined values of those quotations:

Month	Number of awards	Combined value of awards
Oct 2018	5	R 356 743.35
Nov 2018	2	R 336 914.75
Dec 2018	1	R 72 000.00
Total	**8**	**R 765 658.10**

III. Awards made to companies according to their with Broad-Based Black Economic Empowerment (B-BBEE) level of contribution

As from 1 April 2017, the revised Preferential Procurement Regulations, 2017 became effective.

B-BBEE status level of contribution	Combined contract values for competitive bids	Combined contract values for formal written price quotations	Grand total	% of grand total
Level 1	R 20 88 943.93	R 463 783.45	R 21 282 727.38	83.20
Level 2	R 2 841 972.00	R 86 459.90	R 2 928 431.90	11.45
Level 3	R 0.00	R 0.00	R 0.00	0.00
Level 4	R 693 600.00	R 211 914.75	R 905 514.75	3.54
Level 5	R 0.00	R 0.00	R 0.00	0.00
Level 6	R 0.00	R 0.00	R 0.00	0.00
Level 7	R 0.00	R 0.00	R 0.00	0.00
Level 8	R 0.00	R 0.00	R 0.00	0.00
Non-compliant contributors	R 459 943.50	R 3500.00	R 463 443.50	1.81
Total	**R 24 814 459.43**	**R 765 658.10**	**R 25 580 117.53**	**100.00%**

The B-BBEE status level of contribution means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act. The scoring is done by either an accredited institution, registered auditor or by means of a sworn affidavit. The scorecard contains elements such as ownership, management control, employment equity, skills development, procurement, enterprise development and socio economic development. A score is then calculated as prescribed by B-BBEE Act and the Codes of Good Practice, which places the supplier on a certain B-BBEE level. Each level earns a supplier a certain number of B-BBEE points which they can claim when bidding for goods and services above a value of R 30 000 (incl VAT)

IV. Appeals by aggrieved bidders

The following appeals were received from aggrieved bidders on awards made in terms of section 62 of the Municipal Systems Act (Act 32 of 2000) for the quarter under review:

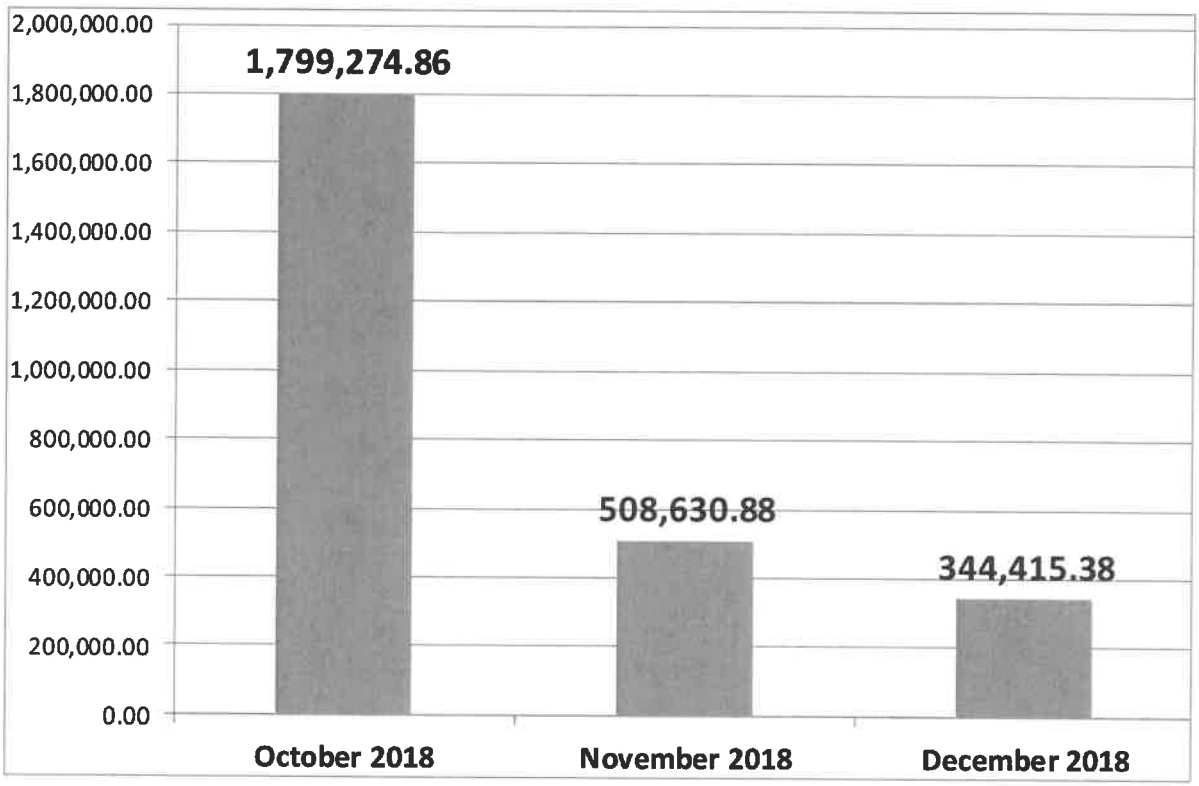
Bid number	Bid title	Date of appeal	Appellant	Reason for appeal	Status	Dealt by
08/2/15/80	Reconstruction and repair of storm damaged properties at Pine Forest resort	14 Nov 2018	Williams Loodgieters	Reason for non-compliance	Appeal is being dealt with by the Accounting Officer	Accounting Officer
08/2/15/91	Professional engineering services for Witzenberg municipality	06 Nov 2018	RHDHV	Reason for non-compliance		
		06 Nov 2018	EOH Industrial Technologies (Pty) Ltd	Calculation of cluster points		
		08 Nov 2018	Bigen Africa Services (PTY) Ltd	Reason for non-compliance		

V. Deviations from normal procurement processes

Deviations from the normal procurement processes have been monitored on an ongoing basis. Monthly reporting in terms of paragraph 44 of the SCM policy has been complied with. SCM has identified instances where the normal procurement processes can be followed to avoid having to follow the deviation process.

For the quarter under review, the total deviations approved by the Accounting Officer amounted to R 2 652 321.12, compared to the previous quarter's figure of R 1 517 048.98. This represents a increase compared to the previous quarter. It is noted that deviation values fluctuate during each period and will not necessarily reflect the same patterns.

The following graph shows the breakdown for the quarter under review:



(c) Logistics management

The system of logistics management must ensure the following:

(i) the monitoring of spending patterns on types or classes of goods and services incorporating, where practical, the coding of items to ensure that each item has a unique number;

(ii) the setting of inventory levels that includes minimum and maximum levels and lead times wherever goods are placed in stock;

(iii) the placing of manual or electronic orders for all acquisitions other than those from petty cash;

(iv) before payment is approved , certification by the responsible officer that the goods and services are received or rendered on time and is in accordance with the order, the

general conditions of contract and specifications where applicable and that the price charged is as quoted in terms of a contract;

(v) appropriate standards of internal control and warehouse management to ensure that goods placed in stores are secure and only used for the purpose for which they were purchased;

(vi) regular checking to ensure that all assets including official vehicles are properly managed, appropriately maintained and only used for official purposes; and

(vii) Monitoring and review of the supply vendor performance to ensure compliance with specifications and contract conditions for particular goods or services.

Each stock item at the municipal stores, Dromedaris Street are coded and are listed on the financial system. Monthly monitoring of patterns of issues and receipts are performed by the Storekeeper.

Inventory levels were revised at the start of each financial year to ensure sufficient stock for normal operations. Regular checking of the condition of stock is performed.

As at 31 December 2018 the value of stock at hand was R 10 185 051.01. The stock turnover rate was 1.70 times, which is above the norm of 1.50 times. The quarterly stock count of 12 December 2018 revealed no redundant stock.

Shortages, surpluses and damaged stock were reported on. The quarterly report pertaining to the stock count will be submitted to the relevant portfolio committee, MAYCO and Council in due course.

(d) Disposal management

The system of disposal management must ensure the following:

(i) immovable property is sold only at market related prices except when the public interest or the plight of the poor demands otherwise;

(ii) movable assets are sold either by way of written price quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous;

(iii) Firearms are not sold or donated to any person or institution within or outside the Republic unless approved by the National Conventional Arms Control Committee;

(iv) Immovable property is let at market related rates except when the public interest or the plight of the poor demands otherwise;

(v) All fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed;

(vi) Where assets are traded in for other assets, the highest possible trade-in price is negotiated; and

(vii) In the case of the free disposal of computer equipment, the provincial department of education is first approached to indicate within 30 days whether any of the local schools are interested in the equipment.

We are complying with section 14 of the MFMA which deals with the disposal of capital assets. A new bid process will be followed to appoint a new auctioneer.

(e) Performance management

The SCM policy requires that an internal monitoring system be established and implemented in order to determine, on the basis of retrospective analysis, whether the SCM processes were followed and whether the objectives of the SCM policy were achieved.
The Accounting Officer has appointed the Internal Auditor as an independent observer. His task is only to observe the bidding process at a bid committee level and to report back to the Accounting Officer on the following issues:

- Compliance with chapter 11 of the Municipal Finance Management Act (Act 56 of 2003);
- Adherence to bid committee structures as stipulated in the Supply Chain Management regulations of 2005 and the Witzenberg Municipality's Supply Chain Management Policy;
- The applicable sections relating to points scoring and the evaluation of bids in terms of the Preferential Procurement Policy Framework Act (Act 5 of 2005);
- Compliance with the code of conduct for Supply Chain Practitioners and Bid Committee Members; and
- To propose improvements to the bid committee system and process.

No meetings were attended by the Internal Audit section during this quarter therefore no report is available.

(f) Other matters

The SCM staff is equipped to comply with the provisions of the said regulations.

The following training/ workshops were attended by SCM staff during the quarter under review;

Presenter	Topic	Name of attendee(s) and position(s)	Date from	Date to
Provincial Treasury / University of Stellenbosch (USB)	Public sector Governance	R Rhode (IT: Administrator) C le Kay (Senior Public relations Officer) L Nieuwenhuis (Senior: Legal advisor) WP Mars (Manager: Financial Administration) M Frieslaar (Manager: SCM)	02/10/2018	03/10/2018

Furthermore:

(i) No awards were made to persons whose tax matters were not in order.

(ii) No awards were made to persons who are in the service of the state.

5. RECOMMENDATION

(a) That the Chief Financial Officer submits the report to the Accounting Officer by 7 January 2019;
(b) That the Accounting Officer submits the report to the Executive Mayor by 10 January 2019;
(c) That the report serves before the relevant portfolio committee, the Executive Mayoral Committee and Council for information; and

(d) That the report be made available to the public in terms of section 21 A of the Municipal Systems Act (Act no 32 of 2000) after it has served before Council.

Yours sincerely

MG FRIESLAAR
MANAGER: SUPPLY CHAIN

RECEIPT OF REPORT:

.....
AJ RAUBENHEIMER
ACTING CHIEF FINANCIAL OFFICER

DATE: 08/01/2019

.....
D NASSON
ACCOUNTING OFFICER

DATE: 11/01/19

.....
CLLR B KLAASEN
EXECUTIVE MAYOR

DATE: 11/01/19

WITZENBERG

MUNISIPALITEIT UMASIPALA MUNICIPALITY

- MEMORANDUM -

AAN / TO: Acting Chief Financial Officer

VAN / FROM: Manager: Supply Chain

DATUM / DATE: 02 April 2019

VERW. / REF.: 06/1/1

REPORT: QUARTERLY INVENTORY COUNT: MUNICIPAL STORES, DROMMEDARIS STREET, CERES

1. Purpose

To report on the quarterly inventory count held on the 20 March 2019 and to narrate the findings to Council in terms of:

- Surpluses and shortages of stock items;
- Redundant stock items; and
- Damaged stock items

2. Discussion

During the completeness, accuracy and validity process of inventory to the value of R 11 998 693.97, teams were divided into three groups consisting of two employees each. These employees are not involved in the daily administrative activities of the municipal inventory. The process was supervised by the Manager: Supply Chain Management.

The store personnel were also on hand to provide assistance to counters when deemed necessary by counters.

3. Findings and financial implications

During the completeness, accuracy and validity process of inventory the following was identified:

3.1 Inventory surpluses

The following surpluses were found:

Table 3.1 (a)

Item code	Item Description	Quantity	Value per item (R)	Total value (R)
H0001	BATHROOM SOAP	2	R 9.22	R 18.44
X0119	PILOT BPS BALLPEN BLK-FINE	2	R 16.85	R 33.70

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3.2 Inventory shortages

The following shortages were found:

Table 3.1 (b)

Item code	Item Description	Unit	Quantity	Value per item (R)	Total value (R)
E0012	15MM SWIVEL ELBOWS CONEX	EA	1	R 50.21	R 50.21
Q0019	12V H7 BULBS	EA	2	R 17.54	R 35.08
P0007	PETROL	L	100	R 12.99	R 1 299.20
D0001	DIESEL	L	50	R 13.02	R 651.05
N0001	2.5KG WHITE SUGAR	EA	6	R 34.18	R 205.08

Petrol and diesel shortages can be attributed to the testing of fuel. An independent service provider were appointed in June 2018 to test the quality of the fuel. As a result of the flushing and samples taken the issuing of stock was not processed on the system.

3.3 Redundant inventory

It should be reported that the municipality identified no redundant inventory.

3.4 Damage inventory

The following stock was damaged beyond repair:

Table 3.1 (c)

Item code	Item Description	Quantity	Value per item (R)	Total value (R)
Q0013	12V DOUBLE CONTACT BULBS	1	R 2.98	R 2.98

The item accidentally fell from the shelf on the floor.

3.5 Slow moving inventory

Slow moving inventory highlighted was distributed to the relevant departments to determine whether the stock levels must be revised to ensure that the stores are managed optimally. Amendments were made to the system that reflect the changes by the relevant user department.

4. RECOMMENDATION TO COUNCIL

(a) That cognizance be taken of the stock count of 20 March 2019;
(b) That Council authorize the up taking of surpluses as per table 3.1 (a) above;
(c) That Council authorizes the writing off of stock shortages as per table 3.1 (b) to the value of R 2 240.62; and
(d) That Council authorizes the writing off of damaged stock as per table 3.1 (c) above to the value of R 2.98.

Yours sincerely

MG FRIESLAAR
MANAGER: SCM

WITZENBERG

MUNISIPALITEIT UMASIPALA MUNICIPALITY

- MEMORANDUM -

AAN / TO: Municipal Manager

VAN / FROM: Director: Finance

DATUM / DATE: 21 May 2019

VERW. / REF.: 05/01/1/18

BUDGET 2019/2020 AND REVIEWED IDP FOR CONSIDERATION

1. PURPOSE

The purpose of this report is to table the 2019/2020 draft Budget and IDP for consideration to the Municipal Manager, Executive Mayor and Council.

2. LEGAL FRAMEWORK

Section 16 - 18 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) stipulates as follows:

"Annual budgets

16. (1) The council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year.

*(2) **In order for a municipality to comply with subsection (1), the mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.***

(3) Subsection (1) does not preclude the appropriation of money for capital expenditure for a period not exceeding three financial years, provided a separate appropriation is made for each of those financial years."

"Contents of annual budgets and supporting documents

17. (1) An annual budget of a municipality must be a schedule in the prescribed format –

(a) Setting out realistically anticipated revenue for the budget year from each revenue source;

(b) Appropriating expenditure for the budget year under the different votes of the municipality;

(c) Setting out indicative revenue per revenue source and projected expenditure by vote for the two financial years following the budget year;

(d) Setting out –

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(i) *Estimated revenue and expenditure by vote for the current year; and*
(ii) *Actual revenue and expenditure by vote for the financial year preceding the current year; and*

(e) *A statement containing any other information required by section 215 (3) of the Constitution or as may be prescribed.*

(2) *An annual budget must generally be divided into a capital and an operating budget in accordance with international best practice, as may be prescribed.*

(3) *When an annual budget is tabled in terms of section 16 (2), it must be accompanied by the following documents:*

(a) *Draft resolutions –*
(i) *Approving the budget of the municipality;*
(ii) *Imposing any municipal tax and setting any municipal tariffs as may be required for the budget year;*
(iii) *Approving the budgets for the relevant financial year of each municipal entity under the sole or shared control of the municipality; and*
(iv) *Approving any other matter that may be prescribed;*

(b) *Measurable performance objectives for each vote in the budget, taking into account the municipality's integrated development plan;*

(c) *A projection of cash flow for the budget year by revenue source, broken down per month;*

(d) *Any proposed amendments to the municipality's integrated development plan following the annual review of the integrated development plan in terms of section 34 of the Municipal Systems Act;*

(e) *Any proposed amendments to the budget-related policies of the municipality;*

(f) *Particulars of the municipality's investments;*

(g) *Any prescribed budget information on municipal entities under the sole or shared control of the municipality;*

(h) *Particulars of all proposed new municipal entities which the municipality intends to establish or in which the municipality intends to participate;*

(i) *Particulars of any proposed service delivery agreements, including material amendments to existing service delivery agreements;*

(j) *Particulars of any proposed allocations or grants by the municipality to –*
(i) *Other municipalities;*
(ii) *Any municipal entities and other external mechanisms assisting the municipality in the exercise of its functions or powers;*
(iii) *Any other organs of state;*
(iv) *Any organisations or bodies referred to in section 67 (1);*

(k) *The proposed cost to the municipality for the budget year of the salary, allowances and benefits of–*
(i) *Each political office-bearer of the municipality;*
(ii) *Councillors of the municipality; and*
(iii) *The municipal manager, the chief financial officer, each senior manager of the municipality and any other official of the municipality at a remuneration package at least equal to that of a senior manager;*

(l) *The proposed cost for the budget year to a municipal entity under the sole or shared control of the municipality of the salary, allowances and benefits of –*
(i) *Each member of the entity's board of directors; and*
(ii) *The chief executive officer and each senior manager of the entity; and*

(m) *Any other supporting documentation as may be prescribed."*

"Funding of expenditures

18. (1) an annual budget may only be funded from –

(a) Realistically anticipated revenues to be collected;

(b) cash-backed accumulated funds from previous years' surpluses not committed for other purposes; and

(c) Borrowed funds, but only for the capital budget referred to in section 17 (2).

(2) Revenue projections in the budget must be realistic, taking into account –

(a) Projected revenue for the current year based on collection levels to date; and

(b) Actual revenue collected in previous financial years."

3. DISCUSSION

The Budget documents and IDP were tabled at the Council Meeting held on 26 March 2019.

The Budget documents and IDP were published in a local newspaper, on the municipal website and meetings were held in all towns in the Witzenberg area.

4. RECOMMENDATION

(a) That the annual budget of Witzenberg Municipality for the financial year 2019/2020; and indicative for the two projected years 2020/2021 and 2021/2022, as set out in the schedules contained in Section 4, be approved:

i. Table A2: Budgeted Financial Performance (expenditure by standard classification).

ii. Table A3: Budgeted Financial Performance (expenditure by municipal vote).

iii. Table A4: Budgeted Financial Performance (revenue by source).

iv. Table A5: Budgeted Capital Expenditure for both multi-year and single year by vote, standard classification and funding.

(b) Property rates reflected in Annexure 8.1.8(c) and any other municipal tax reflected in Annexure 8.1.8(c) are imposed for the budget year 2019/2020.

(c) Tariffs and charges reflected in Annexure 8.1.8(c) are approved for the budget year 2019/2020.

(d) The measurable performance objectives for revenue from each source reflected in Table A4 - Budgeted Financial Performance (revenue and expenditure) are approved for the budget year 2019/2020.

(e) The measurable performance objectives for each vote reflected in SA8 are approved for the budget year 2019/2020.

(f) That the new amended budget related policies be approved with implementation as from 1 July 2019:

i. Tariff Policy
ii. Property Rates Policy
iii. Credit Control and Debt Collection Policy.
iv. Cash Management and Investment Policy
v. Consumer Payment Incentive Policy.
vi. Municipal Supply Chain Management Policy.
vii. Petty Cash Policy
viii. Indigent Policy
ix. Budget Policy
x. Budget Virement Policy
xi. Asset Management Policy
xii. Funding and Reserves Policy
xiii. Cellular telephone and data card policy
xiv. Borrowing Policy
xv. Long Term Financial Plan Policy
xvi. Transport, Travel and Subsistence Allowance
xvii. Post-Employment Medical Aid Contributions

(g) That the reviewed Integrated Development Plan be approved.

(h) That council take cognisance of the budget circulars issued by National Treasury and Provincial Treasury.

(i) That council take cognisance of the LG MTEC Integrated Planning and Budgeting Assessment and the responses by the municipality.

Yours faithfully

AJ RAUBENHEIMER
ACTING DIRECTOR FINANCE



WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

2ND REVIEWED INTEGRATED DEVELOPMENT PLAN 2019 – 2020

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GLOSSARY

BBBEE	Broad Based Black Economic Empowerment
BEE	Black Economic Empowerment
CDWs	Community Development Workers
CBD	Central Business District
CDI	City Development Index
CWDM	Cape Winelands District Municipality
CAPEX	Capital Expenditure
DM	District Municipality
DWAF	Department of Water Affairs and Forestry
DBSA	Development Bank of Southern Africa
DTI	Department of Trade and Industry
DPLG	Department of Provincial and Local Government
DEAT	Department of Environmental Affairs and Tourism
DLA	Department of Land Affairs
DSDF	District Spatial Development Framework
EE	Employment Equity
EL	External Loans
GDPR	Gross Domestic Product Regional
GDP	Gross Domestic Product
GCIS	Government Communications and Information Systems
HDI	Human Development Index
HR	Human Resources
IDP	Integrated Development Plan
IWMP	Integrated Waste Management Plan
IS	Information Systems
ICASA	Independent Communications Authority of South Africa
IT	Information Technology
KPAs	Key Performance Areas
KPIs	Key Performance Indicators
LED	Local Economic Development
MSA	Municipal Systems Act
MSIG	Municipal Systems Improvement Grant
MIG	Municipal Infrastructure Grant
MAYCO	Mayoral Committee
MTREF	Medium Term Revenue Expenditure Framework
MPCC	Multi-purpose Community Centre
NSDP	National Spatial Development Framework
NGO's	Non-governmental Organisation
OPEX	Operational Expenditure
PPP	Public Private Partnerships
PGDS	Provincial Growth and Development Strategy
PMS	Performance Management System
PTIP	Public Transport Improvement Plan
RDP	Reconstruction and Development Programme
RED Door	Real Economic Development Door

RSEP	Regional Socio-Economic Programme
SDF	Spatial Development Framework
SEDA	Small Enterprise Development Agency
SDBIP	Service Delivery Budget Implementation Plan
SCM	Supply Chain Management
SMME	Small, Micro and Medium Enterprise
SALGA	South African Local Government Association
STR	Small Town Regeneration
UISP	Upgrade of Informal Settlements Programme
IUDF	Integrated Urban Development Framework
WCED	Western Cape Education Department

1 EXECUTIVE SUMMARY

A. EXECUTIVE MAYOR FOREWORD



This process marks the first review of the 4th Generation Five-year Integrated Development Plan. Witzenberg still accounts for the second smallest population size in the Cape Winelands, but it is the fastest growing municipality in the district. The statistics released have further shown that there has been an increase in access to the basic service delivery by the municipality to its community and I am particularly proud of the progress made.

Our vision and mission for the remaining period of the IDP will be the same. Our focus areas will be outcomes-based and I believe that through proper documented deliverables we will create projects that will ensure a change in our municipal landscape. The IDP remains focused on the following outcomes, which will align and integrate with our municipal objectives, namely:

1. Creating more opportunities
2. Making local government responsive
3. Providing better service delivery
4. Preventing and/or stopping corruption
5. Providing meaningful redress

We have added more key performance indicators to measure our effectiveness in terms of the above municipal objectives which also aligns with the Provincial objectives relevant to Local Government. We have entered a new era with the Koekedouw dam (which provide water for Ceres and Prince Alfred Hamlet) and are now effectively in control of the Management of the asset. Our water supply has increased from 7 million m^3 to 10million m^3 which is not only creating a sustainable water resource but also a potential income generating asset. The drought situation is having a severe impact on our local economy and we are gearing ourselves to be more efficient, effective and smarter in managing our income sources. Council has in this context appointed a task team to look at all water and electrical losses as well as measures to implement our credit control policy more efficiently. We have amended our Indigent Policy which will lead to an increase in the number of indigent household within our municipal area. The purpose of the aforesaid is to address the plight of the poorer households. The Vredebes housing project, the first integrated housing scheme within Witzenberg, will see the commencement of building of top structures at the start of the new financial year. This is a major breakaway from the old apartheid town planning tradition. We have further aligned our spatial development framework process and time frames with that of the IDP and we will start with the review thereof in the new financial year.

We will remain focused on the Small Town Regeneration, Agri-Park and RSEP/VPUU programmes. We are extremely proud of our intergovernmental relationship with both national and provincial government as well as our international partnership with Essen Municipality in Belgium and will continue to foster and nurture this relationship to the benefit of our communities.
I want to thank the Council, the Speaker, executive members of my Mayoral Committee, Councillors, the Municipal Manager, directors and employees for their effort to make Witzenberg a better place for all and to fulfill its vision as set out in the IDP.
I thank you.
Barnito Klaasen – Executive Mayor

B. MUNICIPAL MANAGER FOREWORD



The IDP remains the legislative planning instrument for the municipality and will align itself more intimately with strategic National and Provincial Plans and Provincial Strategic Plan to ensure that both national and provincial strategies are enshrined at a local level.

We are always extremely grateful for all the inputs of both the Provincial Treasury and Local Government Departments on the Municipal Budget and IDP and have implemented their recommendations in so far as it is reasonably possible.

We will be delivering on our four key performance areas and predetermined objectives namely:

- *Essential Services:*

- Sustainable provision and maintenance of basic infrastructure
- Provide for the needs of informal settlements through improved services

- *Governance:*

- Support Institutional transformation and development
- Ensure financial viability
- Maintain and strengthen relations with international and intergovernmental partners

- *Communal Services:*

- Provide and maintain facilities that make citizens feel at home

- *Socio-Economic Support Services:*

- Support the poor and vulnerable through programmes and policy
- Create an enabling environment to attract investment and to support the local economy

The challenge remains on making local government (Witzenberg) sustainable and there will be a renewed focus on opportunities and challenges that impact on such sustainability. This IDP has highlighted three programmes, namely Agri-Park, Small Town Regeneration and RSEP/VPUU to achieve the sustainability objective. The Municipality is continuously looking to broaden its tax base to ensure its financial viability. We are currently in the process of reviewing our LED Strategy which will hopefully be adopted within the first quarter of the financial year. Our administration is committed to the principles of Batho Pele and will ensure that we strive towards

- Strategic, credible and focussed planning guided by intelligent analysis of our external and internal environment
- A skilled, qualified, disciplined and motivated workforce
- Optimising our limited financial and administrative resources for maximum performance and output
- Improving our organisational design and governance that will ensure Council meets its objectives of creating a better life for all citizens and communities of Witzenberg
- Improving customer relations and building strong community and business partnerships

In conclusion, the administration will continue to improve on service excellence and commit to delivering on this new five-year strategic mandate of Council and the people of Witzenberg.

David Nasson – Municipal Manager

2 INTRODUCTION

A. ABOUT THE IDP

I. EXECUTIVE SUMMARY

As Witzenberg Municipality we are proud to present this first review of our 4th Generation IDP as developed and drafted in consultation with the people of Witzenberg, provincial government and sector departments, local business forums and civil society stakeholders.

The new five-year IDP sets out the vision and mission of the municipality and clearly defines the strategies and plans to deliver our objectives of infrastructure-led growth, sustainable human settlements, financial sustainability, LED, social development, strategic partnerships and international relationships.

The development of a credible IDP allows the municipality to engage in continuous planning, monitoring and evaluation of all the sector plans that form part of this IDP. The review of the 4th Generation IDP is therefore set out in the following way:

A thorough **analysis of the spatial, economic and environmental issues** in conjunction with the community, partners in government and other stakeholders has highlighted two major issues that will influence our strategies and planning over the next five years. The increased growth of especially our more vulnerable population will be addressed through the implementation of **social housing programmes such as Vredebes** and the upgrade of the informal settlement in N'Duli. These projects require major bulk infrastructure upgrading that will take up the largest portion of our grant funding for the next five years. The analysis of our **Agri-economic environment** has also indicated a positive growth over the next five years and is it essential that the municipality provides sufficient bulk and network infrastructure to support investment and job creation opportunities. It is in this regard that we will work together with the Department of Rural Development and Land Reform as well as the Department of Agriculture to ensure the successful implementation of the Agri-Park.

Witzenberg has identified four key performance areas (KPAs) based on the objectives of local government as set out in Section 156 of the Constitution.

The **KPA: Essential Services** includes the objectives of sustainable provision and maintenance of basic services and provision for the needs of informal settlements. These objectives include programmes and projects that will especially focus on the provision of **bulk infrastructure for housing project**s. The provision of **bulk electricity by Eskom** has been identified as a major risk as existing Eskom bulk infrastructure currently cannot provide for the growth requirements of Witzenberg. Other programmes and projects include the development and implementation of a **waste management strategy** with the focus on decreasing waste through the implementation of a material recovery facility and drop-off points to replace the garden waste skips. This will be done with the support and cooperation of Witzenberg's twinning municipality, Essen, in Belgium. The ongoing

drought in the Western Cape has also had an impact on Witzenberg and it is especially in **Tulbagh** where insufficient **water storage** capacity has resulted in the implementation of water restrictions. Funding has been allocated by the Department of Water Affairs for the construction of a storage dam over the next three years.

The key performance area of **Governance** includes the objectives of institutional development and transformation, financial viability and the strengthening of partnerships.

Financial Viability is essential towards a sustainable and developmental local government. We will especially focus on **debt management** to address non-payment, but will also continue to support our vulnerable communities through our **indigent and pro-poor policies.**

Our third key performance area of **Communal Services** includes the objective of providing and maintaining facilities and the environment. The Witzenberg mountains are the source of four of the Western Cape's major rivers and programmes. The focus will be on the **conservation of our natural environment**, the eradication of aliens in our rivers and ongoing awareness programmes that will be implemented in conjunction with various role-players.

The **Socio-Economic Support Services** KPA focuses on the objectives to support the poor and to create an enabling environment to support the local economy. The construction of houses in Vredebes will **improve the living conditions of those in informal settlements, overcrowded houses and structures in backyards.** The Vredebes development will also make provision for "GAP" housing under the FLISP Programme of the Department of Human Settlements.

The continued support and implementation of the Agri-Park will create **opportunities for investment, job creation and land reform** as an enabling environment for local economic growth.

We also understand that this is merely a strategic document and that the major challenge will be implementing and realising our plans. The Council and administration commit to achieving the objectives as set out in this IDP and urge the people of Witzenberg to walk this exciting road with us towards improved livelihoods.

II. DEFINITION

Integrated Development Planning is the process through which the municipality prepares a strategic developmental plan, which is the principal strategic instrument guiding all planning, management, investment, development and implementation decisions, taking into account input from all stakeholders.

The IDP crosses departmental divisions by linking the physical, social, institutional and economic components of planning and development with management and development structure. It also integrates and aligns planning in different spheres of government and therefore enforces and upholds the spirit of cooperative governance in the public sector.

The Constitution of the Republic of South Africa (1996) commits government to take reasonable measures, within its available resources, to ensure that all South Africans have access to adequate housing, healthcare, education, food, water and social security. Developmental local government can only be realised through integrated development planning and the compilation of a credible Integrated Development Plan (IDP).

III. LEGISLATION

Legal Framework for Integrated Development Planning

According to the Constitution of the Republic of South Africa, the local sphere of government is charged with the responsibility of implementing developmental local government as well as cooperative governance. The mandate to relate its management, budgeting and planning functions to its objectives gives a clear indication of the intended purposes of municipal integrated development planning, namely:

- Ensure sustainable provision of services
- Promote social and economic development
- Promote a safe and healthy environment
- Give priority to the basic needs of communities
- Encourage involvement of communities

The first piece of legislation drafted to reflect the responsibility of the local sphere of government to implement integrated development planning by means of the compilation of an IDP document, was the Local Government Transition Act (1993) as amended by the Local Government Transition Second Amendment Act (1996). In this legislation the IDP was presented as the main planning instrument that guides all planning and decision-making process of the municipality.

The Local Government Transition Act was an interim piece of legislation applicable to the local sphere of government until the demarcation of municipalities was finalised, and the need then arose to enact legislation regulating integrated development planning on a more permanent basis.

In 2000 the Local Government: Municipal Systems Act 32 of 2000 (MSA) came into effect. Section 25(1) of the Act stipulates that each municipal council must, after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality which:

- Links, integrates and coordinates plans and takes into account proposals for the development of the municipality;
- Aligns the resources and capacity of the municipality with the implementation of the plan;
- Forms the policy framework and general basis on which the annual budget must be based; and
- Is compatible with national and provincial development plans, and planning requirements binding on the municipality in terms of legislation.

The MSA is therefore the principal piece of legislation governing integrated development planning at municipal level. Municipalities are bound by it and must ensure its implementation. Other legislation and policy documents that

contain reference to integrated development planning are:

- The Constitution of the Republic of South Africa Act 108 of 1996;
- Reconstruction and Development Programme (RDP);
- Growth, Employment and Redistribution Strategy (GEAR);
- Tourism Act 72 of 1993;
- Development Facilitation Act 67 of 1995;
- National Water Act 36 of 1997;
- Housing Act 107 of 1997;
- White Paper on Local Government of 1998;
- Local Government: Municipal Structures Act 117 of 1998;
- National Environmental Management Act 107 of 1998;
- National Land and Transportation Transition Act 22 of 2000;
- Disaster Management Act 52 of 2002;
- White Paper on National Civil Aviation Policy (2005); and
- The Local Government: Municipal Finance Management Act 56 of 2003.

A further piece of legislation which has a tremendous impact on the IDP is the Municipal Finance Management Act (MFMA). Due to the coming into effect of this Act, the revision of the IDPs must be aligned with the stipulations and timeframes as set out in this Act.

Section 35 of the MSA states explicitly that an integrated development plan adopted by municipal council is the principal strategic planning instrument which:

- Guides and informs all planning and development, and all decision making with regard to planning, management and development in the municipality;
- Binds the municipality in the exercise of its executive authority, except to the extent of any inconsistency between a municipality's IDP and national or provincial legislation, in which case such legislation prevails; and
- Binds all other persons to the extent that those parts of the IDP that impose duties or affect the rights of those persons have been passed as a by-law.

Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP.

IV. PROCESS

Developing the Integrated Development Plan

In compliance with the Municipal's Systems Act as amended, the IDP Review and Budget Process Plan were adopted by full Council on 23 August 2018.

This IDP and Budget Process Plan inter alia seek to address the:

- Identification of areas requiring additional attention in terms of legislative requirements, proper planning processes and sound financial management;
- Inclusion of the most current Census and own statistical data;
- Consideration and review of any other relevant and new information;
- Addressing comments received from the various role-players;
- Shortcomings and weaknesses identified through self-assessment;
- Preparation and review of sector plans and its alignment with the IDP;
- Preparation and review of the Performance Management System (PMS);
- Update of the 5-year Financial Plan; and
- Preparation and finalisation of the annual Budget in terms of the relevant legislation.

The situational analysis process started in November 2018 and was preceded by public meetings/jamborees in all the major towns of Witzenberg namely: Tulbagh, Wolseley, Ceres, N'Duli, Bella Vista, Prince Alfred's Hamlet and Op-die-Berg.

These Ward Committees greatly assisted the municipality in areas where the public meetings were attended poorly and with its aim and purpose to ensure broader public input into the municipal affairs.

All further actions in accordance with legislative and regulatory requirements, such as the final approval of the IDP, and the Medium Term Revenue and Expenditure Framework for the ensuing three year financial cycles, SDBIPs, the submission of all the relevant documentation to the appropriate authorities and the making public of these final documents will be executed.

Public Participation Process

Section 29 of the Municipal Systems Act, No 32 of 2000 states that –
29. (1) The process followed by a municipality to draft its integrated development plan, including its consideration and adoption of the draft plan, must –
(b) through appropriate mechanisms, processes and procedures established in terms of Chapter 4, allow for—
(i) the local community to be consulted on its development needs and priorities;
(ii) the local community to participate in the drafting of the integrated development plan.

It provides an opportunity for all stakeholders with different needs and priorities to learn from each other and to negotiate and compromise around their viewpoints, leading to unification and consensus building.

The municipality adopted the 2019 – 2020 Reviewed IDP and Budget Process Plan on 23 August 2018. Amongst others, it includes appropriate mechanisms, processes and procedures for consultation and participation of local communities, organs of state, and other role-players in the IDP drafting process.

The diagram on the following page outlines the steps in developing the Reviewed Integrated Development Plan 2019 – 2020.

Public participation allows the municipality and the community to focus on itself, and develop a future-orientated vision and mission, proactively positioning itself and adapting and learning from an ever-changing environment.

Steps and events 2018/2019

Task and Outputs Development Plan	Engagements with Council, Administration and communities
1. PREPARATION: IDP, process and framework plans preparation and publishing of process plan – adoption	2019/20 2nd Reviewed IDP and budget process plan – adopted 23 August 2018 by Council. Preparation and publishing of process plan
2. **ANALYSIS:** Assessment of current levels of development based on existing facts and figures and community input (status quo)	Situational analysis – Snr Management – 12 and 26 November 2018 Municipal Manager working session with management team approach to finalising our draft documents – 29&30 January 2019
3. STRATEGIES: Vision statement, development objectives and strategies, project identification and prioritisation based on stakeholder interaction	14 February 2019 was the due date for budget inputs by officials 14 February 2019 – technical integrated municipal engagements with Province
4. PROGRAMMES, PROJECTS AND BUDGET: Project business plans including KPIs, outputs, target markets, location, tasks, time scales, funding sources, responsibilities and budget estimates	Administratively finalising the Draft IDP – March 2019; administratively finalising the Draft Budget – March 2019
5. INTEGRATION: 5-year capital programme; Integrated Spatial Development Framework; institutional plan; monitoring management system	Tabling of drafts at Council meeting – 26 March 2019; Community and sectoral consultative engagements held from 8 April to 17 April 2019; 1711 community members took part in the public participation during the review of the IDP Provincial-LGMTEC-3/IDP Analysis – 3 May 2019
6. APPROVAL: Consultation and submission	Workshop between MayCo and senior management on Final Draft IDP, SDBIP and Budget – 29 May 2019 Adoption by Council of the 2019/20 2nd Reviewed IDP and Budget –30 May 2019
7: MONITORING AND IMPLEMENTATION: Advertisement and publication; SDBIPs	Submit copies of the reviewed IDP, budget and SDBIP to the MEC, DPLG and Treasury. Publish a summary of reviewed IDP, budget and SDBIP in local newspaper

B. VISION, MISSION, OBJECTIVES

I. VISION AND MISSION

Our Vision

A municipality that cares for its community, creating growth and opportunities.

Our Mission

The Witzenberg Municipality is committed to improve the quality of life of its community by:

- Providing and maintaining affordable services
- Promoting social and economic development
- The effective and efficient use of available resources
- Effective stakeholder and community participation

Value System

- Driven by the aspirations of our community, we will respect and uphold the Constitution of the Republic of South Africa.
- We commit ourselves to the Code of Conduct for Councillors and officials in terms of the Municipal Systems Act.
- We commit ourselves to the principles of sound financial management.

We subscribe to the principles of Batho Pele

- Consultation – Citizens should be consulted about service levels and quality when possible.
- Service standards – Citizens must be made aware of what to expect in terms of the level and quality of services.
- Access – Citizens should have equal access to the services to which they are entitled.
- Courtesy – Citizens should be treated with courtesy and consideration.
- Information – Citizens must receive full and accurate information about their services.
- Openness and transparency – Citizens should be informed about government departments' operational budgets and management structures.
- Redress – Citizens are entitled to an apology, explanation and remedial action if they are promised a standard of service that is not delivered.
- Value for money – Public services should be provided economically and efficiently.

II. STRATEGIC MAP

WITZENBERG MUNICIPALITY: STRATEGIC MAP 2018/19					
Vision	**Mission**	**Municipal KPA**		**Pre-determined Objectives**	
A municipality that cares for its community, creating growth and opportunities.	The Witzenberg Municipality is committed to improve the quality of life of its community by: - Providing & maintaing affordable services - Promoting Social & Economic Development - The effective & efficient use of resources - Effective stakeholder & community participation.	1	Essential Services	1,1	Sustainable provision & maintenance of basic infrastructure
				1,2	Provide for the needs of informal settlements through improved services
		2	Governance	2,1	Support Institutional Transformation & Development
				2,2	Ensure financial viability.
				2,3	To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the creation of participative structures.
		3	Communal Services	3,1	Provide & maintain facilities that make citizens feel at home.
		4	Socio-Economic Support Services	4,1	Support the poor & vulnerable through programmes & policy
				4,2	Create an enabling environment to attract investment & support local economy.

III. SWOT ANALYSIS

Strengths	Weaknesses
▪ Pro-poor policies (e.g. indigent; procurement) ▪ Close cooperation at management level ▪ Good dialogue with business and agricultural sectors ▪ Good water quality ▪ Effective international relations ▪ IGR structures and forums ▪ Budget control ▪ Natural environment ▪ Location for certain opportunities ▪ Good governance and good IGR ▪ Meeting constitutional obligations ▪ Visionary leadership ▪ Low vacancy rate in organisational structure ▪ Community engagements	▪ Financial limitations ▪ Town management ▪ Inadequate storm water systems in some areas ▪ Old asbestos water and sanitation networks ▪ Resealing and maintenance of roads ▪ Garden refuse – Tulbagh, Wolseley and N'Duli ▪ Law enforcement ▪ Ageing infrastructure ▪ Centralisation/town management ▪ High water losses ▪ Lack of integration policies, silo operations ▪ Office space ▪ Slow turnaround time ▪ Vulnerable IT (integration)
Opportunities	**Threats**
▪ Tourism potential ▪ Active ward committees and related activities ▪ Further international relations ▪ IGR and cooperation on transversal programmes ▪ Wolwekloof Learning Academy ▪ EPWP for poverty reduction ▪ Close working relationship with big business to enhance economic development ▪ Performance management system to monitor organisational performance not fully in place ▪ Pine forest ▪ Recycling and composting ▪ Renewable energy ▪ Reduce water losses/unaccounted to acceptable standards ▪ Available natural resources to stimulate economic growth ▪ Development of GIS ▪ Good communication and branding ▪ Marketing (internal and external) ▪ Expand international relationships ▪ Upgrade infrastructure ▪ LED pilot projects ▪ Land audit ▪ Natural environment ▪ Revenue enhancement ▪ Koekedouw Dam ▪ Rural wards – funding possibilities ▪ Improvement of client services ▪ Real law enforcement	▪ Seasonal agriculture-based labour shrinks revenue base ▪ Political volatility (fragile coalitions) ▪ High level unemployment/economically inactive people ▪ Increasing TB and HIV/Aids prevalence ▪ Vandalism, theft of municipal assets and property ▪ Legacy of decrepit infrastructure and insufficient infrastructure replacement programme ▪ Uncontrolled habitation in informal settlements ▪ Insufficient revenue base/lack of economic growth ▪ Equitable funding formula ▪ Insufficient land for graveyards ▪ Substance abuse can become a threat ▪ Farm eviction ▪ Tulbagh roads ▪ Service delivery in informal settlements ▪ Social ills – HIV and TB, crime, substance abuse ▪ Unemployment ▪ Migration / influx control ▪ Land availability ▪ Financial sustainability ▪ Cost of services ▪ Sustainability of low-cost housing ▪ Grant dependency ▪ Animal management ▪ NERSA legislation – non-compliance / compliance ▪ ESKOM / load shedding – incapacity to increase for demand from municipality

IV. GOVERNMENT ALIGNMENT

Municipalities are encouraged and supported by both national and provincial government to develop realistic and credible IDPs that not only comply with relevant legislation but also–

1. are owned by local leadership, municipal management and the community as the single strategic plan to direct resources within the municipality;
2. are driven by the management team and systems within the municipality with implementation regularly monitored during the year through the performance management system;
3. contain a long-term development strategy that can guide investment across the municipal area;
4. provide an investment plan for national, provincial and local government and non-governmental stakeholders to enhance and enable joint planning and resource alignment to improve service delivery to all stakeholders; and
5. include local area or ward plans to localise the strategy and implementation of the IDP.

National Policy Directives

There is a clear hierarchical structure of national policy directives starting with the Medium Term Strategic Framework for 2009-2014 (MTSF) to the 2010 Cabinet Lekgotla's 12 National Outcomes.

Medium-term Strategic Framework for 2014-2019 (MTSF)

The Medium-term Strategic Framework (MTSF) is government's strategic plan for the 2014 – 2019 electoral term. It reflects the commitments made in the election manifesto of the governing party, including the commitment to implement the NDP. The MTSF sets out the actions government will take and targets to be achieved. It also provides a framework for the other plans of national, provincial and local government.

The MTSF highlights government's support for a competitive economy, creation of decent work opportunities and encouragement of investment.

This is the first MTSF to follow the adoption of the NDP in September 2012. The introduction of a long-term plan brings greater coherence and continuity to the planning system and means that the MTSF now becomes a five-year building block towards the achievement of the vision and goals of the country's long-term plan.

The aim of the MTSF is to ensure policy coherence, alignment and coordination across government plans as well as alignment with budgeting processes. Performance agreements between the president and each minister will reflect the relevant actions, indicators and targets set out in the MTSF.

Within the NDP vision, key policy instruments developed in the previous term will continue to drive government's policy agenda. These include the New Growth Path, which sets the trajectory of economic development, the National Infrastructure Plan, which guides the roll-out of infrastructure to improve people's lives and enable economic growth, and the Industrial Policy Action Plan, which focuses on promoting investment and competitiveness in leading sectors and industries. Government will also take forward key social development initiatives, including social security and retirement reform, National Health Insurance, improvements in basic education and expansion of technical and vocational education.

▪ NATIONAL DEVELOPMENT PLAN – VISION FOR 2030

The plan, adopted by Cabinet on 11 November 2011, helps us to chart a new path for our country.

It focuses on putting in place the things that people need to grasp opportunities such as education and public transport and to broaden the opportunities through economic growth, the availability of jobs and change the life chances of our youth that remain underdeveloped by our apartheid history. Everything in the plan is aimed at reducing poverty and inequality.

In summary the plan has the following objectives that must be achieved by 2030:

1. Create Jobs
2. Expand Infrastructure
3. Transform Urban and Rural Spaces
4. Education and Training
5. Provide Quality Healthcare
6. Build a Capable State
7. Fight Corruption Transformation and Unity

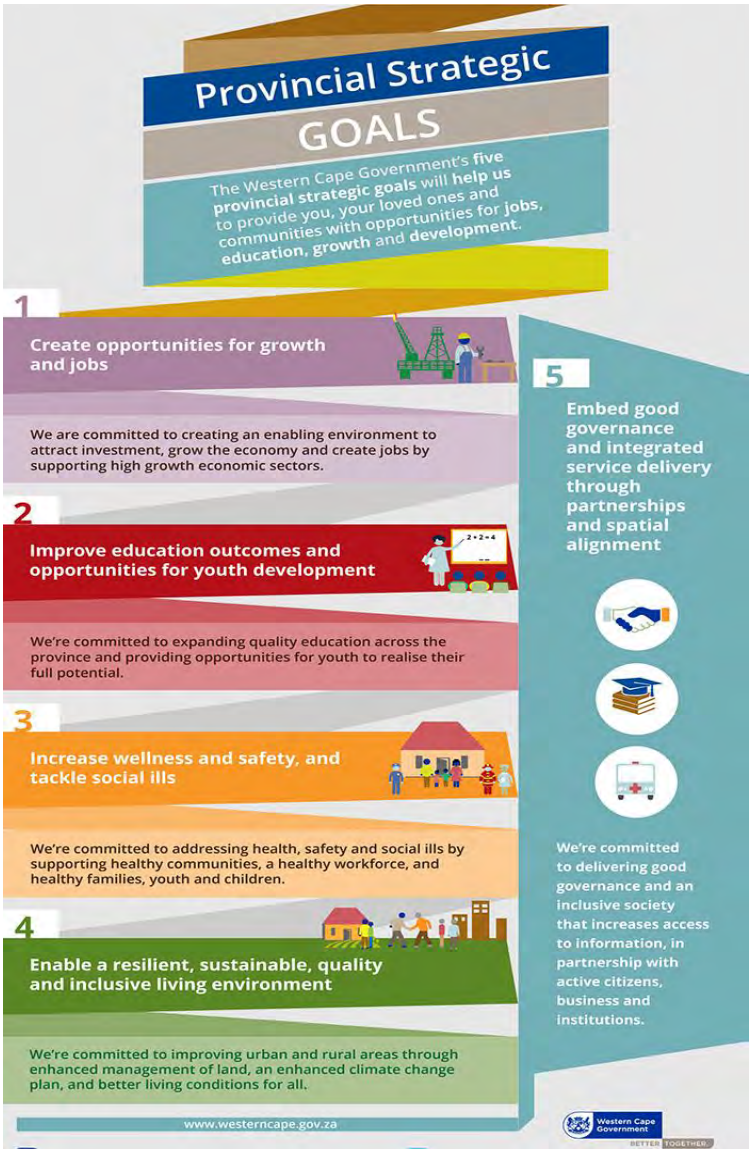


- **PROVINCIAL STRATEGIC PLAN (PSP) – 2014 - 2019**

The PSP is rooted in a very clear vision that the Western Cape Government set out in 2009: namely to realise an open-opportunity society for all so that residents of the province can use their freedom to live lives they value.

The PSP thus gives expression to our strong view that progress must be built on a "whole-of-society" approach in which citizens, civil society and business actively partner with the state – encapsulated in the Western Cape Government's "Better Together" slogan.

The PSP is also closely aligned with the NDP, which commits South Africa to ending poverty by 2030; as well as the Medium-term Strategic Framework 2014-19, the national implementation framework for the NDP.



The Witzenberg Municipality, through its Integrated Development Plan, strives to align its priorities to those of provincial and national government, The following matrix provides the strategic alignment between the three spheres of government.

National Outcomes	National Development Plan	Provincial Strategic Plan 2014 - 2019	Cape Winelands District Strategic Objectives	Witzenberg Strategic Objectives
OC 1: Improved quality of basic education.	Improve education, training and innovation	PSG2: Improve education outcomes and opportunities for youth development	SO 1: To create an environment and forge partnerships that ensure the health, safety, social and economic development of all communities including the empowerment of the poor in the Cape Winelands District through economic, environmental and social infrastructure investment	2.1 Support Institutional Transformation and Development. 3.1 Provide and maintain facilities that make citizens feel at home.
OC 2: A long and healthy life for all South Africans.	Promoting health	PSG 3: Increase wellness, safety and tackle social ills	SO 1: To create an environment and forge partnerships that ensure the health, safety, social and economic development of all communities including the empowerment of the poor in the Cape Winelands District through economic, environmental and social infrastructure investment	3.1 Provide and maintain facilities that make citizens feel at home.
OC 3: All people in South Africa are and feel safe.	Social protection building safer communities transforming society and uniting the country	PSG 3: Increase wellness, safety and tackle social ills	SO 1: To create an environment and forge partnerships that ensure the health, safety, social and economic development of all communities including the empowerment of the poor in the Cape Winelands District through economic, environmental and social infrastructure investment.	4.1 Support the poor and vulnerable through programmes and policy
OC 4: Decent employment through inclusive economic growth.	Economy and employment An integrated and inclusive rural economy	PSG-1: Creating opportunities for growth and jobs	SO : 2 Managing a sustainable bulk services strategy and transport system which foster social and economic opportunities.	1.2 Create an enabling environment to attract investment and support local economy.
OC 5: A skilled and capable workforce to support an inclusive growth path.	Improving education, training and innovation Positioning South Africa in the world Fighting corruption Building a capable and developmental state	PSG-5: Embed good governance and integrated service delivery through partnerships and spatial alignment	SO 3: To provide effective and efficient financial and strategic support services to the Cape Winelands District Municipality.	2.1 Support institutional transformation and development.

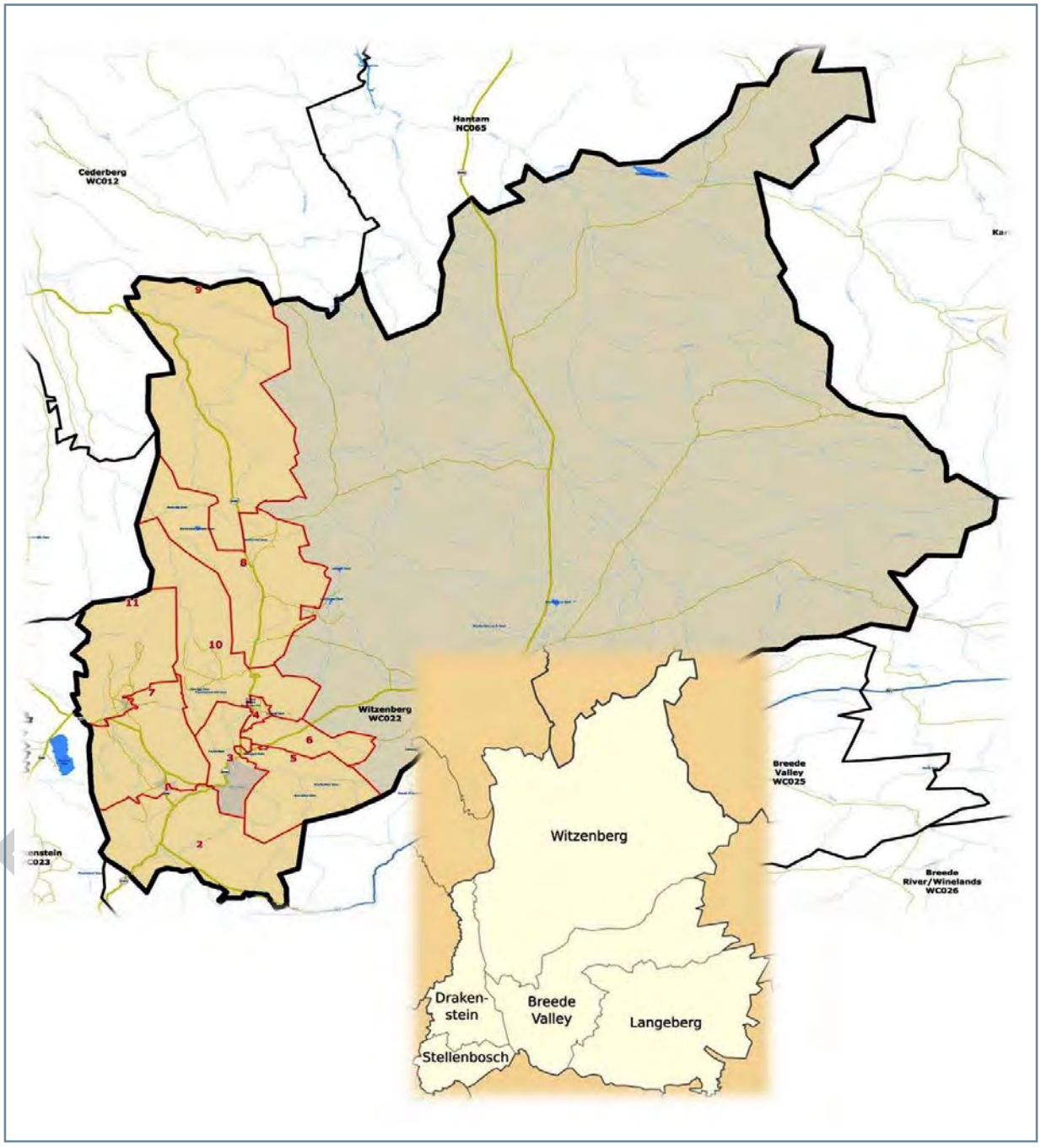
National Outcomes	National Development Plan	Provincial Strategic Plan 2014 - 2019	Cape Winelands District Strategic Objectives	Witzenberg Strategic Objectives
OC 6: An efficient, competitive and responsive economic infrastructure network.	Economy infrastructure Environmental sustainability Transforming human settlement and the national space economy	PSG 3: Increase wellness, safety and tackle social ills PSG-5: Embed good governance and integrated service delivery through partnerships and spatial alignment PSG-1: Creating opportunities for growth and jobs	SO : 2 Managing a sustainable bulk services strategy and transport system that foster social and economic opportunities.	4.2 Create an enabling environment to attract investment and support local economy.
OC 7: Vibrant, equitable and sustainable rural communities with food security for all.	Integrated and inclusive rural economy Transforming human settlement and the national space economy	PSG 3: Increase wellness, safety and tackle social ills PSG-5: Embed good governance and integrated service delivery through partnerships and spatial alignment	SO 1: To create an environment and forge partnerships that ensure the health, safety, social and economic development of all communities including the empowerment of the poor in the Cape Winelands District through economic, environmental and social infrastructure investment.	4.1 Support the poor and vulnerable through programmes and policy
OC 8: Sustainable human settlements and improved quality of household life	Integrated and inclusive rural economy Transforming human settlement and the national space economy	PSG 4: Enable a resilient, quality and inclusive living environment PSG-5: Embed good governance and integrated service delivery through partnerships and spatial alignment	SO 1: To create an environment and forge partnerships that ensure the health, safety, social and economic development of all communities including the empowerment of the poor in the Cape Winelands District through economic, environmental and social infrastructure investment.	1.1 Sustainable provision and maintenance of basic infrastructure 1.2 Provide for the needs of informal settlements through improved services.
OC 9: A responsive, accountable, effective and efficient local government system.	Building a capable and developmental state Fighting corruption Transforming society and uniting the country	PSG-5: Embed good governance and integrated service delivery through partnerships and spatial alignment	SO 3: To provide effective and efficient financial and strategic support services to the Cape Winelands District Municipality.	2.2 Ensure financial viability 2.3 Maintain and strengthen relations with international and inter-governmental partners as well as the local community through the creation of participative structures.
OC 10: Environmental assets and natural resources that are well protected and continually enhanced	Use resources sustainably (transition to a low-carbon economy)	PSG 4: Enable a resilient, quality and inclusive living environment PSG-5: Embed good governance and integrated service delivery through partnerships and spatial alignment	SO 1: To create an environment and forge partnerships that ensure the health, safety, social and economic development of all communities including the empowerment of the poor in the Cape Winelands District through economic, environmental and social infrastructure investment.	1.1 Sustainable provision and maintenance of basic infrastructure

National Outcomes	National Development Plan	Provincial Strategic Plan 2014 - 2019	Cape Winelands District Strategic Objectives	Witzenberg Strategic Objectives
OC 11: Create a better South Africa and contribute to a better and safer Africa and World.	Transform society and unite the nation	PSG 3: Increase wellness, safety and tackle social ills PSG-5: Embed good governance and integrated service delivery through partnerships and spatial alignment	SO 1: To create an environment and forge partnerships that ensures the health, safety, social and economic development of all communities including the empowerment of the poor in the Cape Winelands District through economic, environmental and social infrastructure investment.	1.1 Sustainable provision and maintenance of basic infrastructure 1.2 Provide for the needs of informal settlements through improved services. 4.1 Support the poor and vulnerable through programmes and policy
OC 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.	Build a capable Fight corruption and enhance accountability	PSG-5: Embed good governance and integrated service delivery through partnerships and spatial alignment	SO 3: To provide an effective and efficient financial and strategic support services to the Cape Winelands District Municipality.	2.2 Ensure financial viability 2.3 Maintain and strengthen relations with international and intergovernmental partners as well as the local community through the creation of participative structures.
OC 13: A comprehensive, responsive and sustainable social protection system	Transform society and unite the nation	PSG 3: Increase wellness, safety and tackle social ills PSG-5: Embed good governance and integrated service delivery through partnerships and spatial alignment	SO 1: To create an environment and forge partnerships that ensures the health, safety, social and economic development of all communities including the empowerment of the poor in the Cape Winelands District through economic, environmental and social infrastructure investment.	1.3 Sustainable provision and maintenance of basic infrastructure 1.4 Provide for the needs of informal settlements through improved services. 4.2 Support the poor and vulnerable through programmes and policy
OC 14: A diverse, socially cohesive society with a common national identity.	Transform society and unite the nation	PSG 4: Enable a resilient, quality and inclusive living environment	SO 1: To create an environment and forge partnerships that ensure the health, safety, social and economic development of all communities including the empowerment of the poor in the Cape Winelands District through economic, environmental and social infrastructure investment	2.3 Maintain and strengthen relations with international and intergovernmental partners as well as the local community through the creation of participative structures.

3 SITUATIONAL ANALYSIS

A. SNAPSHOT

I. MAP



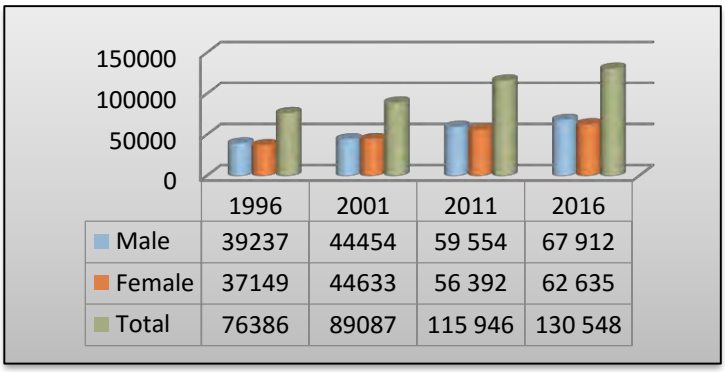
The Witzenberg Local Municipality (LM), founded in 2000, is classified as a Category B-municipality and is responsible for basic service provision to the demarcated municipal area that includes the towns of Ceres, Tulbagh, Prince Alfred's Hamlet, Wolseley and Op-die-Berg. The rural areas within the municipal boundary are Ceres Valley, Koue Bokkeveld, Achter-Witzenberg and the northern portion of the Breede River Valley area.

The climate in Witzenberg is known for its hot and dry summer days. Winds are seasonal and generally north-westerly or south-easterly. The average annual rainfall in Ceres is about 1 088 mm and the average temperature range is 2,4°C to 29,9°C.

Located in the picturesque and fertile Breede Valley, Witzenberg is best known for its fruit and wine products. The region is also well-known for producing other agriculture-linked products such as olives and grain, as well as for producing beef and pork products. Horse and cattle stud farms are also found within the municipal area.

The principal socio-economic realities in our region are:

- Seasonal labour and social grant dependency
- Unemployment rate: 5 339 people
- People in poverty: 24 231
- Skills shortage (illiteracy rate = 36%)
- Youthful population: 56,8% of population is under 30 years of age
- Population concentration: 46,9% rural; 53,1% urban.



	1996	2001	2011	2016
Male	39237	44454	59 554	67 912
Female	37149	44633	56 392	62 635
Total	76386	89087	115 946	130 548

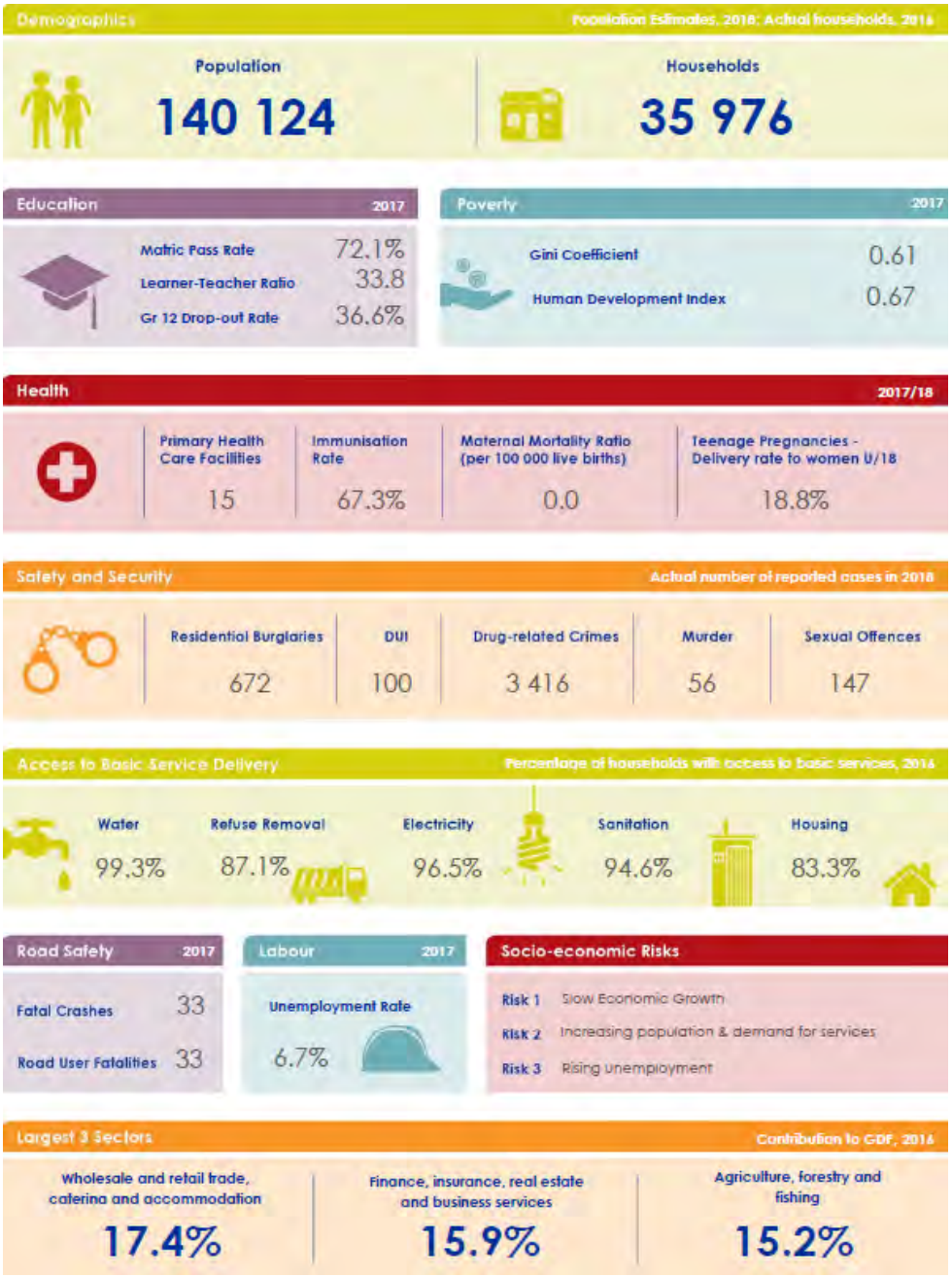
Source: Statistics South Africa

Witzenberg population by gender:

	1996	2001	2011	2016
Male	39237	44454	59554	67912
Female	37149	44633	56392	62635
Total	76386	89087	115946	130548
Male %	**51,4**	**49,9**	**51,4**	**52,0**
Female %	**48,6**	**50,1**	**48,6**	**48,0**

Source: Statistics South Africa

Witzenberg: At a glance



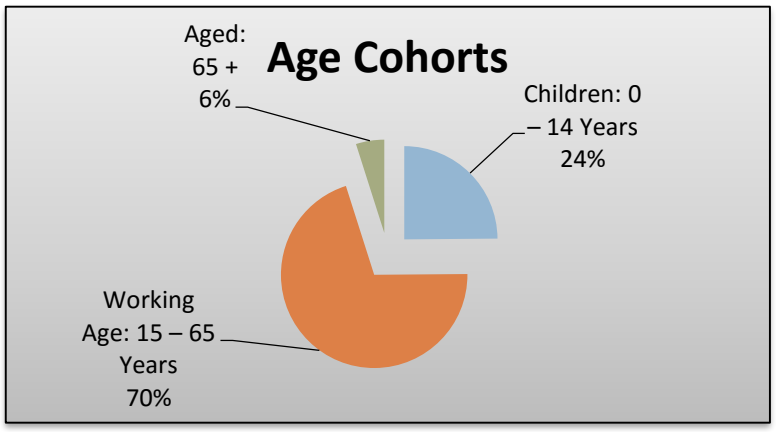
Source: Socio-Economic Profile- Provincial Treasury

II. DEMOGRAPHICS

As per Census 2011, the Western Cape population comprises 11,25 per cent of the total population of the country with 5,8 million persons, having increased from 4,5 million in 2001. Thus the Western Cape population grew at a rate of 2,6 percent per annum between 2001 and 2011. This is faster than the national population growth rate of 1,5 per cent and is largely due to immigration to the Western Cape, where individuals believe they can obtain jobs and better standards of living.

In 2013 Witzenberg accounted for the second smallest population size in the Cape Winelands District consisting of 120 094 persons. It is however the fastest-growing municipality in the district, growing at an average annual rate of 3,1 per cent from 2001 to 2013. This is much faster than the district growth rate of 1 per cent per annum, indicating that net in-migration may be occurring within this municipal area.

Witzenberg: Population age Cohort, 2017



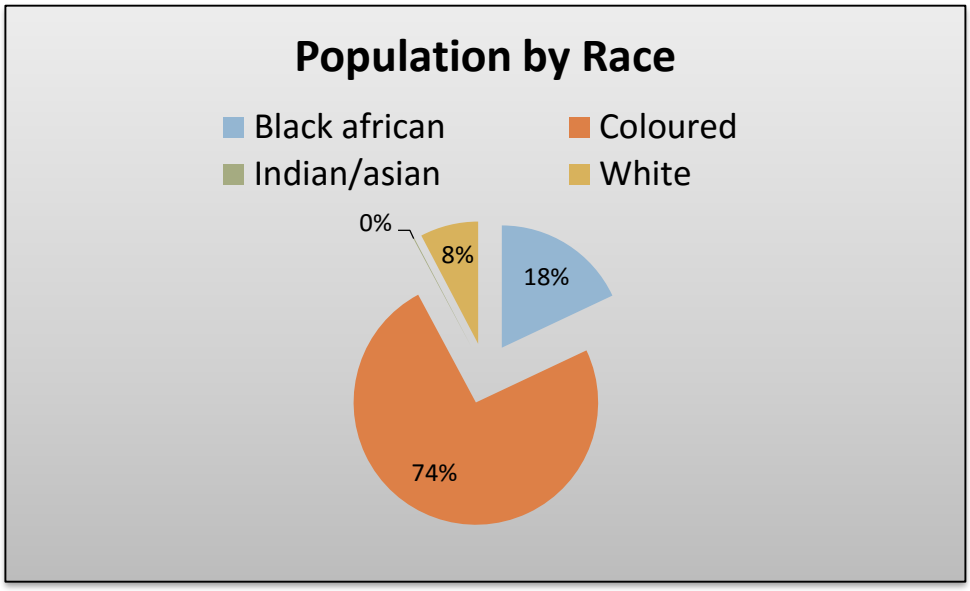
Year	Children: 0 – 14 Years	Working Age: 15 – 65 Years	Aged: 65 +	Dependency Ratio
2011	29 460	81 634	4 849	42.0
2019	34 457	100 049	8 974	43.4
2024	36 098	112 780	11 143	41.9

Source: Socio-Economic Profile- Provincial Treasury

The above table depicts Witzenberg's population composition per age cohorts. These groupings are also expressed as a dependency ratio which in turn indicates those who are part of the workforce (Age 15 - 65) and those, who are depending on them (children and seniors). A higher dependency ratio means a higher pressure on social systems and the delivery of basic services.

A comparison between the 2011 and 2019 estimates show a steady increase in the number of people within the children and working age cohorts whilst the aged cohort almost doubled across the same reference period. A relatively small increase in the children cohort between 2019 and 2024, coupled with strong growth in the working and aged categories is expected to decrease the dependency ratio in Witzenberg.

Population Group



Source: Statistics South Africa

Basic education

Population dynamics, which include knowledge of the current population profile and projected learner growth, provide a basis for sound education planning. Knowing the learner enrolment numbers of a municipality enables the Western Cape Education Department (WCED) to determine the level of demands placed on schools for the current year as well as anticipated demands for future years. Having a sense of the exit points allows the WCED to plan more effectively with respect to Further Education and Training (FET). The learner-teacher ratio is very important, because it is closely related to the amount of money spent per child. It also has an impact on the education outcomes.

Learner enrolment in Witzenberg tapered off from 18 181 in 2015 to 18 048 in 2016 and increased slightly to 18 070 learners in 2017. This could be attributed to a number of factors including demographics and socio-economic context.

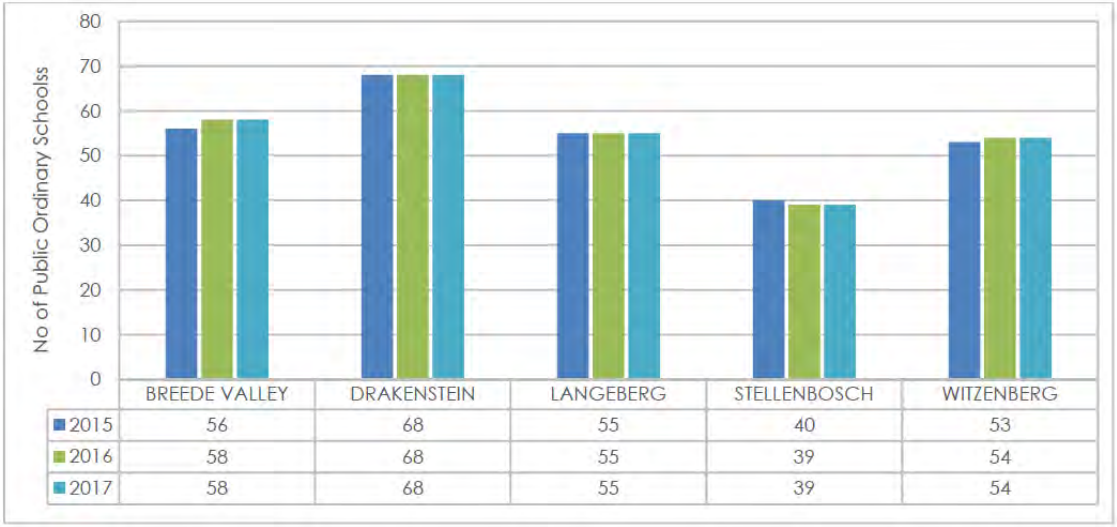
Learner enrolment			Dropout rate		Learner-teacher ratio	
Year	2015	2016	2017	Crude dropout Average rate using dropout Yr 2015 - Gr 10 and rate Yr 2017 - Gr 12	Average learner-teacher ratio (2015)	ASS 2017: ALL state + SGB + substitutes teacher excluding practitioner ratio
Total	18181	18048	18070	36.60%	34.4	33.8

Source: Socio-Economic Profile - Provincial Treasury

The learner-teacher ratio in Witzenberg increased from 34.4 in 2015 to 34.6 in 2016 and dropped to 33.8 in 2017, compared to 35.6 in the Cape Winelands District in 2017. Factors influencing the learner-teacher ratio include, learner enrolment growth, the ability of schools to employ more educators when needed and the ability to collect fees.

The drop-out rates for learners within the Witzenberg municipal area increased from 35.5 per cent to 36.6 per cent between 2016 and 2017. These high levels of drop-outs are influenced by a wide array of economic factors including unemployment, poverty and teenage pregnancies.

Educational facilities



	BREEDE VALLEY	DRAKENSTEIN	LANGEBERG	STELLENBOSCH	WITZENBERG
2015	56	68	55	40	53
2016	58	68	55	39	54
2017	58	68	55	39	54

Source: Socio-Economic Profile - Provincial Treasury

In 2017, Witzenberg had a total of 54 public ordinary schools. Within the tough economic climate, schools in general have been reporting an increase in parents being unable to pay their school fees. The proportion of no-fee schools dropped from 84.9 per cent in 2015 to 81.5 per cent in 2017. This could potentially have a negative effect on the drop-out rate in the future.

The number of schools equipped with libraries dropped from 16 to 14 from 2015 to 2016 and increased back to 16 in 2017. This will impact positively on educational outcomes.

The matric pass rate within Witzenberg increased from 72.5 per cent in 2015 to 74.5 per cent in 2016, but dropped to 72.1 per cent in 2017. The matric pass rate within the Witzenberg area is well below that of the other regions in the Cape Winelands District.

Health

All citizens' rights to access to healthcare services are directly affected by the number and spread of facilities within their geographical reach. South Africa's healthcare system is geared in such a way that people have to move from primary level, with a referral system, to secondary and tertiary levels.

Area	PHC Clinics		Community Health Centres	Community Day Centres	Hospitals		Treatment Sites	
	Fixed	Non-fixed			District	Regional	ART Clinics	TB Clinics
Witzenberg	8	6	0	1	1	0	7	19
Cape Winelands District	39	33	0	6	4	2	49	100

Source: Socio-Economic Profile - Provincial Treasury

In terms of healthcare facilities, Witzenberg had 15 public healthcare (PHC) clinics in 2017/18, which comprises of 8 fixed PHC clinics and 6 mobile clinics as well as 1 community day centre. In addition, there is 1 district hospital, as well as 7 ART treatment clinics/sites and 19 TB treatment clinics/sites.

Emergency Medical Services

Health Indicator	*Witzenberg*	*Cape Winelands*
Population (2017)	***128 614***	***853 423***
Number of operational ambulances per 10 000 people	***2***	***2***

Source: Socio-Economic Profile - Provincial Treasury

Access to emergency medical services is critical for rural citizens due to rural distances between towns and health facilities being much greater than in the urban areas. Combined with the relatively lower population per square kilometer in rural areas, ambulance coverage is greater in rural areas in order to maintain adequate coverage for rural communities. Provision of more operational ambulances can provide greater coverage of emergency medical services. Witzenberg, has 2 ambulances per 10 000 inhabitants in 2017 which is on par with the District average of 2 ambulances per 10 000 people

HIV/Aids

Area	Registered patients receiving ART		Number of new ART patients		HIV Transmission Rate	
	2016/17	2017/18	2016/17	2017/18	2016/17	2017/18
Witzenberg	5 370	5 730	1 194	1 047	1.9	1.1
Cape Winelands District	27 162	29 136	5 097	4 679	1.5	0.4

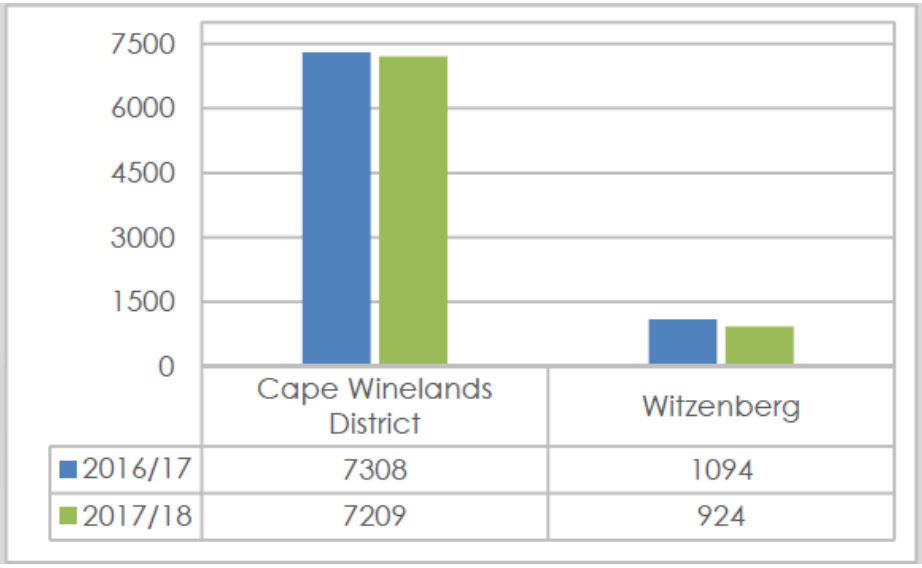
Source: Socio-Economic Profile - Provincial Treasury

Witzenberg's total registered patients receiving ARTs increased from 5 370 in 2016/17 to 5 730 in 2017/18. New patients receiving antiretroviral treatment decreased by 147 between 2016/17 to 2017/18. The 5 730 patients receiving antiretroviral treatment are treated at seven

clinics or treatment sites. A total of 29 136 registered patients received antiretroviral treatment in Cape Winelands District in 2017/18. Witzenberg with 5 730 patients represents 19.6 per cent of the patients receiving ART in Cape Winelands District, which is quite significant given the smaller size of the municipal area when compared to the rest of the District.

HIV transmission rate for Witzenberg shows an improvement from 1.9 per cent in 2016/17 to 1.1 per cent in 2017/18 in line with the decline in of the District transmission rate trend to 0.4 per cent in 2017/18.

Tuberculosis (TB)



Source: Socio-Economic Profile - Provincial Treasury

In line with the declining number of HIV/AIDS cases, Witzenberg also experienced a decline in tuberculosis (TB) cases. Witzenberg, with 924 TB patients in 2017/18 compared to 1 094 in 2016/17 represents 12.8 per cent of the total TB patients in the District, treated in the 19 treatment sites within the Witzenberg area.

Safety and Security

Murder

Municipal Area		2016	2017	2018
Actual Number	Witzenberg	44	49	56
	Cape Winelands District	273	345	353
Per 100 000	Witzenberg	34	36	40
	Cape Winelands District	32	38	38

Source: Socio-Economic Profile - Provincial Treasury

The 2017/18 crime statistics released by SAPS and Stats SA indicate that murder has increased by 7 per cent to over 20 000 cases recorded in 2017/18. This gives South Africa a rather alarming 57 murders a day and at a rate of 35.7 people murdered per 100 000 population. Within the Western Cape Province, murder has increased by 12.6 per cent (418) from 3 311 to 3 729, almost doubling the national increase of 6.9 per cent in 2017/18. Within the Witzenberg area, the murder rate (per 100 000 population) increased by 11.1 per cent from 36 in 2017 to 40 in 2018, whereas the murder rate within the Cape Winelands District remained static in 2018. The murder rate in Witzenberg is above the District average.

Sexual offences

Municipal Area		2016	2017	2018
Actual Number	Witzenberg	126	170	147
	Cape Winelands District	997	954	970
Per 100 000	Witzenberg	97	125	105
	Cape Winelands District	115	106	105

Source: Socio-Economic Profile - Provincial Treasury

The rate of sexual violence in South Africa is amongst the highest in the world. In addition, a number of sexual offence incidences often go unreported (as in the case of rape). With respect to the crime Statistic released by SAPS, sexual offences decreased by 0.6 per cent in the Western Cape in 2017/18. In 2018, there were 105 sexual crimes (per 100 000 people) recorded in Witzenberg compared with 125 the previous year, which equates to a reduction of 16 per cent. In turn, the sexual crimes rate declined by 0.9 per cent from 106 in 2017 to 105 in 2018 across the Cape Winelands District.

Drug-related offences

Municipal Area		2016	2017	2018
Actual Number	Witzenberg	2 772	3 266	3 416
	Cape Winelands District	11 743	13 882	16 008
Per 100 000	Witzenberg	2 123	2 393	2 438
	Cape Winelands District	1 356	1 538	1 727

Source: Socio-Economic Profile – Provincial Treasury

The 2017/18 crime statistics released by SAPS and Stats SA indicate that the Western Cape Province has the highest rate of drug-related crime in the country at 1 769 per 100 000. It also contributed more than a third (36.2 per cent) of cases to the country's drug-related crime in

2017/18. Drug-related crimes (per 100 000 population) within the Witzenberg area displays an increase in 2018, up by 1.9 per cent from 2 393 cases in 2017 to 2 438 cases in 2018. The Cape Winelands District's trend is also on an increasing trajectory, with drug-related crimes (per 100 000 population) increasing by 12.2 per cent from 1 538 in 2017 to 1 727 in 2018.

Driving under the influence

Municipal Area		2016	2017	2018
Actual Number	Witzenberg	99	104	100
	Cape Winelands District	838	814	875
Per 100 000	Witzenberg	76	76	71
	Cape Winelands District	97	90	94

Source: Socio-Economic Profile - Provincial Treasury

Despite concerted efforts by government our roads are still considered amongst the most dangerous in the world. Reckless driving and alcohol consumption remain the top reason for road accidents. The number of cases of driving under the influence of alcohol or drugs (per 100 000 population) in the Witzenberg area shows a decrease of 6.6 per cent from 76 in 2017 to 71 in 2018. In the Cape Winelands District area, the number of cases (per 100 000 population) increased by 4.4 per cent from 90 in 2017 to 94 in 2018. It is noteworthy that cases of driving under the influence is on the decline in Witzenberg.

B. BASIC SERVICES ANALYSIS

Witzenberg Municipality provides basic services to all communities residing within the urban edge of towns located in the municipal area. Apart from sanitation services through the emptying of septic tanks in rural areas, no other basic services are provided on privately owned land outside residential built areas. All households in residential areas have access to services such as water provision, sanitation, electricity and waste removal. Informal settlements are serviced through communal water and toilet facilities.

The following statistics on the access to services for the whole of Witzenberg, including areas outside the urban edge, has been provided by Provincial Treasury:

Housing

Access to Formal Housing

Community Survey 2016	Witzenberg	Cape Winelands District
Total number of households	**35 976**	**236 006**
Formal main dwelling	29 969	191 077
	83.3%	*81.0%*
Water (piped inside dwelling/within 200 m)	35 730	232 605
	99.3%	*98.6%*
Electricity (primary source of lighting)	34 734	228 650
	96.5%	*96.9%*
Sanitation (flush/chemical toilet)	34 017	218 483
	94.6%	*92.6%*
Refuse removal (at least weekly)	31 343	192 974
	87.1%	*81.8%*

Source: Socio-Economic Profile - Provincial Treasury

Since no new household survey information is available (compared to SEPLG 2017), this section highlights housing and household services access levels from the most recent available information from Statistics South Africa's Community Survey 2016. The next household survey which includes municipal level access to household services will be the Census in 2021.

With a total of 35 976 households, 83.3 per cent have access to formal housing.

Access to water, electricity and sanitation services were however significantly higher than this at 99.3 per cent, 96.5 per cent and 94.6 per cent respectively while household access to refuse removal services was at 87.1 per cent. These figures are on par or above that of the Cape Winelands District

Water

Access to Water

Non-financial Census of Municipalities	2007	2017	Change 2007 - 2017	Average annual change 2007 - 2017
Domestic and non-domestic water services per consumer/billing unit	15 200	15 687	487	0.3%
Indigent support for water services	1 019	2 521	1 502	9.5%

Source: Socio-Economic Profile - Provincial Treasury

Growth in domestic and non-domestic consumer/billing units for water services was relatively slow over the 2007 – 2017 period, recording average year on year growth of 0.3 per cent. This equated to a total increase of 487 consumer units over this 10-year period.

In contrast with this, indigent support for water services increased by 1 502 consumer units or at an average annual rate of 9.5 per cent. This shows that growth in non-revenue generating consumer units (in nominal terms) was more than 3 times that of revenue generating

consumer units. Growth in indigent support was the same across all services.

Electricity

Access to Electricity

Non-financial Census of Municipalities	2007	2017	Change 2007 - 2017	Average annual change 2007 - 2017
Domestic and non-domestic electricity services per consumer/billing unit	11 698	15 503	3 805	2.9%
Indigent support for water services	1 019	2 521	1 502	9.5%

Source: Socio-Economic Profile - Provincial Treasury

Compared to water and sanitation, electricity services per consumer/billing unit started off a significantly lower base, with 11 698 units in 2007 increasing to 15 503 in 2017 at an average annual rate of 2.9 per cent. This shows good growth over the 10-year period.

This good growth is more than twice the growth in indigent support for electricity services, which increased by 1 502 over the 2007 – 2017 period. This shows that growth in revenue generating consumer units was more than 2.5 times that of growth for indigent households.

Sanitation

Access to Sanitation

Area	2011	2016	Total change 2011 - 2016	Average annual change 2011 - 2016	Average annual growth 2011 - 2016
Witzenberg	92.2%	96.5%	9 459	1 892	6.6%
Cape Winelands District	91.5%	96.9%	47 232	9 446	4.7%

Source: Socio-Economic Profile - Provincial Treasury

There was 311 unit drop in total domestic and non-domestic consumer/billing units for sanitation services over the 2007 – 2017 period, recording an average year on year decline of 0.2 per cent over this 10-year period.

Also for sanitation services, there is a stark contrast in overall growth versus the growth in indigent support over the 2007 – 2017 period; as overall consumer units for sanitation services declined, there was still overall strong growth in indigent support.

Refuse Removal

Access to Refuse Removal

Non-financial Census of Municipalities	2007	2017	Change 2007 - 2017	Average annual change 2007 - 2017
Domestic and non-domestic refuse removal services per consumer/billing unit	10 315	14 292	3 977	3.3%
Indigent support for water services	1 019	2 521	1 502	9.5%

Source: Socio-Economic Profile - Provincial Treasury

Similar to the electricity services, the refuse removal services per consumer/billing unit started off a significantly lower base when comparing to water and sanitation services, with 10 315 units in 2007 increasing to 14 292 in 2017 at an average annual rate of 3.3 per cent. This shows strong growth over the 10-year period.

This good growth is more than twice the growth in indigent support for refuse removal services, which increased by 1 502 over the 2007 – 2017 period. This shows that growth in revenue generating consumer units was more than 2.6 times that of overall growth.

Access to basic services for residential communities

The following tables indicate access to basic services with regard to each residential community in Witzenberg. The figures show the number of formal households (accounts) connected to a service delivery network as well as the number of households in informal settlements with access to communal service points. The shortfall in housing units is derived from the Housing Waiting List information as contained in the audited 2017/18 Annual Report.

Ward 1 & 12: N'Duli

Basic Service Provision					
Detail	Water	Sanitation	Electricity	Refuse	Housing
Formal households	1 119	1 123	1 711	1 116	
Informal households	564	564		564	
Total Households*	1 683	1 687	1 711	1 680	
Houses completed in year					0
Shortfall in Housing units					1 662
*Formal households calculated based on accounts issued (excluding informal households which is actual households)					

Ward 3 & 5: Ceres

Basic Service Provision					
Detail	Water	Sanitation	Electricity	Refuse	Housing
Formal households	2 435	2 268	3 015	2 276	
Informal households					
Total Households*	2 435	2 268	3 015	2 276	
Houses completed in year					
Shortfall in Housing units (include Ceres & Bella Vista)					2 212
*Formal households calculated based on accounts issued (excluding informal households which is actual households)					

Ward 4 & 6: Bella Vista

Basic Service Provision					
Detail	Water	Sanitation	Electricity	Refuse	Housing
Formal households	2 558	2 571	2 554	2 517	
Informal households					
Total Households*	2 558	2 571	2 554	2 517	
Houses completed in year					107
Shortfall in Housing units (included under Ceres)					

Ward 4 & 10: Prince Alfred's Hamlet

Basic Service Provision					
Detail	Water	Sanitation	Electricity	Refuse	Housing
Formal households	1 224	1 201	Eskom	1 201	
Informal households					
Total Households*	1 224	1 201	Eskom	1 201	
Houses completed in year					
Shortfall in Housing units					1 479
*Formal households calculated based on accounts issued (excluding informal households which is actual households)					

Ward 9: Op-die-Berg

Basic Service Provision					
Detail	Water	Sanitation	Electricity	Refuse	Housing
Formal households	542	530	Eskom	577	

Informal households					
Total Households*	542	530	Eskom	577	
Houses completed in year					
Shortfall in Housing units					891
*Formal households calculated based on accounts issued (excluding informal households which is actual households)					

▪

Ward 7 & 11: Tulbagh

Basic Service Provision					
Detail	Water	Sanitation	Electricity	Refuse	Housing
Formal households	1 822	1 915	2 221	2 145	
Informal households	812	812		812	
Total Households*	2 634	0 727	2 221	2 957	
Houses completed in year					
Shortfall in Housing units					1 508
*Formal households calculated based on accounts issued (excluding informal households which is actual households)					

Ward 2 & 7: Wolseley

Basic Service Provision					
Detail	Water	Sanitation	Electricity	Refuse	Housing
Formal households	2 546	2 653	2 749	2 435	
Informal households	338	338		338	
Total Households*	2 884	2 991	2 749	2 773	
Houses completed in year					
Shortfall in Housing units					1 816
*Formal households calculated based on accounts issued (excluding informal households which is actual households)					

Access to basic services for rural (farm) communities

Witzenberg Municipality does not provide basic services to rural communities, including farm dwellers. Basic services are provided by the land owner with Eskom providing bulk electricity provision. The general standard of basic service levels in rural areas are, however, above the norm as the table below indicates. Information in the table is derived from the Farmworker Survey Report: Witzenberg, completed in March 2015 by the Western Cape Department of Agriculture.

Service	Witzenberg Municipality	Provincial Average	National Average
Electricity	98%	93%	85%
Water – access to piped	98% (95% provided free of	N/A	73%

water on premises	charge)		
Sanitation – flush toilets	97% (receive free service)	85%	57%
Refuse removal	95% (receive free removal)	N/A	N/A

The following section assesses the state of farm worker dwellings and the associated infrastructure and services available to these households. Only a few tables are shown here while all results are discussed. A complete set of tables may be found in the Appendices.

Type of Dwelling	On Farm	%	Off Farm		Total	
Mud house	13	0,66%	1	0,26%	14	0,60%
RDP house	24	1,22%	53	13,66%	77	3,28%
Brick house	1731	88,18%	167	43,04%	1898	80,73%
Informal dwelling	45	2,29%	127	32,73%	172	7,32%
Backroom	4	0,20%	7	1,80%	11	0,47%
Caravan/tent	5	0,25%	1	0,26%	6	0,26%
Other	141	7,18%	32	8,25%	173	7,36%
Total	1963	100%	388	100%	2351	100%

From all the respondents (living on and off farms) across the region, 80,73% live in brick structures. Large differences are observed in the proportion of brick structures between those houses that are on the farms and those that are not. Among those living in brick structures across the region; 89% of the households that live in brick structures are on farms. 97,63% of all the households in the region have electricity on the farms have electricity compared to the national figures of 85% and the provincial figures of 93%.

In terms of access to piped water at dwellings, 92% of households have piped water on the farms compared with 98% of the households on farms having access to piped water on their premises, while 66,75% of households off farms have access to piped water. These figures are still higher than the national (73%) figures. 95,90% of the households on the farm have flush toilets on the premises, which is significantly higher than the national figure (57%) for households. Comparing households on and off farms; 95,90% of households on the farms have flush toilets while 90,51% of the households off the farms have flush toilets. Overall, households on the farms are more likely to have access to electricity, piped water and flush toilets than households off the farms.

For households on the farms, water is largely provided free to the farmworker (95,21%) across the region. Houses off the farms either pay the municipality or obtain free water from the farmer or the municipality. More than 84% of households on the farms pay the farmer for electricity, while 65% households off the farms pay the municipality for electricity. Across the region, 95,14% of the households receive free refuse from the farmer, while 48,95% of those who live off the farms receive free refuse removal from the municipality. Sanitation is paid for by the farmer for those living on the farms over 96% of the time is, while 52,96% of those living off the farms receive free sanitation from the municipality.

C. SOCIO-ECONOMIC ANALYSIS (PROFILE)

I. STATUS OF LED STRATEGY

The purpose of local economic development is to build up the economic capacity of a local area to improve its economic future and the quality of life for all. It is a process by which public, business and non-governmental sector partners work collectively to create better conditions for economic growth and employment generation.

The most prominent places in the WLM area are Tulbagh, Wolseley and Ceres, with Prince Alfred's Hamlet and Op-die-Berg two northern outposts. Activities around these settlements are essentially agriculture based, with the towns being "agricultural service centres", with some agri-processing related to wine, fruit, vegetables and other niche products. The region is also well-known for its fruit and wine products, as well as producing other agriculturally linked products such as olive and grain producing areas, beef and pork products. Horse and cattle stud farms are also found within the municipality.

The municipality has made tremendous progress in mobilising and harnessing the energies and expertise of the business sector in developing effective economic development strategies and programmes. This is articulated in its new economic vision as adopted in 2011, namely;

"To strategically partner with the private sector, other spheres of government and its agencies, development institutions and donor agencies and in concert develop sizable commercial projects which encompasses the imperatives of employment creation and broad-based black economic empowerment and contributing to the general expansion of the economic base of Witzenberg."

This has led to the creation of a relationship between Witzenberg Municipality and Ceres Business Initiative (CBI) who represents the major commercial farmers and businesses in Ceres and surrounding areas.

The business forum, in partnership with the municipality, is in the process of developing business plans to expand the economic base of Witzenberg, with particular emphasis being placed on empowering previously disadvantaged groups. This holds huge potential for the entire region and will also be implemented with the advisory and financial support of national departments and agencies, including National Department of Land and Rural Development (NDLRD), Development Bank of South Africa (DBSA), Department of Water Affairs (DWA) etc. The NDLRD has already allocated R22 million towards projects in the Witzenberg Municipality. To structure this relationship between the municipalities, a Memorandum of Understanding was signed on 6 May 2014.

The other major economic driver in the area is the Tourism Sector and the municipality has undertaken a number of initiatives which should come to fruition over the next five years, including:

1. The Tourism Industry has recorded a very strong growth and has become an important element of the local economy. Key tourism activities include: wine tasting, 4x4 routes, hiking, game reserves, camping, horse riding, fishing, annual community festivals, snow in Ceres during the winter months, agricultural tourism attractions, fruit tours, San cave, museums and historic buildings.

2. Witzenberg Tourism caters for Cape Town and other Western Cape day and

weekend tourists, as well as up-country seasonal tourists.

3. The strengthening and partnering with national, provincial and district municipality tourist initiatives.

4. The finalisation and completion of the National Road Corridor through Witzenberg.

5. The finalisation and completion of the Ceres Golf Estate Project.

6. The strengthening of international twinning and partnership agreements (Belgium).

7. The expansion and promotion of the Epic Mountain Bike Tour.

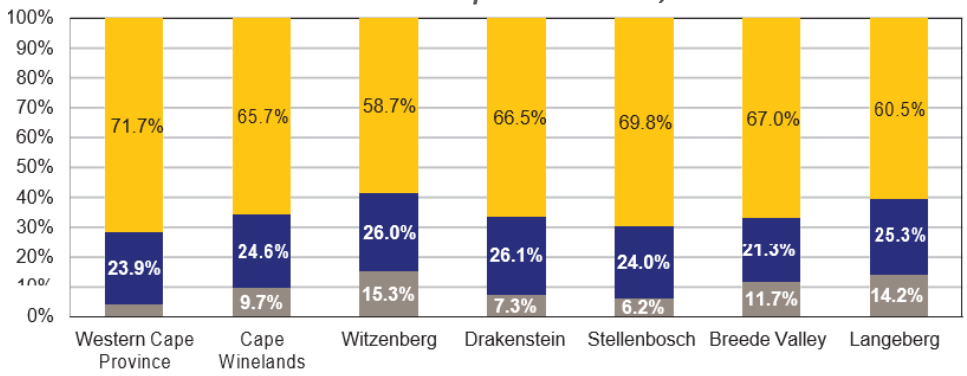
8. The expansion and promotion of the 4x4 trails, hiking trails, wine and fruit tourist routes.

II. Municipal comparative and competitive advantages

The Witzenberg municipal area is known for its fruit and wine production and includes the towns of Ceres, Tulbagh, Prince Alfred's Hamlet, Wolseley and Op-die-Berg. These towns provide the goods and services for the local agricultural industry. Some agro-processing also occurs (Witzenberg Municipality, 2017).

The Witzenberg municipality has a relatively small economy, contributing R8.2 billion to the economy of the CWD (13.5 per cent) and provides employment for 60 633 people (16.1 per cent of the total CWD employment).

GDPR contribution per main sector, 2016



Source: Provincial Treasury – Quantec Research, 2018

It is evident that the smallest economies in the CWD, namely the Langeberg and Witzenberg municipal areas, have larger primary sectors relative to their economies and therefore also smaller tertiary sectors. The municipal areas that have a higher degree of urbanisation and therefore larger towns that serve as service centres for the broader areas, such as Drakenstein and Stellenbosch, have larger tertiary sectors, and larger economies.

The contribution of the secondary sector to the local economies of the CWD are all relatively in line with the District, and Provincial sector contributions. This sector forms an important component of any local

economy, as it utilises inputs from the primary industry to generate new products and add additional value to raw material - thus creating an opportunity to attract new investment and create jobs. This sector is mainly driven by the manufacturing sect

GDPR contribution and average growth rates per municipal area

Municipality	R million value 2016	Contribution to GDPR (%) 2016	Trend		Real GDPR growth (%)					
			2006 - 2016	2013 - 2017e	2012	2013	2014	2015	2016	2017e
Witzenberg	8 197.9	13.5	4.9	3.7	4.9	5.0	5.6	2.9	1.6	3.2
Drakenstein	19 896.8	32.9	2.4	1.7	2.8	2.6	2.7	1.4	0.7	1.2
Stellenbosch	14 561.2	24.0	2.5	1.7	2.9	2.6	2.7	1.5	0.9	1.0
Breede Valley	11 665.3	19.3	3.0	2.1	3.2	3.2	3.6	1.5	0.6	1.9
Langeberg	6 234.7	10.3	3.1	2.3	3.4	3.2	3.9	1.7	0.0	2.7
Total Cape Winelands District	**60 555.9**	**100**	**2.9**	**2.1**	**3.2**	**3.1**	**3.4**	**1.7**	**0.8**	**1.7**
Western Cape Province	529 927.7	-	2.6	1.8	2.9	2.6	2.4	1.5	1.2	1.0

Source: Municipal Economic Review Outlook – PT

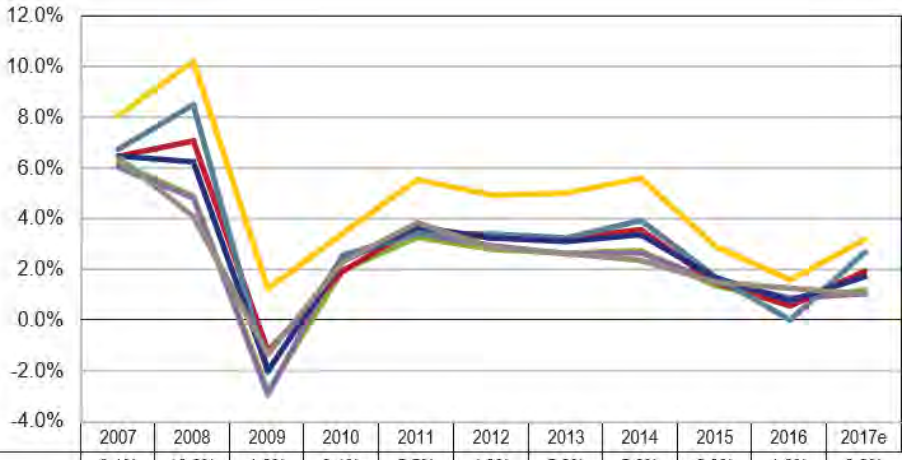
III. MAIN ECONOMIC CONTRIBUTORS

In 2016, the main economic sectors in the CWD included the following:

- Finance, insurance, real estate and business services sector (19.9 per cent)
- Wholesale and retail trade, catering and accommodation sector (18.4 per cent)
- Manufacturing sector (15.7 per cent)

These sectors are highly dependent on the strength and stability of the national economy, which influences investment in these sectors, as well as the local agriculture, forestry and fishing sector that provides inputs for agro-processing.

GDPR growth per municipal area, 2007 - 2017



	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017e
Witzenberg	8.1%	10.2%	1.2%	3.4%	5.5%	4.9%	5.0%	5.6%	2.9%	1.6%	3.2%
Drakenstein	6.2%	4.9%	-2.8%	2.0%	3.3%	2.8%	2.6%	2.7%	1.4%	0.7%	1.2%
Stellenbosch	6.0%	4.8%	-2.9%	2.6%	3.4%	2.9%	2.6%	2.7%	1.5%	0.9%	1.0%
Breede Valley	6.5%	7.1%	-1.2%	1.9%	3.7%	3.2%	3.2%	3.6%	1.5%	0.6%	1.9%
Langeberg	6.7%	8.5%	-2.0%	2.5%	3.4%	3.4%	3.2%	3.9%	1.7%	0.0%	2.7%
Cape Winelands	6.5%	6.2%	-2.0%	2.3%	3.7%	3.2%	3.1%	3.4%	1.7%	0.8%	1.7%
Western Cape Province	6.4%	4.1%	-1.3%	2.3%	3.8%	2.9%	2.6%	2.4%	1.5%	1.2%	1.0%

Source: Municipal Economic Review Outlook – PT

A slight economic recovery in 2017, mainly driven by growth in the agriculture, forestry and fishing sector. Despite the continuing provincial drought, production levels of the 2017 harvest remained mostly stable and the sector was boosted by a strong national sector growth driven by higher levels of production in the summer rainfall areas as the drought in these areas eased. Notably, the sector contracting in 2015 and 2016 resulted in a low base for growth.

In 2017, the CWD economy grew by an estimated 1.7 per cent which is higher than the provincial growth of 1 per cent.

Cape Winelands District GDPR contribution per sector, 2016 (%)

Sector	Cape Winelands	Witzenberg	Drakenstein	Stellenbosch	Breede Valley	Langeberg
Primary Sector	**9.7**	**15.3**	**7.3**	**6.2**	**11.7**	**14.2**
Agriculture, forestry and fishing	9.5	15.2	7.0	6.0	11.5	14.1
Mining and quarrying	0.2	0.0	0.3	0.2	0.2	0.2
Secondary Sector	**24.6**	**26.0**	**26.1**	**24.0**	**21.3**	**25.3**
Manufacturing	15.7	14.1	15.8	17.1	13.5	18.0
Electricity, gas and water	2.3	3.5	2.6	1.4	2.0	1.9
Construction	6.6	8.5	7.7	5.4	5.8	5.4
Tertiary Sector	**65.7**	**58.7**	**66.5**	**69.8**	**67.0**	**60.5**
Wholesale and retail trade, catering and accommodation	18.4	17.4	17.6	20.0	18.2	18.7
Transport, storage and communication	9.5	7.1	8.7	10.7	10.6	10.4
Finance, insurance, real estate and business services	19.9	15.9	21.2	21.6	20.2	16.9
General government	10.5	11.3	10.8	10.7	10.1	8.1
Community, social and personal services	7.5	7.0	8.2	6.7	7.9	6.4
Total	**100**	**100**	**100**	**100**	**100**	**100**

Source: Municipal Economic Review Outlook – PT

IV. EMPLOYMENT AND INCOME LEVELS

Employment creation in the CWD improved in 2017 compared to 2016. It is estimated that employment creation occurred in all local municipalities, with the highest change in employment estimated for the Drakenstein municipal area (2 101 jobs). The estimated positive change in employment in 2017 is a positive sign as the CWD had job losses in 2016, specifically in the Stellenbosch, Breede Valley and Langeberg municipal areas.

Municipality	Contribution to employment (%) 2016	Number of jobs 2016	Trend 2006 - 2016	Trend 2013 - 2017e	Employment (net change) 2012	2013	2014	2015	2016	2017e
Witzenberg	16.1	60 633	6 588	11 803	2 471	2 815	886	6 082	723	1 297
Drakenstein	28.6	107 760	10 271	14 151	2 865	3 500	1 346	6 755	449	2 101
Stellenbosch	19.9	74 877	7 801	9 251	1 738	2 504	1 001	4 167	-171	1 750
Breede Valley	21.8	81 940	4 691	11 791	2 240	3 018	610	6 758	-309	1 714
Langeberg	13.6	51 171	2 877	7 958	1 363	2 274	372	4 638	-929	1 603
Total Cape Winelands District	**100**	**376 381**	**32 228**	**54 954**	**10 677**	**14 111**	**4 215**	**28 400**	**-237**	**8 465**
Western Cape Province	-	2 460 960	289 207	272 208	55 379	69 794	38 527	105 507	8 279	50 101

Source: Socio-Economic Profile - Provincial Treasury

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Household income

Stellenbosch had the highest proportion (20.4 per cent) of households without income and Witzenberg had the lowest (6.4 per cent). Furthermore,

Langeberg has the highest proportion (57 per cent) of low-income earners followed by Witzenberg (56.6 per cent), Breede Valley (53.8 per cent), Stellenbosch (53.1 per cent) and Drakenstein (45.5 per cent). Drakenstein has the highest proportion of middle- income earners (45.5 per cent) while Stellenbosch has the highest proportion of high- income earners (11.4 per cent). Many large companies and academic institutions in the region are based in these two municipal areas.

Income category	Cape Winelands	Witzenberg	Drakenstein	Stellenbosch	Breede Valley	Langeberg	
No income	**13.1**	**6.4**	**12.8**	**20.4**	**12.0**	**10.0**	
R1 - R6 314	1.9	1.7	1.8	2.0	1.7	2.5	
R6 315 - R12 628	3.5	4.0	3.2	3.5	3.1	4.3	Low Income
R12 629 - R25 257	13.4	18.7	10.7	10.6	15.2	15.8	
R25 258 - R50 514	20.1	25.8	17.1	16.6	21.8	24.3	
Subtotal	**51.9**	**56.6**	**45.5**	**53.1**	**53.8**	**57.0**	
R50 515 - R101 028	18.4	20.6	18.7	15.5	18.6	19.8	
R101 029 - 202 055	12.3	10.6	13.9	11.6	12.7	10.8	Middle Income
R202 056 - R404 111	8.8	6.8	10.7	8.5	8.5	7.3	
Subtotal	**39.4**	**38.0**	**43.2**	**35.6**	**39.8**	**38.0**	
R404 112 - R808 221	5.7	3.9	7.6	6.5	4.7	3.6	
R808 222 - R1 616 442	2.0	1.1	2.5	3.3	1.0	1.0	High Income
R1 616 444 - R3 232 885	0.5	0.3	0.6	1.0	0.3	0.2	
R3 232 886+	0.4	0.2	0.4	0.7	0.3	0.2	
Subtotal	**8.6**	**5.4**	**11.2**	**11.4**	**6.4**	**5.0**	

Source: Socio-Economic Profile - Provincial Treasury

In 2017, income inequality levels were higher in Witzenberg than in the Cape Winelands District but lower than the Western Cape average. It is not unexpected to see a sharp increase in inequality levels between 2016 and 2017 in the more rural areas such as Witzenberg, Breede Valley and Langeberg, given the slow economic growth and the severe drought conditions which have had a negative impact on employment..

Employment per sector

Witzenberg employment growth per sector, 2012 - 2017

Sector	Contribution to employment (%) 2016	Number of jobs 2016	Trend 2006 - 2016	Trend 2013 - 2017e	Employment (net change) 2012	2013	2014	2015	2016	2017e
Primary Sector	**32.2**	**19 515**	**-9 516**	**2 647**	**791**	**1 023**	**-1 062**	**4 080**	**-918**	**-476**
Agriculture, forestry and fishing	32.2	19 509	-9 517	2 646	791	1 023	-1 062	4 079	-918	-476
Mining and quarrying	0.01	6	1	1	-	-	-	1	-	-
Secondary Sector	**12.89**	**7 817**	**2 221**	**1 745**	**277**	**360**	**406**	**325**	**426**	**228**
Manufacturing	6.1	3 676	257	530	-36	156	103	148	44	79
Electricity, gas and water	0.4	221	106	53	8	7	11	11	13	11
Construction	6.5	3 920	1 858	1 162	305	197	292	166	369	138
Tertiary Sector	**54.9**	**33 301**	**13 883**	**7 411**	**1 403**	**1 432**	**1 542**	**1 677**	**1 215**	**1 545**
Wholesale and retail trade, catering and accommodation	18.6	11 293	4 528	2 812	505	470	436	697	455	754
Transport, storage and communication	2.4	1 432	654	273	111	82	24	101	-3	69
Finance, insurance, real estate and business services	10.1	6 122	2 726	1 486	250	279	284	370	267	286
General government	10.9	6 580	2 848	909	254	143	504	53	260	-51
Community, social and personal services	13.0	7 874	3 127	1 931	283	458	294	456	236	487
Total Witzenberg	**100**	**60 633**	**6 588**	**11 803**	**2 471**	**2 815**	**886**	**6 082**	**723**	**1 297**

Source: Municipal Economic Review Outlook – PT

The agriculture, forestry and fishing sector employed the most people in the Witzenberg municipal area in 2016 contributing 32.2 per cent to local employment (19 509 people). Another sector that employed a large proportion of workers (18.6 per cent) is the wholesale and retail trade, catering and accommodation sector (11 293 people).

The agriculture, forestry and fishing sector has experienced a decrease in the number of workers, shedding 918 jobs in 2016 and an estimated 476 jobs in 2017. Another sector that is estimated to have shed jobs in 2017 is the general government sector (51 jobs). Despite these job losses, the net change in total employment in 2017 is estimated to be 1 297 jobs, with the wholesale and retail trade, catering and accommodation sector creating the most jobs in 2017.

Skills levels

Witzenberg skills level

Skill level	Skill level contribution (%) 2016	Average growth (%)		Number of jobs	
		2006 - 2016	2013 - 2017e	2016	2017e
Skilled	14.8	4.4	3.7	7 081	7 224
Semi-skilled	35.0	3.3	3.8	16 819	17 153
Low-skilled	50.2	-0.3	3.2	24 094	24 091
Total Witzenberg	**100**	**1.5**	**3.5**	**47 994**	**48 468**

Source: Municipal Economic Review Outlook – PT

In 2016, the Witzenberg municipal area provided formal employment to 47 994 people, with the majority of workers (50.2 per cent) being low skilled. Over the last 10 years, formal sector employment has increased, on average, by approximately 1.5 per cent per annum, with higher growth rates for skilled (4.4 per cent per annum) and semi- skilled workers (3.3 per cent per annum). This growth originates mostly from a low base, however, sector employment trends (such as the higher employment growth in tertiary sectors) indicates that there is a need for more semi-skilled and skilled labour locally – emphasising the need for skills development.

V. SMALL, MICRO AND MEDIUM ENTERPRISES

Most current economic research data indicate that SMMEs play major role in creation of jobs at a local level. The Witzenberg SMME sector has been organised into an active business forum that meets regularly to develop new projects and shares business challenges. The municipality has organised a number of training sessions with this sector around mentoring and coaching, business skills, business plan writing, budgeting and financial planning etc. These programmes were organised through the Red Door, IDT, Seda, Provincial Economic Unit, DTI etc. These programmes will be expanded and specific attention will be given to the promotion of this sector through the municipal procurement supply chain.

Local contractors were capacitated with contractor development training, as well as Western Cape Department Supply Chain workshops, where they could also access information on SARS and the Construction Industry Development Board (CIDB). Mentoring projects for contractors are planned for the new financial year.

Arts and crafts entrepreneurs were capacitated with tourism awareness training and creativity workshops. Entrepreneurs were also connected with organisations in Cape Town such as the Cape Craft Development Institute (CCDI), where they were assisted with business services and product enhancement. Access to markets were provided to entrepreneurs by means of an arts and crafts expo and craft market.

A Tulbagh arts and crafts programme was also launched for youth in Tulbagh where training in products such as recycling, painting and mosaic were conducted by a local entrepreneur, thereby also empowering local artists to impart their skill. The youth were also connected with festivals where they could sell their products to tourists.

Tourism projects planned for the new financial year include increased efforts for entrepreneurs to access markets and business capacity building.

VI. TOURISM

Witzenberg Municipality manages local tourism in the form of a service level agreement (SLA) with three local tourism organisations, which conduct marketing of the municipal area and local established businesses in order to draw investment and trade to the area.

Local businesses join as members of the local tourism authorities to participate in the marketing initiative. Membership holds businesses accountable to ethical norms and standards for the industry, and to a code of conduct. Tourism aims to market Witzenberg Municipality as an affordable holiday destination with activities for the entire family. Tourism liaises with district, provincial and national stakeholders to develop the Witzenberg brand through the attraction of tourists, awareness campaigns, roadshows, expos, events and festivals.

Tourism further aims to train and skill local entrepreneurs to meet tourism-related demands, and provide the requisite services and products necessary to promote local trade and economic development.

Their functions include:

- Marketing the area, events and activities.
- Creating opportunities for transformation, niching, diversification and support of new stakeholders.
- Ensuring that tourism development remains on trend.
- Promotion and development of Accessible Tourism.
- To enlist new members and plan for the growth of both operations and market.

As per our SLA with Witzenberg Tourism, which is an external entity to Witzenberg Municipality, we have the following strategic priorities:

- Promotion of our towns as travel destinations and as film and photoshoot locations (with attractive scenes in farm and desert areas, mountains, snow, and skylines).
- Promotion and protection of the local towns, events and the municipal brand.
- Promotion of conservation and Green Tourism.
- Provision of statistical research and data outputs.
- Promotion of Agri-Tourism.
- The growth and expansion of tourism.

Witzenberg Tourism runs educational packages with schools, front of house staff, and local stores to promote clientele service. The entity also sources courses such as first aid training, communication, administration and hospitality to help local businesses improve their output and skill levels.

Part of the municipality's agreement with Witzenberg Tourism is to expand the broad demographic of tourism to encompass culture, heritage, diversity and transformation. We aim to develop two new travel routes within Witzenberg to promote social cohesion as well as introduce formal trade to township and rural areas.

Witzenberg Tourism has produced tear-off maps which are distributed to points of sale with high traffic, providing location and contact details of local tourist attractions. They have also produced a joint brochure called the Witzenberg Meander, covering activities throughout the municipality. Tourism bureaus for Wolseley, Ceres and Tulbagh also created their own brochures with niche marketing of their sectors in conjunction with social media promotion through Facebook and websites.

Witzenberg Tourism has been successful in marketing the destination to visitors within South Africa as an affordable and picturesque location for weddings, snow tourism, heritage tourism, agri-tourism, wine tourism, adventure

tourism, cultural tourism, sports tourism and rural tourism.

Witzenberg Tourism also conducts quarterly educational visits of the areas to tourism authorities outside of our borders as well as to journalists, media groups and bloggers, in order to review and publicise the activities and services offered in the area. A significant area of focus in the IDP for tourism is access to qualitative and quantitative research, specific to our area.

VII. MANUFACTURING (INDUSTRIAL)

Cape Winelands District manufacturing GDPR contribution per sector, 2016(%)

Subsector	Cape Winelands District	Witzenberg	Drakenstein	Stellenbosch	Breede Valley	Langeberg
Food, beverages and tobacco	42.9	48.8	42.9	40.0	38.0	50.3
Textiles, clothing and leather goods	4.0	3.1	3.3	5.0	4.4	3.8
Wood, paper, publishing and printing	11.6	10.8	12.1	12.8	11.8	8.2
Petroleum products, chemicals, rubber and plastic	13.4	16.0	11.7	13.3	15.2	13.0
Other non-metal mineral products	2.6	2.7	2.9	2.5	2.6	1.8
Metals, metal products, machinery and equipment	10.4	6.6	11.1	10.3	12.6	9.5
Electrical machinery and apparatus	0.8	0.2	1.2	1.1	0.4	0.2
Radio, TV, instruments, watches and clocks	1.0	0.4	1.0	1.4	1.0	0.6
Transport equipment	5.0	2.6	5.3	6.0	6.0	3.5
Furniture and other manufacturing	8.3	8.7	8.5	7.5	8.1	9.1

Source: Municipal Economic Review Outlook – PT

The manufacturing of food, beverages and tobacco is the main manufacturing subsector in the CWD and its local municipal areas. This subsector contributes

42.9 per cent to manufacturing activities in the CWD. Some other manufacturing activities also occur in the CWD, including the manufacturing of:

- Petroleum products, chemicals, rubber and plastic (13.4 per cent)
- Wood, paper, publishing and printing (11.6 per cent)
- Metals, metal products, machinery and equipment (10.4 per cent)

In the Witzenberg and Langeberg municipal areas, the food, beverages and tobacco manufacturing subsector contributed 48.8 per cent and 50.3 per cent respectively to overall manufacturing activities in 2016 which emphasises the importance of the agriculture, forestry and fishing sector in these areas.

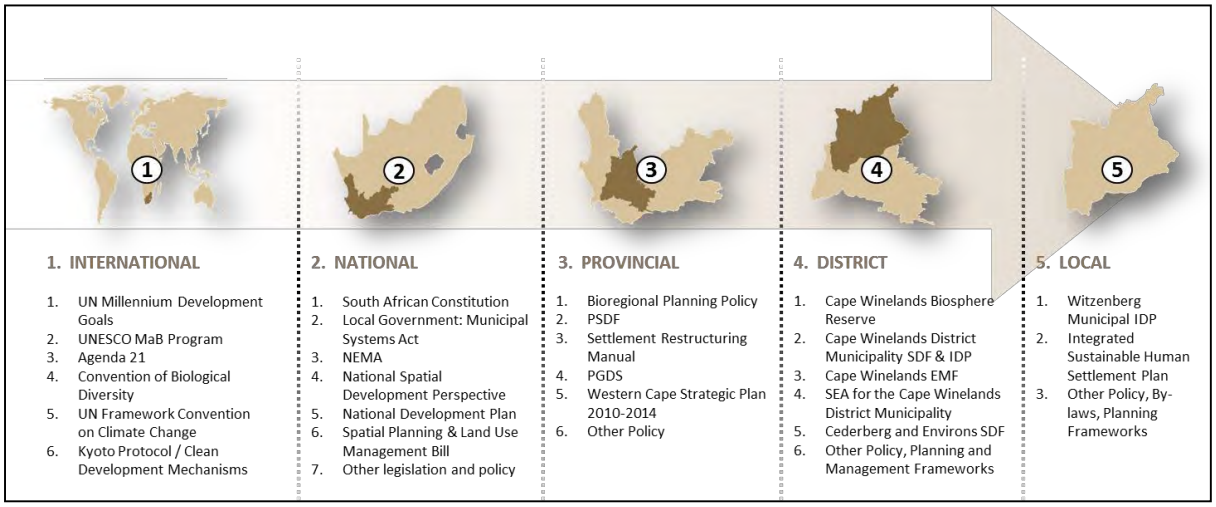
D. SPATIAL ANALYSIS

I. REGIONAL CONTEXT

The Witzenberg Municipality is the largest local municipality within the Cape Winelands region of which it covers 50% of the land area. The population of the Cape Winelands is characterised by a 70/30 urban/rural split which consists of the relatively urbanised Stellenbosch/Drakenstein area (where the majority of the population resides) and a high ratio of rural occupants in the Breede Valley and Karoo areas that include the Witzenberg Municipality.

The district municipality has the second largest economy in the Western Cape, with agriculture being the main contributing sector whilst also employing the largest proportion of the population. The district's main produce is grapes, deciduous fruits and vegetables.

The settlement pattern of the district is characterised by a system of lower order towns and villages linked into a broader regional system of towns (leader towns). The physiography of the mountains and valleys has resulted in a linear system of towns and villages along fertile valleys and major transportation routes.



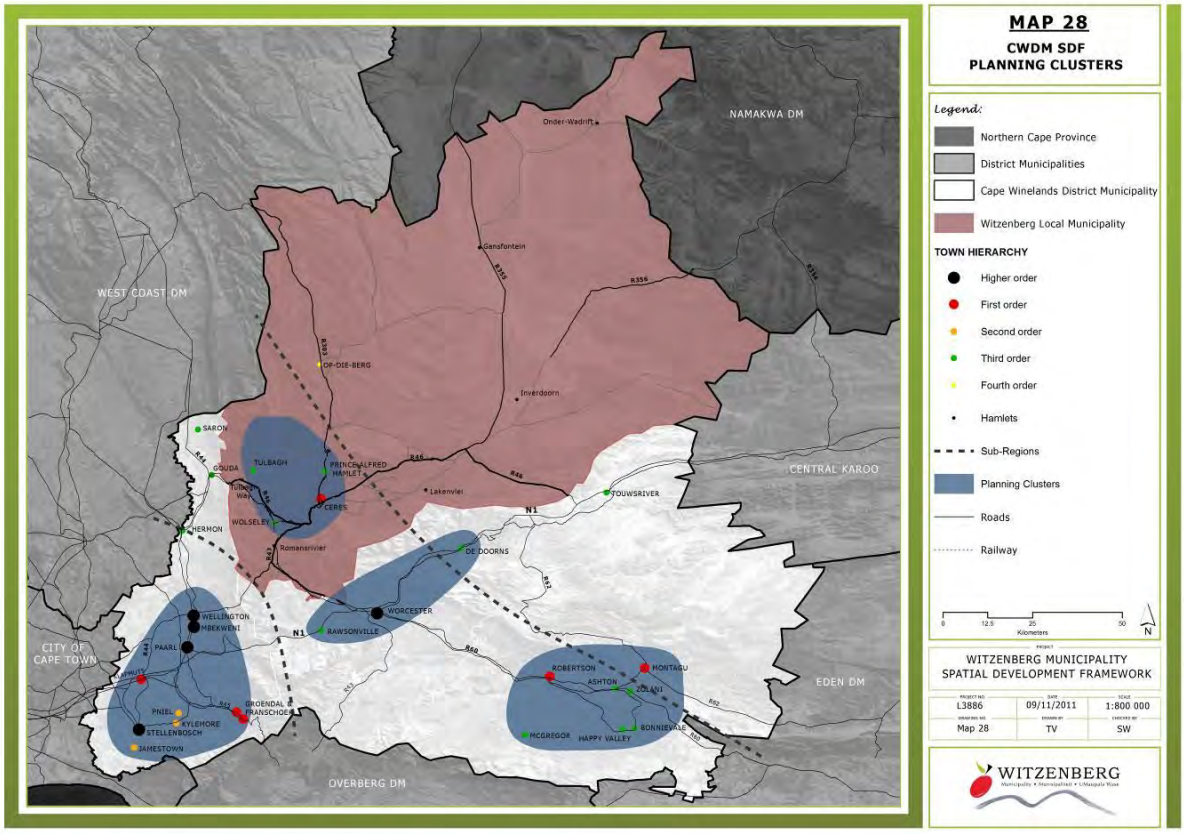
Planning context applicable to the Witzenberg SDF.

II. EXISTING NODES AND CORRIDORS (URBAN EDGE)

The western portion of the Witzenberg Municipality is characterised by an agrarian landscape with a cluster of urban settlements located adjacent to the main transportation routes (the southern portion falls within the Breede River Valley Major Regional Development Corridor as per the Western Cape PSDF).

The eastern part of the Municipal area is a typical Karoo landscape, characterised by undeveloped natural veld, mostly used for extensive agriculture. This spatial structure corresponds with the planning clusters identified in the Cape Winelands District SDF, i.e. the northern settlement cluster and the 'deep' rural areas.

Various levels of nodes/settlements are applicable to Witzenberg. The CWD SDF identified Ceres as a first order town, with Wolseley, Tulbagh and Prince Alfred's Hamlet being rated third order towns and Op-die-Berg a fourth order town. This classification was based on the investment categories identified in the 2004-Town Study.



Planning clusters in the Cape Winelands District indicated nodes in Witzenberg

REGION AND CORRIDOR	DESCRIPTION
WEST COAST LINK CORRIDOR	The R46 and R43 represent an important link between the West Coast industries (especially at Saldanha) and the N1. This area is particularly popular during school holidays (i.e. Easter and December) and the spring flower period (August to September). The industries and harbour in Saldanha are important export harbours of fruit grown in Witzenberg. Linkages with Saldanha could provide much-needed income to Witzenberg pertaining to the export and import of goods. The existing movement routes should therefore be reinforced to support existing economic opportunities.
WEST COAST RAILWAY CORRIDOR	The West Coast Link Corridor is also important in terms of a railway freight strategy. Investment in the upgrade/construction of a freight depot and logistics hub along the railway line at Wolseley could improve the functionality of the railway line and reduce the volume of traffic on the roads. The rail network has an important role to play in future strategies. Consideration must be given to upgrading and privatisation of strategic

	sections of rail. This railway corridor has an opportunity to provide access to the market.
ECONOMIC GROWTH CORRIDOR (N1 TOLL ROADS)	The planned implementation of a toll system on the N1 route between De Doorns and Cape Town could result in the increased usage of the alternative R46 via Ceres. The 2012-2017 IDP identified the latter as a possible niche that could hold distinct opportunities for the municipality.
TOURISM CORRIDORS	These corridors include inter alia the potential scenic routes as well as the West Coast Link and Railway Corridor, which should be expanded to include a station at Wolseley for passenger services. The tourism corridor is a mechanism for encouraging tourists to move beyond the core destinations and will stimulate regional economic development.

The **Urban Edge** is demarcated to manage, direct and control the outer limits of development and protect valuable natural environments and resources. It is also an important tool to contain urban sprawl and ad hoc low-density development that adds to the life cycle costs of urban areas and places an unnecessary heavy burden on communities. The urban edge calculation is based on the land availability, irrespective of the physical and biological constraints such as conservation-worthy buildings and structures, buffer areas, rivers and streams, etc. As such, a total of ± 1 100 ha of land has been identified as falling within the Urban Edge. Of this total, approximately 260 ha is open spaces along river corridors, sensitive areas or areas identified for community agriculture. The Urban Edge areas of the individual towns, and the actual developable land within the Edge are as follows:

	TOWN/SETTLEMENT	TOTAL URBAN EDGE	DEVELOPABLE LAND
a)	Ceres	±440ha	**±400ha**
b)	Bella Vista	±80ha	**±40ha**
c)	Prince Alfred's Hamlet	±53ha	**±30ha**
d)	Op-die-Berg	±11ha	**±9ha**
e)	Wolseley	±120ha	**±112ha**
f)	Tulbagh	±450ha	**±305ha**
	TOTAL	**1154ha**	**896ha**

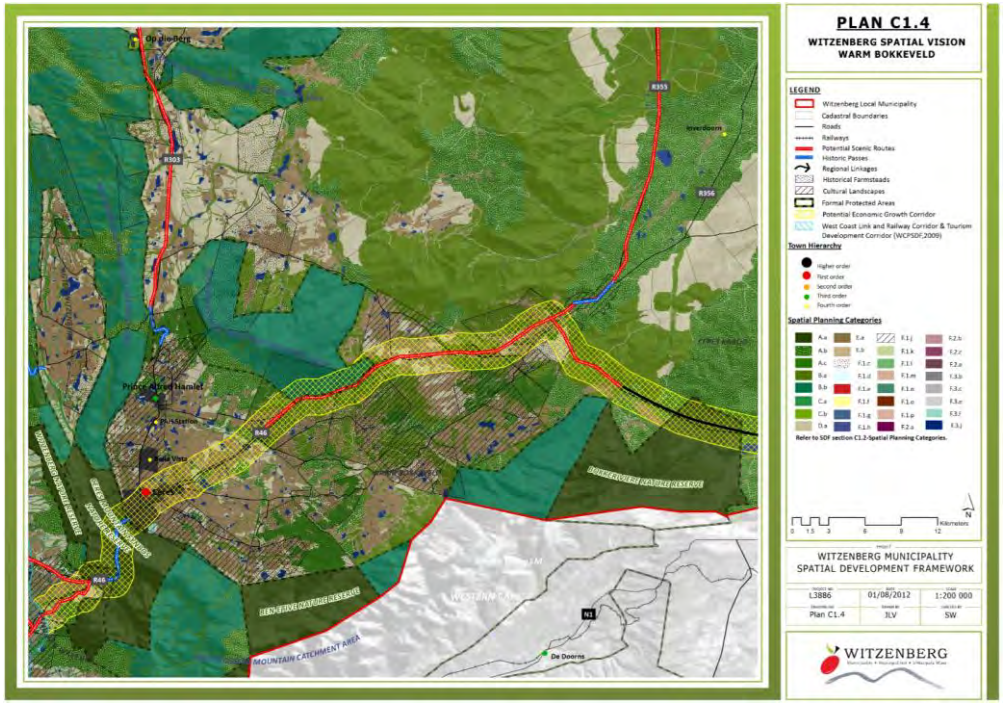
III. LAND COVER AND BROAD LAND USES

Witzenberg is characterised by a unique diversity of landscapes and areas that have historically been identified (intuitively, in terms of bioregional principles) such as the Warm Bokkeveld, Koue Bokkeveld, Tankwa and Ceres Karoo and the Land of Waveren. The western portion of the Witzenberg Municipality is characterised by an agrarian landscape with a cluster of urban settlements located adjacent to the main transportation routes (the southern portion falls within the Breede River Valley Major Regional Development Corridor as per the Western Cape PSDF). The eastern part of the Municipal area is a typical Karoo landscape, characterised by undeveloped natural veld, mostly used for extensive agriculture.

The public land in the municipality comprises a significant number of portions and subdivisions most of which fall into the category of Vacant. The largest singular unit of public land is the municipal commonage. This land has been subdivided and re-subdivided into a plethora of portions, the majority of which is vacant, while a number of portions have been categorised as partially developed and in-process. The table below summarises the status of the public land units in Witzenberg.

	CATEGORY	NUMBER OF PROPERTIES
a)	Vacant	328
b)	Partially developed	56
c)	In-process	55
	TOTAL	439

Some land parcels within the Urban Edge have already been granted development rights but have not yet commenced with development. There are also several smaller vacant land parcels, as identified in the vacant land analysis, and erven that could be redeveloped. The map below indicates major land uses in the Warm Bokkeveld region of Witzenberg Municipality.



IV. LAND CAPABILITY

The land capability in terms of potential development varies from region to region. In the rural areas it is mainly determined by type of soil, availability of resources such as water, and suitable commodities. The western part of Witzenberg is the most mountainous, characterised by broad, deep valleys surrounded by steep mountain slopes. The northern and northeastern part of Witzenberg is considerably less mountainous, extending into the Ceres and Tankwa Karoo.

Most of the Witzenberg region is geologically derived from the Cape Fold Belt. Consisting of a band of parallel ranges of quartzitic sandstone ridges with intervening undulating shale, the sandstone soils are mostly acidic and infertile but the shale soils of the valley floor are extremely fertile.

These fertile valley floors form the core of the agricultural sector in the municipality. Due to the relatively higher water availability and soil fertility, these tracts of land are vulnerable to threats such as alien invasion (mostly by pine species (spp.) and *Hakea sericea*) and increased fire frequencies and reduced moisture availability.

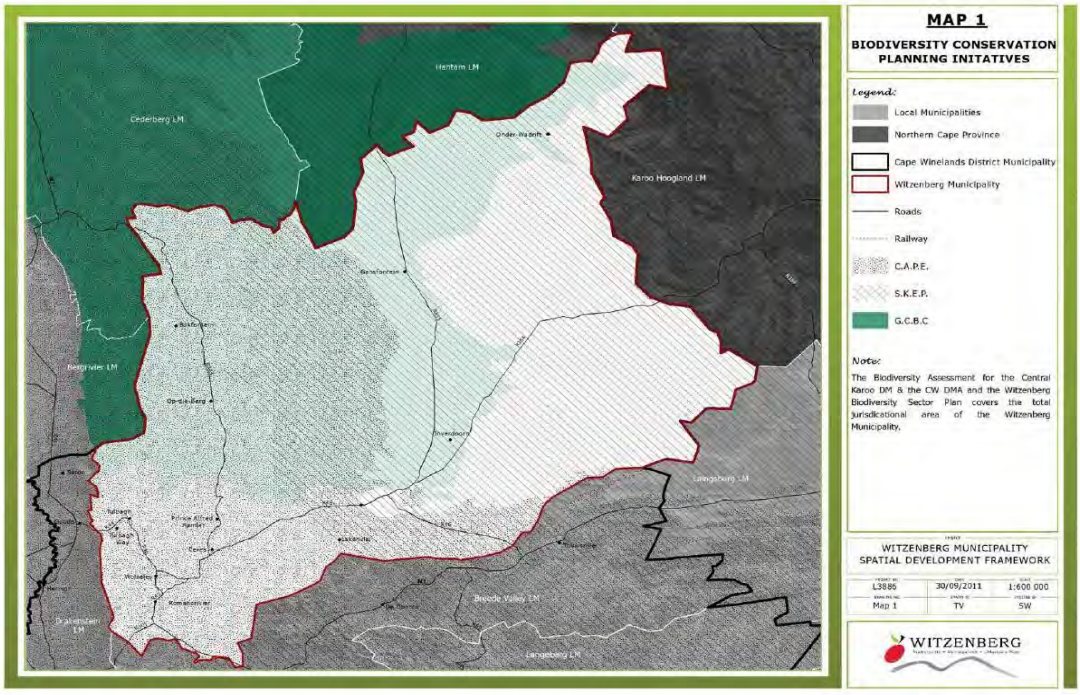
The potential for development in the built environment is mainly determined by factors such as the existing socio-economic profile of the community (as explained in the National Spatial Development Perspective), availability of bulk resources such as water and bulk infrastructure and availability of suitable land.

The potential for future development, restraints and capabilities of each town is summarised in the table below:

Town	*Capability*	*Restrain*	*5-Year Projects*
Ceres	*Administrative centre with largest job creation potential. Existing land available.*	*Transport network and impact on central business district. Bulk electricity supply from Eskom.*	*Vredebes social housing project of 2 900 units. Development of Skoonvlei industrial area. Various private developments.*
Tulbagh	*Growing tourism sector*	*Limited municipal land available. Insufficient bulk water and electricity. Limited job opportunities.*	*Complete existing social housing project. Private developments.*
Wolseley	*Municipal land available for housing. Industrial development potential due to location on economic corridors and railway line.*	*Require land for industrial development. Insufficient bulk water and electricity. Limited job opportunities.*	*Feasibility study on logistics hub development.*
Prince Alfred's Hamlet	*Municipal land available.*	*Insufficient water and bulk infrastructure. Limited job opportunities. Municipal land categorised as critical biodiversity areas.*	*Investigate utilisation of commonage for Agri-Park projects.*
Op-die-Berg	*Growing agricultural sector*	*No municipal land available. Insufficient water and bulk infrastructure. Job opportunities seasonal.*	

V. ENVIRONMENTAL ANALYSIS

Environmental quality is an important component of community growth. There must be a balance between economic development and the environment. Development often has a substantial impact on air, land, water and other biological resources. It has therefore become essential to focus on environmental protection where conservation of natural resources and protection of environmental and human health are prioritised.



E. ENVIRONMENTAL STATUS QUO

The Witzenberg region is one of pristine beauties and wonders and the environment with its natural beauty is one of its greatest assets. This however is in a state of neglect and interventions are needed to restore the environment to its natural beauty and splendour.

Problems that are currently facing us are that our river systems are running through densely inhabited residential areas and is education of the population and law enforcement needed to prevent any pollution of the river systems.

Various industrial plants and factories are also adjacent to the river and cause pollution one way or the other. Our rivers are also running through extensive agricultural used lands with the result of runoffs and other chemical polluters causing major pollution of the river systems.

Monitoring, eradication and control of invasive alien species

The Witzenberg municipal owned land is vastly infested by invasive alien plants at mountain catchments, river riparian zones, wetlands, nature reserves and critical biodiversity areas. In terms of the National Environmental Management Act, Act 10 of 2004; Sections 76(2) and 73(2) respectively, the municipality is responsible for preparing an invasive species monitoring, control and eradication plan for municipal-owned land.

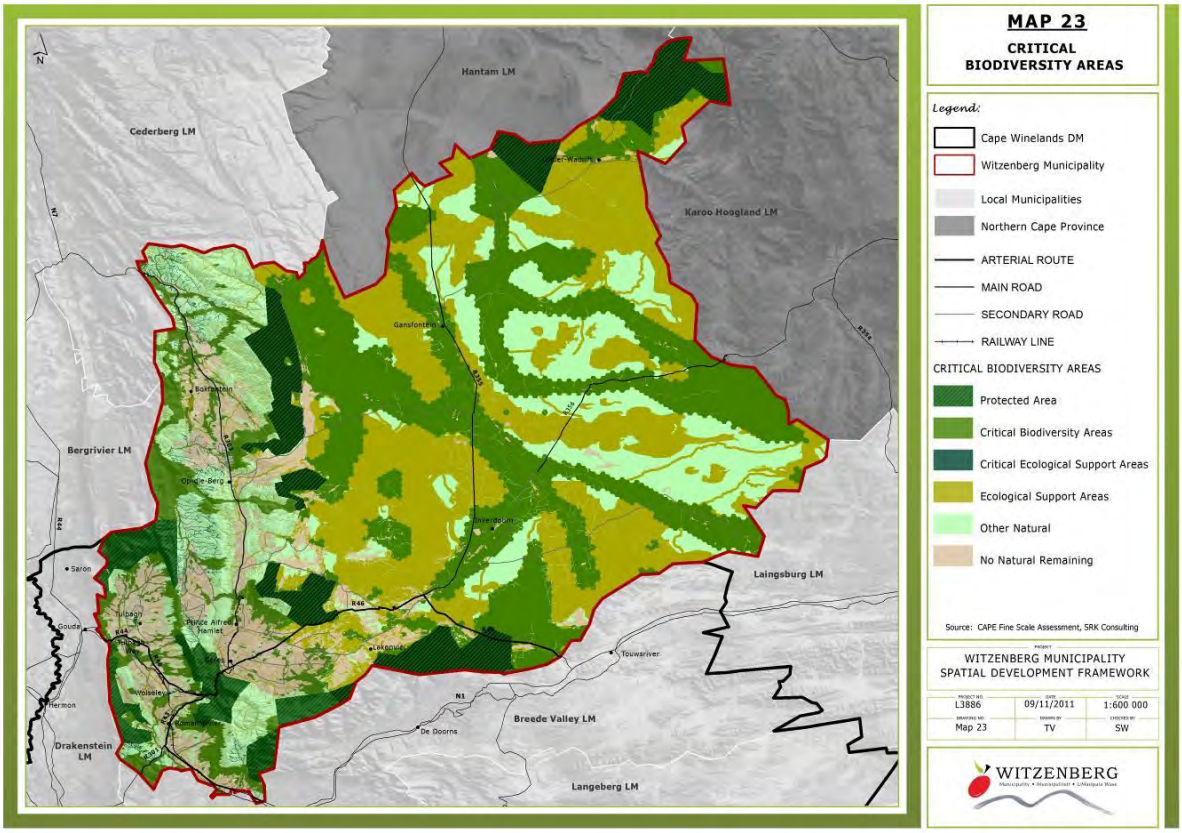
Witzenberg Municipality appointed Aurecon South Africa (Pty) Ltd (Aurecon) to draft the Witzenberg Municipality Invasive Alien Species Monitoring and Control Plan (further referred to as the Witzenberg ISC plan). The Witzenberg ISC has a 30-year vision. However, in terms of the principles of adaptive management and continual improvement, the Witzenberg ISC plan is subject to supplementation and improvement by the municipality in the interim. As such the Witzenberg ISC will be valid for a five-year period from the date of approval, after which the ISC will be reviewed to reflect management objectives in line with the results of the ISC plan. The overarching goal of the ISC plan is to thus protect biodiversity against the negative impacts caused by invasive species while maximising socio-economic benefits in the Witzenberg Municipality.

I. BIODIVERSITY (INCLUDING PROTECTED AREAS)

The Witzenberg Municipality is diverse in terms of its landscape and ecological characteristics due to its location on the transition between the Fynbos and the Succulent Karoo Biomes. The Fynbos biome, considered to be synonymous with the Cape Floristic Region (CFR) or Cape Floral Kingdom, and the Succulent Karoo biome are recognised as global biodiversity hotspots. Approximately 6 000 out of the 9 000 species of the CFR are endemic to the region, meaning that they are not found anywhere else in the world. The CFR also has high animal diversity and is a priority area for endemic freshwater fish and birds.

The Succulent Karoo is one of only two semi-arid biodiversity hotspots in the world, and exhibits, by far, the highest plant diversity for a semi-arid ecosystem. Almost the entire municipal area is subject to biodiversity conservation planning initiatives, including Fine Scale Planning (FSP) for the Witzenberg Municipality identifying Critical Biodiversity Areas and associated land-use management guidelines shown in the map below.

The CBA-plan is a scientifically defensible plan that prioritises conservation actions by setting quantitative thresholds for biodiversity features (e.g. vegetation types). It aims to identify a representative sample of biodiversity patterns for safeguarding, including species and habitats, as well as areas for ecological and evolutionary processes that maintain biodiversity. The network of areas on the CBA map is designed to represent the most spatially efficient way of meeting the twin goals of pattern and process – i.e. to meet biodiversity thresholds within the least amount of land possible.



II. CLIMATE CHANGE

Climate Change advisory for Witzenberg Municipality as provided in September 2016 includes the following adoption focus points:

It is critical to undertake spatial planning that reduces carbon intensity of development and planning. This will be achieved by reducing sprawl (which requires vastly more energy, transport and resources and spatially locks in high energy use for many decades); and reducing loss of vegetation and soil which holds carbon and other critical services. A mixture of high density nodes interspersed with green buffers and open spaces for flood attenuation and reduction of urban heat island effects might be most desirable in urban areas.

Enhancing disaster management prior to and during a hazard event is critical and will be beneficial in improving the resilience of a municipality. Such activities include: early warning systems for floods, heat waves, big storms and fire.

Creating job opportunities related to climate change such as green/conservation tourism, waste management (Youth in waste), storm water maintenance (EPWP), alien vegetation clearing & reed control in the Breeriver and general cleaning and greening of towns.

Necessity to update design standards for extreme weather events and increased maintenance requirements such as key infrastructure including transport infrastructure and utility services such as power lines and treatment works that are likely to be at increased risk of damage through extreme weather events and fires, and may require more frequent maintenance.

Align water supply strategies such as groundwater and threats to this resource from a drying and warming climate. Storage of surface water especially in Tulbagh with the construction of a new storage dam. Continued driving of implementation of technology and infrastructure that reduces water demand such as treatment and re-use of sewerage effluent. Water loss is a concern for the Municipality and there are plans to expand on the use of waste water for greening of parks.

Implement storm water master plans and develop new plans for areas where backlogs exist.

The Municipality plans to further develop a protection programme for indigenous vegetation, establish protected areas to protect the biological diversity and strengthen environmental planning.

The increase in electricity demand that is projected for the Municipality serves as an opportunity to promote alternative energy sources to fossil fuels and thereby contribute towards mitigating climate change.

The municipality will play an active role in implementation and support initiatives that promote a shift from private to public transport and from road freight to rail and reduce the need to travel.

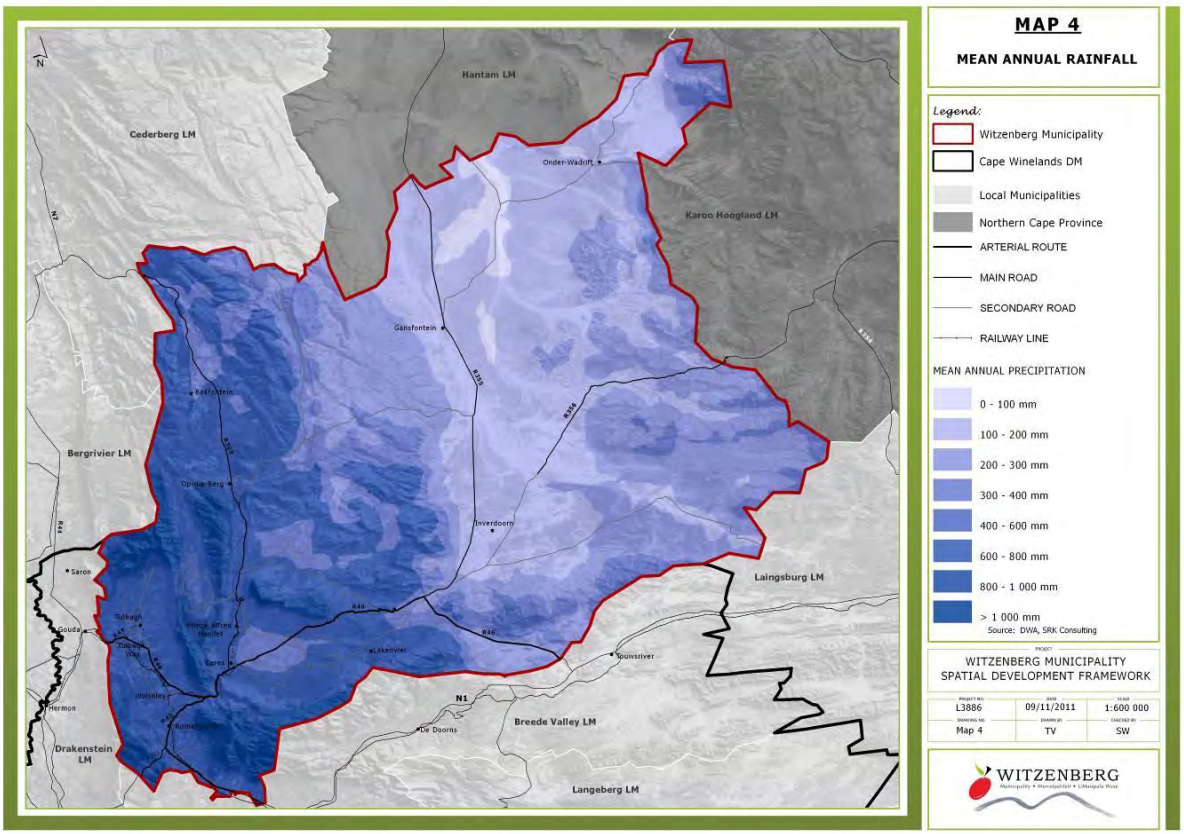
The main objectives of the Municipality's Integrated Waste Management Plan are to avoid, reduce and safely dispose waste generation. A Strategy and Policy will be developed to implement appropriate measures to achieve these objectives.

III. AIR QUALITY

By law each local authority is compelled to manage air quality in its own jurisdiction. The National Environmental Management: Air Quality Act, 2004 (Act no. 39 of 2004) gives direction, guides and is to be enforced as legislative tool. The purpose of the Act is to protect the environment and enhance the quality of air, to prevent air pollution and ecological degradation, to secure ecologically sustainable development and to promote economic and social development and to secure an environment that is not harmful to the health and wellbeing of people. The Witzenberg municipal Council has adopted an Air Quality Management Plan.

IV. HYDROLOGY

The Witzenberg Municipality falls within the winter rainfall region of South Africa, and has a Mediterranean climate. The climate is characterised by warm to hot, dry summers and mild to cool, wet winters. Mediterranean climates are characterised by the long-growing seasons with moderate to warm temperatures. Rainfall mostly occurs between May and October, with snowfalls occurring periodically on the highest mountain tops. The Western Cape as a whole is characterised as a water-scare region. Projections for the Western Cape include a drying trend from west to east, with a weakening of winter rainfall and possibly slightly more summer rainfall (mainly in the east of the province). Other projected impacts are a shift to more irregular rainfall of possible greater intensity, and rising mean, minimum and maximum temperatures everywhere.



The importance of the water resources must be considered within the context that large portions of the Witzenberg area are semi-arid. The availability of water is, therefore, the most critical factor in the municipal area. Water resources are crucial to the wellbeing of humans and it plays a fundamental role in the continuing existence and health of our ecosystems. Water is also vital for cultivation, processing and manufacturing activities, which drives the economy of Witzenberg. It furthermore contributes to the unique sense of place of the area. Land-use patterns largely influence the maintenance of water yields. Interference with the natural conditions in mountain catchment areas, e.g. draining, canalising or cultivating areas such as vleis, seepage areas, riparian areas and stream-bed alluvium, over-exploitation of natural vegetation (e.g. flowering picking) and the uncontrolled spread of alien vegetation are detrimental to the proper functioning of a catchment system. The availability of water also holds the key to the settlement of emergent or small farmers. It is paramount for proposed new developments to be considered in a bioregional context in terms of (a) water availability, (b) environmental requirements, and (c) overall viability of the proposed scheme.

The Olifants/Doorn Water Management Area (WMA) covers most of the Witzenberg Municipality, while Berg WMA, Breede WMA and Gourits WMA covers the western, southern and south-eastern parts of the area.

Olifants/Doorn WMA	The Olifants/Doorn WMA covers the Ceres and Tankwa Karoo and extends beyond the Witzenberg Municipality to the West Coast and into the Northern Cape Province. The area is generally an arid region with an average rainfall of less than 300 mm per annum. The catchment is drained by the Olifants River of which the Doring River, draining the Koue Bokkeveld and Doring subareas, is the main tributary. The Olifants, Doring and Koue Bokkeveld subareas contribute the highest run-off to the WMA (Ninham Shand Consulting Services et al, 2005). More than 90% of available water resources are used for irrigation purposes in the summer months, making bulk water storage an essential component of water resources management (DWAF, 2004).
Berg WMA	Only a small portion of the Berg WMA is located within in the Witzenberg municipal area. Tulbagh and environs are located in the eastern-most section of the Upper Berg subarea.
Breede WMA	The Breede River Water Management Area (WMA) is the southern-most water management area in South Africa and lies entirely in the Western Cape Province. The majority of the towns of the Witzenberg Municipality fall within the Upper Breede subarea.
Gouritz WMA	The Groot subarea of the Gouritz WMA covers a very small portion of the south eastern part of the Witzenberg Municipality.

Witzenberg Spatial Development Framework

In December 2012, the Witzenberg Spatial Development Framework (WSDF) was approved as part of the IDP in terms of Section 34 of the Municipal Systems Act, Act 32 of 2000.As a core component of the IDP, the SDF adheres to the same planning cycle as the IDP. The SDF was therefore adopted with the current '4th Generation' IDP, which will span the five-year period beginning on 1 July 2017 and ending on 30 June 2022.

The WSDF will guide the spatial form and structure of Witzenberg (the way in which we use the space available for urban growth) in the future.

This long-term plan, extending over 20 years or more, will enable Witzenberg to manage new growth and change in its area, to ensure sustainability and equitability. The plans and policies of the WSDF:

- indicate the areas best suited to development, the areas that should be protected, and the areas where development may occur if it is sensitively managed;
- provide investors with a clear idea of where they should invest;
- guide public investment in infrastructure and social facilities; and
- will be used to assess applications submitted by property developers and to guide changes in land-use rights.

The SDF seeks to find a balance between restructuring the historically fragmented towns and demand from the higher-end property market. It has always been the opinion of the municipality that urban expansion would have to be directed in a manner that would promote integration between Ceres, N'Duli and Bella Vista. The Witzenberg SDF identifies the integration of Ceres, Bella Vista and N'Duli as a key strategy which should be implemented over the long term.

In this regard, activity and movement linkages and connections between Ceres Central Business District (CBD), Bella Vista and N'Duli should be encouraged. Future growth of Bella Vista and N'Duli, in particular, should be encouraged towards the CBD of Ceres.

The procurement of Vredebes farm, located midway between Ceres and N'Duli, by the Council for housing purposes, underpins this notion. The area of land located between these three towns is however vast, and it is not at this stage considered realistic to include the entire area within the urban edge. In addition, by not including the entire area within the edge, possible leapfrog development or undesirable fringe land uses is restricted. It would also be appropriate to deal with the installation of engineering services systematically, as opposed to haphazardly allowing development anywhere in the area, without any regard to the infrastructure and budgetary constraints.

Instead, development of the area in an incremental or phased approach is considered more appropriate, based on real need rather than theoretical considerations. Suitable land is also included in the edge to supply the strong demand in Ceres for middle- to high-end housing and industrial sites.

The major development areas are as follows:

Mazoe is an approved middle- to high-end housing development that is still currently used for agricultural purposes. It is hoped that the owners will commence with the development in the near future, which would add much needed housing stock.

Morceaux is provided for in the SDF as a mixed use residential and industrial and will incorporate an existing farmworker village. It will also integrate the town of Ceres with the Vredebes subsidised housing scheme. Construction of the bulk services needed for Vredebes has already commenced.

Kleinbegin was initially rezoned for the purposes of middle to high-end residential development. Subsequently the land was sold and the new owner submitted a revised proposal that will provide farmworker housing. Construction is set to commence in the near future subject to bulk service upgrades.

Ceres Golf Estate is a high-end gated housing development and the first erven has been transferred and a couple of houses have been constructed. The rail track was also opened and trains, including steam locomotives, regularly run for freight and tourism purposes.

Industrial

Land is provided for around Ceres Fruit Growers, a major contributor to the economy of Ceres, to make further expansion possible. The Council also sold land to Bella Fruita (Pty) Ltd in Skoonvlei, where a 5 ha fruit packing facility was developed.

Tulbagh

Since Tulbagh is identified as the town for lifestyle developments due to its setting, heritage and close proximity to Cape Town, provision is made for land for private development. Land is also provided for much needed agri-industrial development and subsidised housing.

The Waverenskroon and Dalskroon were included in Tulbagh's northern expansion area since the adoption of the first SDF in 2003. The application for the rezoning of the land dates back to 2005 and in April 2013 DEADP issued the environmental authorisation. As part of the development a study was commissioned to draw up a road master plan which would ensure coordinated development. The SDF also included the farm Digby for the purposes of middle- to high-end housing, and the rezoning was subsequently approved.

An area of 1,8 ha for industrial expansion located next to an existing packing facility (Tulpak) was included in the urban edge for

further development. The area is regarded as ideal for industry due to the fact that it has good access and is not located in close proximity of residential areas.

<u>Wolseley, Prince Alfred's Hamlet, Bella Vista and Op-die-Berg</u>

The urban edges for these areas were drawn tight with the aim to contain development to the infill opportunities that exist.

Desired growth and development

The desired growth and development of Witzenberg within the region aims to achieve the following:

Objectives

- Enhance the pivotal functions of Witzenberg as a vital linkage with the remainder of the Western Cape Province and with South Africa.
- Enhance the comparative economic advantages vested in being a linkage between the municipality and international markets.

Policy

- Transport linkages within the municipality must be of a high standard.
- Witzenberg Municipality and the neighbouring municipalities must jointly manage aspects which require cross-boundary cooperation.
- Strengthen the settlement pattern within Witzenberg in accordance with resources and economic growth potential

Strategies and Guidelines

- Enhance the use of Ceres as an agri-industrial hub and portal to the export markets situated in the City of Cape Town.
- Promote development of tourism-related amenities and activities along the main routes through the municipality.
- Establish formal relationships with neighbouring municipalities regarding aspects of mutual relevance.
- Establish a freight depot at Wolseley to export fruit and other agricultural products via railway line to inland provinces and harbours.
- Ensure the upkeep of the R43, R46, R303 and R355 as major economic transport routes and scenic routes in light of the proposed toll roads on the N1.
- Determine and entrench the minimum water requirements of the natural environment prior to allocating water to any other user. Undertake a survey regarding water source capacity across the municipal area.

F. FINANCIAL VIABILITY

Capability of the municipality to execute capital projects

Only 28,6% of the capital budget for the medium term will be financed from own sources. The rest of the capital budget will be financed from external loans (1,4%) and grant funding (70,0%).

Only funded capital projects are included in the capital budget. The only major project not executed in the past was the bulk raw water provision in Tulbagh as the Department of Water affairs failed to pay over the funding, although the project is included in the relevant Division of Revenue Act.

Indigent support (including free basic services)

The equitable share allocation is utilised to fund the provision of free basic services to indigent households and informal areas.

The development of plots and building of RDP houses is a challenge to the financial viability and sustainability of Witzenberg Municipality as most of the beneficiaries will qualify for indigent support and will not contribute financially to the municipality, but will be entitled to municipal services.

The first R100 000 of the municipal valuation of all residential properties are exempt from property rates.

Indigent households receive 50 kWh of electricity and 6 kilolitres of water per month while their basic charges for water refuse and sewerage are fully subsidised.

Indigent households with conventional electricity and/or water meters will be converted to prepaid meters to avoid over consumption, subject to affordability to the municipality.

Revenue enhancement and protection strategie

The revenue must be increased to ensure that Witzenberg Municipality can meet all the financial obligations and to improve service delivery. A policy providing for rebates on municipal services is available to new businesses/industries or extension of existing businesses/industries where new jobs are created.

New businesses and/or industries will not only increase the revenue base of the municipality, but will also assist in reducing unemployment – one of the largest challenges for Witzenberg Municipality.

Consumers with conventional water meters who do not pay their municipal accounts will be converted to prepaid meters to avoid increased outstanding debt in respect of water, subject to affordability to the municipality.

Municipal consumer debt position

The impairment provision for debtors have been emphasised by the office of the Auditor-General of South Africa.

The increase in the provision is due to:

- Limited credit control procedures available in areas where Eskom is the service provider for electricity.
- Limited application of the credit control procedures to indigent households.
- Community resistance to the cutting of electricity in certain areas. Assistance from the South African Police Service is needed.

Grants and subsidies

Grants and subsidies are used for their intended purposes as per the Division of Revenue Act and/or Provincial Gazettes. The equitable share allocation is utilised to fund the provision of free basic services to indigent households and informal areas. Grants and subsidies are utilised to finance 70% of the capital budget. Most of the capital expenditure financed from grants and subsidies are in respect of the provision of infrastructure for new low-cost housing projects.

Municipal Infrastructure Assets and Maintenance (Q&M)

The expenditure on repairs and maintenance needs to be increased. The limited revenue base of the municipality limits the amount of funding that can be earmarked for repairs and maintenance.

It is accepted that it is important to maintain municipal assets; therefore the funds available for repairs and maintenance are increases on an annual basis.

The implementation of MSCOA (Municipal Standard Chart of Accounts) regulations will improve the reporting on spending on repairs and maintenance.

Provision is made in the capital budget for the replacement of certain assets that are beyond repair, such as the streets in Tulbagh. This is however an expensive process and will be done over the long term, starting from the 2017/18 financial year.

Current and planned borrowings

Current borrowings are on the decline as no new loans were sourced in the recent past. The loan from the Development Bank of South Africa for the Koekedouw dam was redeemed during the 2016/17 financial year. The outstanding loans will be R10,6 million at 1 July 2017. The last of the current loans will be repaid during the 2023/24 financial year.

New loans to the value of R3,0 million are proposed for the medium term to finance the procurement of vehicles.

Municipality's credit rating

No official credit rating has been performed, but the financial indicators show positive movement during the last four financial years.

The cost coverage ratio improved from 0,8 months to 2,6 months, indicating that the municipality's cash and cash equivalents can cover the operating expenditure for 2,6 months.

The current ratio improved from 1:1 to 1:7 from 2012 to 2016, indicating that the current assets are 70% more than the current liabilities as at 30 June 2016. The trend of improving the municipality's financial position must be maintained. Improved ratio will result in better interest rates if new loans are sourced, and will give confidence to companies that consider investing in the Witzenberg area.

Employee-related costs (including Councillor allowances)

The employee-related costs, including Councillor allowances, account for 30% of the operating expenditure over the medium term.

More post need to be filled to meet the demand of service delivery due to the growth of households that needs services. Any decrease in the mentioned ratio will impact negatively on service delivery.

The salary increase of permanent employees is negotiated nationally, limiting the municipality's influence over the annual salary increase. Councillors are remunerated in terms of national legislation as per annual Government Gazette publications.

Supply chain management (SCM)

Supply chain processes are followed in terms of the Municipal Supply Chain Regulations. Bids are awarded in term of the points scored according to the Preferential Procurement Policy Framework Act.

The Preferential Procurement Policy Framework Act provides for the awarding of bids in terms of price and the B-BBEE status level of the bidder. The B-BBEE status level means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of Section 9(1) of the Broad-Based Black Economic Empowerment Act.

The Preferential Procurement Policy Framework Act does not provide for any preference for local suppliers.

In some instances, bids are not awarded to the lowest responsive bid due to the requirements of the abovementioned legislation.

G. DISASTER MANAGEMENT

The Chief: Fire Services and Disaster Management was appointed on 1 February 2013. Disaster Management Advisory Committee meetings at a district level are attended regularly and a Disaster Management Plan has been drafted. Public awareness and preparedness sessions for disaster related activities were conducted with a special focus on risk communities in informal settlements regarding the hazards of fires and floods, climate change, etc. The draft Disaster Management Plan was workshopped with relevant stakeholders.

A fully established and functioning Municipal Disaster Management Centre (DMC) is a key element of this plan. Therefore the Witzenberg Municipality consults with and operates in close collaboration with the Cape Winelands District Disaster Management Centre. The completion of the Cape Winelands District-based Disaster Management Operating Centre in Worcester will serve the district's base needs.

In any event requiring DMOC activation, the primary role-players, such as disaster management representatives from both CWDM and the Witzenberg Municipality, the coordinator from SAPS, an EMS representative and any other sectorial representative are activated to these centres and coordinate all activities from this DMOC. Due to the regular occurrences of major events (e.g. floods) this DMOC is well established and functions effectively.

Various disaster risks for the Witzenberg Municipality have been identified and assessed during risk assessments executed during 2005 (technological) and 2008 (community based). The risk assessment was done by Africon Engineering and CPUT respectively on instruction of the CWDM for all municipalities falling within the auspices of the district. The technical risk and vulnerability assessment by Africon led to the following profile:

Risk prioritisation table for Witzenberg Local Municipality

Hazard	***Exposure***	***Severity***	***Probability***	***Actions needed***
Drought	*Occasional*	*Moderate*	*Normal*	*Preparedness Planning*
Earthquake	*Occasional*	*Moderate*	*Normal*	*Preparedness Planning*
Fire	*Occasional*	*Insignificant*	*Unlikely*	*Risk Reduction interventions and Preparedness*
Flood	*Seldom*	*Insignificant*	*Unlikely*	*Preparedness Planning*
Severe Storm	*Seldom*	*Moderate*	*Unlikely*	*Preparedness Planning*
Tuberculosis	*Continuous*	*Moderate*	*Normal*	*Risk Reduction interventions and Preparedness*
HIV /AIDS	*Continuous*	*Moderate*	*Normal*	*Risk Reduction interventions and Preparedness*
Hazmat accidents by road	*Seldom*	*Insignificant*	*Unlikely*	*Preparedness Planning*
Air Pollution	*Occasional*	*Insignificant*	*Unlikely*	*Preparedness Planning*

Risk Assessment

The following table can be used as a template to reflect risk assessment outcomes in the IDP:

Risk	***Dept 1***	***Dept 2***	***Dept 3***	***Dept 4***
Risk A: *Fires*	*Fire Services Witzenberg and CWDM*	*Housing*	*Provincial Social Services*	
Risk B: *Floods*	*Disaster Management*	*Engineering Services*	*Traffic Services*	*SAPS and EMS*
Risk C: *Transportation of dangerous goods (rail and road)*	*Provincial Roads*	*Western Cape Province*	*Dept Health CWDM: Health*	

These main risks are taken from the risk assessment tables of both Africon and the community-based assessments, as they are the main commonalities derived from the specific risk assessments.

Fire Services Department

In terms of the Municipal Structures Act, B-Municipalities such as Witzenberg are responsible for all structural fires within their municipal area. The Cape Winelands District Municipality is currently assisting Witzenberg through an unofficial inter-governmental agreement to assist with this function. It is the objective of the municipality to incrementally over a five-year period establish a fire brigade service in terms of the firefighting functions and in accordance with SANS 10090: 2003. This will effectively mean the establishment of a 24-hour facility for the eastern area (Ceres, N'Duli, Prince Alfred's Hamlet and Op-die-Berg) that will drastically improve reaction time. The municipality has started with the extension of this function to the western area (Wolseley and Tulbagh) and the eastern area (N'Duli). Full-time staff and Working on Fire firefighting personnel and equipment were relocated to Tulbagh and N'Duli for these purposes. A Manager Fire Services and Disaster Management and a Station Officer for Fire Safety and Fire Operations were appointed. The recent consultations with stakeholders at Op-die-Berg highlighted that there is a need to appoint firefighters and allocate equipment and vehicles to this area.

Risk reduction

Fire risks

Risk reduction in respect of fire risks is not really possible, although the enforcement of building plan codes takes place and all building plans are scrutinised for fire safety requirements. Mountain and veld fires, fires in informal structures and dwellings form the general basis of fires in accordance with fire statistics. The Planning for Fire Services is included in a Fire Protection Plan that is submitted annually for consideration and approval by the Witzenberg Municipal Council. It must be noted that municipalities need to do planning and evaluate budgetary priorities from the wards in accordance with national and provincial strategic objectives.

The Department of Cooperative Governance and Traditional Affairs (CoGTA) assesses the progress made by municipalities against five key performance areas (KPAs) and cross-cutting interventions adopted in the Five-year Local Government Strategic Agenda.

These elements will become the basis of priority determination when evaluating priorities during the IDP process, project identification and compilation of a budget. This in effect implies that municipal performance will be measured in terms of these standards.

As disaster management is not a function allocated to one discipline, but to all disciplines in a local authority, it implies that the total budget must be evaluated for inclusion of Disaster Mitigation Projects. For instance, the provision of housing will be a disaster mitigation project as it implicates the reduction of informal structures. The provision and extension of electrical power in accordance with needs is a disaster mitigation project as it decreases the effects of dwellings without power (e.g. dangers with open fires) with all its consequences.

Floods

The Witzenberg municipal area is prone to floods. Over the past decade, flooding occurred at least once a year. Due to the effects of global warming and climate change with resultant cut-off lows, is has become increasingly difficult to forecast or predict critical time periods and/or affected areas.

As stated in the Spatial Development Plan, the Planning and Development Section takes cognisance of the effects and do their planning accordingly in the face of undetermined or ambiguous flood lines in some areas.

Response and recovery

Due to the fact that flooding and other events occur frequently in this area, there is a good understanding of the different roles allocated to the different sectors during any event of disaster potential or consequences. This is managed and coordinated by the immediate activation of a DMOC (Disaster Management Operational Centre, situated in Munnik Street in Ceres), in conjunction and cooperation with the Cape Winelands District Municipality.

H. AGRICULTURE IN THE WITZENBERG AREA

Climate

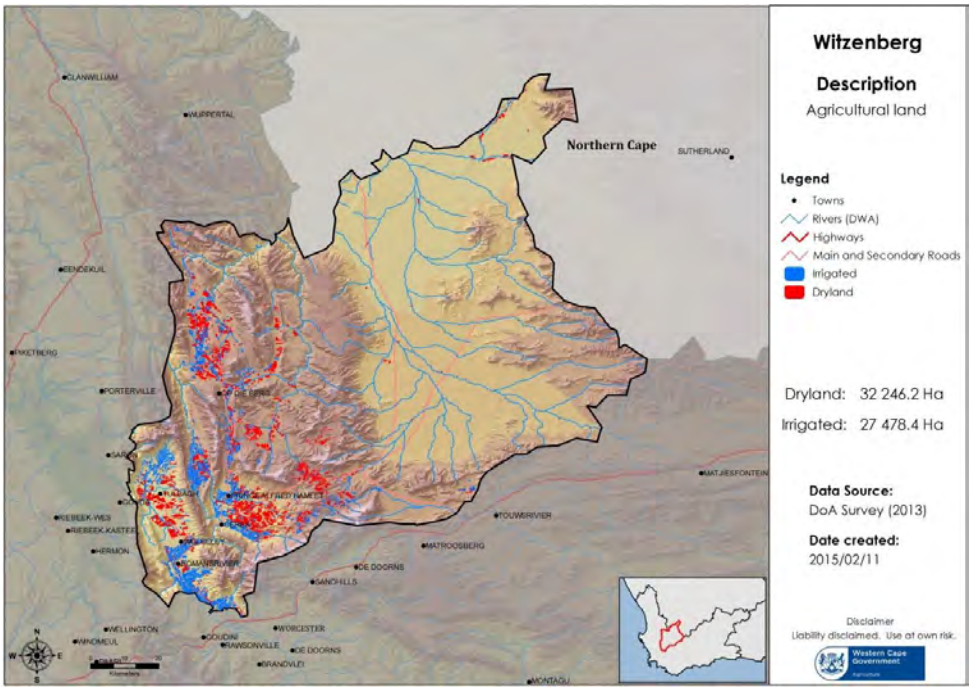
The Witzenberg Municipality falls within the winter rainfall region of South Africa, and has a Mediterranean climate. The climate is characterised by warm to hot, dry summers and mild to cool, wet winters. Mediterranean climates are characterised by the long growing seasons with moderate to warm temperatures.

Rainfall mostly occurs between May and October, with snowfalls occurring periodically on the highest mountain tops. The Matroosberg Mountain range close to Ceres records the highest snowfall and is often covered with snow for lengthy periods during winter. A ski club has erected a hut on the Matroosberg Mountain and skiing is practised during winter.

Summary of climatic conditions

	CLIMATIC CONDITIONS			
	Average rainfall		*Average Min Temp*	*Average Max Temp*
Ceres	• *± 599 mm/annum* • *Lowest: ± 9 mm in February* • *Highest: ± 117 mm in June*		*Average minimum temperature drops to ± 3.8°C in July.*	*Daily average maximum temperature ranges from ± 15.2°C in July to ± 28.2°C in February.*
Prince Alfred's Hamlet	• *± 614 mm/annum* • *Lowest: ± 9 mm in February* • *Highest: ± 116 mm in June*		*Average minimum temperature drops to ± 3.5°C in July.*	*Daily average maximum temperature ranges from ± 14.7°C in July to ± 27.9°C in February.*
Wolseley	• *± 575 mm/annum* • *Lowest: ± 10 mm in January* • *Highest: ± 107 mm in June*		*Average minimum temperature drops to ± 4.7°C in July.*	*Daily average maximum temperature ranges from ± 16.7°C in July to ± 29.7°C in February.*
Tulbagh	• *± 567 mm/annum* • *Lowest: ± 11 mm in January* • *Highest: ± 105 mm in June*	*Average minimum temperature drops to ± 5.2°C in July.*	*Daily average maximum temperature ranges from ± 17.3°C in July to ± 30.8°C in February.*	

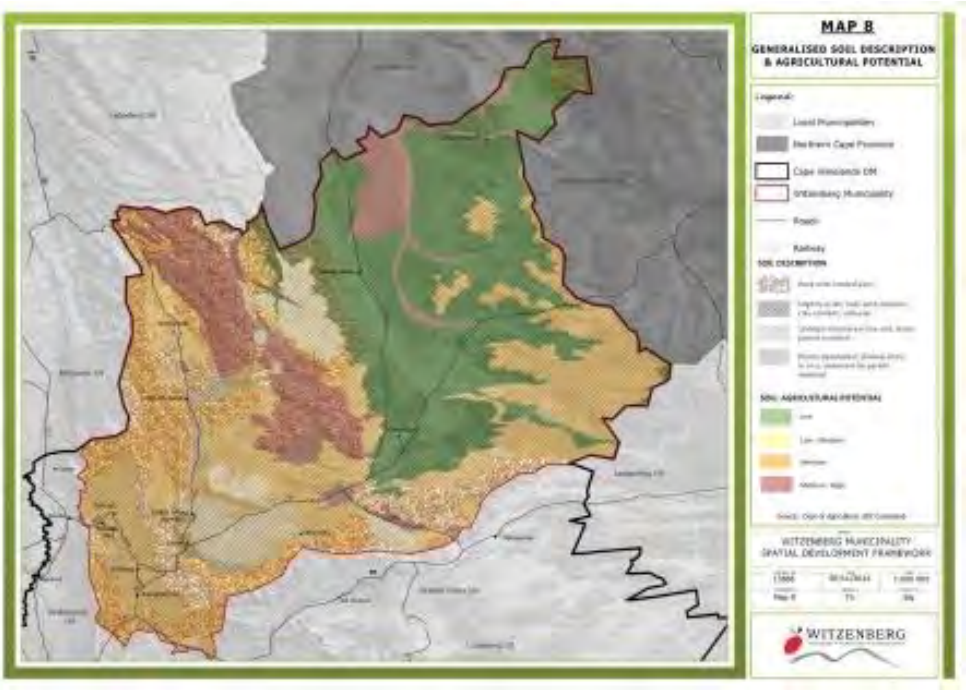
Area irrigated land vs dryland farming



Soils

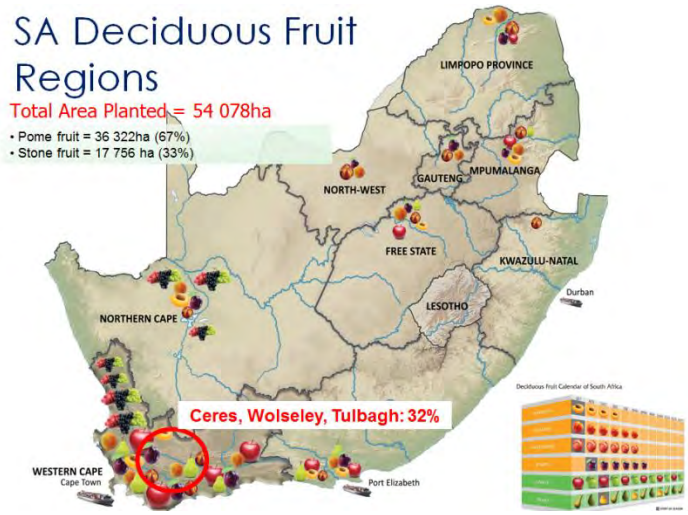
Soil types are important as they provide a supply of water, anchorage in the ground and a source of nutrition, which, together with climate, determines the vegetation types that can be supported (Bargmann in SRK Consulting, 2011).

Generally, few soils form and remain in situ; however, the municipality has some well-developed residual soils due to the stable geological conditions that have existed in the region for the past 65 million years (SRK Consulting, 2011).



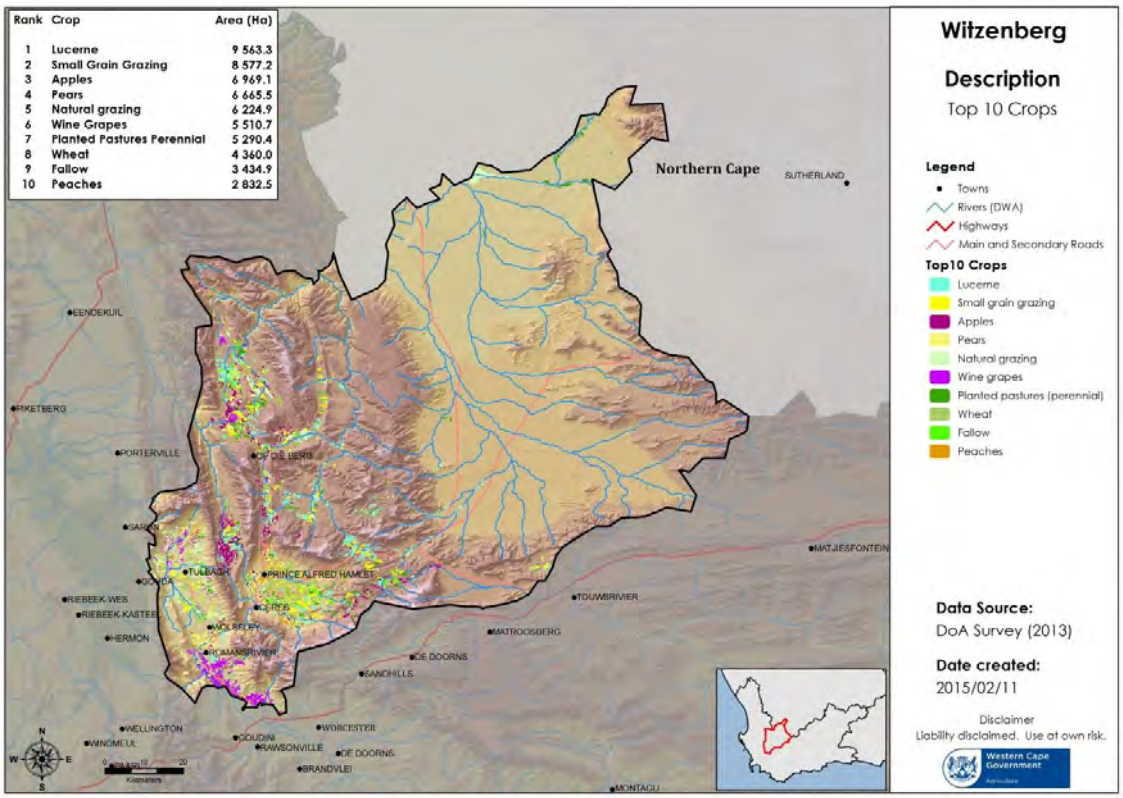
Deciduous fruit is the dominant product

1. Primary
    i. Deciduous: Apples, Pears, Nectarines, Peaches, Plums, Apricots
    ii. Onions
    iii. Potatoes
    iv. Cattle and sheep
    v. Butternuts
    vi. Wheat
    vii. Forestry
    viii. Horses

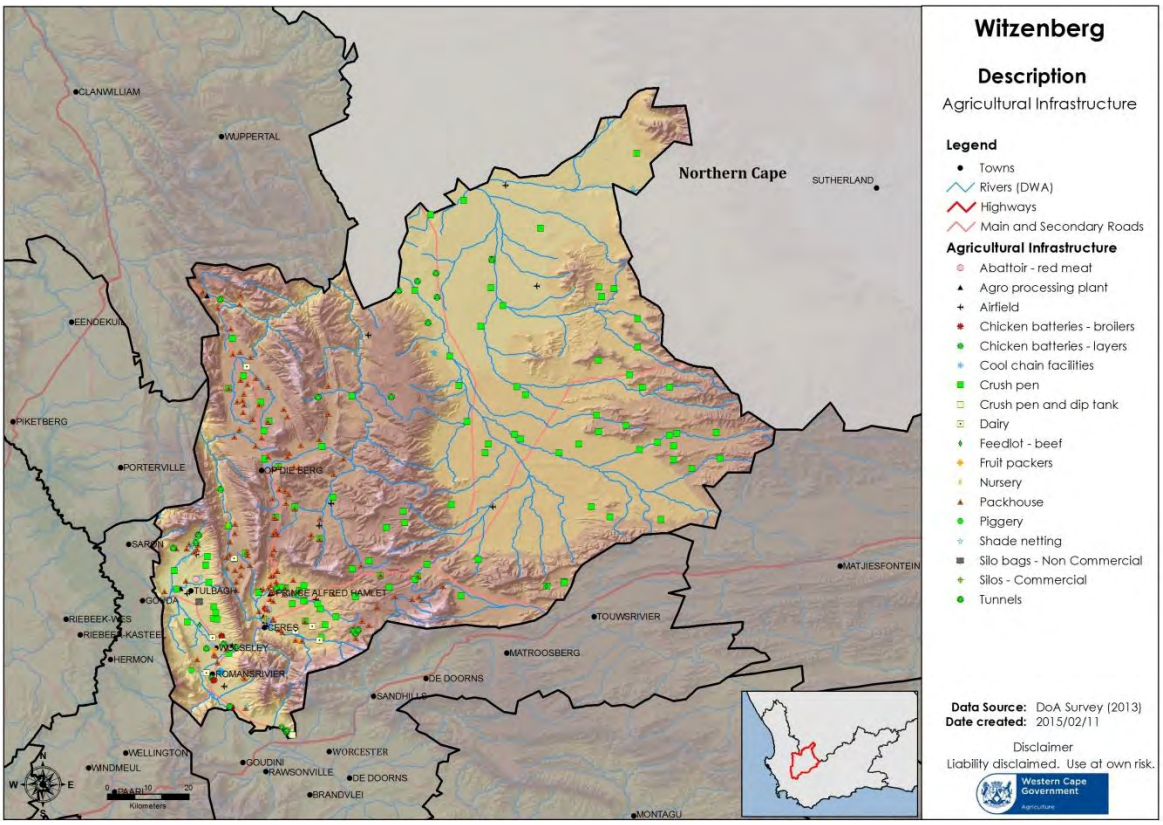


2. Secondary
    i. Cold storage
    ii. Packing houses
    iii. Concentrates and Puree
    iv. Single Strength Products
    v. Dried fruit products
    vi. Logistics
    vii. Agri Chemical
    viii. Agri Mechanical
    ix. Technical, admin and financial services
    x. Plant material (nurseries)

Top 10 crops by area



Agricultural Infrastructure



Economic Contribution

This sector comprised R1,2 billion (or 19,7 per cent) of the municipality's GDP in 2015. It displayed steady growth of 2,5 per cent for the period 2005 – 2015, but growth has nevertheless become stagnant in the post-recessionary period (the sector experienced a growth rate of 0,3 per cent over the period 2010 – 2015). Agriculture employed 34,9 per cent of the municipality's workforce.

Employment growth over the period 2005 – 2015 has contracted by 2,0 per cent per annum on average. Employment picked up significantly after the recession and grew at a rate of 3,5 per cent per annum on average since 2010. On net employment, the sector has been the only one with net job loss since 2005, recording 5 829 jobs lost since then. Despite the good growth rates in all sectors from 2010 – 2015, a recovery of all the jobs will take a long time. The labour force in the primary sector is characterised by a relatively large proportion of unskilled labour. The majority (64,6 per cent or 14 136 workers) of the workforce in agriculture operates within the low-skill sector, which has experienced a contraction of 2,7 per cent and a net job loss of 4 653 jobs since 2005. However, the sector grew by 3,4 per cent per annum over the post-recession period (2010 – 2015).

The semi-skilled sector employs 3 005 workers (13,7 per cent) and the sector has grown at a rate of 4,0 per cent per annum since 2010 but experienced a contraction of 2,1 per cent per annum over the long term (2005 – 2015). The skilled sector employs the smallest proportion of the industry workforce (2,9 per cent or 643 workers). This segment has shown robust growth post-recession (4,4 per cent per annum), but a 1,7 per cent per annum contraction over the long term (2005 – 2015). The informal sector makes up 18,7 per cent of the industry workforce and was the only sector to experience long-term growth (albeit marginal) as employment grew by 1,5 per cent per annum over the period 2005 – 2015. Informal employment in the agriculture industry furthermore experienced solid growth of 3,6 per cent per annum since 2010.

Agriculture in the Witzenberg Area anticipates a growth per year for next five years – Primary: 5% - 8% ±, Secondary and Processing: 10% ±

Factors influencing anticipated 5% - 8% growth per year for next five years	***Exciting new Agri opportunities may stimulate extra growth***

1. *Water*
  i. *Permits*
2. *World Economy – exports*
  i. *Exchange rates*
  ii. *Economic growth, specially Africa*
  iii. *New markets*
  iv. *Market access*
  v. *Access to affordable finance*
3. *Climate change – expect more records!*
4. *Switching to higher income product lines*
  i. *Vineyards to pears and plums*
  ii. *Apples to cherries and berries*
5. *Mechanisation*
6. *Stable and effective government*
7. *Consolidation of Agri businesses*
8. *Research and Development*
  i. *New cultivars*
  ii. *Internet of things*
	1. *Agriculture in Western Cape is high priority – and well positioned*
	  i. *Right products*
	  ii. *Good location*
	  iii. *Investor confidence*
	  iv. *Expect government support*
	2. *New technology*
	  i. *Faster breeding of better products*
	  ii. *New growing techniques*
	  iii. *Use of IT and Apps*
	  iv. *Internet of things*
	3. *Covered production*
	  i. *Security for investor and supply chain*
	  ii. *Sunburn and hail*
	4. *PALS initiative – a community in harmony*
	  i. *Strategic high importance*
	  ii. *Support from the state*
	  iii. *Transformation through growth*
	  iv. *Turnaround of under-performing schemes*
	  v. *Working together with the municipality: "a comprehensive rural development desk" – a shared vision*

Main factors that put anticipated growth at risk

1. *Electricity: Stability of network and access for new projects*
2. *Infrastructure*
   i. *Roads for sensitive high value products – plan for increase flow!*
   ii. *Maintenance of existing irrigation schemes*
   iii. *New irrigation schemes*
3. *Labour/civil unrest*
   i. *Services – Specially waste management and risk to health and contamination*
   ii. *Housing for agriculture workers - NB*
   iii. *Code of best practice*
4. *Training and development of labour*
   i. *Productivity levels*
   ii. *Minimum wage*
   iii. *Working smarter with new equipment and new products*
5. *Too much red tape and slow processes dealing with authorities*
6. *Thread to Land as security*
7. *Investor confidence*

Special acknowledgment to Mr Pieter Du Toit - Managing Director: Dutoit Group

I. SPECIAL PROGRAMMES

I. SMALL TOWN REGENERATION

WITZENBERG LOCAL MUNICIPALITY

IMPLEMENTATION PRIORITIES

1. Informal Economy Support to stimulate small businesses in the area and create infrastructure where SMMEs can trade
2. Quality of education support services
3. Provide restorative support services for families and vulnerable groups
4. Integrated Safety and Security Programme
5. Improving partnerships and cross-boundary integration/ Optimised platforms for communication and client relations

STR MODEL

STR is different from other development programmes, in that it is based on a participatory approach that responds to the different needs of stakeholders. Local residents of the identified towns are at the core of the planning and implementation of the programme which is often not the case with other similar initiatives. The STR Programme, led by local residents (Witzenberg Municipality and SALGA), ensures local buy-in which is necessary for the long term sustainability of the programme.

MUNICIPAL CONTEXT

Witzenberg Municipality, with commitment from its entire administrative and political leadership, undertook the implementation of the Small Towns Regeneration (STR) Programme since December 2015 in order to address socio-economic challenges within Ceres. STR is a comprehensive and inclusive methodology to breathe new life into a town's socio-economic, spatial fabric and infrastructure. Recently, the Ceres Town Steering Committee concluded its STR strategy development process, with support from the Witzenberg Local Municipality team and SALGA.

TOWN VISION

Ceres – A valley of fruitfulness. A place of fulfilling harmonious living, with global opportunities for growth

GOALS

1. To promote economic growth
2. Improve social cohesion
3. Support improvement of the quality of education

OBJECTIVES

1. Diversification and investment attraction for the local economy; and empowerment/entrepreneurship
2. Build healthy, safe and cohesive communities
3. Broadening Educational Facilities
4. Improved safety and security

STRATEGIC FOCUS

The Ceres STR Committee has been convened once a month for the past year. The Committee has developed the Vision, Goals and Objectives and the draft Strategic Framework and Implementation Plan for Ceres. Furthermore, the Committee has also developed logo that is unique to the Ceres STR Steering Committee, which will be used for communication purposes.

CTR
CERES TOWN REGENERATION



Ceres STR Town Steering Committee members after completing Simulation Exercise-26 and 27 July 201



Map illustrating a contextual perspective of Ceres-its proximity with other towns within the Witzenberg Municipality

CURRENT PROJECT STAGE

BUSINESS PLAN AND FUNDRAISING

1. Development of proposed business plans to be submitted for funding for a Restoration Centre
2. Completion of Strategic Framework development process

II. AGRI-PARK

An **Agri-Park (AP)** is a networked innovation system of agro-production, processing, logistics, marketing, training and extension services, located in district municipalities. As a network it enables a market-driven combination and integration of various agricultural activities and rural transformation services. The AP will comprise of three basic units:

1. **The Farmer Production Support Unit (FPSU).** The FPSU is connected with the Agri-hub. The FPSU does primary collection, some storage, some processing for the local market, and extension services including mechanisation.
2. **Agri-Hub Unit (AH).** The AH is a production, equipment hire, processing, packaging, logistics and training (demonstration) unit.
3. **Rural Urban Market Centre Unit (RUMC).** The RUMC has three main purposes;

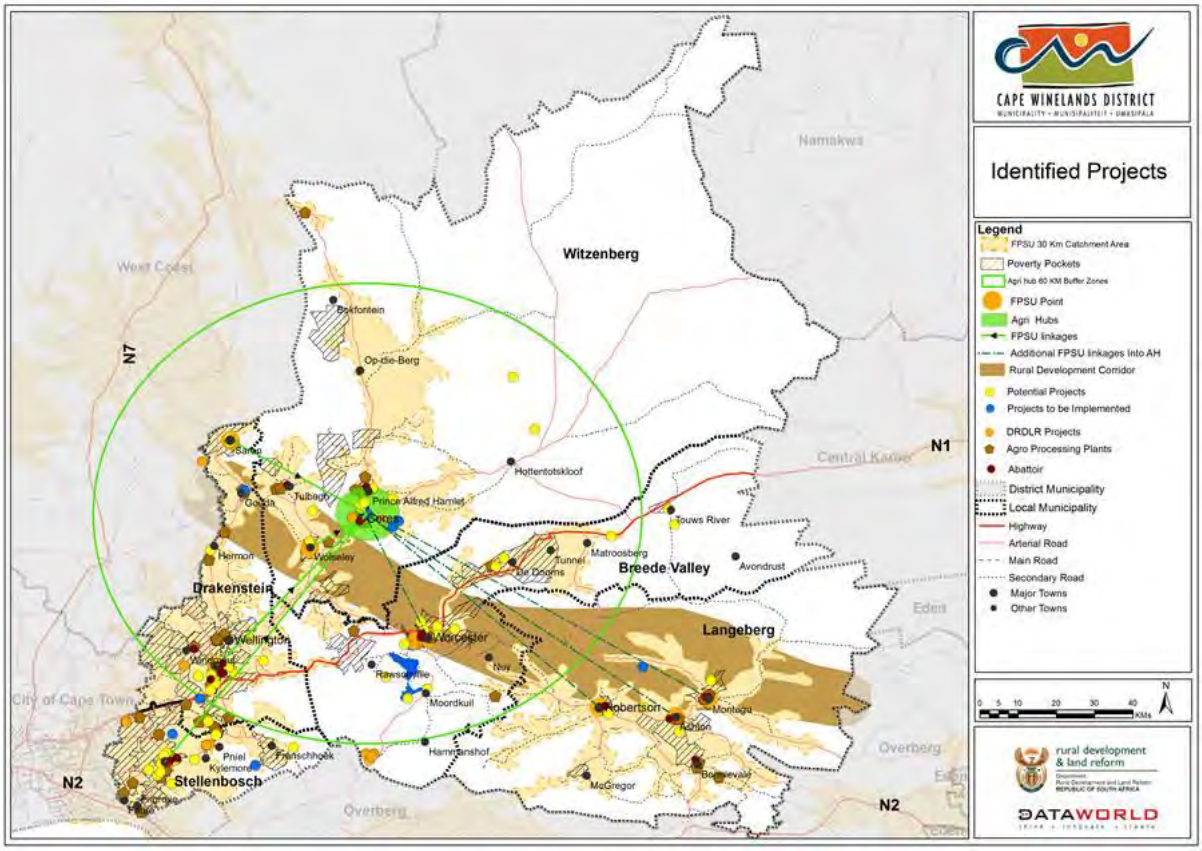
i. Linking and contracting rural, urban and international markets through contracts.
ii. Acts as a holding facility, releasing produce to urban markets based on seasonal trends.
iii. Provides market intelligence and information feedback to the AH and FPSU, using latest Information and communication technologies.

TEN GUIDING PRINCIPLES FOR AGRI-PARK ESTABLISHMENT

1. One Agri-Park per District (44)
2. Agri-Parks must be farmer controlled
3. Agri-Parks must be the catalyst around which rural industrialisation will take place.
4. Agri-Parks must be supported by government (10 years) to ensure economic sustainability.
5. Strengthen partnership between government and private sector stakeholders to ensure increased access to services (water, energy, transport) and production on the one hand, while developing existing and creating new markets to strengthen and expand value chains on the other.
6. Maximise benefit to existing state land with agricultural potential in the provinces, where possible.
7. Maximise access to markets to all farmers, with a bias to emerging farmers and rural communities.
8. Maximise the use of high value agricultural land (high production capability).
9. Maximise use of existing agro-processing, bulk and logistics infrastructure, including availability of water, energy and roads.
10. Support growing towns and revitalisation of rural towns in terms of high economic growth, high population growth over past 10 years and promote rural urban linkages

Strategic objectives of Agri-Parks

1. Establish Agri-Parks in all of South Africa's district municipalities that will kick-start the Rural Economic Transformation for these rural regions
2. Promote growth of the smallholder sector by contributing to the 300 000 new small-scale producers, as well as to the 145 000 new jobs in agro-processing by the year 2020 (as set out in the NGP)
3. Promote the skills of and support to small-holder farmers through the provision of capacity building, mentorship, farm infrastructure, extension services, production inputs and mechanisation inputs
5. Enable producer ownership of the majority of Agri-Park equity (70%), with the state and commercial interests holding minority shares (30%);
6. Bring underutilised land (especially in Communal Areas Land and land reform farms) into full production over the next three years, and expand irrigated agriculture
~~7.~~ Contribute to achievement of the NDP's "inclusive rural economy" and target of 1 million jobs created in agriculture sector through creating higher demand for raw agricultural produce, primary and ancillary inputs, as well as generating increased downstream economic activities in the sector.



Proposed Goal Statement for Cape Winelands District Municipality Agri-Park

By 2025 Cape Winelands DM's rural and small towns would be transformed into thriving areas in terms of jobs, food security and opportunities to prosper.

III. RSEP/VPUU

Regional Socio-Economic Programme (RSEP) / Violence Prevention through Urban Upgrading (VPUU)



The Regional Socio-Economic Programme and Violence Prevention through Urban Upgrading Programme **(RSEP/VPUU Programme)** is an intergovernmental programme run in the Western Cape. The programme will comprise a variety of projects, driven by different role-players, including municipalities, provincial departments, the VPUU Not for Profit Company (VPUU NPC) and communities.

A core component of the programme is to promote learning and to mainstream lessons learnt, best practice and opportunities for replication in municipalities and towns.

The RSEP/VPUU Programme is about a capable state partnering with active citizens, communities and other stakeholders to plan and implement projects that improve quality of life. The majority of projects funded through the programme will be local and precinct-based, and these will mainly be urban upgrading projects that involve the development of physical infrastructure.

Infrastructure projects are supported by social projects that focus on providing activities, programmes or facilities for specific groups or address social challenges within communities, such as early childhood development, education, safety, economic development or social cohesion. All of the projects will be identified at municipal level through a collaborative process involving many stakeholders.

The scope of the actual work being undertaken under the RSEP/VPUU Programme operates at different scales and is grouped under eight streams. Under each of the streams, there are one or two overarching goals that indicate the broad intentions of the work undertaken within that stream as well as a few objectives, which indicate some of the steps that may be taken to achieve the goal(s).

An amount of R4 million was approved for implementation of RSEP projects over the next two years. The projects will focus on mobility with surfaced pedestrian routes that would provide safe and dignified access to pedestrians and cyclists from the areas of Bella Vista and N'Duli to Ceres. Through the implementation of various projects in these areas, Witzenberg will be a co-funder, as included in the 3-year capital budget.

IV. TWINNING AGREEMENT WITH ESSEN MUNICIPALITY IN BELGIUM

Implementation of Waste Management Strategy with support from Essen Gemeente, Belgium

Witzenberg has a well-established, long-term twinning agreement with the Essen municipality in Belgium.

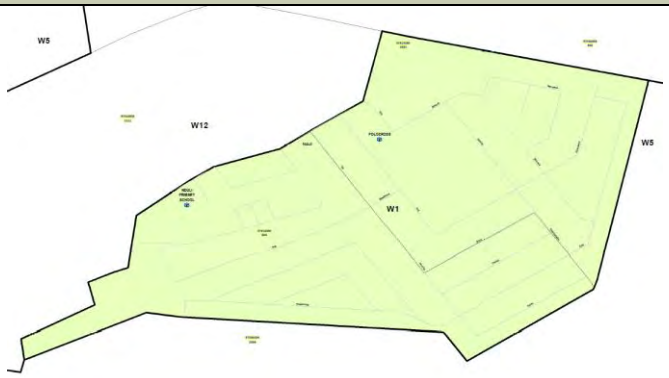
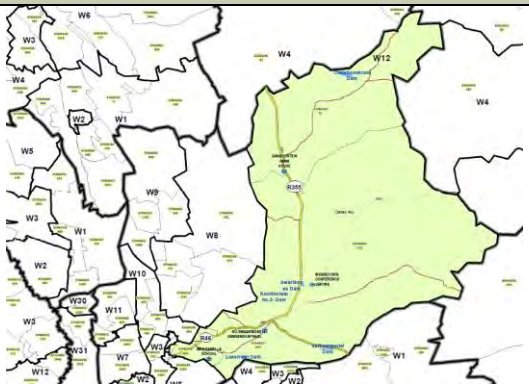
Several projects relating to youth development and the environment were implemented successfully in the past. Current projects include a Flemish programme on youth development and upgrading of open spaces. A federal programme focusing on waste management will be implemented in 2017/18.

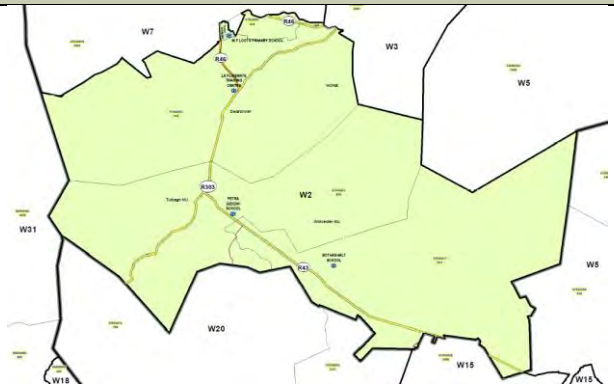
The federal programme will support the implementation of a new Waste Management Strategy for Witzenberg, with the focus on the construction of a material recovery facility and drop-off points in each of the towns that will replace the garden refuse skips.

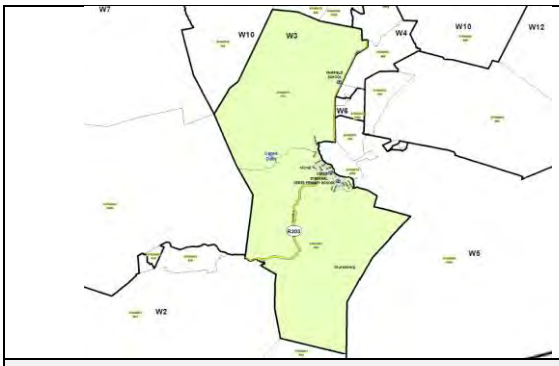
The value of contribution from the Belgium Federal Government amounts to 250 000Euro that will be implemented over a five-year period.

Special recognition is given to the Essen Gemeente (Council), officials and the VVSG (Vereniging van Vlaamse Stede en Genote) for their assistance and management of the programme.

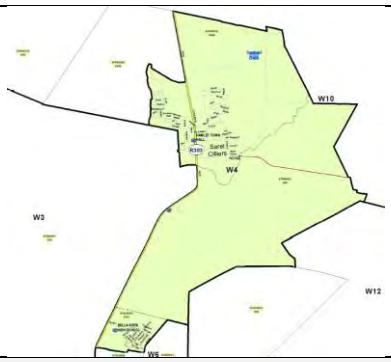
J. IDP PUBLIC NEEDS ANALYSIS

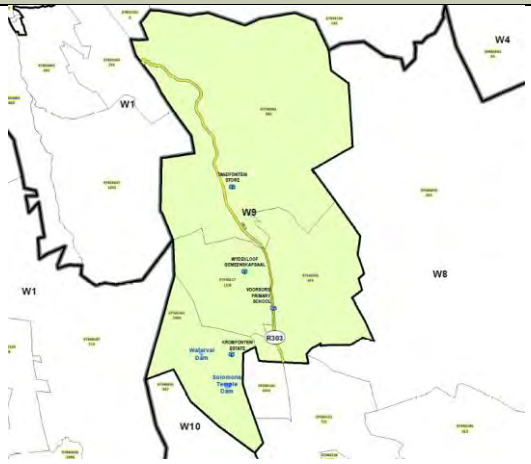
Wards 1 and 12	
	
Provide street/security lights in unsafe areas More secure fencing at public facilities Upgrading of older streetlights Better dialogue in future with the youth Water resources for small farmers Policies must be communicated with the community Safe "walk way" / bridge between N'Duli and Vredebes Ongoing programmes on speed control Combat erosion on sidewalks and streets (rehabilitation) Community facilities need to be upgraded Rehabilitation of graveyard and fencing More prepaid electricity selling points Mobile clinic services Maintenance of roads Signage on rural roads Satellite connectivity in rural areas, emergency and law enforcement connectivity Television connectivity for rural areas Resource farm watch	Skips programme needs to be sustained Sewer network needs to be improved Sports grounds needs to be restored/ upgraded Electrical theft needs to be clamped down Mini CBD to be developed in N'Duli Implementation of recycling projects/ programmes NYDA and EPWP needs to be linked Transfer of title deeds Rehabilitation of playgrounds and parks Development programmes for women and persons with disabilities Police station for N'Duli Hostel facilities for primary school children Rest areas on rural roads, maintenance, district to stop cutting down trees Solar/renewable energy for farm houses Firefighting volunteers

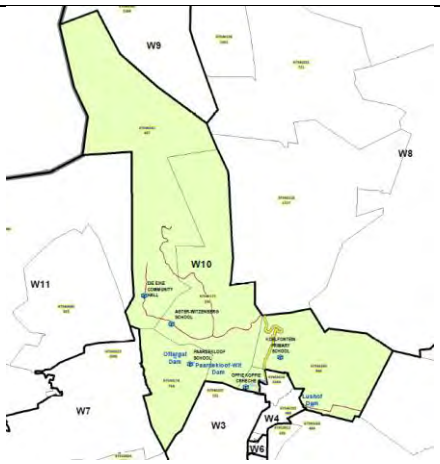
Wards 2 and 7	
	
Pine Valley library and swimming pool Bathroom facilities in the graveyard areas Secure fencing at the graveyard Relook Indigent Policy Substance abuse escalating under scholars Illegal shebeens and off-sales Dilapidated houses used for criminal offences Job creation programmes Back yard dwellers still a problem, housing need Foreigners' activities (illegal) still a problem Bathroom facilities at informal settlements Wolseley requires a fire station Neighbourhood watches in all areas RDP houses are being sold to foreigners Drop-off and pick-up points at die Bossie, as you enter Wolseley Communal and church plots at Kluitjieskraal Mobile library service for the Breederiver area Homeless shelter The piece of land between Kluitjies Kraal and Pine Valley to be developed, or be made available for development e.g. food gardens, small scale farming ECD centers to be formalised Skills development programs in the Agri sector	The Municipality are requested to establish more platforms apart from the Ward Committees to better communicate with communities e.g. street committees, block committees The water canal in Wolseley still a safety concern A concern on the education levels of Breederiver farming area, a need for training programs for people in these rural areas More Tourism programs to be rolled out Upgrading of the Wolseley entrance landscape/signage Building a playpark in Kluitjieskraal and Pine Valley Upgrading and maintenance of Montana Sports grounds Recreational facilities needed at swimming pool Taxi rank placements to be investigated Public bathroom facilities in the CBD
Wards 3 and 5	

	
Playgrounds for the northeastern part of the Rooikamp area Animal control a big problem, dogs and stray animals / problem has escalated Clarity on the Eiland housing scheme Better/more speed calming efforts Street signage to be upgraded Playground/field in Fabriek Str to be fenced Bassons sloot still a problem Mainmast light/ high-beam floodlights to be installed at parks and walk way areas Rotational skip system to be developed Developing of Lyell Str sports grounds, to accommodate more sport codes – Sector departments need to assist Gap housing developments Free broadband and WiFi hotspots Establishment of CPFs in all areas and more regular SAPS patrols/ high crime still a problem Library in Lyell Street to be upgraded/ modernised Recreational facilities similar to neighbouring municipalities (Worcester dam development) Sidewalks to be tarred or paved Walkway bridge over railway line dilapidated and unsafe Streetlights to be upgraded, streetlights that are lower than the trees, outdated Community “Clean Green” programmes for the Rooikamp area	Owen Street unsafe due to poor street lighting Owen Street walkway to be developed, as this has become a main taxi route, unsafe for pedestrians Inspection/policing of shops, occupants use as accommodation Walkway to be developed from the nature reserve, past the pine forest Homeless people problem getting out of hand Stormwater network a problem Walkway and lights from Egoli to Albert Crescent behind houses Problems between Munnik and Voortrekker Street – close passage Railway line to be cleaned frequently, better quality fence Weekends the Town Main Roads have too much traffic Gambling taking place on street corners, SAPS need to act Bathroom facilities needed is cemeteries Better lighting needed along walkway to the Hospital Bus shelters for scholars on the outside rural roads

Wards 4 and 6

	
Community hall for Phases 3, 4 and 5 Backyard dwellers still a problem – housing need Sports facilities for Phases 3, 4 and 5 High dropout rate of scholars a problem Business hub/mini CBD for Kliprug area Better controlled refuse removal in Phases areas Effective placement of skips Availability of church sites Not all dwellings connected to main sewer line Ongoing speed control programmes Animal control in all areas Xhosa medium school for PA Hamlet area More electrical selling points, even at Thusong Business hub/mini CBD for Bella Vista More prepaid electricity selling points Bus and taxi shelters for scholars	Service suspensions to be clearly communicated to consumers Clamp down on illegal dumping of refuse Upgrade of Bella Vista Community Hall Danger of heavy duty transport in Panorama St Sewer network a problem at graveyard Development of youth centre at one of municipal facilities Land availability for small farmers Off-ramp lanes at Bella Vista entrances Gap housing developments Major need for pavilions at sports grounds Need a walkway around Jakaranda, Vrede Street and Mooi Uitsig School Bella Vista clinic too small Thusong Centre open on Saturdays from 09:00 to 12:00 Walk way needed from Mooi Uitsig School to Vrede Street Gang activity becoming a problem Vandalization of Municipal property

Wards 8, 9 and 10	
	



Clinic for the Agter Witzenberg area More effective mobile clinic services in rural farming areas Ambulance services still a problem SAPS service must be intensified Bus and taxi shelters along main routes Fire station for Op-die-Berg and also to service surrounding areas Crime also escalating – CPF Sports grounds need secure fencing The location public ablutions facilities in the CBD area Speed calming still a problem Illegal house shops need to be regulated Illegal shebeens need to be closed Playgrounds and parks are unsafe Business development support programmes There are still streets that need tarring; Grond, Bokveld Street, etc.	Backyard dwellers still a problem Tourism/ ecotourism to be promoted in the area Law enforcement officers to be appointed for these wards Christmas and holiday lights to be budgeted for Op-die-Berg River rehabilitation programme to be sustained No pavement curbs along main CBD routes Tarring of CBD open spaces and sidewalks Swimming pool needed for Op-die-Berg Subsidised water storage tanks for all houses Better quality street/security lights Investigation needed regarding trees in CBD area Spotlights floodlights needed at walkway over the foot bridge More municipal services to be rendered at Op Die Berg offices
Wards 7 and 11	
	
Replacement and maintenance of roads Substance abuse a problem in Tulbagh area	Illegal shebeens need to be closed Storm water network in Tulbagh needs to be

Small-scale farmers need land for their animals Animal control must be intensified Sector departments need to assist with the establishment of sports facilities in farming areas Water shortage a problem during summer months Small business development opportunities Gap housing developments Traffic Services for Tulbagh Illegal house shops need to be regulated Upgrading of street lights Parks and playgrounds to be upgraded Better ablution facilities for schools on farms Libraries to be open on Saturday mornings Control the influx and illegal structures	maintained regularly The use of local contractors for municipal work Sewerage network in Chris Hani area needs to be maintained regularly River rehabilitation programmes to be sustained Safety of Woman still a concern, - House of Safe Keeping Tourism campaigns to be developed to attract more tourists Speed calming needed along main street walkway routs Roll out of programs for people with disabilities More ablution facilities needed in Chris Hani area, and ASLA Camp Scholar road safety to be looked at, school road/street crossings; traffic signage to be put up,

4 KEY PERFORMANCE AREAS

Witzenberg Municipality has identified four key performance areas that group related functions and activities into focused units. Strategic objectives have been developed for each of the KPAs that are further broken down into programmes, projects and activities. Key performance indicators will indicate performance and progress on our strategic objectives over the five-year IDP term. Note that the KPAs do not relate to directorates as currently being used in the municipality.

KPA **Essential Services** include the following functions:

- Water Services
- Sanitation Services
- Roads and Storm water
- Transport Management
- Electrical Services
- Street lighting
- Solid waste management and collection



KPA **Governance** includes the following functions:

- Human Resources
- Administration
- Information Technology
- Marketing and Communication
- Internal Audit and Risk Management
- Performance Management
- Traffic and law enforcement
- Building Control
- Town Planning
- Financial administration
- Income
- Supply Chain Management
- Integrated Development Planning
- Legal and property management
- Council



KPA **Communal** includes the following functions:

- Environmental Management
- Open Spaces
- Air and noise pollution
- Trading regulations
- Amusement facilities
- Cemeteries



- Fencing
- Amenities
- Sport facilities
- Parks and Recreation

KPA **Socio-Economic Support** includes the following functions:

- Social Development
- Local Economic Development
- Indigent support
- Housing
- Job creation

New School in Tulbagh



Key performance area 1:

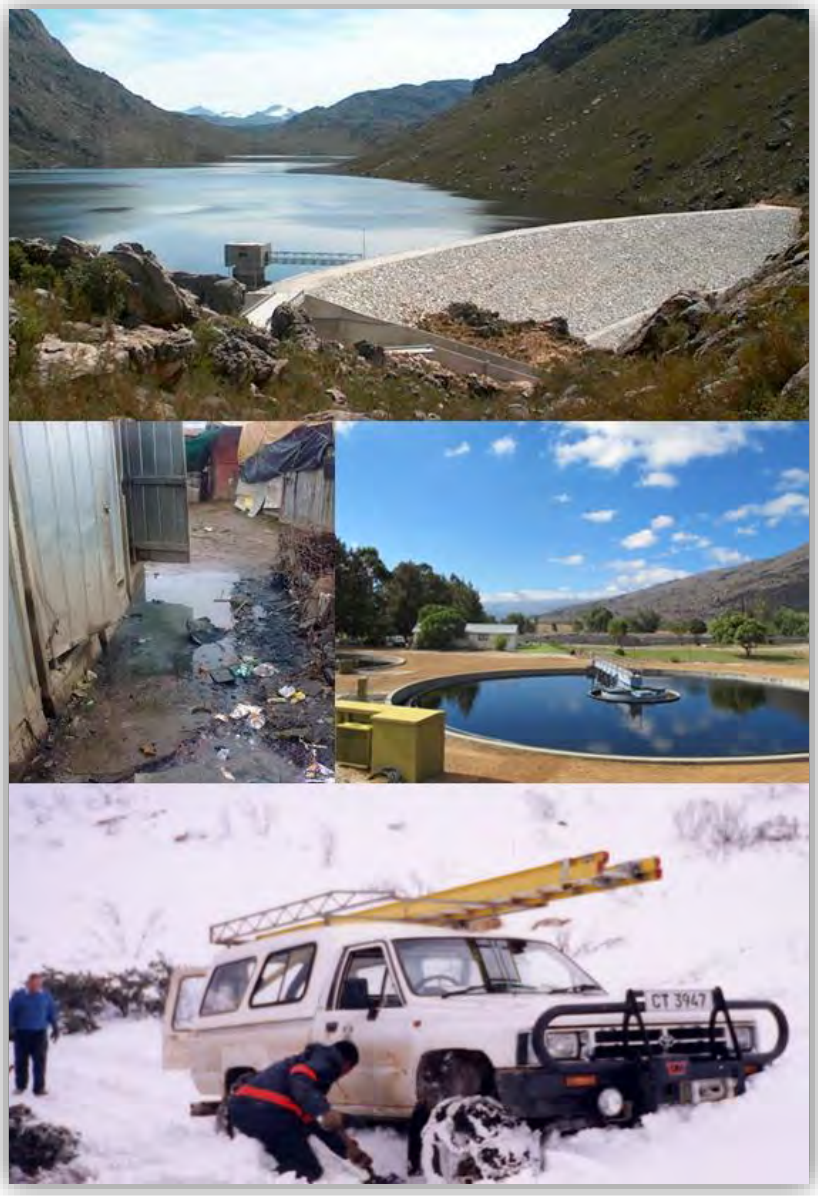
ESSENTIAL SERVICES

OBJECTIVE 1.1:

SUSTAINABLE PROVISION AND MAINTENANCE OF BASIC SERVICES

OBJECTIVE 1.2:

PROVIDE FOR THE NEEDS OF INFORMAL SETTLEMENTS THROUGH IMPROVED SERVICES



Key Performance Area 1

A. ESSENTIAL SERVICES

I. OBJECTIVE 1.1: SUSTAINABLE PROVISION AND MAINTENANCE OF BASIC SERVICES INFRASTRUCTURE

An important emphasis for the municipality is to ensure that basic services infrastructure is provided and upgraded to support areas of growth. The further maintenance of existing infrastructure will ensure the sustainable provision of services. This will happen by means of the following programmes:

▪ PROGRAMME 1.1 (A): UPGRADING OF BULK RESOURCES AND INFRASTRUCTURE

Water Sources, storage and purification

The main resources for **Ceres** are the Koekedouw dam with a capacity of 17 million m^3 of which the municipality is entitled to 10 million m^3. Current usage is 4,9 million m^3 p/a. At the current population growth rate of 2,67%, the current supply will be sufficient for the next 10 years, excluding supplementation from our boreholes. Emergency boreholes can supply 20% of our ADD. Water quality from Koekedouw is good and is only chlorinated before distribution.

Two reservoirs (3 and 5 Ml) serve as storage reservoirs to the distribution network of 114 km with four supply zones (Bella Vista, N'Duli, Ceres main supply zone and Ceres central PRV zone). The network includes a 2 Ml and 2,5 Ml services reservoir, a booster pump station to the pressure tower at Bella Vista as well as a 750 kl and a 4,5 Ml service reservoir at N'Duli. All the bulk infrastructure for the planned housing projects have been completed and are in operation, except the bulk sewer mains, which will be completed July 2018.

Moordenaarskloof and Tierkloof are the main resources for the supply of water to **Tulbagh** at present. Construction has been completed to provide an additional 1,2 x 106 m^3/a from the Klein Berg River. One borehole at Kruysvallei supplies additional water to Tulbagh. Moordenaarskloof is evenly shared with two other users (SAPCO and Kruysvallei). The existing storage dam arise insufficient and requires the implementation of water restrictions on an annual basis. Funding applications for the construction of a 750 000 Ml storage dam have been submitted to the Department of Water Affairs and although allocation to the amount of R45m was included in the 2018 DoRA, final project approval is still awaited from DWA.

The purification plant consists of five slow gravity sand filters as well as a chlorination system. Two reservoirs (800 kl and 1 Ml) serve as clear water storage reservoirs to the distribution network of 29 km with two pressure zones. The network includes a booster pump station to the pressure tower (500 kl). A new reservoir will have to be constructed when private residential housing projects are implemented.

Wolseley receives its water supply from the Tierkloof weir. Purification consists of pressure filters and chlorination. The Ceres Road Reservoir (680 kl) and newly constructed 6 Ml Wolseley reservoir serve as storage reservoirs to

the distribution network of 44 km with two pressure zones. The network includes a 4.5 Ml services reservoir (Stamper Street Reservoir), which has been resealed to prevent losses, and a booster pump station. An additional pump station enables the transfer of irrigation water during periods of low flow from the Artois canal to this reservoir. The absence of a storage dam for Wolseley places the town at risk during periods of severe drought. The bulk supply line from the Tierkloof weir is at risk of collapsing due to age and is in need of replacement.

Prince Alfred's Hamlet's water sources consist of the Wabooms River weir, a fountain, three boreholes as well as a link through the agricultural pipe network of the Koekedouw Dam. Due to the quality of the raw water, only chlorination is required. Four 500 kl reservoirs serve as storage reservoirs to the distribution network of 32 km with only one pressure zone.

Op-die-Berg has three water sources, a fountain and two boreholes. Due to the quality of the water, only chlorination is required. Three reservoirs as follows: 50kl, 60kl and 500kl serve as storage reservoirs to the distribution network of 6 km with only one pressure zone. A new reservoir is required with the recent construction of 250 RDP houses. The absence of a storage dam places the town at risk during periods of severe drought.

Infrastructure Investment			
Project Name	***Area***	***Budget***	***Year***
2,5 Ml Reservoir	***Bella Vista***	***R 7,2m***	***2017***
4,5 Ml Reservoir	***N'Duli***	***R 14,6m***	***2017/18***
Bulk water pipe line	***Ceres, Vos Street***	***R 6,2m***	***2017***
750 000 Ml Storage Dam	***Tulbagh***	***R 40m***	***2017/18/19***
Bulk water pipe line from Tier Hok weir	***Wolseley***	***R 11m***	***2021***
New reservoir at Op-die-Berg	***Op-die-Berg***	***R 5,5m***	***2019/20***
New reservoir at Tulbagh	***Tulbagh***	***R 9m***	***2021/22***

Achievements

Achieved BLUE DROP status for all water treatment works for past three years

Key performance indicators for 2018/19

1. *Target of 96% expenditure of Capital Budget*
2. *Target of 98% for drinking water quality*

Critical actions

Proceed with construction of Tulbagh storage dam

Waste water treatment works and pump stations

Sewage and industrial effluent are collected from consumers via a sewer system and treated at the **Ceres** wastewater treatment plant. The plant services the areas of Ceres, N'Duli, Bella Vista and Prince Alfred's Hamlet. The sewer system includes nine booster pump stations. A portion of the treated effluent is used for irrigation. The **Tulbagh** wastewater treatment plant was upgraded in 2015 and the system includes three booster pump stations. The **Wolseley** Wastewater treatment plant was upgraded in 2014 and the system includes six booster pump stations. The **Op-die-Berg** wastewater treatment plant serves approximately 75% of the consumers and the rest are serviced with septic tanks. Septic tanks are emptied by the municipality on request.

PLANT	SIZE (ML/DAY)	TECHNOLOGY	OPERATIONAL FLOW (% of design capacity)
CERES WWTW	8.5	Activated Sludge	67
ODB WWTW	0.308	Activated Sludge	73
WOLSELEY WWTW	3.6	Activated Sludge	44
TULBAGH WWTW	2.46	Activated Sludge	65

The effectiveness of the plants is measured through the quality of waste water discharge with all plants achieving targets in 2017/18. The Op-die-Berg plant requires an upgrade of sandfilters as the quality of discharge decreases, especially during winter months due to insufficient evaporation.

Infrastructure Investment			
Project Name	*Area*	*Budget*	*Year*
Upgrading of aerators & refurbishment of Waste Water Treatment Works	*Witzenberg*	*R 2,3m*	*2019/22*
Water & sewer network upgrades	*Witzenberg*	*R 9m*	*2019/22*

Achievements

Achieved GREEN DROP status for all wastewater treatment works for past three years.

Electricity bulk supply and substations

Witzenberg Municipality is the main provider of electrical services to the domestic and agricultural economy within its area of jurisdiction, whilst Ceres itself is synonymous with 'world-class fruit'.

Without a sufficient and sustainable electricity supply, this economy finds itself in dire straits. The hard-hitting facts are that Witzenberg Municipality is for all intents and purposes running at its NMD (Notified Maximum Demand) of 42,8 MVA. The current Eskom backbone network does not permit an increase of this NMD until such time as their backbone network has been upgraded. The implications thereof are four years and R360 million, meaning that 2021 is the earliest our NMD can be upgraded.

A conservative estimate of 2,5% growth per annum is that Witzenberg Municipality's load will be in excess of 50 MVA by then.

The realistic estimate however includes agriculture's own estimate for their industry alone to be 2,5% in addition to the natural growth of Witzenberg mentioned above. This then is a projected growth, realistically, of 5% per annum over the next eight years. By this estimate Witzenberg Municipality's load will be 60 MVA by then.

The following initiatives were implemented to assist over the short term:

- Eskom increased the Notified Maximum Demand of Witzenberg as follows:
    - Ceres – 1,7 Mva
    - Wolseley – 1,7 Mva
- In addition, the Premier's Office introduced Green Cape to Witzenberg Municipality, proposing that an agreement be signed with PowerX, a renewable energy trader. A preliminary investigation was done and a no-risk MOU was signed with PowerX in order to finalise various studies and to enable PowerX to compile a proposal that can be acceptable to Council for implementation.
- The Witzenberg Municipality installed power factor correction equipment at the Ceres main electrical substation, which effectively provides us with an additional 1 Mva of electricity.

Over the short term (1-2 years), the above interventions will assist Witzenberg to provide in its customers' growing demand. Should Eskom not be in a position to complete the upgrade of their bulk electricity by 2022, the Witzenberg Municipality and its agricultural economy will be brought to its knees because of Eskom's inability to provide an increased Notified Maximum Demand.

On the municipal side Witzenberg has three main areas of supply with four Eskom intake points as follows:

- The **Ceres** electrical network receives its bulk electricity from Eskom via two 11kV bulk metering points at Eskom's Ceres Power Station (northwest of the urban area) and Bon Chretien (northeast of the urban area) substation, current NMD is 36,5 MVA.
- The **Tulbagh** electrical network receives its bulk electricity from Eskom via one 11kV bulk metering point at Eskom's Tulbagh substation, current NMD is 4,5 MVA.
- The **Wolseley** electrical network receives its bulk from Eskom via a single 11kV bulk metering point at Eskom's Wolseley substation, current NMD is 4,5 MVA.

It remains the duty of any municipality to pursue all avenues of revenue enhancement in order to ensure the provision of the full bouquet of services to all its residents in a sustainable manner. Electricity provision to the un-electrified rural areas of Witzenberg municipal area is a huge untapped resource that the municipality is unable to exploit due to the current Eskom NMD constraints. In terms of the municipality's NERSA approved distribution licence, the municipal supply area is:

"The municipal area of WITZENBERG. Customers being supplied by Eskom or any other Licensed Distributor at the date of commencement of this licence are excluded from this licence"

This implies that all un-electrified areas are considered 'green field' supply areas for the municipality and that Eskom is not allowed to supply electricity to these areas without the express permission of the municipality.

Load forecast

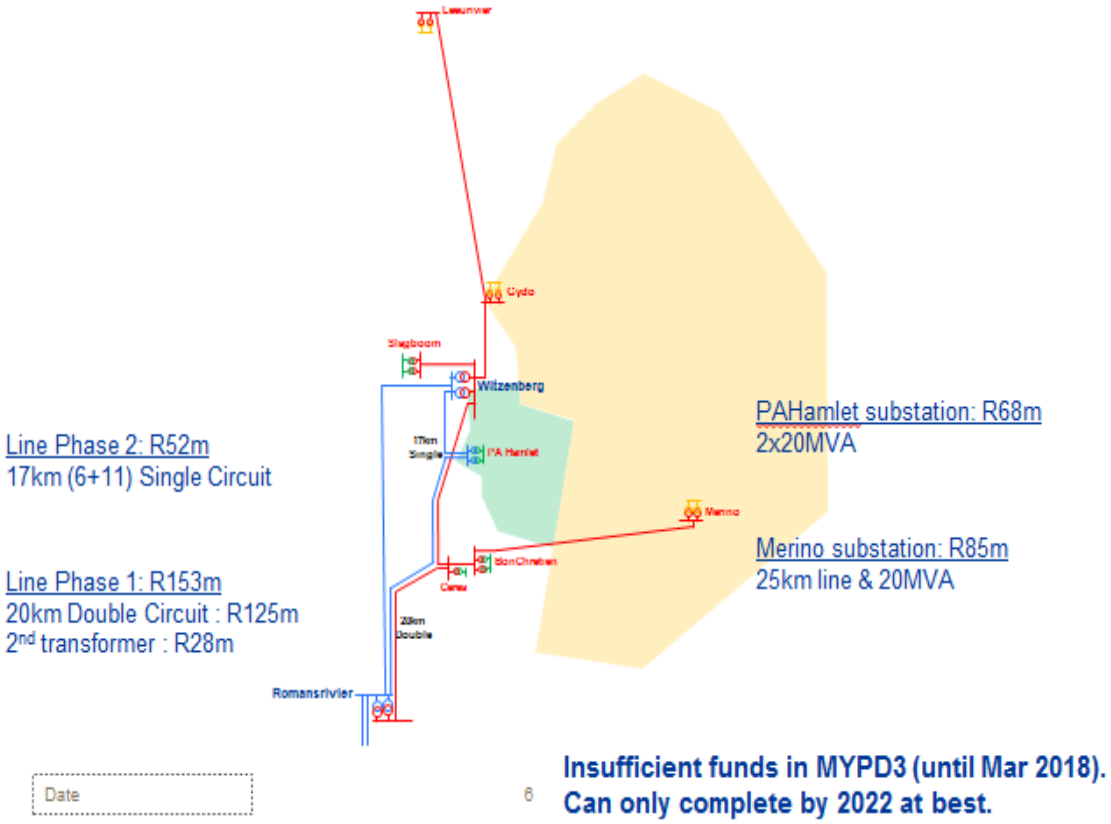
Below is a table depicting the current and immediate future growth.

	Ceres	Tulbagh	Wolseley
NMD	36,5 MVA	4,5 MVA	4,5 MVA
MD	39,07 MVA non-diversified March 2015 (Ceres MD 15,28 + Bon C MD 23,79)	3,88 MVA March 2015	4,3 MVA March 2018
Application for increased NMD from Eskom	COMPLETE	COMPLETE	700Kva application in process
Expected development	Vredebes development (2 850 RDP housing units) 5,2 MVA Golfing estate dev (89 Erven) 1.2 MVA Kleinbegin (300 RDP housing units) 1 MVA Mazoe (270 RDP housing units) 0,8 MVA Kaap Agri 0,5 MVA Morceaux (300 units) 1 MVA Belmont (90 units) 0,35 MVA Onion Dehydration 2,6 MVA TOTAL 12,65 MVA	Natural growth short term 0,5 MVA Informal settlement 1 MVA Digby (315 housing units) 0,8 MVA Waverenskroon (1 350 housing units / Commercial 16 970 m² / Institutional 20 775 m² / Recreation 24 400m² 7,1 MVA Voorwaarts 0,2 MVA TOTAL 9,6 MVA	Natural growth short term 0,5 MVA Goedgevonden (269 units security/frail care 1 MVA Grassroots 0,5 MVA VV4 (Cooling) 1 MVA TOTAL 3 MVA

Proposed interventions

Eskom supplies the Ceres area with a 132 kV line that has, due to consistent growth in demand, reached its capacity in 2014. A moratorium on all new demand is currently in place. Upgrading the existing supply will consist of four phases with an associated cost of R360 million. The current timeframe for this upgrade is expected to be around six years based on the land acquisition

process and availability of budget. Below is a schematic depiction of the proposed required upgrade with the very concerning statement of "can only complete by 2022 at best". By that time the municipality will be exceeding its NMD by 12 MVA if considering a nominal 2,5% growth per annum, excluding the fact of a conservative estimate of 20% growth over the next eight years for the agricultural economy only.



Critical actions

- *Continued communication with Eskom and role-players on the urgent upgrade of Eskom bulk supply to the value of R360m*
- *Attention on the transfer of jurisdiction supply authority of the Op-die-Berg and Prince Alfred's Hamlet areas from Eskom to Witzenberg Municipality*

Management of landfill sites

The provision and operation of landfill sites in the Witzenberg Municipality have reached critical proportions due to drastically increased operating costs and permit conditions of existing sites, available landfill space and increasingly strict legislation to adhere to.

The **Ceres** landfill site has been closed since 1999 as a permit was not issued due to the nature of soil conditions that could lead to underground water pollution. Rehabilitation is however still outstanding at a cost of R 3,5m.

The **Prince Alfred's Hamlet** site is licensed for builders' rubble and garden refuse only, with the same geo-hydrological issues as the Ceres site. All builders' rubble and garden refuse from Ceres are dumped here. Vandalism and theft play a major role in the operation of the site as fences are stolen and infrastructure vandalised. Illegal entry also has the result that fires periodically break out at the site. Rehabilitation is however still outstanding at a cost of R38,5m.

The **Op-die-Berg** site needs to be closed in the near future due to high operating costs. Rehabilitation is however still outstanding at a cost of R4,7m.

The **Wolseley** site is licensed for general waste, garden refuse and builders' rubble and have sufficient space up to 2026. The site was however closed by the adjacent informal community and it is not foreseen that the site will be opened again in the near future. Rehabilitation is however still outstanding at a cost of R20,5m.

The **Tulbagh** site has sufficient airspace for one year and a variation to the licence was applied for, but a court order was granted against the application. The court order indicated that the municipality has to resubmit its waste variation license with certain updates to the MEC to re-consider the amendment of our waste variation license.. If this Waste Variation License is not approved we will have to transport our solid waste to either Worcester or Drakenstein at high transport costs. The Tulbagh site needs to be upgraded to the value of R3,1m to comply with DEADP findings. Rehabilitation is however still outstanding at a cost of R14,5m.

The table below indicates the waste volumes generated per town:

Town	***Ton/annum***
Tulbagh	*4 284*
Wolseley	*4 887*
Op-die-Berg	*3 083*
Prince Alfred's Hamlet	*2 781*
Ceres	*9 664*
TOTAL	***24 699***

Witzenberg Municipality is in the process of developing a **long-term strategy for waste management** as a whole. The strategy will be required to address the following issues:

Component	Activity	Description
Waste avoidance	Public awareness	The municipality to develop and implement a public awareness programme to promote waste avoidance and waste minimisation at source.
Waste collection	Optimise collection System	The municipality to optimise its waste collection resources.
Waste diversion	Recycling	The municipality should cooperate with the private recyclers in the municipal area instead of competing with them. Source-separated recyclables could be collected by the private recyclers after a competitive bidding process (tender).
	Composting of green waste	The municipality should extend its current garden waste separation system to ban all garden waste from the domestic waste stream, thereby also capturing the fine garden waste (grass cuttings) for the composting process. A chipping and composting facility should be developed at the existing Prince Alfred's Hamlet garden waste site.
	Crushing of builder's rubble	Builder's rubble should be stored until a size stockpile is created to justify the mobilisation of a crusher. Such a storage area can spatially be provided at the centrally located proposed transfer facility or until then, at the Tulbagh landfill area.
	Food waste	The quantity of food waste in Witzenberg is too low to economically justify anaerobic digestion, but the food waste fraction could be composted with the garden waste. This would require source separation of food waste, but it is recommended that this activity be postponed until the composting of green waste has been successfully implemented.
	Waste-to-energy	Witzenberg's waste volumes are too low to economically justify waste-to-energy technologies.
Waste disposal	Disposal at licensed landfill	Witzenberg Municipality has the option to either utilise the proposed new regional landfill near Worcester or to further develop the existing Tulbagh landfill. It is recommended that the regional initiative be supported because the transport cost would be the incentive to maximise the diversion of waste from landfill. A centrally located transfer facility should be established near Wolseley where the collected waste, after diversion technologies have been applied, would be transferred to long-haul vehicles.

Investigate usage of **regional landfill sites**. The development of a regional landfill site at Worcester is currently in process with the purpose to accommodate the municipalities of Witzenberg, Breede Valley (Worcester) and Langeberg (Robertson, Ashton, Montagu). The operation of a regional site should see a decrease in operating costs, but transport costs should determine if such a shift would be viable.

TABLE: CAPITAL AND OPERATIONAL COST REQUIREMENTS

Activity	Capital Cost	Annual Operational Cost	Timeline
Public awareness programme		Approximately R300 000	Commence in the 2017/2018 year
Waste Collection System	R11 500 000	R5 395 392	The procurement of the new RELs can be phased in over 3 years
Recycling		Approximately R660,000	Advertise a 3-year tender for the collection of source-separated recyclables in 2017/2018
Composting	R3 748 000	Approximately R2 300 000	Develop composting facility at PAH site in 2018
Crushing		Approximately R520 000	Commence immediately with separation and stockpiling of builder's rubble at Tulbagh landfill
Food waste separation			2019 or 2020
Regional waste disposal	Landfill = R7 227 232 Transfer facility = R14 420 000	Landfill = R1 667 709 Transfer = R2 073 165	Transfer facility to be constructed in 2019 as it is the anticipated commissioning date of the regional landfill
Other	4 public drop-offs = R14 840 000 Rehab Ceres = R3 208 883 Rehab Wolseley = R20 532 911 Rehab Op-die-Berg = R4 768 317 Rehab PAH = R38 535 176 Rehab Tulbagh = R14 421 769	4 public drop-offs = R1 032 235	The public drop-offs should be constructed before the local landfill closure. The rehabilitation of the closed landfills can be scheduled to meet the budget.

Witzenberg Municipality has a long-term twinning agreement with Essen Municipality in Belgium. As part of their Federal Government Programme, an application was approved for intellectual assistance and funding for the abovementioned strategy and related infrastructure such as the material recovery facility. The project will further assist with the establishment of drop-off points (transfer stations) in all towns that would replace the existing skip system. Additional funding for the MRF and drop-off points will be sourced from MIG and own funding.

▪ PROGRAMME 1.1 (B): UPGRADE AND MAINTENANCE OF NETWORK INFRASTRUCTURE

Water and sanitation networks

The Witzenberg urban area is serviced through 224 km of water networks and 199 km of sewer networks with pipes varying in diameter. All urban areas have access to a water connection point with the exception of the informal areas of Tulbagh, Wolseley and N'Duli, which are supplied with communal water points. All urban areas have access to a sewerage connection point with the exception of approximately 25% of the Op-die-Berg and Prince Alfred's Hamlet consumers that are not connected to a network but use septic tanks that are emptied on request. The informal areas are provided with communal toilets. Septic tanks are serviced by two sewerage trucks over an area of 10,753 km² that entails mainly rural areas.

Normal maintenance and repair has increased drastically over the past couple of years due to the ageing of networks. A pipe replacement programme and upgrade of pump stations programme are being implemented and budgeted for on an annual basis. The increasing number of pipe breakages also has an influence on water losses, although water losses have decreased significantly over the past couple of years due to several interventions that were implemented.

Achievements

Decrease in water losses
2013/14 – 27%
2015/16 – 16%
2016/17 – 19%
2017/18 – 18%

Key performance indicators for 2019/20

1. *Target of 96% expenditure of capital budget*
2. *Target of 98% expenditure of operational budget*
3. *Target of 18% of water losses*
4. *95% of water/sanitation connections completed*

Electrical networks

Ongoing maintenance of the network is essential to safeguard network reliability and sustainability and to ensure safe working conditions for employees and consumer safety. The cable network of **Ceres** is considered sufficient to handle a reasonable capacity increase over the foreseeable short to medium term.

In the case of both **Wolseley** and **Tulbagh,** the cable capacity is 2,38 MVA, which is insufficient to handle the Maximum Notified Demand and the 35 mm cables should be replaced with 70 mm cables. Ageing infrastructure considered very outdated and even dangerous to operate are, e.g., oil circuit breakers which are estimated to be up to 50 years old and spares are not available. Old outdoor switchgear is susceptible to water ingress.

The **electrical masterplan** will be reviewed in 2017 as it was last done in 2011. Witzenberg is in the process to develop a **Small-scale Embedded Generation** (SSEG) plan that will support the management of renewable energy production in the municipal jurisdiction. The municipality will continue with upgrading and installing street and public lighting to ensure a safe environment.

Infrastructure Investment			
Project Name	***Area***	***Budget***	***Year***
Sewer pumps upgrading	***All towns***	***R 0,6m***	***2019/22***

However, continued cable theft and vandalism pose a threat to the sustainable and safe provisioning of electricity and street lighting.

Illegal connections, especially in areas such as N'Duli and Pine Valley (Wolseley), pose a major threat in terms of electrical losses, loss of income and public safety if not properly addressed. Although electricity losses are well managed at 8% annually and well within the 9% norm set by the Department of Energy, losses in areas such as N'Duli remain out of control, at times exceeding 80% mainly due to illegal connections with the result that only 20% of electricity supplied to the area is metered.

Especially in die winter, the N'Duli associated network trips due to overload. This constant tripping obviously has a frustratingly detrimental effect on the consumers with legal connections.

An Illegal Connection Strategy is in the final stages and once accepted and implemented, should bring relief in the area of illegal connections and electricity losses.

Infrastructure Investment			
Project Name	***Area***	***Budget***	***Year***
Replacement of MV equipment	***All towns***	***R3m***	***2019/22***
MV Capital reinvestment upgrades	***All towns***	***R1,4m***	***2019/22***
Upgrade LV cables	***All towns***	***R2m***	***2019/22***

Achievements

Re-commissioning of Bella Vista main road lighting

Installation of capacitor banks

Critical actions

Key performance indicators for 2019/20

1. *Target of 96% expenditure of capital budget*
2. *Target of 98% expenditure of operational budget*
3. *Target of 10% of electricity losses*
4. *95% of electricity connections completed*

Solid waste collection

All formal urban residential erven receive a **weekly door-to-door waste collection** service with a wheelie-bin system being implemented in 2016/17 for business. The implementation of the wheelie-bin system was necessary to ensure business pays for the amount of waste generated, as it was problematic with the provision of black bags in the past. The system further encourages recycling as business will save on waste removal costs when waste is collected by private recycling companies. It also addresses the problem of black bags and waste in boxes being left on pavements for collection that created pollution and unsightly streets. A new Compactor was procured in 2018/19 budget.

The **minimisation of waste** by private households is encouraged through public awareness and educational programmes. The strategic placement of large recycle bins at especially shopping centres and schools will be further expanded to support waste minimisation and recycling. The cost-effectiveness of recycling is still problematic as Witzenberg has low

populations with limited volumes of waste generated. To increase the cost-effectiveness of the business, private companies have engaged with commercial farmers and the agri-industry to collect waste to increase volumes.

Approximately 70 skips are distributed throughout towns for the **collection of garden refuse**. An additional skip truck was procured in 2016 to alleviate backlogs, but illegal dumping, dumping of household waste in skips and overflowing skips still remain an immense challenge. The municipality appointed additional law enforcement officers in 2016/17 to assist with curbing of illegal dumping.

Witzenberg will further implement a **waste management strategy** as mentioned under Programme 1.1 Sustainable provision and maintenance of basic services infrastructure – Managing of landfill sites, that will include the placement of **drop-off points** (transfer stations) to replace the skips. The drop-off points will be strategically placed in all towns with permanent personnel. A thorough **public awareness campaign** with ward committees and door-to-door visits by "Youth Working on Waste" (Programme by Department of Environmental Affairs) will ensure public buy-in. The project will be implemented with the assistance of **Essen Municipality in Belgium** with whom Witzenberg has a long-term twinning agreement.

The volumes of garden waste generated by the public are however insufficient to cost-effectively implement a composting facility and it is foreseen that Witzenberg will enter a **partnership with local private composting companies**. The strategy will also seek to implement more cost-effective operational methods as it is expected that the establishment of new RDP housing projects will put more pressure on the existing workforce and vehicles. Over the past 15 years, **residential households increased by approximately 30%** and it is expected that the trend will continue over the next 10 years mainly due to the implementation of RDP housing projects. The existing workforce and vehicles will therefore have to be increased to ensure a sustainable service.

▪ PROGRAMME 1.1 (C): TRANSPORT MANAGEMENT AND ROAD MAINTENANCE

This transport field is responsible for transport planning, road planning, traffic engineering and implementation of the Integrated Transport Plan (ITP) with the streets and stormwater infrastructure that include the upgrade, rehabilitation and maintenance of road infrastructure, stormwater drainage and the adequacy of traffic signage and road markings and public transport infrastructure.

The Witzenberg Local Integrated Transport Plan 2010-2015 was adopted in 14 December 2010, with the Witzenberg Local Integrated Transport Plan (LITP) 2016-2021 prepared as part of the review of the Cape Winelands District Integrated Transport Plan (DITP) 2016- 2021.

Overview of Public Transport

Within the Witzenberg area, only minibus taxi and limited rail services are available. There are however long-distance bus services that offer an inter-municipal service. With 61% of people employed in agriculture, much of the travel in the district is difficult to serve with public transport as a result of the high cost of travel relative to income, seasonal variation in farming activity, and the wide spatial distribution of trip origins and destinations.

Minibus taxi operations

The most frequent operations take place between Ceres and Wolseley, Ceres and N'Duli and Ceres and Bella Vista and Prince Alfred's Hamlet. Significant minibus taxi operations take place on Saturdays. The taxi operators from Bella Vista and Prince Alfred's Hamlet currently make use of private land and the owner has indicated that it be developed in the near future. The establishment of a new taxi rank is

critical and discussions with a land owner for a preferred site is under way.

Non-motorised transport

While NMT is important to support public transport, many potential passengers cannot afford minibus taxi fares. A household survey conducted in Witzenberg in 2009 revealed that the average walking trip time (one-way) is 28 minutes, with N'Duli, Wolseley Bella Vista residents walking 30 minutes or more to work.

Freight transport

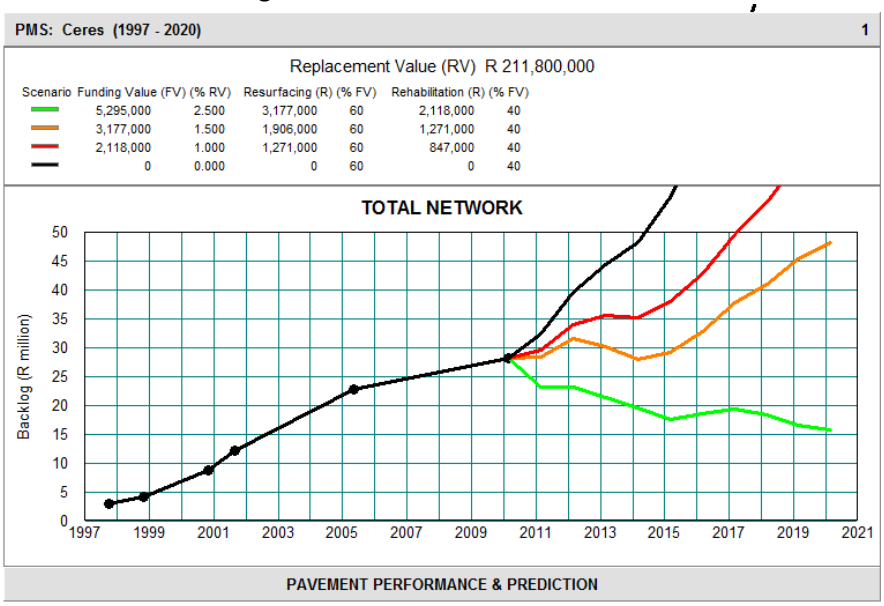
Within the Witzenberg area, the main freight transported is fresh fruit and vegetables for export. The implication of poorly maintained roads is that it may damage the produce to such an extent that the grading of the produce and thus the selling price are impacted negatively. The increased heavy transport has resulted in severe congestion during peak times in especially Ceres. The municipality supports the increased use of freight transport for the transport of fresh produce to Cape Town harbour.

A **Transportation Precinct Plan** has been developed for the **Tulbagh** Central Business District (CBD) with the purpose to improve the pedestrian interface and provide additional parking to the edges of Van der Stel Street in a way that does not detract from but respects the heritage resources in the town of Tulbagh.

Pavement Management System (PMS)

The use of pavement management systems is generally accepted as being essential for determining the maintenance needs of pavements in a network of roads. The update of the PMS that forms part of the Rural Roads Asset Management System (RRAMS) is currently being undertaken by the CWDM with the strategic goal to ensure efficient and effective investment in municipal street infrastructure.

The graph below gives an indication of the investment required for the roads of Ceres to ensure that the backlog in road maintenance does not increase.



The roads shown in the map below of Tulbagh has deteriorated to the extent that minor repair and resealing are no longer commercially viable. These roads need to be reconstructed but due to a lack of funds it may be necessary to downgrade the roads to gravel surfaces and maintain it as such. Reconstruction of 4,35 km at a cost of R45m.



Roads Rehabilitation and Upgrades

Piet Retief Street in Tulbagh is currently being reconstructed and will be completed in March. The length of road under consideration is approximately 605m long and starts at the intersection of Rossouw Street and continues north to the intersection with Waveren Street.

Furthermore, certain improvements and alterations to the stormwater system in Piet Retief Street are also being done to address flooding problems in the lower laying main road and to tie in with the Tulbagh Stormwater Masterplan.

Stormwater management

Well-managed urban water bodies are valuable resources providing environmental and recreational services which require protection and enhancement. This is particularly important in the context of extreme weather patterns and the associated local, national and international strategies targeting sustainability, climate and energy issues.
Flooding can result in significant damage to municipal infrastructure and private property.

Due to rapid urbanization and the age and condition of the existing stormwater infrastructure, the undesirable impacts of stormwater runoff from developed areas had a negative impact on existing municipal infrastructure, private property and river embankments.

In order to mitigate the impact of possible changing weather patterns and increasing runoff caused by urbanization, the Witzenberg Municipalityis in the process of acquiring a single database where all stormwater data can be viewed, queried, stored, added, maintained and expanded.

With this database, Stormwater Masterplan is being compiled, so that upgrades to stormwater infrastructure can be identified, in order to meet current and future infrastructure needs to accommodate growth.

Ultimately the benefit of fully integrated Infrastructure Management Systems will be beneficial to the optimal and effective management of all assets.

Roads and Storm Water Master Planning

Currently the Municipality only have Stormwater masterplans for Prince Alfred's Hamlet and Tulbagh.

The Department of Local Government and the Development Bank of South Africa (DBSA) through a partnership agreement has granted planning support to the Municipality for the

development of Roads and Storm Water Master Plans.

The purpose of the Roads and storm Water Master Plan is to compile an implementation strategy, with goals and objectives, which will be followed by a Business Plan detailing the objectives in such a way that clear direction is given to implementation of the recommendations on priority projects.

- The Master Plan will include the evaluation and analysis of existing documents, the determination of existing backlogs, current demands and capacity.
- It will include a funding model and a programme for the implementation of all the projects identified and prioritized.
- It will evaluate the long-term viability of existing infrastructure to cope with expansion and augmentation, and to identify new infrastructure required, and to propose time lines regarding when such infrastructure will be required.
- The assessments will address the primary and secondary networks, and the primary and secondary equipment needed to deliver a reliable, safe and affordable service to all existing and future consumers within the area.

Future developments impacting transport, roads and stormwater

Vredebes Development on portions 18 and 72 of Farm 364, Ceres

The required infrastructure upgrade' s external bulk for the Vredebes RDP housing project includes the following:

- Dedicated right-turn lanes on the south-western and northeastern approaches to the 4-way intersections at TR22/2 and Eselfontein Road, TR22/2 and Du Toit Storage and TR22/2 and Chris Hani Drive
- Upgrade TR22/2 from a semi-rural use road to an urban use road (cross section change) from km 0,85 up to the eastern end of the Vredebes development. The benefits being:
  - Protection of pedestrians
  - Natural slowing down of traffic
- Public transport embayments at the access roads
- Pedestrian underpass or overpass at the TR22/2 and Chris Hani Drive intersection
- Pedestrian resistant boundary structure, 1,8 m high, between TR22/2 and the development. To prevent pedestrians entering the TR22/2 and also provide a screen against vehicle headlights.

The cost of the abovementioned upgrades are estimated at R 80,7m and assistance would be required from the Provincial Roads Department and Department of Human Settlements for implementation.

Witzenberg Agri-Park: Schoonvlei Industrial

The development of the Agri-Park is discussed in detail under Special Projects. The further upgrading of roads in the Schoonvlei Industrial area, Ceres, will unlock private agro-processing infrastructure such as packaging and cooling facilities. The upgrade of mainly gravel roads to asphalt that amounts to R40.2m, funded by the Department of Rural Development and Land Reform, is currently under construction. The upgrade will also include Bank Street, Edison Street, Vreeland Street, Buren Street and Forel Street that would unlock the availability of land for small and medium enterprises. The recent completion of the upgrade of Boerneef Street at R17m that was mainly funded by the Dept of Rural Development supported the construction of a R150m packaging facility with 170 permanent jobs created.

Infrastructure Investment			
Project Name	***Area***	***Budget***	***Year***
Upgrading of roads	*As per PMS*	*R 6,5m*	*2019/22*
Upgrading of Tulbagh roads	*Tulbagh*	*R10m*	*2019/22*
Bella Vista taxi rank	*Ceres CBD*	*R6,8m*	*2020/22*
Van Breda bridge	*Ceres*	*R4m of R20m*	*2019/22*
Vredebes housing roads	*Vredebes*	*R10m*	*2020/22*
Vredebes housing storm water	*Vredebes*	*R10,0m*	*2020/22*
The upgrading of roads, related stormwater and relocation of bulk sewer in skoonvlei phase 2	*Skoonvlei*	*R40.2m*	*2019/20*

Critical Actions

- *Upgrading of Tulbagh Roads*
- *Obtain funding for upgrading of R22 at Vredebes RDP housing project*
- *Establish taxi rank for Bella Vista in Ceres CBD*
- *Upgrading of Van Breda bridge, Ceres*
- *Upgrading Vredebes Roads and stormwater infrastructure*

Key Performance Indicators for 2019/20

1. *Target of 96% expenditure of Capital Budget*
2. *Target of 98% expenditure of Operational Budget*
3. *Target of 3km of roads to be upgraded.*

II. OBJECTIVE 1.2: PROVIDE FOR THE NEEDS OF INFORMAL SETTLEMENTS THROUGH IMPROVED SERVICES

The Constitution of South Africa sets out in Section 152.1 the responsibilities of local government with the emphasis on the provision of services to communities in a sustainable manner. The provision of services to formal billed households is covered under the previous strategic objective.

The provision of services to informal settlements create another type of challenge as informal communities are usually made up of the more vulnerable groupings with limited access to services, which usually consist of communal infrastructure.

It is for this reason that Witzenberg has identified informal settlements as one of its strategic objectives to ensure that the provision of services and upgrade of informal areas receive priority attention. This objective addresses the provision of services to existing informal settlements and the upgrade of informal areas through the Department of Human Settlements programme for the development of serviced sites.

The implementation of housing programmes such as RDP and FLISP is discussed under the Strategic Objective – "Support the poor and vulnerable through programmes and policy" as it relates to the construction of top structures.

- **PROGRAMME 1.2 (A): IMPLEMENTATION OF HUMAN SETTLEMENT PLAN (SERVICED SITES)**

Serviced sites are funded by the Department of Human Settlements under the Upgrading of Informal Settlements Programme at approximately R50 000 per site. Services included are a water connection, toilet with washbasin and surfaced roads.

Electrical networks are funded by the Department of Energy. Serviced sites projects were recently completed at Prince Alfred's Hamlet (242 sites) and Pine Valley, Wolseley (158 sites). Although 605 serviced sites were completed in 2016/17 in Vredebes with a further 635 sites planned for 2018/19, these sites are earmarked for the construction of top structures. It is expected that serviced sites will be developed in the N'Duli informal settlement for beneficiaries who would not qualify for a housing subsidy at the Vredebes development.

At this stage the number of non-qualifiers is unknown as surveys are presently in process amongst the approximately 1096 families living in the N'Duli informal settlement. The N'Duli housing project were planned to be implemented in 2018/19 to ensure alignment with the Vredebes construction of houses but diu to the delay in construction on Vredebes the N'duli project could not start yet. It is expected that some of the approved qualified beneficiaries in the N'Duli informal settlement will be accommodated at Vredebes. The informal areas in N'Duli are planned to be upgraded for top structures for those that qualify as well as serviced sites for the non-qualifiers.

The provision of serviced sites for non-qualifiers does create a problem as a number of the non-qualifiers are foreign citizens with the result that these can't be upgraded with top structures in the future. It is further experienced in areas such as Prince Alfred's Hamlet and Pine Valley where serviced sites were occupied in the past, that the sites are occupied by more than one family, in some cases as many as six families, which also hampers the upgrade to top structures as the additional families will have to be accommodated in a new project.

The table indicates the implementation of 200 serviced sites in N'Duli in 2018/19.

Critical Actions

The upgrading of the N'Duli informal settlement to include top structures and serviced sites

Key Performance Indicators for 2019/20

- *Target 630 serviced sites developed at Vredebes, Ceres*
- *Target 100 subsidised electrical connections*

Draft IDP 2019/20

▪ PROGRAMME 1.2 (B): PROVISION AND MAINTENANCE OF COMMUNAL SERVICES

The informal areas of N'Duli, Pine Valley and Tulbagh are serviced with communal toilets and water points.

The table below gives an indication of the number households and services ratio:

Informal household with communal services

Informal area	***Households***	***Water points***	***Toilets***
N'Duli, Ceres	**1096**	***25***	***14***
Tulbagh	**812**	***45***	***47***
Pine Valley, Wolseley	**1079**	***9***	***43 in total*** ***Only 15 in working condition***

Note: The number of service points as at end of June 2017. Tulbagh service points include serviced sites occupied by more than one household.

The aforementioned informal areas have limited access to an electrical network. The main reason being that the Department of Energy does not fund electrical networks in informal areas. The upgrade of informal areas to serviced sites is however funded. The maintenance of the communal facilities is managed by the housing section. Due to limited capacity and on-going vandalism, facilities are not always in a working order with blockages resulting in sewer overflows that lead to unhygienic conditions. It remains one of the biggest challenges for the Housing Department to provide education on the hygiene and usage of the public facilities. These conditions are further examples of the urgent need to upgrade the informal settlements. Refuse bags are distributed for weekly door-to-door collections. The system is not always effective with illegal dumping and littering ongoing. Skips are also placed at some areas with regular cleaning operations by the cleansing department.

Key Performance Indicators for 2019/20

- *Provision of communal taps to informal areas in N'Dduli, Pine Valley and Tulbagh*
- *Provision of communal toilets to informal areas in N'Dduli, Pine Valley and Tulbagh*
- *Provision of communal cleansing to informal areas in N'Dduli, Pine Valley and Tulbagh*

▪ PROGRAMME 1.2 (C): MANAGEMENT AND CONTROL OF INFORMAL SETTLEMENTS AND ILLEGAL OCCUPATION

The programme focuses on the management and control of informal settlements in relation to in-migration and unlawful occupation especially in the informal settlements of N'Duli, Tulbagh and Pine Valley (Wolseley). The growth of informal settlements is monitored through a bi-annual count by officials from the Housing Department. The demolishing of illegal structures through a legal process is however costly and time consuming. Capacity of law enforcers is limited and they have to work after hours and over weekends. Eight additional EPWP workers were utilised from 16 December 2018 to assist the housing officials and law enforcement to demolish illegal structures.

Two additional EPWP workers were appointed as from 1 April 2018 to assist with the cleaning of ASLA Camp.

Critical Actions

- *Development of a Farm Eviction Strategy*
- *Management of influx control in informal settlements*
- *Establishment of response team for illegal squatters – budgeted for **2018/19***

Key Performance Area 2

GOVERNANCE

OBJECTIVE 2.1:

SUPPORT INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

OBJECTIVE 2.2:

ENSURE FINANCIAL VIABILITY

OBJECTIVE 2.3:

MAINTAIN AND STRENGTHEN RELATIONS WITH INTERNATIONAL – AND INTER-GOVERNMENTAL PARTNERS AS WELL AS THE LOCAL COMMUNITY





Key Performance Area 2

B. GOVERNANCE

I. OBJECTIVE 2.1 SUPPORT INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

▪ PROGRAMME 2.1 (A) HUMAN RESOURCES MANAGEMENT AND DEVELOPMENT

The Witzenberg Municipality employs 561 officials (30 June 2016) (permanent and temporary employees) excluding councillors, who individually and collectively contribute to the achievement of the municipality's objectives.

The primary objective of Human Resource Management is to render an innovative HR service that addresses both skills development and an administrative function. There were 49 vacant positions at the end 2015/16, resulting in a vacancy rate of 5,7%. Measurements are to be put in place to ensure that vacant positions are filled as soon as possible for service delivery to continue.

Witzenberg has put in place a set of human resource (HR) management and development processes, including performance management, personal development plans and workplace skills planning, all of which guide staff training and development. These also deliver effective talent management by creating a 'fit for purpose' organisation that is service delivery-oriented.

Performance management

The TASK process needs to be completed as a matter of urgency with proper job descriptions for all positions on the approved organogram. Witzenberg will further start with the roll-out of operating procedures in certain departments with evaluation measures to ensure effective personnel performance management. The latter will ensure more effective disciplinary action, and policies and measures will be put in place to ensure that disciplinary actions are timeously finalised.

Equity

The Employment Equity Act (1998), Chapter 3, Section 15 (1) states that affirmative action measures are measures designed to ensure that suitable qualified people from designated groups have equal employment opportunities and are equitably represented in all occupational categories and levels in the workforce of a designated employer. The national performance indicator also refers to: "Number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan".

African		***Coloured***		***Indian***		***White***	
Target June 2016	*Actual June 2016*	*Target June 2016*	*Actual June 2016*	*Target June 2016*	*Actual June 2016*	*Target June 2016*	*Actual June 2016*
33.4%	*25%*	*49.6%*	*68%*	*1%*	*0%*	*16%*	*6%*

2015/16 EE targets/Actual by racial classification

Development

Section 68(1) of the MSA states that a municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable way. For this purpose the human resource capacity of a municipality must comply with the Skills Development Act (SDA), 1998 (Act No. 81 of 1998), and the Skills Development Levies Act, 20 1999 (Act No. 28 of 1999).

Critical Actions

Finalise job descriptions and contracts for managers

Key Performance Indicators for 2019/20

- *Target 96% spend of budget for implementation of Workplace Skills Plan*
- *Quarterly reports on people from employment equity groups employed in the three highest levels of management*

▪ PROGRAMME 2.1 (B): LAW ENFORCEMENT AND TRAFFIC

Witzenberg aims to expand partnerships with communities, the private sector and other departments and spheres of government to improve safety and security. The aims of the Traffic Department are as follows:

- Reduce road accident fatalities within the region and increase service delivery to all the towns within Witzenberg.
- Develop road safety initiatives and programmes aimed at educational institutions from primary to tertiary level.
- Ensure increased legal compliance to through enforcement of municipal by-laws and traffic regulations.
- Implement the Violence Prevention through Urban Upgrading (VPUU) programme

VPUU is a systemic approach to neighbourhood upgrades. It is a multilateral collaboration between Witzenberg, the Provincial Government and residents of a specific geographic area. VPUU aims to prevent violence in these areas and, consequently, to improve the quality of life of the residents. The goals include a general increase in the safety of the beneficiary population, upgrades to neighbourhood facilities, and economic and community development.

We are acutely aware that the Traffic Department is understaffed, which impacts negatively on the department's ability to effectively deal with traffic violations within the municipal jurisdictional area. It is therefore critical that the law enforcement personnel (traffic component) be progressively expanded over the next five years. The traffic infrastructure also needs to be upgraded to comply with the provincial and national regulations and requirements. It is also envisaged to purchase new traffic vehicles over the IDP term in order to render the department competitive in combating traffic-related offences. Responding to traffic-related offences as well as general law enforcement matters is not only a municipal traffic function, but also includes positive action from other law enforcement agencies. Intergovernmental relations will thus be strengthened to combat crime effectively within the Witzenberg area and to promote a proactive stance to public safety. It is further envisaged that a specialised traffic officers' component (fast response unit) be established that will lead the municipality's zero tolerance approach to speeding, reckless, negligent and drunk driving. Strategies will include specialised operations to apprehend

offenders and start a name-and-shame campaign.

During October 2016, Witzenberg Municipality's Traffic Services, together with the Training Department and Human Resources Department, followed a process of identifying and appointing ten (10) suitably qualified candidates for learnerships as Law Enforcement Officers. Upon successful completion, these learners are to be utilised on a contract basis to assist the municipality render more effective and efficient by-law enforcement within Witzenberg. Coupled with the intended expansion of the fleet of traffic vehicles, the visibility and effectiveness of traffic services in all the responsible areas of Witzenberg, especially the outer towns, will improve due to this initiative.

The gradual implementation of the amended organogram will streamline the different work components and not only improve the level of service in all spheres of the department, but also present career opportunities.

During the course of May 2016 and February 2017, one Traffic Officer and one Superintendent position were also filled. The deployment of another testing official will be of great benefit for the community. It must however be remembered that the present area which is utilised as a test track is not the property of the municipality, and the property owner has indicated that they will soon require the premises for their own needs. This will require the municipality to find an alternative, appropriate area, which will also have financial implications.

The intended expansion of the law enforcement component and the increased number of prosecutions, coupled with the possible impounding of items, pose a storage dilemma because at present there is no storage facility for impounded items. The long-term goal is to make available suitably secure storage facilities for such impoundments, which will in turn curb the present continuum of violations.

The Witzenberg Traffic Department is gradually expanding its services and operations, not only in the urban areas, but also in the rural areas. However, this can only be done with expert planning, coupled with experienced management and the availability of adequate resources and financial provision.

▪ PROGRAMME 2.1 (C): SPATIAL AND TOWN PLANNING

The **Spatial Planning and Land Use Management Act** (Act 16 of 2013)(SPLUMA) brought about a new planning system which was implemented on 1 July 2015. The most far-reaching changes are the following:

- Municipalities regulate their own planning function within the legislative framework (SPLUMA) set by National Government.
- Municipalities had to establish a Municipal Planning Tribunal (MPT) in order to determine land use and development applications.
- Municipalities must adopt a single land use scheme within five years.
- The executive authority of the municipality is the appeal authority.
- Developments that will have an effect on provincial planning and agriculture will also need approval from the Provincial Department of Environmental Affairs and Development Planning.

The Witzenberg **Land Use Planning By-Law** was approved by Council and gazetted on 21 August 2015. It deals with the following matters:

- The Spatial Development Framework
- Development management
- Application procedures

- Decision-making structures and procedures
- Appeal procedures
- Engineering charges (bulk levies)
- Enforcement
- Code of conduct for members of the MPT

At present the municipality has three zoning schemes each for Ceres town, N'Duli and the remainder farms and towns. The municipality has five years to adopt a **consolidated land use scheme** from date of commencement of SPLUMA (1 July 2014), and therefore a Scheme needs to be adopted by 1 July 2019.

A municipality must, in order to determine land use and development applications within its municipal area, establish a **Municipal Planning Tribunal** in terms of Section 35 of SPLUMA and Sections 2 and 3 of the SPLUMA regulations. Council appointed the MPT members on 26 November 2015.

Legislation requires that the Municipality adopt an SDF concurrently with the adoption of the IDP, which SDF must give spatial expression to the goals and objectives of the IDP.

The current SDF was first adopted in 2012 as a policy document and re-adopted as a core component of the IDP on 26 July 2017. Given changing realities, new development priorities, budget considerations and legislative requirements it is necessary to review the SDF as core component of the IDP.

Witzenberg is currently in the process of updating the SDF, which a draft will be presented to Council toward the end of 2019 and will determine the development priorities for the Municipal area for the 5 year cycle.

Critical Actions

Development of a consolidated land use scheme by 1 July 2019.

Review the SDF and adopt as part of the IDP

▪ PROGRAMME 2.1 (D): ADMINISTRATION

The Administration Section aims to ensure good governance, administrative transparency and openness. To promote clean and sound administration and to ensure access and information in respect of Council resolutions, minutes, policies and by-laws. Witzenberg has started to implement a paperless policy to reduce use of paper with Council agendas and minutes.

▪ PROGRAMME 2.1 (E): FLEET MANAGEMENT

Witzenberg will develop a vehicle replacement policy that will entail the effective maintenance of vehicular resources and a well-planned replacement programme for ageing vehicle fleets spanning five, 10 and 15 years. Witzenberg is currently in the process of investigating the financial implications of long-term leasing. A vehicle tracking system will be implemented during 2017/18 to ensure effective

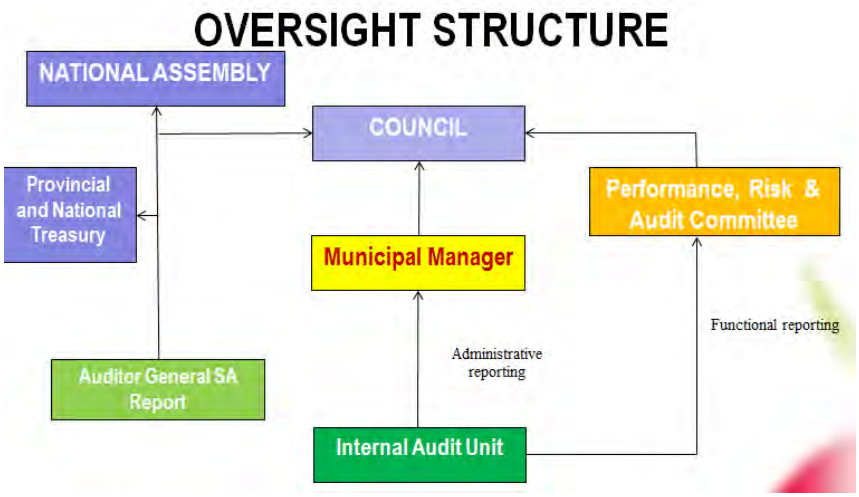
monitoring and cost-effective usage of the municipal fleet.

▪ PROGRAMME 2.1 (F): TRANSPARENT GOVERNMENT (OVERSIGHT)

According to Section 62(c) of the MFMA, the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control and **internal audit** operating in accordance with any prescribed norms and standards

Section 165 further states that a municipality must have an internal audit unit that advises the accounting officer and reports to the audit committee on the implementation of the internal audit plan and matters relating to -

- internal audit and internal controls; accounting procedures and practices;
- risk and risk management and performance management;
- loss control; and compliance with this Act, the annual Division of Revenue Act and any other applicable legislation.



The Witzenberg Internal Audit unit must evaluate the adequacy and effectiveness of controls in responding to risks within the organisation's governance, operations and information systems regarding the:

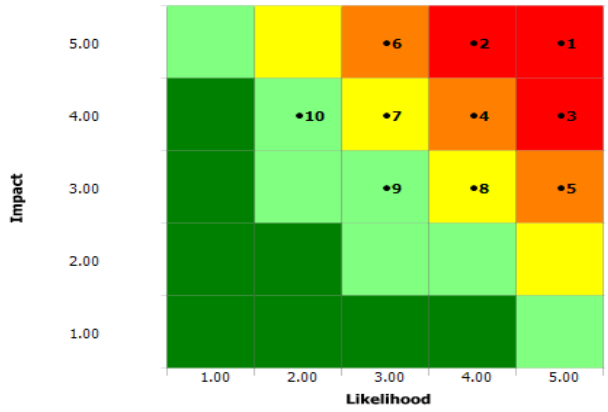
- reliability and integrity of financial and operational information
- effectiveness and efficiency of operations and programmes
- safeguarding of assets; and
- compliance with laws, regulations, polices, procedures and contracts.

Internal Audit assists the organisation in maintaining effective controls (of which management is the custodian) by evaluating the effectiveness and efficiency and by promoting continuous improvement. A "fraud hotline" (0800 701 701) has been implemented and is communicated on a regular basis through newsletters.

Council takes an interest in **Risk Management** to the extent necessary to obtain assurance that

properly established and functioning systems of risk management are in place to protect Witzenberg Municipality against significant risks. Council has to report to the community on the municipality's system of internal control. This provides comfort that the municipality is protected against significant risks to ensure the achievement of objectives as detailed in the Service Delivery and Budget Improvement Plan (SDBIP).

Inherent risk heat map for Witzenberg Municipality indicating the top major risks applicable.



Title	II	IL	IR	Pt
Major unplanned not disaster related interruptions to service deliver	5.0	5.0	25.0	1
Inadequate supply for electricity to meet existing and future demands	5.0	4.0	20.0	2
Un-recoverability of outstanding receivables	5.0	4.0	20.0	2
Uneconomical utilization of assets (Klipriver Park)	4.0	5.0	20.0	3
Poor growth in revenue base	4.0	5.0	20.0	3
Non-compliance to rehabilitate closed landfill site	4.0	5.0	20.0	3
Deteriorating electrical infrastructure	4.0	5.0	20.0	3
Deteriorating water and sanitation pipe infrastructure	4.0	5.0	20.0	3
Solid waste management ineffective	4.0	5.0	20.0	3
Inability to implement provincial approved budgeted housing projects	4.0	5.0	20.0	3
Increase in unaccounted water and electricity losses	4.0	5.0	20.0	3
Inability to create a safe environment for communities	4.0	5.0	20.0	3
Escalation in vulnerable households	4.0	5.0	20.0	3
Deteriorating road infrastructure	4.0	5.0	20.0	3
Community is dissatisfied with slow progress towards services delivery	4.0	5.0	20.0	3
Growth in informal settlements	4.0	5.0	20.0	3

II – Inherent Impact; IL – Inherent Likelihood; IR – Inherent Rating; RR – Residual Rating; Pt – Map Indicator.

▪ PROGRAMME 2.1 (G): DISASTER MANAGEMENT AND FIREFIGHTING

The Witzenberg Municipality has the following firefighting functions:

- Structural fires
- Fire safety (the application of the National Building Regulations, fire codes and municipal by-laws with regard to fire safety)
- Rescue services
- Support services to municipal and other instances
- Fire pre-planning and related preparedness plans
- Testing and basic maintenance work on emergency vehicles and equipment
- Fire communications facilities for the particular service

A local municipality must establish capacity for the development and coordination of a **disaster management** plan and the

implementation of a disaster management function for the municipality and (a) conduct a disaster risk assessment for municipal area (b) identify and map risks (c) prepare a disaster management plan (d) develop early warning mechanisms and procedures for risks identified in municipal area (e) review and update plans. ***In order to comply with the South African National Standard on Community Protection against Fire (SANS 10090:2003):***

A measurement tool that indicates whether a fire service is meeting the minimum mandatory community fire protection standard, which in turn is indicative of whether a fire authority is indeed contributing to the objects of local government, necessitates the following manpower: **Wolseley: 3 firefighters and 3 cadet firefighters; Op-die-B: 3 firefighters and 3 cadet firefighters.**

A local municipality must establish capacity for the development and coordination of a **disaster management** plan and the implementation of a disaster management function for the municipality and (a) conduct a disaster risk assessment for the municipal area; (b) identify and map risks; (c) prepare a disaster management plan; (d) develop early warning mechanisms and procedures for risks identified in municipal area; and (e) review and update plans.

In order to adhere to the amended Disaster Management Act, funds have to be allocated to appoint a Disaster Management Officer.

In order to deliver water to affected communities, funds have to be allocated to purchase a water tender.

II. OBJECTIVE 2.2: ENSURE FINANCIAL VIABILITY

The objective is to ensure that Witzenberg Municipality is financially viable over the short term and sustainable over the long term, while tariff increases are kept as low as possible to ensure that tariffs are affordable to the community at large and competitive to ensure that new businesses and/or industries are attracted.

The development of plots and building of RDP houses are challenges to the financial viability and sustainability of Witzenberg Municipality as most of the beneficiaries will qualify for indigent support and will not contribute financially to the municipality, but will be entitled to municipal services. The current workforce also needs to be extended to ensure service delivery to the new houses.

The maximum electricity demand of the Witzenberg Municipality reached the maximum supply by Eskom. Increased demand can only be supplied by Eskom in 2022. The lack of available electricity supply has a negative effect on economic growth, which also has an effect on the creation of work opportunities and the financial viability and sustainability of the municipality.

The recent drought and water restrictions imposed forced consumers to change their water consumption habits. Decreased consumption has a positive effect on the water resources, but has a negative effect on municipal revenue.

▪ PROGRAMME 2.2 (A): INCOME AND DEBT MANAGEMENT

The revenue must be increased to ensure that Witzenberg Municipality can meet all its financial obligations and to improve service delivery. A policy providing for rebates on municipal services is available to new businesses/industries or extension of existing businesses/industries where new jobs are created.

New businesses and/or industries will not only increase the revenue base of the municipality but will also assist in reducing unemployment – one of the largest challenges for Witzenberg Municipality.

Witzenberg Municipality's revenue stream is modelled on a combination of past trends, forecasted economic and fiscal conditions. The revenue sources are monitored and determined to ensure sustainable medium-term to long-term cash flows.

Consumers are billed once a month for services rendered. In addition to the current practice of printing and mailing, technology will be utilised to implement an e-billing solution (**Citizen Mobile Portal**), using e-mail technology to make invoices more accessible and to encourage online transacting for citizens with internet access. Witzenberg will implement a Geospatial Information System to display billing information on maps to determine whether all users receive accounts and to easily view outstanding discrepancies.

The table below illustrates the outstanding debt per town vs billings. The biggest problems exist in the towns of N'Duli, Prince Alfred's Hamlet and Op-die-Berg. The main reason being that effective debt collection through the cutting of electricity can't be implemented as Op-die-Berg and Prince Alfred's Hamlet are serviced by Eskom and in N'Duli illegal electri connections can't be addressed due to sa issues of perso

All Budget information to be updated with tabling of final IDP, please refer Draft Budget

~~Town~~	~~Monthly billings~~	~~Debt~~	~~Average months outstanding~~
~~N'DULI~~	~~50 581 595~~	~~1 029 706~~	~~49,1~~
~~PRINCE ALFRED'S HAMLET~~	~~45 802 892~~	~~1 007 930~~	~~45~~
~~OP-DIE-BERG~~	~~12 641 159~~	~~320 737~~	~~39,4~~
~~WOLSELEY~~	~~18 770 716~~	~~1 947 498~~	~~9,6~~
~~BELLA VISTA~~	~~11 748 819~~	~~1 375 759~~	~~8,5~~
~~FARMS~~	~~11 013 713~~	~~1 774 814~~	~~6,2~~
~~TULBAGH~~	~~9 954 311~~	~~1 635 896~~	~~6,1~~
~~CERES~~	~~25 422 179~~	~~16 317 598~~	~~1,6~~

Critical Actions

Strict implementation of debt policies

▪ PROGRAMME 2.2 (B): EXPENDITURE MANAGEMENT

The financial goal was to pay off the external long-term loans and to finance new infra-structure. The bulk of the loans were redeemed and the future interest and redemption burden has been reduced significantly. The salary budget was kept below 30% of total expenditure. Controls are in place to mitigate the possibility of unauthorised, irregular and fruitless and wasteful expenditure being incurred.

▪ PROGRAMME 2.2 (C): SUPPLY CHAIN

Witzenberg Municipality is a large procurer of goods and services and as such it has enormous buying power to support economic growth through procurement. The supply chain unit will be revising their policies and procedures to ensure that goods and services are first secured locally. Unfortunately current legislation does not provide for any preference for local suppliers. The municipality will ensure that local SMMEs and local businesses are adequately empowered to provide these goods and services.

Critical Actions

Develop Procurement Plan by May each year

▪ PROGRAMME 2.2 (D): MSCOA

The Municipal Standard Chart of Accounts (MSCOA) regulation will be implemented from 1 July 2017. To achieve this, the 2017/2018 budget must be tabled in the MSCOA format. The tendency of National Treasury to move the goalpost makes it even more difficult to achieve compliance with the regulation.

Financial Viability Key Performance Indicators for 2019/20

- *94% target for revenue collection*
- *Debt coverage ratio target – 90*
- *Cost coverage ratio target – 2,8*
- *Outstanding debtors ratio target – 42%*
- *Unqualified opinion of the Auditor-General*
- *96% of municipal capital budget spend*
- *98% of planned maintenance budget spend*

III. OBJECTIVE 2.3: MAINTAIN AND STRENGTHEN RELATIONS WITH INTERNATIONAL AND INTER-GOVERNMENTAL PARTNERS AND THE LOCAL COMMUNITY

▪ PROGRAMME 2.3 (A): COMMUNICATION AND MARKETING

Local government has a legal obligation and a political responsibility to ensure regular and effective communication with the community. The Constitution of the Republic of South Africa Act 1996 and other statutory enactments all impose an obligation on local government communicators and require high levels of transparency, accountability, openness, participatory democracy and direct communication with the community to improve the lives of all.

Good customer care is of fundamental importance to government organisations due to their constant interaction with members of the public. All local government entities strive to uphold the following constitutional ideals towards the development of acceptable policy and legislative framework regarding service delivery in public service:

- Promoting and maintaining high standards of professional ethics.
- Providing service impartially, fairly, equitably and without bias.
- Utilising resources efficiently and effectively.
- Responding to people's needs; citizens are encouraged to participate in policy making.
- Rendering accountable, transparent, and development-oriented public administration.

The Witzenberg Municipality Communication Strategy is a vital document which illustrates the views of local residents regarding communication A successful communication strategy therefore links local demographics to the municipality's programme for the year, and influences budgetary expenditure according to the needs of the public. The aims of Witzenberg Municipality's Marketing and Communication Department are:

- To integrate communication.
- To offer service that communicates commitment, loyalty and interest.
- To generate content that engages the public with openness and positivity.
- To become proactive with communication instead of reactive.

as well as their perceptions of the municipality. Many of the views expressed display dissatisfaction with aspects related to elements beyond the scope of local government, such as access to housing, employment opportunities, education and healthcare.

However, local government acts as the conduit to expedite issues of this nature to the correct government entities, while supporting and investing in various programmes aimed at skills development, youth development, social development and short-term temporary employment. Levels of literacy and education, understanding of language, public apathy, knowledge of government processes and access to communication tools can also affect how the public formulates perceptions of local government and can potentially hamper how local government communicates and assimilates information, especially within rural environs.

- To make ease of access to communication and relaying information easier for the public.
- To effectively engage with international stakeholders and clients.
- To perform oversight and development of tourism expenditure and activities to promote the various towns within the municipality.
- To manage operations for contact centre query management and emergency services relay.

Communication is managed in the following ways:

PROGRAMME 2.3 (B): INTEGRATED COMMUNICATION TECHNOLOGY

Witzenberg is in the process of developing an IT Governance Policy and will implement the following projects over the next five years:

Wide Area Network:
The establishment of a high speed backbone linking Ceres, Tulbagh, Wolseley and Op-die-Berg using AirFiber Micro towers. This will increase our network speed from 0,5 Mbps to 700Mbps which will greatly improve our footprint in these towns. Phase 1 is already completed. Phase 2 will be the upgrading of all client sites. Phase 3 configuration and qOs.

Disaster Recovery Site:
We have established a DR site at Traffic Services where we replicate from our live site. At the moment we are using virtualisation to replicate and synchronise our mission critical servers including our exchange, file, document servers. We are planning to increase these to include all servers. On completion of the WAN backbone, the movement of the site to Wolseley and the upgrading of the equipment to centralised storage. This project is critical as it would ensure business contingency during a disaster.

Citizen Mobile Portal:
We need to be able to provide all services to customers on a digital platform accessible via Mobile device or a PC/Laptop. This will include internet portals or mobile apps where users can access their accounts, perform payments, apply for services, fault reporting, procure prepaid services, refuse removal programmes, etc.

▪ PROGRAMME 2.3 (C): BUILDING STRATEGIC PARTNERSHIPS

Witzenberg is committed to working closely with the provincial and national spheres of government to put the needs of our community first. To achieve this, we engage with Provincial- and National Government on various formal and informal platforms.
Witzenberg will formally engage Province and other municipalities through the Premier's Coordinating Forum at a political level, as well as by means of the IDP indabas and MTECH committees at an administrative level. Witzenberg is an active partner in the Consolidated Rural Development Programme (CRDP) with regular engagements with the Department of Rural development in this regard.

Witzenberg will continue with a long-term twinning agreement with Belgium Municipality, Essen.

Several projects relating to youth development and the environment were implemented successfully in the past. Current projects include a Flemish Programme on Youth development and upgrading of open spaces. A Federal Programme focusing on Waste Management will be implemented in 2017/18.

The **Thusong Centre** is a decentralised government access hub available to the public, allowing easier access to government services such as Social Development, Home Affairs, etc., eliminating the need for clients to travel great distances to their closest office.

Being a public hub, this building experiences high volumes of public visitors, placing much pressure on the building. The government stakeholders making use of the building are tenants to the municipality and the rental generated is used to manage the overheads of the centre. As a result, a frequent expenditure for this building is maintenance. There are also capital requirements at this site, as we need to reinforce the security of the building as well as look into the expansion of the centre to accommodate more offices for rental, and provide space in the form of a sports hall for training and conferencing, recreation, cultural or sports activities for the youth and the aged.

The staff at the site is appointed on a temporary basis and we require an administrator to be appointed on a permanent basis in order to address the needs of this facility.

Key Performance Area 3

COMMUNAL SERVICES

OBJECTIVE 3.1:

PROVIDE AND MAINTAIN FACILITIES AND AN ENVIRONMENT THAT MAKE CITIZENS FEEL AT HOME.











Key Performance Area 3

C. COMMUNAL SERVICES

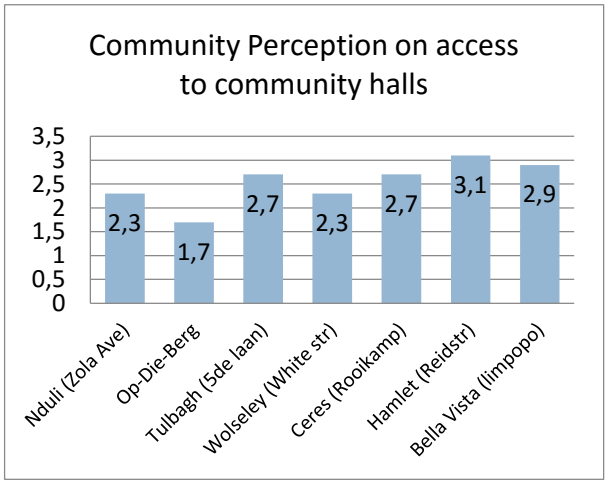
I. OBJECTIVE 3.1: PROVIDE AND MAINTAIN FACILITIES AND AN ENVIRONMENT THAT MAKE CITIZENS FEEL AT HOME

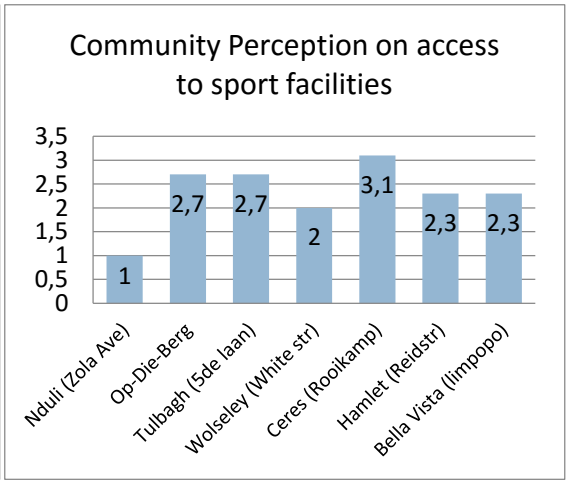
▪ PROGRAMME 3.1 (A): UPGRADING AND MAINTENANCE OF FACILITIES

Backlogs in repairs and maintenance (reactive maintenance) will be addressed, and proactive maintenance programmes for ageing infrastructure (community facilities, cemeteries, park equipment, small plant and machinery) will be investigated and implemented to meet minimum maintenance standards. The municipality aims to maintain all 55 community parks to the set standards. A five-year budgeted maintenance for communal facilities will be developed with standard operating procedures to ensure a cost-effective management of facilities.

Witzenberg will continue partnerships with local sport forums and will continue with the establishment of new sport forums in all towns. The planning and development of sport facilities will be done accordingly the Sport Master Plan.

Witzenberg has implemented a community satisfaction survey for public facilities and amenities and achieved an overall score of a "fair" perception on facilities from the community. The survey is an important tool to determine perceptions across communities and where focus and attention are required.





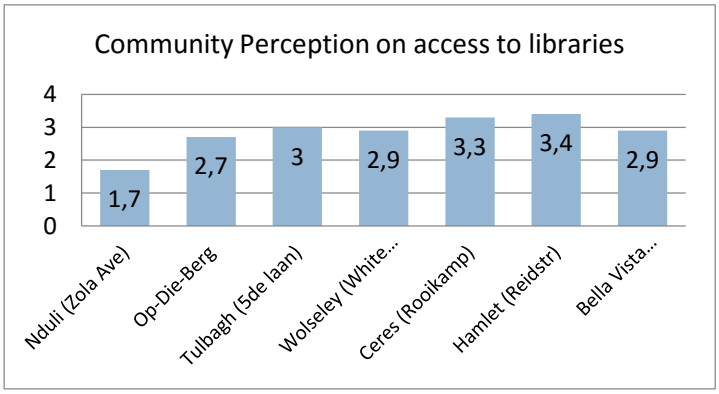
Perception scores: 1-poor, 2- fair, 3-good, 4-very good, 5-excellent

To address the escalating city burial demand resulting from population growth and over capacity of existing **cemeteries**, an approximate total of 4 ha of land is required for new cemeteries. It is especially the areas of Ceres, Bella Vista, N'Duli and Op-die-Berg that are in urgent need. To address the escalating burial demand, Witzenberg will identify suitable land and establish new burial sites for the areas as mentioned. Due to scarce suitable land, the possibility exists that a regional burial site might be developed for the greater Ceres area. The cemeteries of Wolseley and Tulbagh can be extended but proper fencing is required to cope with increasing vandalism and theft. Witzenberg will also implement an electronic booking system for burials.

Libraries are generally in a good state in terms of equipment with the exception of the John Steyn Library where urgent upgrading is required.

The libraries' core functions are primarily the:

- dissemination of information
- collection building of local, indigenous and international material
- provision of reference services
- creating awareness campaigns through exhibitions
- preserving and maintaining assets



Perception scores: 1-poor, 2- fair, 3-good, 4-very good, 5-excellent

Critical Actions

Upgrade and repair of John Steyn Library

Key Performance Indicators for 2019/20

- *Annual customer satisfaction survey on community facilities*
- *96% of community services capital budget spend*
- *98% of community services operational budget spend*

PROGRAMME 3.1 (B): ENVIRONMENTAL MANAGEMENT

Witzenberg Municipality manages two nature reserves and seven critical biodiversity areas (CBAs) fall within its jurisdiction. The lack of capacity to manage the CBAs has the effect that illegal dumping, pollution, keeping of animals and eradication of fynbos poses a major threat to the Witzenberg natural environment. Law enforcement needs to expand to include inspections of commonage areas. In line with the Ceres Mountain Fynbos nature reserve (CMFNR) and the Wolseley commonage Invasive alien species monitoring, control and eradication plans, alien vegetation projects are implemented. The main goal of the alien vegetation projects is to conserve water at mountain catchment areas, water source areas and riverbanks and also to conserve and promote biodiversity in the Witzenberg. Cape Winelands Districts municipality is supporting the municipality by continuously clearing Mitchells Pass (Breede River) and the upper catchment of the Koekedouwdam. Table Mountain Funding (TMF) funds alien vegetation clearing projects in the CMFNR. These funds are

used to implement initial alien vegetation clearing projects at the slopes of the Koekedouwdam. Ceres Business Initiative (CBI) funds follow-up alien clearing and areas of low infestation projects in the CMFNR. The Environmental section is continuously liaising with national and international funders to support alien vegetation clearing projects in the Witzenberg area. Environmental education will be supported through the "Green Fingers" project in conjunction with Cape Nature with the focus on "learning respect for the nature". Other awareness campaigns include Arbour Week and Water Week.

Air quality

Principal functions of municipalities as per National Framework for AQM

Air Quality is a function of all spheres of government, ranging from local, district, provincial and national government. The setting of municipal standards for emissions from point, non-point or mobile sources in respect of identified substances or mixtures of substances in ambient air, which through ambient concentrations, bioaccumulation, deposition or in any other way present a threat to health, wellbeing or the environment in the municipality. Municipalities have to monitor ambient air quality and point, non-point and mobile source emissions. The municipality's Air Quality Management Plan is in place and needs to be a component of the IDP. Work on the Air Quality By-law of the municipality is still in progress and should be completed by March 2019. Monitoring of compliance in respect of offensive odors caused by any activity is essential for the compilation of an atmospheric impact report. The Municipality is also challenged by budgetary constraints and is the obtaining of expensive monitoring equipment for noise levels and air emissions, not achievable at this stage. The Municipality's Air Quality Management Plan will be reviewed during May 2019.

Roaming animals

Roaming of horses and other livestock in the communities is of great concern for the municipality. Despite efforts to control the problems, it remain problematic and costly to manage. Six horses was also impounded during 2018. The Municipality appointed 11 animal monitors in Ceres, Nduli, Tulbagh, PA Hamlet and Wolseley which brought some relief to a certain extent in combatting the problems.

Wellbeing of communities

The application and regulation of the requirements of Section 24 of the Constitution must be complied with to ensure an environment that is not harmful to any person's health or wellbeing. Offensive odours, noise and dust by means of the use of monitoring equipment should be investigated. The municipality currently does not own any monitoring equipment, thus there is a need for obtaining measuring equipment to combat offences in this regard sufficiently.

Key Performance Area 4:

SOCIO-ECONOMIC SUPPORT SERVICES

OBJECTIVE 4.1:

SUPPORT THE POOR AND VULNERABLE THROUGH PROGRAMMES AND POLICY

OBJECTIVE 4.2:

CREATE AN ENABLING ENVIRONMENT TO SUPPORT LOCAL ECONOMY



Witzenberg Day for the Aged

Key Performance Area 4

D. SOCIO-ECONOMIC SUPPORT SERVICES

I. OBJECTIVE 4.1: SUPPORT THE POOR AND VULNERABLE THROUGH PROGRAMMES AND POLICY

▪ PROGRAMME 4.1 (A): SOCIAL DEVELOPMENT PROGRAMMES

Witzenberg is committed to the development of its **youth,** and recognises the important part they play in society. Young people living in Witzenberg face a number of challenges on a daily basis: Not only are youth unemployment levels high, but substance abuse, particularly drug abuse, is on the increase. In order to facilitate youth development and support, Witzenberg will improve its capacity to deliver on its various programmes. The programme interventions supporting youth development are multifaceted, taking into account the many challenges facing the youth.

The following major youth programmes will be implemented:

- Skills development, including personal assessment, development plans and career pathing, entrepreneurial skills, income opportunity skills and computer skills development.
- Youth programmes with the focus on building physically, emotionally and spiritually healthy citizens who can contribute meaningfully to the community in a socio-economic context by means of nation-building programmes
- Capacity building in the fields of organisational development, leadership skills training, moral regeneration and train-the-trainer initiatives.
- Greater awareness of youth at risk, teenage pregnancy, HIV/Aids, substance abuse, the risks of gang involvement, etc.
- Getting youth involved in public participation processes
- Creating platforms for youth to engage around topical issues that affect them, so that they can take ownership and advocate for change, where necessary.
- Putting practical monitoring and evaluation mechanisms in place to ensure that programmes and interventions are relevant and that those doing youth work are held accountable.
- Innovative IT development solutions to facilitate access.
- Creating linkages between corporate entities and assessed youth with a view to possible permanent employment.
- Essen Witzenberg Youth Placement Programme – identified youth will be trained and placed at host companies to gain experience
- Youth Focal Point initiative in the five municipal towns to functions as:
  Information point to the youth (information hub), accessing work opportunities and assisting with the implementation of youth programmes on community level
- Creating platforms and opportunities for the youth to grow in various art forms such as dancing, drama and craft skills
- Linking the youth with skills training opportunities such as professional cooking

Substance abuse is a priority area, given the high incidence of drug and alcohol abuse in Witzenberg. The substance abuse programme focuses on prevention, intervention, suppression and coordination services with other spheres of government.

HIV is a reality in Witzenberg and thus the HIV programme focuses on awareness, early intervention and prevention.

Poverty alleviation requires a targeted effort to care for the marginalised and vulnerable in Witzenberg. Given the current economic environment of ever-higher unemployment and the increasing number of residents living below the poverty line, indigent programmes and other economic enabling measures require urgent attention. The main thrust of the programme is to facilitate the resources and conditions required to satisfy poor communities' physical, social and psychological needs. The current focus of the programme is to support food production and security through the establishment and maintenance of food gardens. Food gardens help improve household food security and people's nutritional status, and also offer an opportunity for a group of people to come together and produce food collectively.

People living with disabilities programme recognises the various challenges experienced by people with disabilities. Witzenberg focuses on awareness-raising initiatives concerning disability in order to break down the barriers and promote and foster social integration and opportunities for persons with disabilities. The programme interventions are aimed at empowering and promoting a fully inclusive society for persons with disabilities. Support to caregivers and parents of disabled children is another goal of this programme. Life skills, hand skills and social skills are some of the main areas of intervention for youth who are differently disabled.

The **Gender programme** create an enabling environment that celebrates women rising above adversity, Witzenberg seeks to raise awareness of domestic and gender-based violence as well as the support services on offer to both women and men. The following programmes are provided in collaboration with numerous partner organisations:

- Women's Day events celebrating women rising above adversity
- Training to create greater awareness of domestic and gender-based violence
- Fatherhood training programmes, which entail the training and education of young men and fathers to improve gender relations and to facilitate prevention and early intervention in respect of domestic and gender-based violence
- Awareness programme on domestic and gender-based violence during the 16 Days of Activism campaign

The **Protection of vulnerable children programme** is focused on coordinating services of all NGOs/FBOs and government departments in the field of working with children and their families.

- Awareness and prevention of child abuse and child neglect.
- Fire, water and road safety awareness campaigns in collaboration with the relevant stakeholders.
- Support and assistance to other departments/stakeholders working with children.

The **Early childhood development** (ECD) programme supports quality ECD services with a variety of development components, such as ECD training, expansion and awareness, as well as the construction of ECD facilities. This also includes supporting and strengthening the role and function of the Witzenberg ECD Forum.

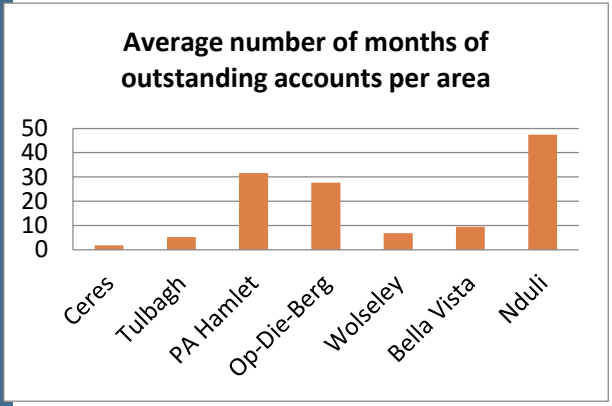
Key Performance Indicators for 2019/20

To implement 20 social development programmes

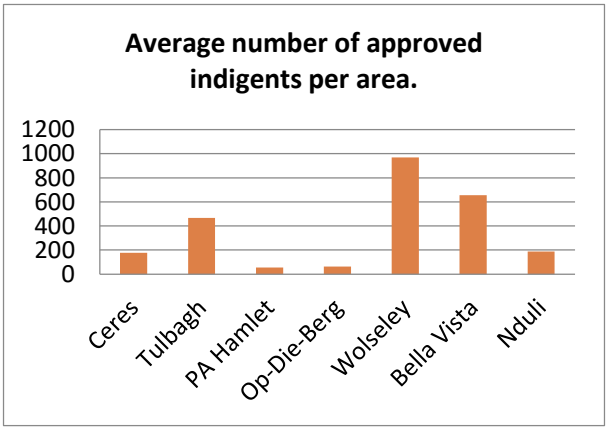
▪ PROGRAMME 4.1 (B): INDIGENT SUPPORT

Witzenberg supports the poor through its Indigent Policy and subsidises municipal services to approved households with an income of R3 000 or less per month. The total subsidy value per month is approximately R1,2m. The outstanding debt of indigents of around R15m remains a challenge as no credit control procedures are currently implemented against indigents.

The table below gives an indication of the number of indigents per area. The low numbers for areas such as Prince Alfred's Hamlet, Op-die-Berg and N'Duli are particularly clear. The main reason being the ineffectiveness of debt control measures as discussed under programme 2.2(a). The table above indicates the outstanding debt per area to show how it compares with the number of indigents per area.



One of the Witzenberg's biggest challenges relates to growing informality – the expansion of informal settlements and the rising number of households living in makeshift shelters in backyards. Witzenberg needs to ensure integrated sustainable human settlements and access to housing for those in need in an incremental manner.



Key Performance Indicators for 2019/20

To subsidise 4 500 approved indigent families through the Indigent Policy.

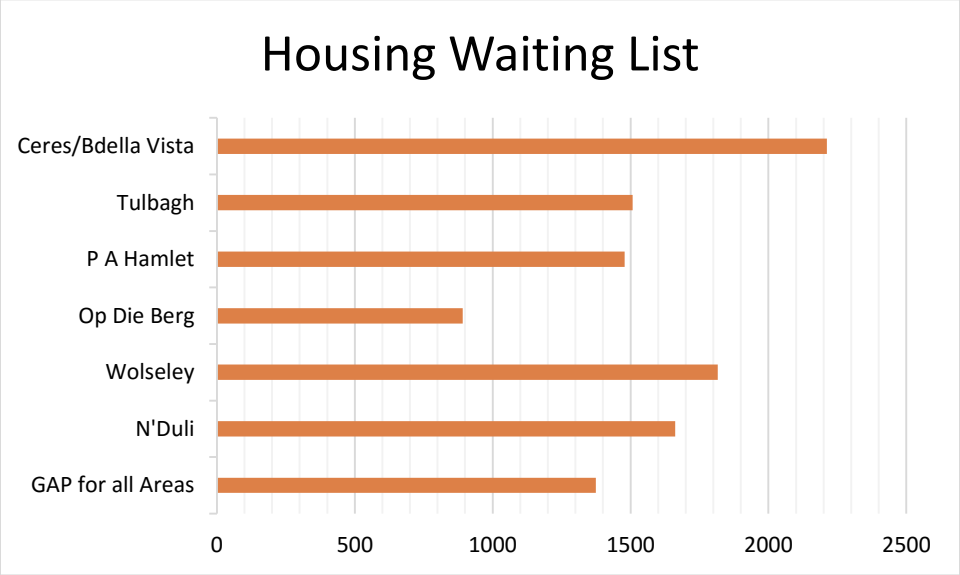
▪ PROGRAMME 4.1 (C): HOUSING PROGRAMME



Interventions will require significant additional capital investment, together with a fundamental reconsideration of how to deliver more opportunities to access housing in an incremental, more rapid and more integrated, sustainable manner. Key elements for successful urban restructuring include higher-density housing developments in well-located areas, major improvements in public transport to link fragmented places, and higher employment levels in townships and informal settlements.

The table below gives an indication of the number of people on the municipals housing waiting list. Although the statistics includes farm residents and people from informal settlements,

it is expected that the need might be much higher. The total of people on the waiting list amounts to approximately 9 000 with the agricultural sector indicating that the need of farm dwellers to obtain houses could also amount to approximately 9 000. There are approximately 12 000 residential consumers that receives services from the municipality and if the need indicated are to be accommodated all towns in the Witzenberg will have to be doubled. Currently the existing resources and infrastructure are not available to accommodate such a growth and it is not expected that it would be able in the near to medium future.



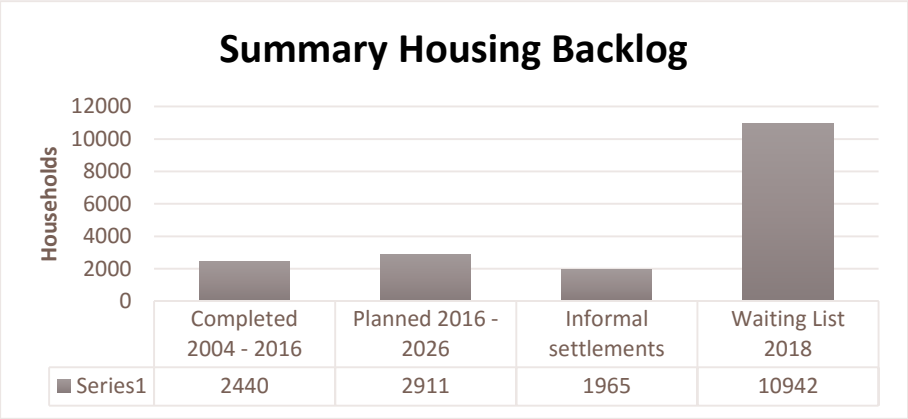
Witzenberg will implement the following projects over the next couple of years:

3 YEAR DELIVERY PLAN Municipal Planning - 06 March 2019 2019/20 - 2021/22 HSDG	PROGRAMME	2019/2020			2020/2021			2021/2022		
Average Site Cost (R'000) Average Unit cost (R'000)	60 130	SITES SERVICED	HOUSES BUILT	FUNDING R '000	SITES SERVICED	HOUSES BUILT	FUNDING R '000	SITES SERVICED	HOUSES BUILT	FUNDING R '000
Witzenberg		120	200	33 200	536	320	77 260	188	200	40 010
Ceres Vredebes (3022 services and 2163 units) IRDP	IRDP									
Ceres Vredebes (3022 Ph1 600 top structures) IRDP	IRDP		200	26 000		200	26 000		200	26 000
Ceres Vredebes (3022 Ph H 536 Enhanced Serviced Sites services) IRDP	IRDP				536		32 160			
ISSP Ceres Ndpli Infille SS (188 sites) UISP	UISP						3 000	188		11 280
Tulbagh (225) IRDP	IRDP / Land									730
Tulbagh Land Acquisition Farm 224 either Portion 3 or 7	Land									
Wolseley Pine Valley (500) IRDP	IRDP						500			2 000
Wolseley Pine Valley 2A IRDP	IRDP	120		7 200		120	15 600			
Kleinbegin	IRDP									
Prince Alfred's Hamlet "Die Bossie"	Land									
Wolseley Montana (700)	IRDP									

Dependant on the allocation of funding from Provincial Government.

Gap (affordable) housing

The term 'gap housing' refers to houses that are provided to households earning between R3 501 and R15 000 per month, who are not provided for by the private sector or the state. The number of people seeking homes in the R150 000 to R350 000 price range has been growing steadily in the past years. The municipality recognises the critical importance of supplying houses within this price range for the proper functioning of the overall residential housing market. In this spirit, Witzenberg has undertaken the sale of serviced plots at reduced prices to enable buyers to build their own homes on a piecemeal basis via access to short-term loans or with employer assistance. The table below gives an indication of progress made in terms of the provision of housing over the past couple of years and the planning for the future.

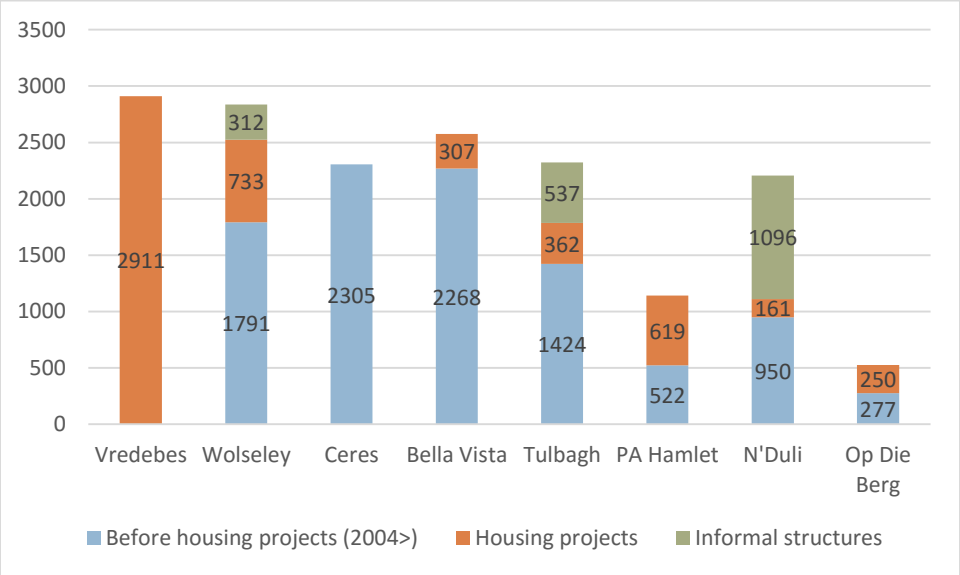


Resources and bulk infrastructure remains a major challenge in achieving planned targets. Witzenberg is in process of implementing the Bella Vista (307 units) and Vredebes (2 800 units) housing projects. Both these projects require significant bulk infrastructure upgrades. The Bella Vista project were completed in 2017 with the Vredebes project being developed over the next couple of years depending on the availability of funding to complete bulk infrastructure.

All bulk water and sanitation infrastructure required should be completed by 2018 with the construction of houses can start. The upgrading of the adjacent R44, bus routes, bulk stormwater, and link road however require in the access of R150m. It should also be noted that the project's electricity requirements are approximately 5MVA of which Eskom cannot supply due to insufficient bulk capacity as discussed under Programme 1.1(a).

Witzenberg is committed to creating sustainable, integrated human settlements rather than merely providing low-cost housing. The Vredebes project when completed will have a significant influence on the municipal financial viability, service delivery, transport network and Ceres CBD. The Provincial Government will assist Witzenberg through the Regional Social and Economic Programme (RSEP) to develop an implementation plan for Vredebes to ensure an integrated and sustainable community. The main focus would be to ensure the buy-in of all sectors such as education, social and economic development, security, etc. and to align the construction of houses with the availability of social and technical infrastructure.

The table below gives an indication of the size of Vredebes. It also provides the number of beneficiaries per town over the past couple of years.



Rental stock disposal programme

During the 1980s, government initiated the discount benefit scheme to encourage tenants and sales debtors to acquire ownership of their saleable housing units. An asset management improvement programme will soon be finalised, which will enable Witzenberg to better manage and maintain its assets especially in terms of rental stock. To meet this need, Witzenberg will assess the possible sale or transfer of rental stock to clearly identified beneficiaries according to prescripts of the National Housing Codes. This will allow for a sense of ownership for community members and support economic independence for beneficiaries. Approximately 240 of these rental units are earmarked for transfer to tenants over the next three years.

Achievements

Rental stock properties transferred since 2017/18 – 49 properties

Key Performance Indicators for 2019/20

- *Transfer of 40rental stock properties*
- *Construction of 200 houses*

▪ PROGRAMME 4.1 (D): JOB CREATION

The Expanded Public Works Programme is a national government programme that aims to provide social protection through the creation of jobs. The programme's mandate is "to contribute to development by providing work opportunities to poor and unemployed people in the labour-intensive delivery of public and community assets and services". An existing operating procedure will be updated that would include the maintenance of register for job seekers to be utilised with EPWP recruitment. The Department of Public Works Conditional Grant will be utilised to complement service delivery in the municipality, such as assistance to youth,

maintenance of parks, rivers and open spaces, as well as road maintenance. Workers on the programme can also benefit from training initiatives (where funding is available).

II. OBJECTIVE 4.2: CREATE AN ENABLING ENVIRONMENT TO SUPPORT LOCAL ECONOMY

▪ PROGRAMME 4.2 (A): LOCAL ECONOMIC DEVELOPMENT

Witzenberg Municipality is committed to support local economic development not only through various programmes but also through the construction and upgrading of infrastructure. Witzenberg developed an Investment Incentive and retention policy framework in 2014 as well as an Economic Development Strategy. The LED Maturity Assessment Report of January 2015 indicated shortcomings and the municipality will review the strategy in 2017/18. The implementation of the existing strategy is measured on a bi-annual basis.

Witzenberg Municipality has supported SMME developments through the following projects.

- SEDA training
- Registration of businesses on municipal and provincial supply chain databases
- Meetings with business forums
- Supply chain workshops
- Annual SMME indaba
- CWDM seed funding support
- Facilitating accredited New Venture Creation course for SMMEs
- Providing information on funding opportunities to SMMEs, as well as assisting with funding applications

Other interventions that are currently being implemented or planned for 2017/18 are as follows:

- Develop dignified and accessible trading facilities
- Draft informal trader (street traders and spaza shops) by-law
- Tourism improvement: Develop and profile (branding) Ceres as a family destination
- Ceres tourism business plan
- Upgrade existing municipal tourism facilities
- Develop a Ceres integrated information digital platform
- Develop a business hub
- Township tourism opportunities
- Upgrade Wolseley train station
- Bee extraction facility
- Review of LED strategy
- Contractor development initiatives
- Link SMMEs to be absorbed in value chains of local economy

Witzenberg agriculture has indicated that an anticipated growth of the primary agri-sector of between 5% - 8% is expected over the next five years. It was further indicated that secondary processing will grow by more than 10%. Such growth expectations will have a significant influence on Witzenberg in terms of the following:

- Need for serviced industrial land for agro-processing plants
- Increased need for bulk services such as water, sanitation and electricity
- Increased road usage especially by heavy vehicles
- Increased job availability

- In-migration of workers leading to expansion of informal areas
- Increased income for municipality on rates and taxes
- Increased dependant on indigent subsidy during off-season

A major threat that would undermine the expected growth is the unavailability of electricity due to bulk provision incapacity of Eskom as discussed under Programme 1.1(a), as well as the ongoing water scarcity.

Witzenberg has developed a good relationship with the **Department of Rural Development and Land Reform** over the past couple of years and has implemented several bulk infrastructure projects that support economic growth funded by Rural Development. As Witzenberg has been identified for the development of an **Agri-Park** with the Agri-hub situated in the Skoonvlei Industrial area, Ceres, it is expected that the relationship will continue in the future. Infrastructure projects that were completed in the past year as part of the Agri-Park initiative included the upgrade of Boerneef Street and bulk electricity network to a total value of R50m. The infrastructure has unlocked several private initiatives which included an R80m fruit packaging facility that created 200 permanent jobs. Several more roads need to be upgraded that would enable the development of more private invested facilities not only for the larger business but also for small and upcoming business.



Key Performance Indicators for 2019/20

Quarterly reports on implementation of LED Strategy

Tourism

Witzenberg Municipality has a service level agreement (SLA) with three local tourism associations that conduct marketing of the municipal area and local established businesses in order to draw investment and trade to the area. Local businesses join as members of the local tourism authorities to participate in the marketing initiative. Membership holds businesses accountable to ethical norms and standards for the industry, and to a code of conduct.

Tourism aims to market Witzenberg Municipality as an affordable holiday destination with activities for the entire family. Tourism liaises with district, provincial and national stakeholders to develop the Witzenberg brand through attraction of tourists, awareness

campaigns, roadshows, expos, events and festivals. Tourism further aims to train and skill local entrepreneurs to meet tourism-related

Their functions include:

- Marketing the area, events and activities.
- Creating opportunities for transformation, niching, diversification and support of new stakeholders.
- Ensuring that tourism development remains on trend.
- Promotion and development of Accessible Tourism.
- To enlist new members and plan for the growth of both operations and market.

As per our SLA with Witzenberg Tourism, which is an external entity to Witzenberg Municipality, we have the following strategic priorities:

- Promotion of our towns as travel destinations and as film and photoshoot locations (with attractive scenes in farm and desert areas, mountains, snow, and skylines.)
- Promotion and protection of the local towns, events and the municipal brand.
- Promotion of conservation and Green Tourism. Provision of statistical research and data outputs.
- Promotion of Agri-Tourism.
- The growth and expansion of tourism.

Witzenberg Tourism runs educational packages with schools, front of house staff, and local stores to promote clientele service. The entity also sources courses such as first aid training, communication, administration and hospitality to help local businesses improve their output and skill levels.

Part of the municipality's agreement with Witzenberg Tourism is to expand the broad demographic of tourism to encompass culture, heritage, diversity and transformation. We aim to develop two new travel routes within Witzenberg to promote social cohesion as well as introduce formal trade to township and rural areas.

demands, and provide the requisite services and products necessary to promote local trade and economic development.

Witzenberg Tourism has produced tear-off maps which are distributed to points of sale with high traffic, providing location and contact details of local tourist attractions. They have also produced a joint brochure called the Witzenberg Meander, covering activities throughout the municipality.

Tourism bureaus for Wolseley, Ceres and Tulbagh also created their own brochures with niche marketing of their sectors in conjunction with social media promotion through Facebook and websites. Witzenberg Tourism has been successful in marketing the destination to visitors within South Africa as an affordable and picturesque location for weddings, snow tourism, heritage tourism, agri-tourism, wine tourism, adventure tourism, cultural tourism, sports tourism and rural tourism.

Witzenberg Tourism also conducts quarterly educational visits of the areas to tourism authorities outside of our borders as well as to journalists, media groups and bloggers, in order to review and publicise the activities and services offered in the area. A significant area of focus in the IDP for tourism is access to qualitative and quantitative research, specific to our area.

Ceres Business Initiative

The Ceres Business Initiative was originally founded as the Ceres Chamber of Commerce in 1936. The institution represents various business and enterprise areas in the Witzenberg area. The Witzenberg Municipality has a good relation with the CBI and plays an important supporting role in achieving the following goals of CBI:

- Building bridges between the municipality & the business community.
- Ensure that the town is clean & safe
- Accomplish economic growth, create opportunities for entrepreneurs

- To consult with the municipality regarding service delivery.

CBI has initiated several opportunities for small and upcoming entrepreneurs with support from its members and other role-players.

▪ PROGRAMME 4.2 (B): UTILISING MUNICIPAL AND PUBLIC PROPERTY TO SUPPORT ECONOMIC GROWTH AND SUSTAINABLE DEVELOPMENT

Witzenberg completed a land audit in 2009 indicating all municipal and public properties. These properties are categorised with the focus on underutilised properties. The land audit is updated regularly and an implementation plan was developed with annual implementation targets. The purpose is mainly to sell or make available underutilised municipal property to leverage growth, support economic development and job creation with the focus on sustainable development especially in poor communities.

Economic benefits include:

- small-business development through support initiatives stimulating local economic activity and possible job creation
- the creation of potential opportunity streams through mixed-use activities
- encouraging and enhancing entrepreneur-ship across various key sectors.

Witzenberg will, in conjunction with the Department of Rural Development and Land Reform and the Department of Agriculture, investigate the utilisation of **commonage land as part of the Agri-Park development**. The main purpose would be to grow the local economy, job creation and empowerment of the previously disadvantaged.

The investigation should give an indication of the preferred commodity as determined by soil conditions and available markets, but also water availability and support by existing commercial farmers.

Large tracks of commonage has been identified as Critical Biodiversity Areas. These areas are however not managed and protected as it is being overgrazed and illegal dumping occurs in some areas.

It is therefore necessary to investigate if the land can be utilised in a more effective manner that would contribute to the community's wellbeing.



INTERNAL MONITORING AND REPORTING

Measuring of performance on Strategic Objectives is measured through the Service Delivery and Budget Implementation Plan as included in Chapter 7. The results are published in the Annual Report.

Departmental indicators are included in the Departmental SDBIP with monthly internal reporting to managers. The table below refers to a number of internal indicators for management purposes. Details and breakdown of targets are included in the Departmental SDBIP.

Directorate	KPI	Measurement
Community	Ensuring security of tenure by ensuring that title deeds are transferred	Number of historical title deeds handed over to rightful beneficiaries of RDP homes
		Number of title deeds handed over to rightful beneficiaries of RDP homes built within the current year
	Improving the lives of those living in informal settlements	Number of Informal settlements with plans for formalisation
		Number of Informal settlements with no plans for formalisation
	Adoption and implementation of a fair EPWP Policy	Implementation of an EPWP SOP
	Prioritising youth development	Number of Early Childhood Development Centres registered and supported by the municipality
	Creating an enabling environment for business growth	Number of Local Economic Development Forum Meetings held per annum
	Prioritising youth development	Number of bursaries provided to youth under the age of 25
		Number of internships provided to youth under the age of 25
		Number of apprenticeships facilitated either directly or in public/private partnerships for youth under the age of 25
	Enhancing the safety of communities	Number of neighbourhood watches registered and supported by the municipality
	Create user friendly channels through which residents can raise issues and have them resolved to their satisfaction	% of Customer Service Requests acknowledged within 24 hours
		% of Customer Service Requests resolved within 7 days
Technical	Improving the lives of those living in informal settlements	Number of water standpipes installed and number of people they provide water access to
		Number of sanitation services installed and number of people they provide sanitation access to
		Number of electricity connections provided and number of people they provide electricity access to
	Enhancing the safety of communities	Number of public lights installed in poorly lit and crime vulnerable areas
	Improving the lives of those living in informal settlements	Frequency of refuse collection within all informal settlements
	Enhancing the safety of communities	Number of times per week CBD receives area cleansing
		% of potholes fixed within 7 days of reporting
	Improve public transport	Number of transport hubs/taxi ranks upgraded with public lighting, rain protection, refuse removal and regularly serviced sanitation
	Creating an enabling environment for business growth	% of land use applications evaluated within the legislated timeframes by the Planning Tribunal, after receipt of all relevant information and documents required by legislation
		% of Building plans of less than 500sqm approved/rejected within 30 days from date of submission
		% of Building plans of more than 500sqm approved/rejected within 60 days from date of submission
Municipal Manager	Reducing opportunities for corruption	Establishment of a corruption hotline, preferably externally managed

5 MANAGEMENT AND GOVERNANCE

A. COUNCIL STRUCTURE



B. COMMITTEE SYSTEM



Executive Mayor
Barnito Klaasen



Executive Deputy
Mayor Karriem Adams
(Ward 6) - DA

Chairperson:
Community Development

Members: Councillors
Daniels
N Phatsoane
G Laban



Cllr. Ronald Visagie
(Ward 4) - DA

Chairperson:
Technical Services

Members: Councillors
D Swart
R Simpson
M Mdala
M Jacobs



Cllr. Elisabeth Sidego
(Ward 11) - DA

Chairperson:
Human Settlements

Members: Councillors
J Phungula
Z Mzauziwa
S Hugo



Cllr. Trevor Abrahams
(PR) - DA

Chairperson:
Local Economic Development and Tourism

Members: Councillors
C Lottering
P Heradien
H Visagie
M Jacobs



Alderman Hennie Smit
(Ward 5) - DA

Chairperson:
Corporate and Financial Services

Members: Councillors
D Kinnear
Alderman J Schuurman
T Mgoboza

C. AUDIT COMMITTEE

Members of the Performance, Risk and Audit Committee	
Mr J George (Chairperson) 2 Dickens Close, Somerset Park, Van der Stel, SOMERSET-WEST 7130 Telephone: Facsimile: Cell: (062) 655-0455 E-mail: jonathang@quantumadvisory.co.za	Mr Jean Basson (Deputy Chairperson) PO Box 220 11 De Keur Street KOUE BOKKEVELD 6836 / SANLAM Building, Voortrekker Street, Ceres Telephone: (023) 317-0946 (H) Facsimile: (086) 541-9273 Cell: (083) 412-8783 E-mail: jeanba@just.property
Mr Ameen Amod 5th Floor, 56 Shortmarket Street, CAPE TOWN 8001 Telephone: (021) 488-9500 (076) 426-4251 (PA) Facsimile: (086) 508-9221 Cell: (083) 212-9221 E-mail: ameen@mtnselect.co.za E-mail 2: ameenamod@mweb.co.za	Mr Tsepo Lesihla 24 Coatbridge Crescent Parklands MILNERTON RURAL 7441 Telephone: (021) 407-6431 (W) (021) 556-1010 (H) Facsimile: Cell: (079) 849-2732 E-mail: tsepo@maqheka.com
Mr. SA Redelinghuys 24 Breë Street, PRINCE ALFRED'S HAMLET Telephone and facsimile: (023) 313-3554 Cell: (083) 270 4801 E-mail: fanusr@gmail.com	

D. ESTABLISHMENT OF WARD COMMITTEES

Through the establishment process, it is intended that members of the community will understand the purpose and potential benefits of the Ward Committee System. Community members would also be in a better position to make informed decisions with regard to nominating and electing appropriate members of Ward Committees and be able to hold Ward Committees accountable once they are established.



For the month of September 2016 Witzenberg Municipality had an intensive mobilisation campaign on the process for the establishment of Ward Committees. On 30 September 2016 the nomination process closed.

The verifications on nominations were done, some candidates were only disqualified after verifications were done. Candidates were disqualified if they were not registered voters, if they were nominated in the wrong voting district, if they were not nominated by a registered voter, if they were nominated by a voter that was not registered in the same voting district as the candidate, and if nominations were received after the deadline of 30 September 2016.

The election process was facilitated by contract workers who also did duty as contract workers for the Independent Electoral Committee (IEC) during the 2016 Local Government Elections. The elections in the different wards took place on 24, 25 and 26 October 2016. **The newly elected Ward Committee inauguration took place on 28 February 2017.**

E. MACRO MANAGEMENT



David Nasson

Municipal Manager

Email: david@witzenberg.gov.za



Monwabisi Mpeluza

Director: Corporate Services

Email: monwabisi@witzenberg.gov.za



Joseph Barnard

Director: Technical Services

Email: joseph@witzenberg.gov.za

Directors Community Services and Finance vacant

6 STRATEGIC FINANCIAL OUTLOOK

All Budget information to be updated with tabling of final IDP, please refer Draft Budget

A. EXECUTIVE SUMMARY

~~The 2018 National Budget Review emphasised that, while the global economic outlook has improved, it is clouded by the prevailing policy uncertainty due to the increasing pressure within the world trading system.~~

~~These factors may jeopardise South Africa's prudent macroeconomic and fiscal policies, which include inflation targeting and a flexible exchange rate, the local economy's ability to adjust to global volatility and the stable investment platform.~~

South Africa was downgraded by two rating agencies. The downgrading may have a negative impact on prices of all commodities imported as well as interest rates. These economic challenges will continue to pressurise municipal revenue generation and collection levels. Hence a conservative approach is advised for projecting revenue. Municipalities will have to improve their efforts to limit non-priority spending and to implement stringent cost-containment measures.

B. FINANCIAL STRATEGIC APPROACH

The 2018/19 MTREF process commenced with a technical analysis of previous years' performance outcomes, an assessment of the economic outlook, and consultation with various role-players. The process encompassed the following:

- Framework for and strategic direction of the budget provided by the MAYCO
- Long-term Financial Plan presentations to Council.
- Eskom's application for electricity tariff increases to the National Energy Regulator of South Africa (NERSA).

C. FINANCIAL MODELLING AND KEY PLANNING DRIVERS

The outcome of the LTFP modelling incorporated the assumptions outlined in the paragraphs below on which the 2018/19 MTREF was compiled. The principles applied to the MTREF in determining and maintaining an affordability envelope included:

- Higher-than-inflation repairs and maintenance provision to attain nationally benchmarked levels, thereby ensuring and enhancing the preservation of Witzenberg Municipality assets;
- Higher increases to selected cost elements subjected to higher-than-average inflationary pressure, such as employee related costs;
- The assumption of a 95% capital expenditure implementation rate;
- Credible collection rates based on collection achievements to date, and also incorporating anticipated improvements in selected revenue items;
- National and provincial allocations as per the 2018 Division of Revenue Act (DORA); and
- Province's 2018/19 MTREF allocations circular to municipalities.

D. ECONOMIC OUTLOOK/EXTERNAL FACTORS

The sluggish growth experienced in the South African economy is aggravated by the drought conditions, constraints in electricity supply and a decline in business confidence. The value of the rand against the US dollar and Euro has declined continuously over the past three years. This has a negative impact on imports but is positive for the export market which is a major contributor to the economy of the Witzenberg area.

E. NATIONAL AND PROVINCIAL INFLUENCES

Conditional grant funding targets delivery of national government's service delivery priorities. It is imperative that Witzenberg Municipality understands and complies with the conditions stipulated in the Division of Revenue Act (DoRA) in order to access this funding. The equitable share constitutes unconditional funding, and is designed to fund the provision of free basic services to disadvantaged communities.

F. EXPENDITURE ANALYSIS – A THREE-YEAR PREVIEW

I. GENERAL INFLATION OUTLOOK AND ITS IMPACT ON MUNICIPAL ACTIVITIES

The MFMA Budget Circular for 2018/2019 indicates the following inflation forecasts:

2018/2019	5,3%
2019/2020	5,4%
2020/2021	5,5%

II. INTEREST RATES FOR BORROWING AND INVESTMENT OF FUNDS

Changes in interest rates will not affect the budget over the medium term as the interest rates on most of the existing loans are fixed. The interest and redemption expenses will decrease as loans are being redeemed.

III. COLLECTION RATE FOR REVENUE SERVICES

The collection rate for revenue service will be under more pressure due to the weak economic outlook. Prepaid water meters will be installed to reduce the provision for impairment of water debtors.

IV. SALARY, WAGES AND RELATED STAFF EXPENSES

The increase in employee-related costs is expected to be more than the inflation forecast as per collective agreement. The 2,5% notch increase will increase the employee-related costs even further. The job descriptions of all employees are in the process of being re-evaluated – the outcome of the evaluations is still unknown but it is expected that the salaries of some employees will increase.

V. REPAIRS AND MAINTENANCE

Higher-than-inflation repairs and maintenance provision is made in the budget to attain nationally benchmarked levels, thereby ensuring and enhancing the preservation of Witzenberg Municipality assets.

VI. DEPRECIATION

Depreciation charges will increase on an annual basis due to new assets being added to the asset register through the capital budget.

G. REVENUE ANALYSIS – A THREE-YEAR PREVIEW

I. GROWTH OR DECLINE IN MUNICIPAL TAX BASE

The revenue base is growing but the rate is not sufficient to support improved service delivery. The majority of the economic development in Witzenberg occurs in the rural areas where the municipality is not the service provider. The Skoonvlei area is being developed as an industrial area with assistance from Rural Development to attract industries to the town areas and to create job opportunities.

II. MAJOR TARIFFS AND CHARGES: ECONOMIC AND TRADING SERVICES

Witzenberg Municipality strives to keep tariff increases below inflation. The three-year indicative tariffs are determined for major services to illustrate the financial effect of medium-term operational and investment plans.

III. PROPERTY RATES

Property rates revenue is used to finance municipal functions other than economic and trade services. Property rates revenue is subsidised by the surpluses from economic and trade services. Property rates tariffs are therefore increased with more than the inflation forecasts. A new valuation roll will be implemented. The average valuations will be higher than those of the previous roll, but tariffs will be adjusted downward to limit the effect of the increased valuations. The limitations on property rates tariffs of Agricultural Property, Public Service Infrastructure and Public Benefit Organisation Property has a negative effect on the possible rates revenue.

H. IMPACT OF NATIONAL, PROVINCIAL AND LOCAL POLICIES ON OPERATING REVENUE

All Budget information to be updated with tabling of final IDP, please refer Draft Budget

I. 2018 DORA

Allocations and grants to Witzenberg Municipality are included in the DoRA.

The equitable share allocation is utilised to fund the provision of free basic services to indigent households.

The Municipal Infrastructure Grant is mainly allocated to the provision of bulk service infrastructure to new low cost housing projects.

The Regional Bulk Infrastructure Grant is earmarked for Bulk Water Storage for the Tulbagh area.

II. MAJOR PARAMETERS

The following table summarises the major parameters applied to the operating budget:

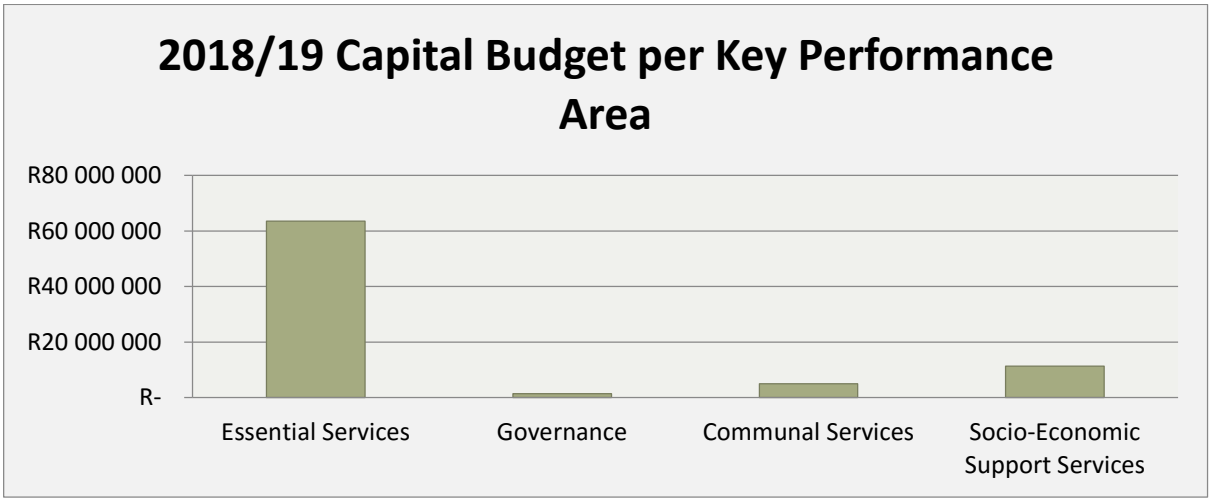
	~~Budget year 2018/2019~~	~~Budget year + 1 2019/2020~~	~~Budget year + 2 2020/2021~~
~~CPI~~	~~5,3%~~	~~5,4%~~	~~5,5%~~
~~Collection rate~~	~~94%~~	~~94%~~	~~94%~~
~~Tariff Increases:~~			
~~• Rates~~	~~8%~~	~~8%~~	~~8%~~
~~• Electricity~~	~~7%~~	~~7%~~	~~7%~~
~~• Water consumption~~	~~7%~~	~~7%~~	~~7%~~
~~• Sewerage~~	~~6%~~	~~7%~~	~~7%~~
~~• Refuse removal~~	~~6%~~	~~7%~~	~~7%~~
~~Equitable share allocation~~	~~R 84 mil~~	~~R 93 mil~~	~~R 102 mil~~
~~Total grant allocations~~	~~R 172 mil~~	~~R 208 mil~~	~~R 192 mil~~

I. CAPITAL INVESTMENT FRAMEWORK

~~The Capital Budget for the 2018/19, 2019/20 and 2020/21~~ financial years are dominated by projects linked to the implementation of social housing projects. Major projects mainly include the upgrade of bulk infrastructure to support these developments, internal network infrastructure of the developments as well as other network upgrading such as the upgrading of certain roads in Tulbagh that have been in a state of severe deterioration for the past couple of years.

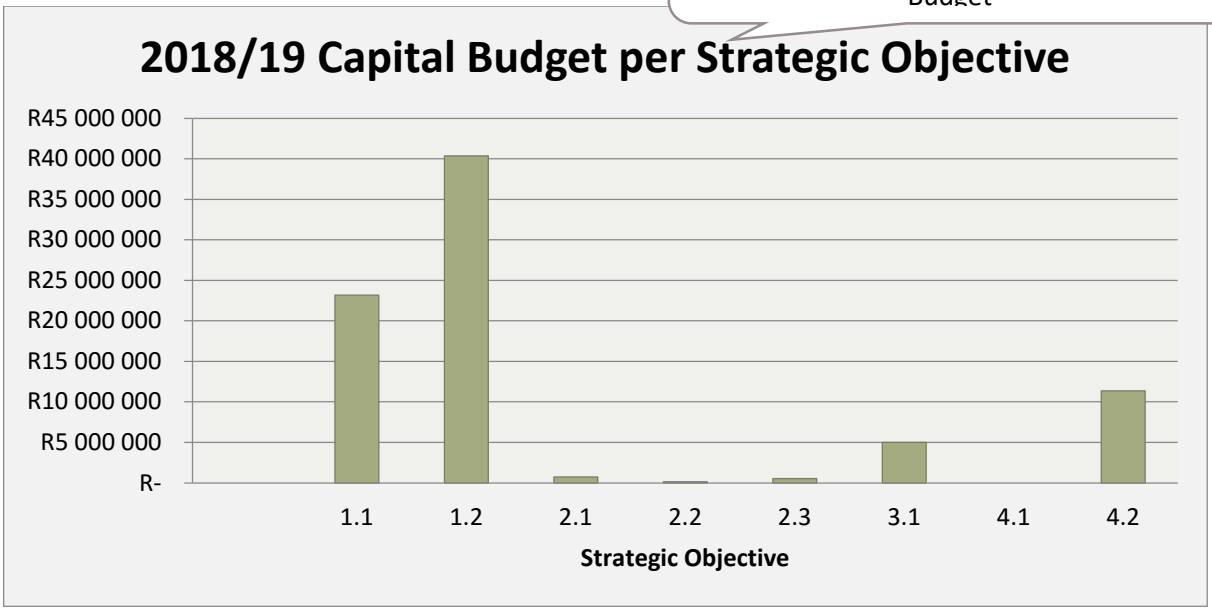
Witzenberg will further continue with the upgrading of existing infrastructure and facilities and will also start with the implementation of a Material Recovery Facility as part of a new waste strategy in the second year.

In terms of the Witzenberg Strategic Map, the bulk of the funding is allocated to the key performance area of Essential Services with the strategic objectives related to the provision of services and upgrading of informal settlements receiving the majority of capital funding as indicated in the graphs below:



Strategic Objectives		2018/19 Capital Budget	
1.1	Sustainable provision & maintenance of basic infrastructure	R	23 191 181
1.2	Provide for the needs of informal settlements through improved services	R	40 375 539
2.1	Support Institutional Transformation & Development	R	720 000
2.2	Ensure financial viability	R	150 000
2.3	Maintain & strengthen relations	R	540 000
3.1	Provide & maintain facilities & environment that make citizens feel at home	R	4 990 000
4.1	Support the poor & vulnerable through programmes & policy	R	-
4.2	Create an enabling environment to support local economy	R	11 354 609

All Budget information to be updated with tabling of final IDP, please refer Draft Budget

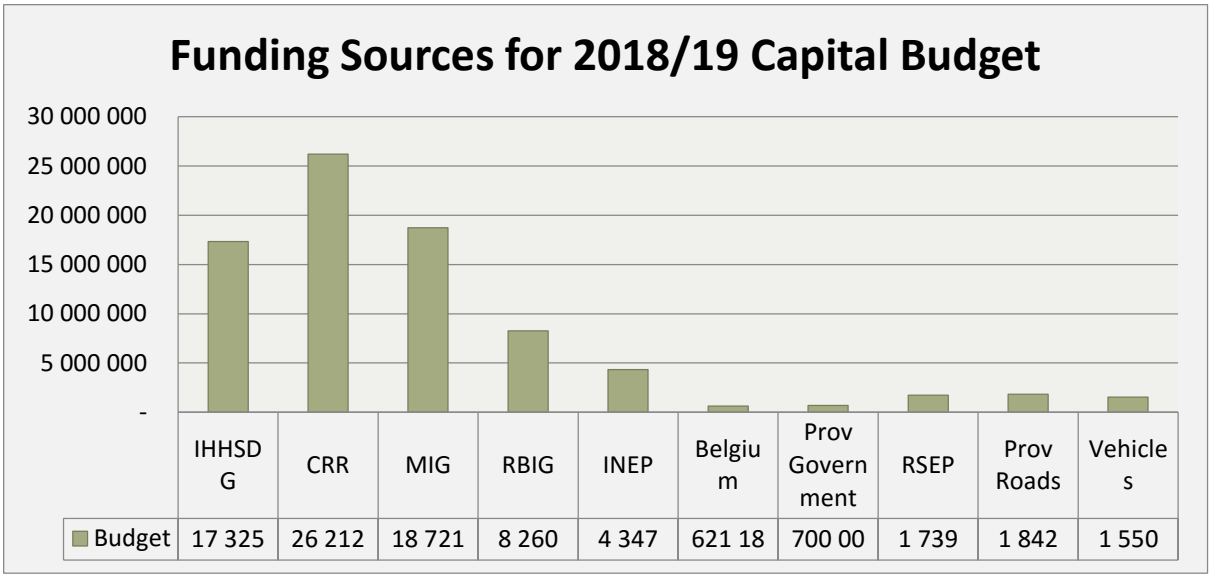


Funding Sources

The Capital Budget is funded by the following sources:

Funding Source Name		Institution	Purpose
Capital Replacement Reserve	CRR	Municipality	Mainly upgrading and equipment
Integrated Housing and Human Settlements Development Grant	IHHSDG	Dept. of Human Settlements	Capital funding for internal social housing developments' infrastructure networks as well as related bulk infrastructure. *Funding for top structures (houses) is included in the operational budget.*
Municipal Infrastructure Grant	MIG	Dept. of Cooperative Governance	Infrastructure that supports the poor, mainly bulk infrastructure related to social housing projects.
Regional Bulk Infrastructure Grant	RBIG	Dept. of Water Affairs	Bulk water and sanitation related projects.
Integrated National Electrification Programme	INEP	Dept. of Energy	Electrical networks for social housing projects.
Annuity Loan	ANN	Municipality	Municipal loan for the procurement of service delivery vehicles.

The graph below gives an indication of the contribution value of the different funding sources to the capital budget:



Detailed three-year Capital Budget

The following tables show the individual budgeted projects as allocated per ward:

Key Performance Area: 1. ESSENTIAL SERVICES

Strategic Objective: 1.1 SUSTAINABLE PROVISION AND MAINTENANCE OF BASIC INFRASTRUCTURE

All Budget information to be updated with tabling of final IDP, please refer Draft Budget

Programme		Department	Section	Project	Region	Ward	Funding Source	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget	2022/23 Budget	Not allocated
1.1a	Upgrading of bulk resources & infrastructure	Electrical	Electrical	MV Substation equipment	Witzenber	All	CRR	1 500 000	1 500 000	1 500 000	1 500 000	1 500 000	
		Sanitation	WWTW	Aerator replacement programme	Witzenber	All	CRR	750 000	500 000	500 000	500 000	500 000	
		Sanitation	WWTW	Refurbishment of WWTW	Witzenber	All	CRR	600 000	600 000	600 000	600 000	600 000	
		Sanitation	Sanitation	Security upgrades at pumpstations & WWTW	Witzenber	All	CRR	450 000	250 000	450 000	200 000	200 000	
		Waste	Waste	New material recovery facility/drop-off.	Witzenber	All	Belgium	621 180	295 800				
		Waste	Waste		Witzenber	All	MIG		6 701 813	5 472 100	11 650 000	8 800 000	6 309 938
		Waste	Waste		Witzenber	All	CRR				2 485 140		
		Water	WTW	Op-Die-Berg Reservoir	Op-Die-Be	8	MIG				7 438 947		
		Water	WTW	Tulbagh reservoir	Tulbagh	9	MIG					13 000 000	
		Water	Water	Security upgrades at pumpstations & WTW	Witzenber	All	CRR	450 000	350 000	1 200 000	400 000	200 000	
		Water	Storage	Construction of Tulbagh storage dam	Tulbagh	11	RBIG	8 260 870	16 931 304				
		Water	Water	Upgrade Tierhokskloof bulk water pipeline, W	Wolseley	7	MIG						12 000 000
1.1b	Upgrade & maintenance of network infrastructure	Electrical	Electrical	Electrical network refurbishment	Witzenber	All	CRR		1 200 000	1 272 000	1 300 000		
		Electrical	Electrical	Upgrade of MV cables	Wolseley	7	CRR	1 400 000		800 000	1 200 000	500 000	
		Electrical	Electrical	MV Network equipment	Witzenber	All	CRR	1 000 000	1 000 000	1 000 000	1 000 000	1 000 000	
		Electrical	Electrical	Upgrade of LV network cables	Tulbagh	11	CRR	1 400 000	1 000 000	1 000 000	1 000 000	1 000 000	
		Electrical	Electrical	Tools & Equipment	Witzenber	All	CRR	120 000	160 000				
		Electrical	Streetlight	Upgrade of streetlights	Witzenber	All	CRR	350 000	350 000	350 000	350 000	350 000	
		Sanitation	Sanitation	Sewer network replacement programme	Witzenber	All	CRR	1 000 000	1 000 000	2 000 000	2 000 000	2 000 000	
		Sanitation	Sanitation	Sewer pumps replacement programme	Witzenber	All	CRR	200 000	200 000	200 000	200 000	200 000	
		Sanitation	Sanitation	Tools & Equipment	Witzenber	All	CRR	100 000	200 000	100 000			
		Waste	Waste	Vehicle replacement programme	Witzenber	All	CRR	550 000	3 000 000				
		Water	Water	Infrastructure management system	Witzenber	All	CRR	300 000	200 000	200 000	200 000	200 000	
		Water	Water	Tools & Equipment	Witzenber	All	CRR	100 000	100 000	100 000	100 000	100 000	
		Water	Water	Water pipes & valves replacement programm	Witzenber	All	CRR	1 000 000	1 000 000	2 000 000	1 000 000	1 000 000	
1.1c	Transport management & road maintenance	Roads &sw	Roads	Upgrade of roads network	Witzenber	All	CRR	-	2 000 000	2 500 000	2 500 000	2 500 000	
		Roads &sw	Roads	Upgrade of Tulbagh roads	Tulbagh	11	CRR		3 000 000	4 500 000	5 000 000	6 000 000	
		Roads &sw	Walkways	Pedestrian route along Nduli/R46 (RSEP)	Nduli	12	RSEP	434 783	434 783				
		Roads &sw	Walkways	Upgrade pavement Vosstr: Retiefstr to edge	Ceres	5	RSEP	1 304 348	1 304 348				
		Roads &sw	Walkways	of town (RSEP)	Ceres	6	CRR		1 400 000				
		Roads &sw	Transport	Taxi facility for Ceres CBD (Bella Vista taxi's)	Ceres	5	MIG		5 869 563	1 130 436			
		Roads &sw	Transport		Ceres	5	CRR		1 391 304				
		Roads &sw	Roads	New Digger Loader	Witzenber	All	CRR	1 000 000					
		Roads &sw	Storm wat	Storm water infrastructure upgrading	Witzenber	All	CRR	300 000	450 000	450 000	450 000	450 000	

Key Performance Area: 1. ESSENTIAL SERVICES

Strategic Objective: 1.2 PROVIDE FOR THE NEEDS OF INFORMAL SETTLEMENTS THROUGH IMPROVED SERVICES

Programme		Department	Section	Project	Region	Ward	Funding Source	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget	2022/23 Budget	Not allocated
1.2a	Implementation of human settlement plan (serviced sites)	Electrical	Electrical	Vredebes internal electrical network	Vredebes	5	INEP	4 347 826	3 895 652	5 565 217			
		Electrical	Streetlight	Vredebes Phase 1 streetlights	Vredebes	5	MIG	1 536 522			1 800 000		
		Roads &sw	Roads	Vredebes Phase F2 Internal Roads	Vredebes	5	IHHSDG	5 406 079					
		Sanitation	Sanitation	Vredebes Phase F2 Internal Sanitation	Vredebes	5	IHHSDG	4 635 515					
		Roads &sw	Storm wat	Vredebes Phase F2 Internal Storm water	Vredebes	5	IHHSDG	2 648 866					
		Water	Water	Vredebes Phase F2 Internal Water	Vredebes	5	IHHSDG	4 635 515					
		Roads &sw	Roads	Nduli infill Internal Roads	Nduli	12	IHHSDG		1 739 130	1 739 130			
		Sanitation	Sanitation	Nduli infill Internal Sanitation	Nduli	12	IHHSDG		1 739 130	1 739 130			
		Roads &sw	Storm wat	Nduli infill Internal Storm water	Nduli	12	IHHSDG		1 739 130	1 739 130			
		Water	Water	Nduli infill Internal Water	Nduli	12	IHHSDG		1 739 130	1 739 130			
		Roads &sw	Roads	Vredebes/Nduli intersection	Vredebes	5	MIG			9 533 117			
		Roads &sw	Roads	Vredebes/DuToit intersection	Vredebes	5	MIG						15 000 000
		Roads &sw	Roads	Vredebes Access Collector (Phase 2)	Vredebes	5	MIG	9 130 434					16 051 673
		Roads &sw	Roads	Vredebes Access Collector	Vredebes	5	CRR						5 000 000
		Roads &sw	Storm wat	Vredebes external storm water	Vredebes	5	MIG	8 034 782	3 391 441				

Key Performance Area: 2. GOVERNANCE

Strategic Objective: 2.1 SUPPORT INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT

2.1b	Law enforcement & traffic	Traffic	Traffic	Driving license test centre	Ceres	3	CRR		330 000	363 000			
		Traffic	Traffic	Fire Arms	Ceres	3	CRR		165 000	181 500			
		Roads &sw	Roads	Traffic calming measures (speedhumps)	Witzenber	All	CRR	150 000	150 000	150 000	150 000	150 000	
2.1d	Administration	Admin	Admin	Upgrade Council Chambers	Ceres	3	CRR	400 000	100 000				
		Finance	Director	Office equipment	Witzenber	All	CRR	30 000	30 000	-			
		Community	Director	Office equipment	Witzenber	All	CRR	30 000	30 000	-			
		Corporate	Director	Office equipment	Witzenber	All	CRR	30 000	50 000	50 000			
		Technical	Director	Office equipment	Witzenber	All	CRR	30 000	30 000	-			
		Mun Manage	MM	Office equipment	Witzenber	All	CRR	30 000	30 000	-			
		Mun Manage	PMU	Office equipment	Witzenber	All	MIG	20 000	20 000	20 000			
2.1g	Disaster management & fire fighting	Fire Fighting	Fire Fightir	Equipment	Witzenber	All	CRR		200 000	200 000	200 000	200 000	

Key Performance Area: 2. GOVERNANCE

Strategic Objective: 2.2 ENSURE FINANCIAL VIABILITY

Programme		Department	Section	Project	Region	Ward	Funding Source	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget	2022/23 Budget	Not allocated
2.2a	Income & debt management	Finance	Finance	IT Equipment	Witzenber	All	CRR	100 000					
2.2b	Expenditure management	Finance	Finance	Insurance replacements	Witzenber	All	CRR	50 000	50 000				

Key Performance Area: 2. GOVERNANCE

Strategic Objective: 2.3 MAINTAIN AND STRENGTHEN RELATIONS

Programme		Department	Section	Project	Region	Ward	Funding Source	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget	2022/23 Budget	Not allocated
2.3a	Communication & marketing	Marketing	Marketing	Signage & Billboards	Witzenber	All	CRR	70 000	70 000	70 000			
		Marketing	Marketing	Camera & photographic equipment	Witzenber	All	CRR	90 000	22 000	20 000			
		Communicati	Communic	Access Control - Furniture & equipment	Ceres	3	CRR	30 000	100 000	30 000			
2.3b	ICT	Admin	IT	IT Equipment	Witzenber	All	CRR	350 000	550 000	600 000			

Key Performance Area: 3. COMMUNAL SERVICES

Strategic Objective: 3.1 PROVIDE & MAINTAIN FACILITIES AND ENVIRONMENT THAT MAKE CITIZENS FEEL AT HOME

Programme		Department	Section	Project	Region	Ward	Funding Source	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget	2022/23 Budget	Not allocated
3.1a	Upgrading & maintenance of facilities	Amenities & F	Sport	3x3m Containers	Witzenber	All	CRR	-	500 000	300 000			
		Amenities & F	Sport	Sportsground development & upgrading	Witzenber	All	CRR	350 000	350 000	400 000	400 000	500 000	
		Amenities & F	Sport	Upgrade of Lyelstr, Ceres Sport facilities	Ceres	3	MIG		3 098 922				
		Amenities & F	Sport	Resurface netball courts	Witzenber	All	CRR	300 000	300 000	300 000	300 000	300 000	
		Amenities & F	Sport	Upgrade of facilities at Bella Vista sportgroun	Bella Vista	4	CRR		100 000				
		Amenities & F	Sport	Upgrading of sport facilities	Witzenber	All	Prov Gov	300 000					
		Amenities & F	Halls	Aircons Ceres Town Hall	Ceres	3	CRR	500 000	-	-			
		Amenities & F	Halls	Replace 650 chairs Ceres Town Hall	Ceres	3	CRR		500 000				
		Amenities & F	Halls	Replace floor Ceres Town Hall	Ceres	3	CRR		1 600 000				
		Amenities & F	Halls	Replace stage curtains Tulbagh Town Hall	Tulbagh	11	CRR	100 000					
		Amenities & F	Halls	Upgrade of Koinonia Hall (RSEP Contribution)	Bella Vista	4	CRR		50 000	200 000			
		Amenities & F	Cemeterie	New regional cemetery at Bella Vista (RSEP c	Bella Vista	6	CRR		200 000	200 000			
		Amenities & F	Cemeterie	New regional cemetery at Bella Vista	Bella Vista	6	MIG			4 956 522			
		Libraries	Libraries	Upgrade Wolseley Library	Wolseley	7	Prov Gov	400 000					
		Waste	Cleansing	Op-Die-Berg Public toilets	Op-Die-Be	8	CRR	500 000	700 000	200 000			
3.1b	Environmental management	Amenities & F	Parks & Op	Akkerbos paving of walkways (Phases 1-3)	Ceres	3	CRR	120 000	120 000				
		Amenities & F	Parks & Op	Kruipspuite	Witzenber	All	CRR		90 000				
		Amenities & F	Parks & Op	Brushcutters	Witzenber	All	CRR	100 000	100 000				
		Amenities & F	Parks & Op	Chainsaws	Witzenber	All	CRR	60 000	70 000				
		Amenities & F	Parks & Op	Play equipment for parks	Witzenber	All	CRR	20 000					
		Amenities & F	Parks & Op	Mobile toilets	Witzenber	All	CRR	240 000	-				
		Amenities & F	Parks & Op	Containers x 2	Witzenber	All	CRR	-	40 000				
		Amenities & F	Parks & Op	1.3 Ton truck	Witzenber	All	CRR	-	350 000				
		Amenities & F	Parks & Op	Cherry picker	Witzenber	All	CRR	500 000	-				
		Amenities & F	Parks & Op	Recreational space with landscaping & furnitu	Nduli	12	CRR			100 000	100 000	100 000	
		Amenities & F	Parks & Op	Obtain new property, construction of pound	Tulbagh	11	CRR	1 500 000	1 590 000	1 685 400			

Key Performance Area: 4. SOCIO-ECONOMIC SUPPORT SERVICES

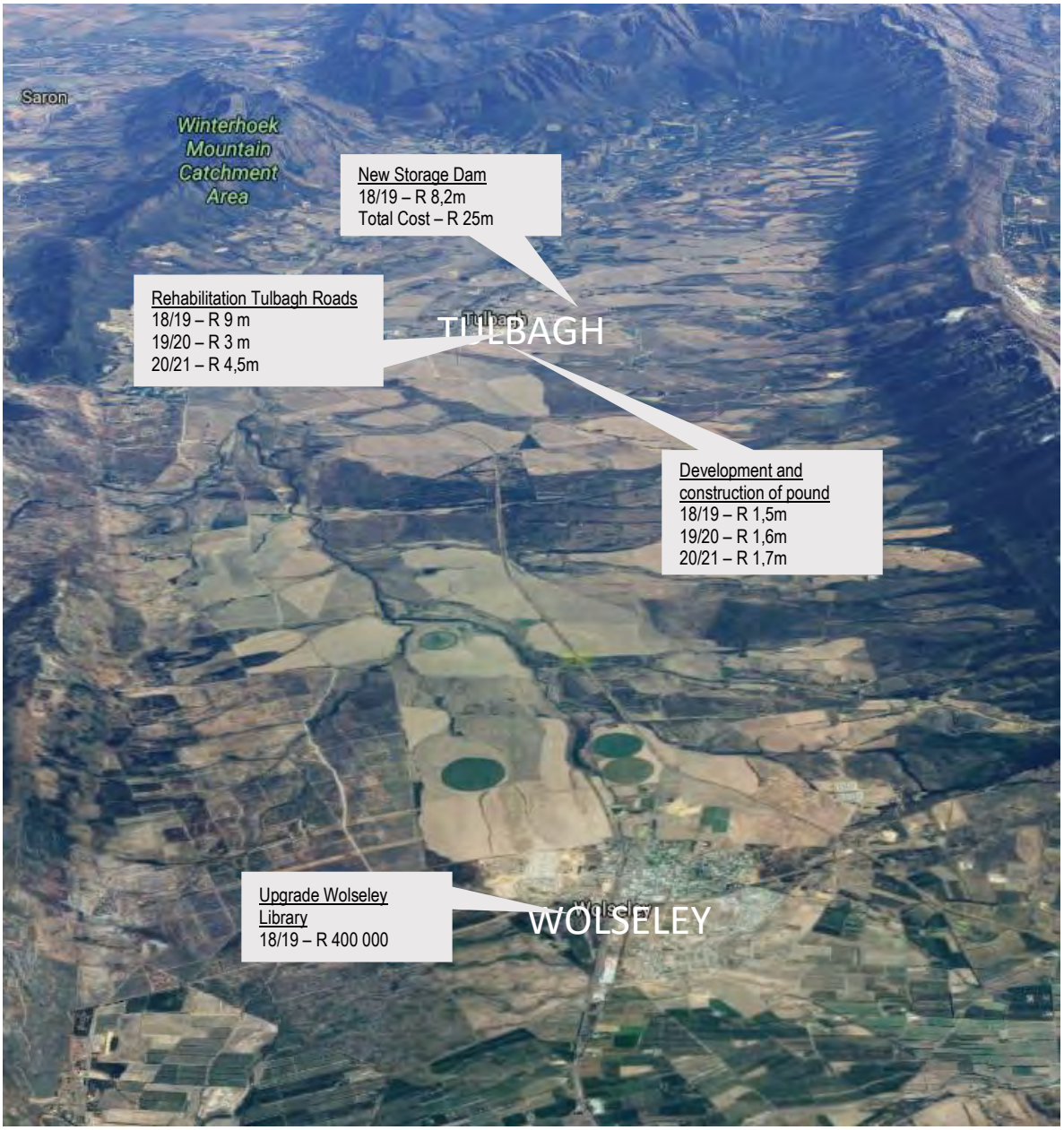
Strategic Objective: 4.2 CREATE AN ENABLING ENVIRONMENT TO SUPPORT LOCAL ECONOMY

Programme		Department	Section	Project	Region	Ward	Funding Source	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget	2022/23 Budget	Not allocated
4.2a	Local economic development	Resorts	Resorts	Pine Forest: Furniture for chalets	Ceres	3	CRR	192 000		215 732	200 000	200 000	
		Resorts	Resorts	Resorts: Plant & Equipment	Ceres	3	CRR	220 000					
		Roads &sw	Roads	Upgrade VanBreda bridge Ceres	Ceres	3	Transport	1 842 609	12 173 913	2 608 696			
		Roads &sw	Roads	Upgrade VanBreda bridge Ceres	Ceres	3	CRR			4 000 000			
		Roads &sw	Roads	Reconstruction Piet Retiefstr, Tulbagh	Tulbagh	11	CRR	9 000 000					
4.2b	Utilizing municipal/public property to support growth	Property	Property	Obtain new property			CRR	100 000					

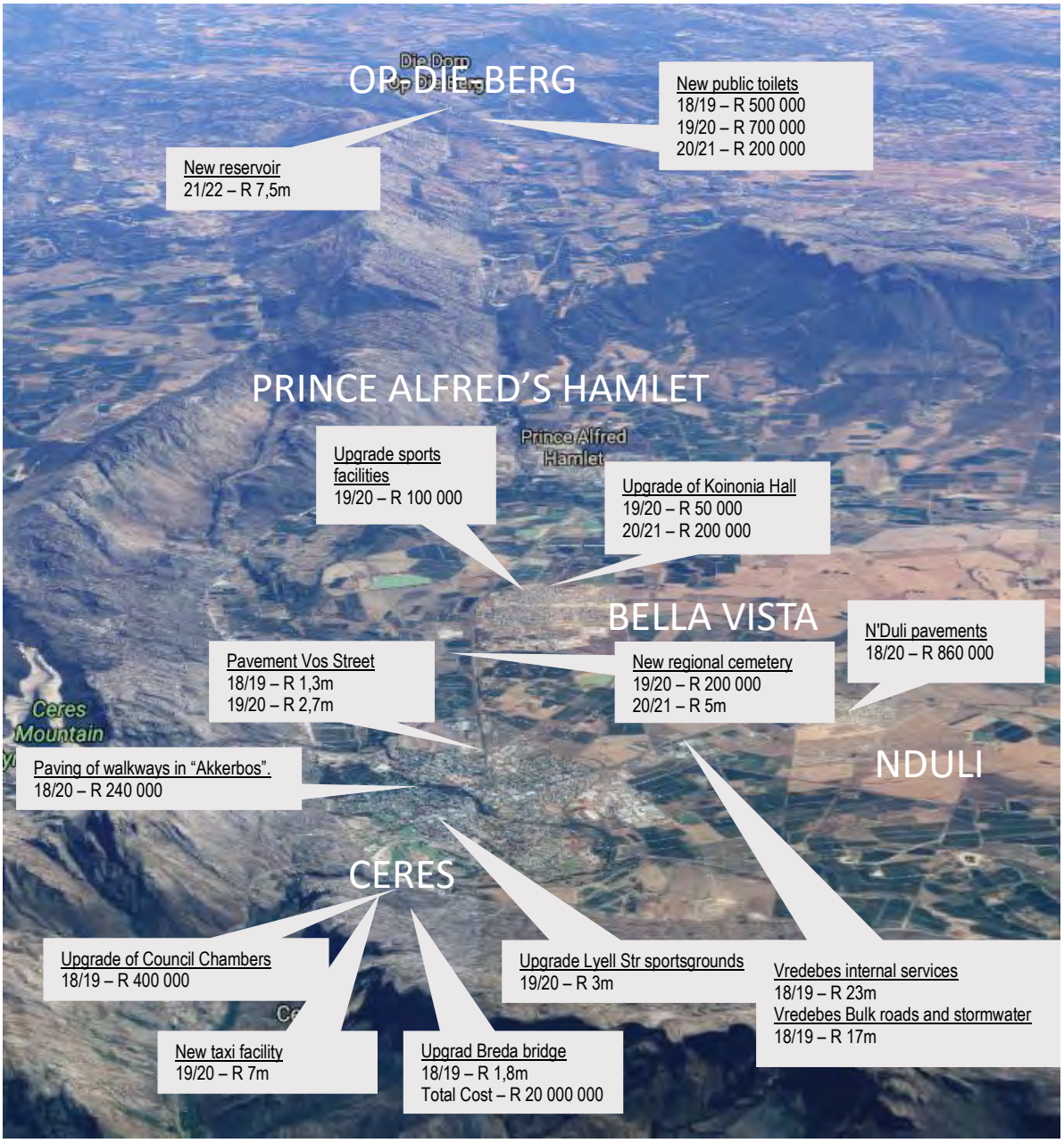
~~CAPITAL INVESTMENTS PER REGION~~

TULBAGH AND WOLSELEY

All Budget information to be updated with tabling of final IDP, please refer Draft Budget



CERES, PRINCE ALFRED'S HAMLET AND OP-DIE-BERG



CAPITAL INFRASTRUCTURE PROJECTS RELATED TO THE VREDEBES HOUSING DEVELOPMENT

Project	Total Budget	2018/19	2019/20	2020/21
Internal services for phase F2 (638 plots)	R 24m	R 17m		
Internal electrical network	R 34,8m	R 4,3m	R 3,9m	R 5,5m
Streetlights	R4m	R 1,5m		
External stormwater	R 14m	R 8m	R 3,4m	
Internal road access collector	R 39m	R 9,1m		

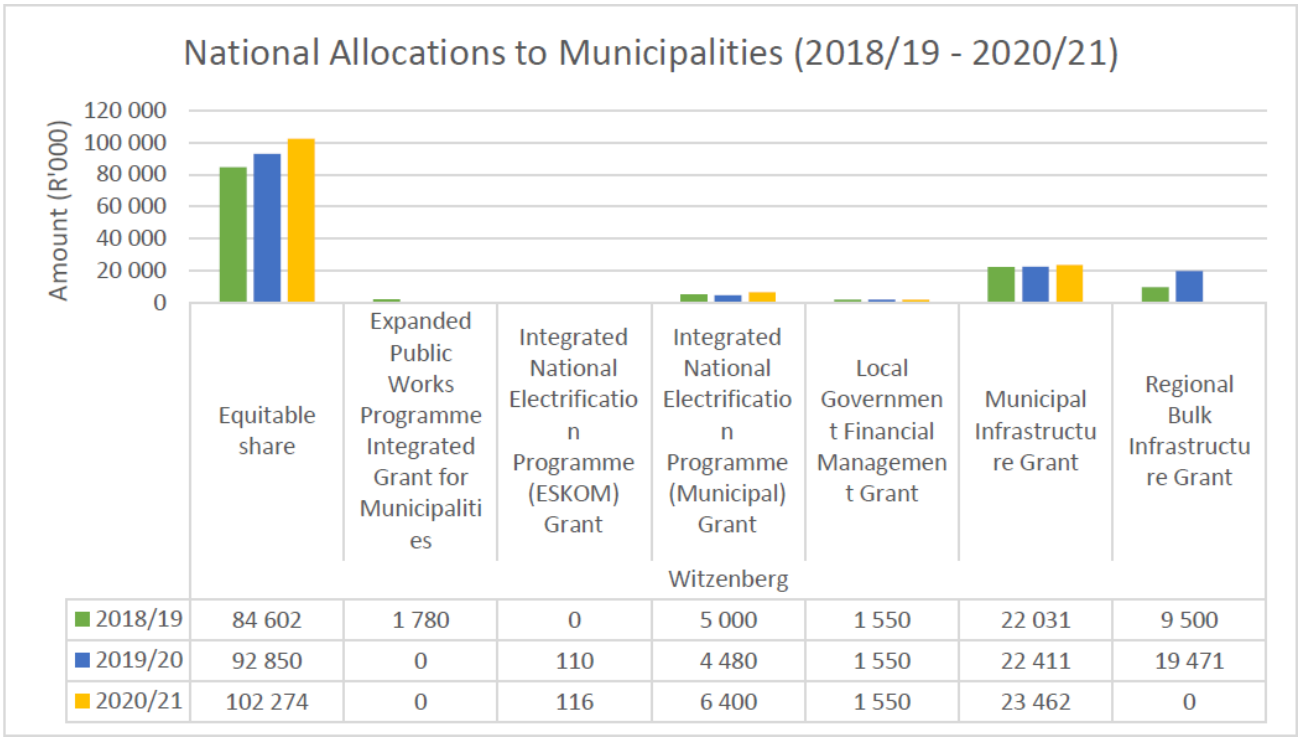
MAJOR CAPITAL INFRASTRUCTURE PROJECTS TO BE IMPLEMENTED IN ALL WITZENBERG TOWNS

Project	2018/19	2019/20	2020/21
Resurfacing of netball courts	R 300 000	R 300 000	R 300 000
Upgrading of streetlights	R 350 000	R 350 000	R 350 000
Electrical: MV substation equipment	R 1 500 000	R 1 500 000	R 1 500 000
Electrical: Network refurbishment		R 1 200 000	R 1 270 000
Electrical: Upgrade of MV cables and equipment	R 2 400 000	R 1 000 000	R 1 800 000
Electrical: Upgrade of LV network cables	R 1 400 000	R 1 000 000	R 1 000 000
Sewer network/pump replacement	R 1 200 000	R 1 200 000	R 2 200 000
Security upgrades at sewer/water infrastructure	R 900 000	R 600 000	R 1 200 000
Aerator replacements at sewer works	R 750 000	R 500 000	R 500 000
Refurbishment of waste water treatment works	R 600 000	R 600 000	R 600 000
Rehabilitation of roads	R 9 000 000	R 5 000 000	R 6 000 000
Waste material recovery facilities and drop-off points	R 621 000	R 7 000 000	R 5 400 000
Water network replacement	R 1 000 000	R 1 000 000	R 2 000 000

Provincial Investment

Below is a graph setting out the allocations by national / municipality for the MTEF period for Witzenberg Municipality.

Note that you can hover with the mouse over the bars to see the amounts allocated (R'000). The detailed information is contained in the subjoined table.



	Equitable share	Expanded Public Works Programme Integrated Grant for Municipalities	Integrated National Electrification Programme (ESKOM) Grant	Integrated National Electrification Programme (Municipal) Grant	Local Government Financial Management Grant	Municipal Infrastructure Grant	Regional Bulk Infrastructure Grant
	Witzenberg						
2018/19	84 602	1 780	0	5 000	1 550	22 031	9 500
2019/20	92 850	0	110	4 480	1 550	22 411	19 471
2020/21	102 274	0	116	6 400	1 550	23 462	0

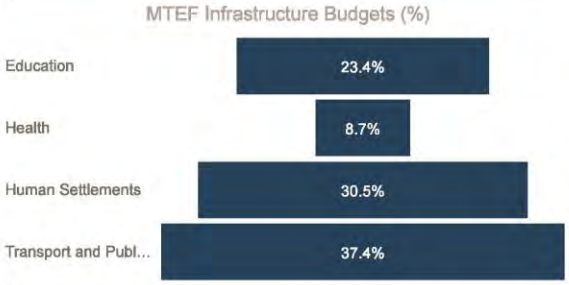
National Allocations / Municipality	2018/19	2019/20	2020/21	Grand Total
Witzenberg	124,463	140,872	133,802	399,137

Source: Western Cape Government: Provincial Treasury. Budget Estimates of Provincial Revenue and Expenditure, 2018

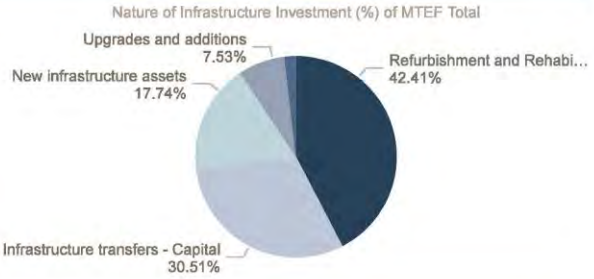
All Budget information to be updated with tabling of final IDP, please refer Draft Budget

Below is a graph setting out the allocations by province / municipality for the MTEF period for Witzenberg Municipality.

Cape Winelands District: Witzenberg
Spatial distribution of provincial infrastructure budget over MTEF period 2019/20 - 2021/22



Cape Winelands District: Witzenberg
Nature of Investment over MTEF period 2019/20 - 2021/22



MTEF Infrastructure Budgets (R'000) & Number of projects

Department	Nr of projects	2019/20 MTEF	2020/21 MTEF	2021/22 MTEF	MTEF Total
Education	3	17000	30000	27500	74500
Health	9	7250	8475	12000	27725
Human Settlements	4	29000	41400	26730	97130
Transport and Public Works	4	26000	4000	89000	119000
Total	**20**	**79250**	**83875**	**155230**	**318355**

Spatial distribution of Planned Infrastructure Budgets (R'000) over the MTEF period



Cape Winelands District: Witzenberg
Spatial distribution of provincial infrastructure budget over MTEF period 2019/20 - 2021/22

Top budgeted (R'000) Infrastructure Projects

Department	Nature of Investment	Infrastructure type	Project Programme Name	MTEF Total
Transport and Public Works	Refurbishment and Rehabilitation	Resealing	C1116 PRMG Ceres - Touwsrivier	85000
Human Settlements	Infrastructure transfers - Capital	Municipal project: Top Structures	Ceres: Vredebes - 454 IRDP	78000
Education	New infrastructure assets	Mega Secondary Schools	Waveren SS	54500
Transport and Public Works	Refurbishment and Rehabilitation	Blacktop/Tarred Roads	C751.2 PRMG TR23/3 Gouda-Kleinbergrivier	26000
Education	Upgrades and additions	Mega Secondary Schools	Tulbagh HS	18000
Health	Refurbishment and Rehabilitation	Hospital - District	Ceres - Ceres Hospital - Hospital and Nurses Home Repairs and Renovation	16000
Human Settlements	Infrastructure transfers - Capital	Municipal project: Planning	Ceres: Nduli: 188 Sites - UISP	9400
Human Settlements	Infrastructure transfers - Capital	Municipal project: Planning	Wolseley: Pine Valley Extention - 560 - IRDP	9000
Transport and Public Works	Refurbishment and Rehabilitation	Blacktop/Tarred Roads	C751.2 TR23/3 Gouda-Kleinbergrivier	4000
Transport and Public Works	Refurbishment and Rehabilitation	Gravel Road	C845.1 Ceres regravel	4000
Health	Upgrades and additions	Hospital - District	Ceres - Ceres Hospital - New Acute Psychiatric Ward	3960
Health	Non Infrastructure	Health Technology	Ceres - Ceres CDC - HT - General	2100

Spatial distribution of budgeted Infrastructure projects over MTEF period



7 PERFORMANCE MONITORING AND EVALUATION

The Municipal Systems Act requires that the IDP be reviewed every five years in line with municipal elections, with an annual review of the budget and progress. A Performance Management Policy has been approved by Council and a web-based system is currently used.

The IDP is considered as the five-year strategic plan for the municipality and therefore provides an outline of Witzenberg Municipality's vision, mission, objectives and operational and service delivery indicators that are realistic and attainable.

The Municipal Finance Management Act 56 of 2003 (MFMA) and National Treasury MFMA Circular No. 13 requires that municipalities prepare a service delivery budget implementation plan (SDBIP) indicating how the budget and the strategic objectives of Council as included in the IDP will be implemented. The SDBIP is prepared in terms of Section 53(1)(c)(ii) of the Municipal Finance Management (MFMA), National Treasury MFMA Circular No. 13 and the Budgeting and Reporting Regulations.

The SDBIP serves as a "contract" between the administration, council and community; expressing the goals and objectives set by the council as quantifiable outcomes that can be implemented by the administration in the applicable financial year. It provides the link between the mayor, the council (executive) and the administration, and facilitates the process for holding management accountable for its performance. It is therefore a management, implementation and monitoring tool that will assist the mayor, councilors, municipal manager, senior managers and community to monitor the municipality's performance on a quarterly basis. The SDBIP will ensure that appropriate information is circulated internally and externally for purposes of monitoring the implementation of the budget, the execution of projects, the performance of senior management and the achievement of the strategic objectives set by council.

The SDBIP sets in-year information, such as quarterly service delivery and monthly budget targets, and links each service delivery output to the budget of the municipality, thus providing credible management information and a detailed plan for how the municipality will provide such services with the inputs and financial resources that will be utilised.

The SDBIP will determine the performance agreements of the municipal manager and senior managers, including the outputs and deadlines for which they will be held responsible. Expenditure information (for capital projects and services) per municipal ward is provided so that each output can be broken down per ward, where it is possible to support ward councilors to provide feedback to their communities on progress with service delivery.

Reporting on achievements are done through a mid-year report and combined in the Annual Performance report included in the Annual Report.

The tables below indicate the following:

- Strategic Map – Strategic Objectives and linkage to Key Performance Areas.
- Five-year Scorecard – Key Performance Indicators with targets linked to the Strategic Objectives
- Definitions of Key Performance Indicators

A. STRATEGIC MAP

WITZENBERG MUNICIPALITY: STRATEGIC MAP 2019/20					
Vision	**Mission**	**Municipal KPA**		**Pre-determined Objectives**	
A municipality that cares for its community, creating growth and opportunities.	The Witzenberg Municipality is committed to improve the quality of life of its community by: - Providing & maintaing affordable services - Promoting Social & Economic Development - The effective & efficient use of resources - Effective stakeholder & community participation.	1	Essential Services	1,1	Sustainable provision & maintenance of basic infrastructure
				1,2	Provide for the needs of informal settlements through improved services
		2	Governance	2,1	Support Institutional Transformation & Development
				2,2	Ensure financial viability.
				2,3	To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the creation of participative structures.
		3	Communal Services	3,1	Provide & maintain facilities that make citizens feel at home.
		4	Socio-Economic Support Services	4,1	Support the poor & vulnerable through programmes & policy
				4,2	Create an enabling environment to attract investment & support local economy.

B. 5 YEAR SCORECARD

Municipal KPA	Pre-determined Objectives	Ref	Key Performance Indicator	Reporting Directorate	Baseline 2017/18	Target 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023/24
Essential Services	Sustainable provision & maintenance of basic infrastructure	TecDir1	% Expenditure on Maintenace Budget by Technical Directorate	Technical	99.8%	98%	98%	99%	99%	99%
		TecDir3	% Expenditure on Capital Budget by Technical Directorate	Technical	98%	96%	96%	97%	97%	97%
		TecWat21	Percentage compliance with drinking water quality standards.	Technical	100%	98%	98%	98%	98%	98%
		TecWat36	Percentage of valid water connection applications connected by reporting period end	Technical	Adjusted	95%	95%	96%	97%	97%
		TecSan22	Percentage of valid sanitation connection applications connected by reporting period end	Technical	Adjusted	95%	95%	96%	97%	97%
		TecEl60	Percentage of valid electricity connection applications connected by reporting period end. (excl subsidised housing)	Technical	Adjusted	95%	95%	96%	97%	97%
		TecRef46	Access to the removal of residential solid waste in all Witzenberg towns according to a publicised programme.	Technical	Adjusted	5	5	5	5	5
		TecWat20	Decrease unaccounted water losses.	Technical	18%	18%	18%	16%	16%	16%
		TecEl37	Decrease unaccounted electricity losses.	Technical	10%	10%	10%	10%	10%	10%
		TecRo7	Kilometres of roads upgraded & rehabilitated	Technical	4.4	3	3	4	4	4
	Provide for the needs of informal settlements through improved services	TecDir2	Number of subsidised serviced sites developed.	Technical	101	0	400	0	200	200
		TecWat22	Provide basic services - number of established informal areas with sufficient communal water services points (taps).	Technical	3	3	3	3	2	2
		TecSan13	Provide basic services - number of established informal areas with sufficient communal sanitation services points (toilets).	Technical	3	3	3	3	2	2
		TecRef31	Improve basic services - number of established informal settlements receiving a periodic area cleansing programme.	Technical	3	3	3	3	2	2
		TecEl36	Percentage of houses in a subsidised housing project connected to the electrical network.	Technical	New	95%	95%	95%	95%	95%

Municipal KPA	Pre-determined Objectives	Ref	Key Performance Indicator	Reporting Directorate	Baseline 2017/18	Target 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023/24
Governance	Support Institutional Transformation & Development	CorpHR13	Percentage budget spent on implementation of Workplace Skills Plan.	Corporate	98.8%	96%	96%	96%	96%	96%
		CorpHR12	Report on percentage of people from employment equity target groups employed in the three highest levels of management in the municipality.	Corporate	4	4 Reports	4 Reports	4 Reports	4 Reports	4 Reports
	Ensure financial viability.	FinFAdm10	Financial viability expressed as Debt-Coverage ratio	Finance	90	90	90	90	90	90
		FinFAdm9	Financial viability expressed as Cost-Coverage ratio	Finance	3	2,8	2,8	2,8	2,8	2,8
		FinFAdm11	Financial viability expressed outstanding service debtors	Finance	49%	42%	42%	42%	40%	40%
		FinDir3	Achieve an unqualified opinion of the Auditor-General on annual financial statements of the previous year.	Finance	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified
		FinInc15	Increased revenue collection	Finance	94%	94%	94%	95%	95%	95%
		MM1	Percentage of budget spent on maintenance for the whole of the municipality.	Municipal Manager	99.7%	98%	98%	99%	99%	99%
		MM2	Percentage spend of capital budget for the whole of the municipality.	Municipal Manager	96.4%	96%	96%	97%	97%	97%
	To maintain and strengthen relations with international- & inter-governmental partners as well	MMIDP9	Number of IDP community engagements held.	Municipal Manager	14	14	14	14	14	14
		ComSoc49	Number of meetings with inter-governmental partners.	Community	13	12	12	12	12	12
Communal Services	Provide & maintain facilities that make citizens feel at home.	ComAm34	Report on annual customer satisfaction survey on community facilities.	Community	1	1 Report	1 Report	1 Report	1 Report	2 Report
		ComDir1	% Expenditure on Maintenace Budget by Community Directorate	Community	99.7%	98%	98%	99%	99%	99%
		ComDir2	% Expenditure on Capital Budget by Community Directorate	Community	97.1%	96%	96%	97%	97%	97%
Socio-Economic Support Services	Support the poor & vulnerable through programmes & policy	ComSoc41	Number of account holders subsidised through the municipality's Indigent Policy	Community	2373	4500	4500	4400	4300	4300
		ComLed8	The number of jobs created through municipality's local economic development initiatives including capital projects.	Community	403	400	410	410	420	420
		ComSoc 42	Number of engagements with target groups with the implementation of social development programmes.	Community	36	20	20	20	20	20
		ComHS14	Number of housing opportunities provided per year.	Community	107	200	200	200	100	100
		ComHS15	Number of Rental Stock transferred	Community	39	40	45	50	50	50
	Create an enabling environment to attract investment & support local economy.	MMProp21	Quarterly report on the alienation of municipal properties to support economic growth.	Municipal Manager	Adjusted	4 Reports	4 Reports	4 Reports	4 Reports	4 Reports
		ComLed4	Quarterly report on the implementation of strategies and planned actions as identified in the Witzenberg LED Strategy.	Community	Adjusted	4 Reports	4 Reports	4 Reports	4 Reports	4 Reports

C. SCORECARD – INDICATOR DEFINITIONS

Municipal KPA	Pre-determined Objectives	Ref	Key Performance Indicator	Reporting Directorate	Definitions
Essential Services	Sustainable provision & maintenance of basic infrastructure	TecDir1	% Expenditure on Maintenace Budget by Technical Directorate	Technical	Percentage reflecting year to date spend /certain maintenance budget votes of technical department. Maintenance is defined as the actions required for an asset to achieve its expected useful life. Planned Maintenance includes asset inspection and measures to prevent known failure modes and can be time or condition-based. Only certain votes identified for calculation.
		TecDir3	% Expenditure on Capital Budget by Technical Directorate	Technical	Percentage reflecting year to date spend / Total capital budget less any contingent liabilities relating to the capital budget of the technical directorate. The total capital budget is the council approved adjusted budget at the time of the measurement. Contingent liabilities are only identified at the year end.
		TecWat21	Percentage compliance with drinking water quality standards.	Technical	Measure of potable water sample pass rate according to the SANS 241 standard. Average of sample results. Only microbiological results of Escherichia Coli are considered in the measurement. Result should be less than 1 count per 100ml.
		TecWat36	Percentage of valid water connection applications connected by reporting period end	Technical	This indicator reflects the percentage of residential valid water connection applications (where down payment has been received) connected, where the applicant has access to the municipal water network. Proxy measure for National Key Performance Indicator.
		TecSan22	Percentage of valid sanitation connection applications connected by reporting period end	Technical	This indicator reflects the percentage of residential valid sewer connection applications (where down payment has been received) connected, where the applicant has access to the municipal sewer network. Proxy measure for National Key Performance Indicator.
		TecEl60	Percentage of valid electricity connection applications connected by reporting period end. (excl subsidised housing)	Technical	This indicator reflects the percentage of residential valid electricity connection applications (where down payment has been received) connected, where the applicant has access to the municipal electrical network. Proxy measure for National Key Performance Indicator.
		TecRef46	Access to the removal of residential solid waste in all Witzenberg towns according to a publicised programme.	Technical	Residential solid waste is removed on a weekly basis in all 7 formalised towns according to a publicised programme. Proxy measure for National Key Performance Indicator.
		TecWat20	Decrease unaccounted water losses.	Technical	Unaccounted-for water (UFW) is the difference between the quantity of water supplied to the municipality's network and the metered quantity of water used by the customers. UFW has two components: (a) physical losses due to leakage from pipes, and (b) administrative losses due to illegal connections and under registration of water meters. The reduction of UFW is a crucial step to improve the financial health and to save scarce water resources.
		TecEl37	Decrease unaccounted electricity losses.	Technical	Unaccounted-for electricity (UFE) is the difference between the quantity of electricity supplied to the municipality's network and the metered quantity of electricity used by the customers. UFE has two components: (a) Technical losses due to ageing/inadequate networks, and (b) administrative or non-technical losses due to illegal connections and under registration of electricity meters. The reduction of UFE is a crucial step to improve the financial health.
		TecRo7	Kilometres of roads upgraded & rehabilitated	Technical	This indicator measures the kilometres of new roads constructed, roads upgraded & rehabilitated and resurfaced.
	Provide for the needs of informal settlements through improved services	TecDir2	Number of subsidised serviced sites developed.	Technical	A housing opportunity is incremental access to and or delivery of one of the following Housing products: Incremental Housing which provides a serviced site with or without tenure. A serviced site is being defined as a demarcated site with access to water & sanitation services located adjacent to a road.
		TecWat22	Provide basic services - number of established informal areas with sufficient communal water services points (taps).	Technical	This indicator reflects the number of established demarcated informal areas with sufficient communal water service points. Sufficient are being defined as all households with access to water points within 200 meters radius. Certain taps may however have been vandalised or removed after provision. Excluding areas that was illegally occupied and not part of the municipalities planning initiatives. Proxy for National KPI.
		TecSan13	Provide basic services - number of established informal areas with sufficient communal sanitation services points (toilets).	Technical	This indicator reflects the number of established demarcated informal areas with sufficient communal sanitation service points. Sufficient are being defined as all households with access to toilets within 200 meters radius. Certain toilets may however have been vandalised or removed after provision. Excluding areas that was illegally occupied and not part of the municipalities planning initiatives. Proxy for National KPI.
		TecRef31	Improve basic services - number of established informal settlements receiving a periodic area cleansing programme.	Technical	This indicator reflects the number of established demarcated informal areas that are serviced with a periodic area cleansing programme. Excluding areas that was illegally occupied and not part of the municipalities planning initiatives. Proxy for National KPI.
		TecEl36	Percentage of houses in a subsidised housing project connected to the electrical network.	Technical	This indicator reflects the percentage of houses in a subsidised housing project connected to the electrical network. Proxy for National KPI.

Municipal KPA	Pre-determined Objectives	Ref	Key Performance Indicator	Reporting Directorate	Definitions
Governance	Support Institutional Transformation & Development	CorpHR13	Percentage budget spent on implementation of Workplace Skills Plan.	Corporate	A Workplace Skills Plan is a document that outlines the planned education, training and development interventions for the organisation. Its purpose is to formally plan and allocate the budget for appropriate training interventions which will address the needs arising out of Local Governments' Skills Sector Plan, the municipality's strategic requirements as contained in the IDP and the individual departmental staffing strategies and individual employees' PDP's. The WSP shall also take into account the Employment Equity Plan, ensuring incorporation of relevant developmental equity interventions into the plan. Kpi measures percentage expenditure of vote allocated towards training needs as arise from WSP. Proxy for National KPI.
		CorpHR12	Report on percentage of people from employment equity target groups employed in the three highest levels of management in the municipality.	Corporate	Quarterly reports on the percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved employment equity plan. Quarterly report submitted to Municipal Manager. National Key Performance Indicator.
	Ensure financial viability.	FinFAdm10	Financial viability expressed as Debt-Coverage ratio	Finance	This indicator measures debt coverage as (total operating revenue – operating grants received) / debt service payments due within the year. This means the municipality is able to cover its debt service payments from operating revenue excluding grants number of times. Proxy for National KPI.
		FinFAdm9	Financial viability expressed as Cost-Coverage ratio	Finance	This indicator measures: (available cash + investments) / monthly fixed operating expenditure. This indicates that with the available cash the municipality is able to pay its fixed operating expenditure for certain amount of months. Proxy for National KPI.
		FinFAdm11	Financial viability expressed outstanding service debtors	Finance	These indicator measure service debtors to revenue (total outstanding service debtors / revenue received for services). This means that a % of revenue in the SFP is still outstanding as at year end. Proxy for National KPI.
		FinDir3	Achieve an unqualified opinion of the Auditor-General on annual financial statements of the previous year.	Finance	This indicator measures good governance and accounting practices and will be evaluated and considered by the Auditor General in determining his opinion. An unqualified audit opinion refers to the position where the auditor having completed his audit has no reservation as to the fairness of presentation of financial statements and their conformity with General Recognised Accounting Practices.
		FinInc15	Increased revenue collection	Finance	This indicator reflects the percentage of revenue collected from service accounts delivered.
		MM1	Percentage of budget spent on maintenance for the whole of the municipality.	Municipal Manager	Percentage reflecting year to date spend /certain maintenance budget votes. Maintenance is defined as the actions required for an asset to achieve its expected useful life. Planned Maintenance includes asset inspection and measures to prevent known failure modes and can be time or condition-based. Only certain votes identified for calculation.
		MM2	Percentage spend of capital budget for the whole of the municipality.	Municipal Manager	Percentage reflecting year to date spend / Total capital budget less any contingent liabilities relating to the capital budget. The total capital budget is the council approved adjusted budget at the time of the measurement. Contingent liabilities are only identified at the year end.
	To maintain and strengthen relations with international- & inter-governmental partners as well	MMIDP9	Number of IDP community engagements held.	Municipal Manager	Bi-annual community engagements as per IDP Process Plan held in each of the 7 towns.
		ComSoc49	Number of meetings with inter-governmental partners.	Community	Number of Inter-Governmental meetings attended.
Communal Services	Provide & maintain facilities that make citizens feel at home.	ComAm34	Report on annual customer satisfaction survey on community facilities.	Community	Analysis report of a community survey on community perception and satisfaction in respect of the access to and maintenance of certain community facilities.
		ComDir1	% Expenditure on Maintenace Budget by Community Directorate	Community	Percentage reflecting year to date spend /certain maintenance budget votes of community department. Maintenance is defined as the actions required for an asset to achieve its expected useful life. Planned Maintenance includes asset inspection and measures to prevent known failure modes and can be time or condition-based. Only certain votes identified for calculation.
		ComDir2	% Expenditure on Capital Budget by Community Directorate	Community	Percentage reflecting year to date spend / Total capital budget less any contingent liabilities relating to the capital budget of the community directorate. The total capital budget is the council approved adjusted budget at the time of the measurement. Contingent liabilities are only identified at the year end.

Municipal KPA	Pre-determined Objectives	Ref	Key Performance Indicator	Reporting Directorate	Definitions
Socio-Economic Support Services	Support the poor & vulnerable through programmes & policy	ComSoc41	Number of account holders subsidised through the municipality's Indigent Policy	Community	Refers to the number of account holders subsidised through the municipality's Indigent Policy as at the end of reporting period.
		ComLed8	The number of jobs created through municipality's local economic development initiatives including capital projects.	Community	This indicator measures the number of work opportunities created through the expanded Public Works Programme (EPWP) and contracts for temporary workers and temporary workers employed through contractors on projects. Proxy for National KPI.
		ComSoc 42	Number of engagements with target groups with the implementation of social development programmes.	Community	The indicator refers to the number of engagements with target groups for the implementation social developmental programmes and /or initiatives .
		ComHS14	Number of housing opportunities provided per year.	Community	A housing opportunity is incremental access to and or delivery of one of the following Housing products: Practically completed Subsidy Housing which provides a minimum 40m² house.
		ComHS15	Number of Rental Stock transferred	Community	Number of rental stock transferred to approved beneficiaries, using established criteria. Rental stock is being defined as subsidised houses constructed before 1994 (scheme houses) and leased by the municipality to identified and approved beneficiaries.
	Create an enabling environment to attract investment & support local economy.	MMProp21	Quarterly report on the alienation of municipal properties to support economic growth.	Municipal Manager	Progress reports on the economic development support from the municipality through the alienation of strategic located municipal properties.
		ComLed4	Quarterly report on the implementation of strategies and planned actions as identified in the Witzenberg LED Strategy.	Community	Progress reports on the implementation of strategies and planned actions as identified in the Witzenberg LED Strategy.

8 LIST OF STATUTORY, STRATEGIC AND OPERATIONAL PLANS

Operational Strategies and Sector Plans (See Annexures)

SECTOR PLAN	STATUS	~~ADOPTED DATE~~	~~REVIEWED DATE~~	~~NEXT REVIEW DATE~~
INTEGRATED DEVELOPMENT PLAN 2012-2017	Draft			
SPATIAL DEVELOPMENT FRAMEWORK	Adopted	~~Dec 2012~~		~~May 2017~~
SOCIAL DEVELOPMENT PROGRAMME	Adopted	~~May 2012~~		~~May 2017~~
LOCAL ECONOMIC DEVELOPMENT PLAN	Adopted	~~May 2012~~	~~May 2013~~	~~May 2017~~
FINANCIAL PLAN	Adopted	~~30 May 2016~~	~~May 2017~~	~~May 2018~~
DISASTER MANAGEMENT PLAN	Adopted	~~28 May 2014~~		~~May 2017~~
WATER SERVICES DEVELOPMENT PLAN	Adopted	~~11/12~~	~~10/2013~~	~~2017/18~~
AIR QUALITY MANAGEMENT	Adopted	~~28 May 2014~~		~~May 2017~~
INTEGRATED TRANSPORT AND ROADS PLAN	Adopted	~~13 Dec 2016~~		
ELECTRICITY / ENERGY MASTER PLAN	Adopted	~~Oct 2011~~	~~Under review~~	~~2018/19~~
HOUSING PIPELINE	Adopted	~~2015/16~~	~~Under review~~	~~2016/1715~~
HUMAN SETTLEMENT PLAN	Adopted	~~Dec 2010~~	~~Under review~~	~~2017/18~~
INTEGRATED WASTE MANAGEMENT PLAN	Adopted	~~July 2013~~	~~Under review~~	~~2018/19~~
COMMUNICATIONS STRATEGY	Adopted	~~13 Dec 2013~~		~~2017/18~~
IDP PROCESS PLAN	Adopted	~~Sept 2016~~		~~Aug 2017~~
PUBLIC PARTICIPATION PROCESS PLAN	1st Draft	~~2017/18~~	~~-~~	~~-~~
ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM	Adopted	~~13 Dec 2012~~	~~2016~~	~~May 2017~~

9 ADDENDUMS AND ANNEXURES

10 BIBLIOGRAPHY

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    1. Du Toit – Mr Pieter Du toit
    2. Department of Health – Ceres Hospital
    3. South African Police Services – Ceres Cluster
    4. Department of Education – Mr Sarel Brown
    5. Directorate Technical Services
        i. Water and Sanitation
        ii. Streets and Storm water
        iii. Town Planning
        iv. Solid waste
    6. Directorate Community Services
        i. Human Settlements
        ii. Environmental Services and Amenities
        iii. Fire and Disaster Management
    7. Directorate Corporate Services
        i. Information and Communications Technology
        ii. Marketing and Communications
        iii. Traffic Services
        iv. Human Resources
    8. Directorate Finance
- Department of Local Government
- Provincial Treasury
- Department of Agriculture
- Department of Environmental Affairs and Development Planning
- Cape Winelands District Municipality
- Cooperative Governance and Traditional Affairs(CoGTA)
- South African Local Government Association (SALGA)
- Municipal Systems Act (No. 32 of 2000)
- Municipal Finance Management Act (No.56 of 2003)
- Municipal Structures Amendment Act (No.33 of 2000)



A municipality that cares for its community, creating growth and opportunity!

Draft Budget Related Policies 2019/2020



BUDGET POLICY

Date of implementation 01 July 2010

Adopted by Council 15/06/2010

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1. DEFINITIONS

"Accounting Officer"

(a) means the City Manager;

"Allocation", means

(a) a municipality's share of the local government's equitable share referred to in section 214(l) (a) of the Constitution;

(b) an allocation of money to a municipality in terms of section 214(1) (c) of the Constitution;

(c) an allocation of money to a municipality in terms of a provincial budget; or

(d) any other allocation of money to a municipality by an organ of state, including by another municipality, otherwise than in compliance with a commercial or other business transaction;

"Annual Division of Revenue Act" means the Act of Parliament, which must be enacted annually in terms of section 214 (1) of the Constitution;

"Approved budget," means an annual budget

(a) approved by a municipal council in terms of section 24 of the MFMA, or

(b) includes such an annual budget as revised by an adjustments budget in terms of section 28 of the MFMA;

"Basic Municipal Service" means a municipal service that is necessary to ensure an acceptable and Reasonable quality of life and which, if not provided, would endanger public health or safety or the environment;

"Budget-related Policy" means a policy of a municipality affecting or affected by the annual budget of the municipality, including

(a) the tariffs policy, which the municipality must adopt in terms of section 74 of the Municipal Systems Act;
(b) the rates policy which the municipality must adopt in terms of section 3 of the municipal property rates Act;
(c) the credit control and debt collection policy, which the municipality must adopt in terms of section 96 of the Municipal Systems Act;
(d) the cash management and investment policy which the municipality must adopt in terms of section 13(2) of the Act;
(e) a borrowing policy which must comply with Chapter 6 of the Act;
(f) a funding and reserves policy;
(g) a policy related to the long-term financial plan;
(h) the supply chain management policy which the municipality is required o adopt in terms of section 111 of the Act;
(i) any policies dealing with the management and disposal of assets;
(j) any policies dealing with infrastructure investment and capital projects, including –
    (i) the policy governing the planning and approval of capital projects; and
    (ii) the policy on developer contributions for property developments;

(k) the indigents policy of the municipality;
(l) any policies related to the provision of free basic services;
(m) any policies related to budget implementation and monitoring including –
  (i) a policy dealing with the shifting of funds within votes;
  (ii) a policy dealing with unforeseen and unavoidable expenditure; and
  (iii) policies dealing with management and oversight;
(n) any policies related to the managing electricity and water including -
  (i) a policy related to the management of losses; and
  (ii) a policy to promote conservation and efficiency;
(o) any polices related to personnel including polices on overtime, vacancies and temporary staff;
(p) any policies dealing with municipal entities, including –
  (i) the service delivery agreement; and
  (ii) the dividend preference of the municipality; and
(q) any other budget-related or financial management policies of the municipality.

"Budget transfer" means transfer of funding within a function / vote.

"Budget Year" means the financial year of the municipality for which an annual budget is to be approved in terms of section 16(1) of the MFMA;

"chief financial officer" means a person designated in terms of section 80(2) (a) of the MFMA;

"councillor" means a member of a municipal council;

"creditor", means a person to whom money is owed by the municipality;

"current year" means the financial year, which has already commenced, but not yet ended;

"delegation", in relation to a duty, includes an instruction or request to perform or to assist in performing the duty;

"financial recovery plan" means a plan prepared in terms of section 141 of the MFMA

"financial statements", means statements consisting of at least

(a) a statement of financial position;
(b) a statement of financial performance;
(c) a cash-flow statement;
(d) any other statements that may be prescribed; and
(e) any notes to these statements;

"financial year" means a twelve months period commencing on 1 July and ending on 30 June each year

"financing agreement" includes any loan agreement, lease, and instalment purchase contract or hire purchase arrangement under which a municipality undertakes to repay a long-term debt over a period of time;

"fruitless and wasteful expenditure" means expenditure that was made in vain and would have been avoided had reasonable care been exercised;

"irregular expenditure", means

(a) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in Accordance with, a requirement of the MFMA Act, and which has not been condoned in terms of section 170 of the MFMA;

(b) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the Municipal Systems Act, and which has not been condoned in terms of that Act;

(c) expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the Public Office-Bearers Act, 1998 (Act No. 20 of 1998); or

(d) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the supply chain management policy of the municipality or entity or any of the municipality's by-laws giving effect to such policy, and which has not been condoned in terms of such policy or by-law, but excludes expenditure by a municipality which falls within the definition of "unauthorised expenditure";

"investment", in relation to funds of a municipality, means

(a) the placing on deposit of funds of a municipality with a financial institution; or
(b) the acquisition of assets with funds of a municipality not immediately required, with the primary aim of preserving those funds;

"lender", means a person who provides debt finance to a municipality;

"local community" has the meaning assigned to it in section 1 of the Municipal Systems Act;

"Municipal Structures Act" means the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998);

"Municipal Systems Act" means the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000);

"long-term debt" means debt repayable over a period exceeding one year;

"executive mayor" means the councillor elected as the executive mayor of the municipality in terms of section 55 of the Municipal Structures Act;

"municipal council" or "council" means the council of a municipality referred to in section 18 of the Municipal Structures Act;

"municipal debt instrument" means any note, bond, debenture or other evidence of indebtedness issued by a municipality, including dematerialised or electronic evidence of indebtedness intended to be used in trade;

"municipal entity" has the meaning assigned to it in section 1 of the Municipal Systems Act (refer to the MSA for definition);

"municipality"

(a) when referred to as a corporate body, means a municipality as described in section 2 of the Municipal Systems Act; or
(b) when referred to as a geographic area, means a municipal area determined in terms of the Local Government: Municipal Demarcation Act, 1998 (Act No. 27 of 1998);

"accounting officer" means a person appointed in terms of section 82(I) (a) or (b) of the Municipal Structures Act;

"municipal service" has the meaning assigned to it in section 1 of the Municipal Systems Act (refer to the MSA for definition);

"municipal tariff" means a tariff for services which a municipality may set for the provision of a service to the local community, and includes a surcharge on such tariff;

"municipal tax" means property rates or other taxes, levies or duties that a municipality may impose;

"National Treasury" means the National Treasury established by section 5 of the Public Finance Management Act;

"official", means

(a) an employee of a municipality or municipal entity;
(b) a person seconded to a municipality or municipal entity to work as a member of the staff of the municipality or municipal entity; or
(c) a person contracted by a municipality or municipal entity to work as a member of the staff of the municipality or municipal entity otherwise than as an employee;

"overspending"

(a) means causing the operational or capital expenditure incurred by the municipality during a financial year to exceed the total amount appropriated in that year's budget for its operational or capital expenditure, as the case may be;

(b) in relation to a vote, means causing expenditure under the vote to exceed the amount appropriated for that vote; or
(c) in relation to expenditure under section 26 of the MFMA, means causing expenditure under that section to exceed the limits allowed in subsection (5) of this section;

"past financial year" means the financial year preceding the current year;

"quarter" means any of the following periods in a financial year:

(a) 1 July to 30 September;
(b) 1 October to 31 December;
(c) 1 January to 31 March; or
(d) 1 April to 30 June;

"service delivery and budget implementation plan" means a detailed plan approved by the executive mayor of a municipality in terms of section 53(l)(c)(ii) of the MFMA for implementing the municipality's delivery of municipal services and its annual budget, and which must indicate

(a) projections for each month of(
    (i) revenue to be collected, by source; and
    (ii) operational and capital expenditure, by vote;
(b) service delivery targets and performance indicators for each quarter; and
(c) any other matters that may be prescribed, and includes any revisions of such plan by the executive mayor in terms of section 54(l) (c) of the MFMA;

"short-term debt" means debt repayable over a period not exceeding one year;

"standards of generally recognised accounting practice", means an accounting practice complying with standards applicable to municipalities or municipal entities as determined by the Accounting Standards Board

"unauthorised expenditure", means any expenditure incurred by a municipality otherwise than in accordance with section 15 or 11(3) of the MFMA, and includes

(a) overspending of the total amount appropriated in the municipality's approved budget;
(b) overspending of the total amount appropriated for a vote in the approved budget;
(c) expenditure from a vote unrelated to the department or functional area covered by the vote;
(d) expenditure of money appropriated for a specific purpose, otherwise than for that specific purpose;
(e) spending of an allocation referred to in paragraph (b), (c) or (d) of the definition of "allocation" otherwise than in accordance with any conditions of the allocation; or
(f) a grant by the municipality otherwise than in accordance with the MFMA;

"virement" means transfer of funds between functions / votes

"vote" means

(a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and
(b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.

2. INTRODUCTION

In terms of the Municipal Finance Management Act, No. 56 of 2003, Chapter 4 on Municipal Budgets, subsection (16), states that the council of a municipality must for each financial year approve an annual budget for the municipality before the commencement of that financial year. According to subsection (2) of the Act concerned, in order to comply with subsection (1), the executive mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year. This policy must be read, analysed, explained, interpreted, implemented and understood against this legislative background. The budget plays a critical role in an attempt to realise diverse community needs. Central to this, the formulation of a municipality budget must take into account the government's macro-economic and fiscal policy fundamentals. In brief, the conceptualisation and the operationalisation of the budget must be located within the national government's policy framework.

3. OBJECTIVE

The objective of the budget policy is to set out:

- The principles which the municipality will follow in preparing each medium term revenue and expenditure framework budget,
- The responsibilities of the executive mayor, the accounting officer, the chief financial officer and other senior managers in compiling the budget
- To establish and maintain procedures to ensure adherence to Witzenberg Municipality's IDP review and budget processes.

4. BUDGETING PRINCIPLES

- The municipality shall not budget for a cash deficit and should also ensure that revenue projections in the budget are realistic taking into account actual collection levels.
- Expenses may only be incurred in terms of the approved annual budget (or adjustments budget) and within the limits of the amounts appropriated for each vote in the approved budget.
- Witzenberg Municipality shall prepare three-year budget (medium term revenue and expenditure framework (MTREF)) and that be reviewed annually and approved by Council.
- The MTREF budget must at all times be within the framework of the Municipal Integrated Development Plan.

5. BUDGET PREPARATION PROCESS

5.1. Formulation of the budget

(a) The Accounting Officer with the assistance of the Chief Financial Officer, Manager Financial Administration and the Manager IDP shall draft the IDP process plan as well as the budget timetable for the municipality including municipal entities for the ensuing financial year.

(b) The executive mayor shall table the IDP process plan as well as the budget timetable to Council not later than 31 August of each year for approval (10 months before the start of the next budget year).

(c) IDP process plan as well as the budget timetable shall indicate the key deadlines for the review of the IDP as well as the preparation of the medium term revenue and expenditure framework budget and the revision of the annual budget. Such target dates shall follow the prescriptions of the Municipal Finance Management Act, Municipal Budget and reporting regulations as well as the guidelines set by National Treasury.

(d) The Executive Mayor shall convene a strategic workshop in September/October with the mayoral committee and senior managers in order to determine the IDP priorities which will form the basis for the preparation of the MTREF budget taking into account the financial and political pressures facing the municipality. The executive mayor shall table the IDP priorities with the draft budget to Council.

(e) The Executive Mayor shall table the draft IDP and MTREF budget to council by 31 March of each year (90 days before the start of the new budget year) together with the draft resolutions and budget related policies.

(f) The Chief Financial Officer and senior managers undertake the technical preparation of the budget.

(g) The budget must be in the prescribed format by National Treasury, and must be divided into capital and operating budget.

(h) The budget must reflect the realistically expected revenues by major source for the budget year concerned.

(i) The expenses reflected in the budget must be divided into items.

(j) The budget must contain the information related to the two financial years following the financial year to which the budget relates, as well as the estimated revenues and expenses for the current year and the two prior year actual revenue and expenditures.

5.2. Public participation process

Immediately after the draft annual budget has been tabled, the municipality must convene hearings on the draft budget in April and invite the public, stakeholder organisations, to make representation at the council hearings and to submit comments in response to the draft budget.

5.3. Approval of the budget

(a) Council shall consider the next medium term expenditure framework budget for approval not later than 31 May (30 days before the start of the budget year).

(b) The council resolution, must contain budget policies and performance measures be adopted.

(c) Should the municipality fail to approve the budget before the start of the budget year, the executive mayor must inform the MEC for Finance that the budget has not been approved.

(d) The budget tabled to Council for approval shall include the following supporting documents:

i. draft resolutions approving the budget;
ii. and levying property rates, other taxes and tariffs for the financial year concerned;
iii. measurable performance objectives for each budget vote, taking into account the municipality's IDP;
iv. the projected cash flows for the financial year by revenue sources and expenditure votes;
v. any proposed amendments to the IDP;
vi. any proposed amendments to the budget-related policies;
vii. the cost to the municipality of the salaries, allowances and other benefits of its political office bearers and other councillors, the accounting officer, the chief financial officer, and other senior managers;
viii. particulars of any proposed allocations or grants to other municipalities, municipal entities, external mechanisms assisting the municipality in service delivery, other organs of state, and organisations such as Non-Governmental Organisations, welfare institutions and so on;
ix. particulars of the municipality's investments; and

x. various information in regard to municipal entities under the shared or sole control of the municipality

5.4. Publication of the budget

(a) Within 14 days after the draft annual budget has been tabled, the Director must post the budget and other budget-related documentation onto the municipal website so that it is accessible to the public.

(b) The Chief Financial Officer must within 14 days after the draft annual budget is tabled:

(i) submit the approved budget in both printed and electronic formats to the National Treasury, the Provincial Treasury as well as post it on the municipal website.

(ii) ensure that a newspaper advertisement is placed that the draft budget is available at the Municipal offices and available for comments.

5.5. Service Delivery and Budget Implementation Plan (SDBIP)

(a) The Executive mayor must approve the Service Delivery and Budget Implementation Plan not later than 28 days after the approval of the Budget by Council.

(b) The SDBIP shall include the following components:

(i) Monthly projections of revenue to be collected for each source

(ii) Monthly projections of expenditure (operating and capital) and revenue for each vote

(iii) Quarterly projections of service delivery targets and performance indicators for each vote

(iv) Ward information for expenditure and service delivery

(v) Detailed capital works plan broken down by ward over three years

6. CAPITAL BUDGET

(a) Expenditure of a project shall be included in the capital budget if it meets the asset definition i.e. if it results in an asset being acquired or created and has a useful life in excess of one year.

(b) The capital budget shall distinguish between replacement and new assets.

(c) A municipality may spend money on a capital project only if the money for the project has been appropriated in the capital budget.

(d) The envisaged sources of funding for the capital budget must be properly considered and the Council must be satisfied that this funding is available and has not been committed for other purposes.

(e) Before approving a capital project, the Council must consider:

(i) the projected cost of the project over all the ensuing financial years until the project becomes operational,

ii. future operational costs and any revenues, which may arise in respect of such project, including the likely future impact on operating budget (i.e. on property rates and service tariffs).

(f) Before approving the capital budget, the council shall consider:

(i) the impact on the present and future operating budgets of the municipality in relation to finance charges to be incurred on external loans,

(ii) depreciation of fixed assets,

(iii) maintenance of fixed assets, and

(iv) any other ordinary operational expenses associated with any item on such capital budget.

(g) Council shall approve the annual or adjustment capital budget only if it has been properly cash funded.

(h) The capital expenditure shall be funded from the following sources:

(i) Revenue or Surplus

- If any project is to be financed from revenue this financing must be included in the cash budget to raise sufficient cash for the expenditure.

- If the project is to be financed from surplus there must be sufficient cash available at time of execution of the project.

(ii) External loans

- External loans can be raised only if it is linked to the financing of an asset;
- A capital project to be financed from an external loan can only be included in the budget if the loan has been secured or if can be reasonably assumed as being secured;
- The loan redemption period should not exceed the estimated life span of the asset. If this happens the interest payable on the excess redemption period shall be declared as fruitless expenditure;
- Interest payable on external loans shall be included as a cost in the operating budget;
- Finance charges relating to such loans shall be charged to or apportioned only between the departments or votes to which the projects relate.

Capital Replacement Reserve (CRR)

- Council shall establish a CRR for the purpose of financing capital projects and the acquisition of assets. Such reserve shall be established from the following sources of revenue:

  - inappropriate cash-backed surpluses to the extent that such surpluses are not required for operational purposes;
  - interest on the investments of the CRR, appropriated in terms of the investments policy;
  - additional amounts appropriated as contributions in each annual or adjustments budget; and
  - interact on investments of unutilised grants;
  - only VAT claimed back on grants and subsidies; and
  - Sale of land and profit or loss on the sale of assets.

- Before any asset can be financed from the CRR the financing must be available within the reserve and available as cash as this fund must be cash backed;

- If there is insufficient cash available to fund the CRR this reserve fund must then be adjusted to equal the available cash;

- Transfers to the CRR must be budgeted for in the cash budget

Grant Funding

- Non capital expenditure funded from grants
  - must be budgeted for as part of the revenue budget;
  - Expenditure must be reimbursed from the funding creditor and transferred to the operating and must be budgeted for as such.
  - Capital expenditure must be budgeted for in the capital budget;

- Grant funding does not need to be cash backed but cash should be secured before spending can take place.
- All unutilized grants received must be ring fenced and cash backed by means of an investment.

7. OPERATING BUDGET

(a) The municipality shall budget in each annual and adjustments budget for the contribution to:

(i) provision for accrued leave entitlements equal to 100% of the accrued leave
(ii) entitlement of officials as at 30 June of each financial year,
(iii) provision for the impairment of debtors taking into account prior year, current year improvements and future improvement in debt collection percentages.
(iv) provision for the obsolescence and deterioration of stock in accordance with its stores management policy
(v) Depreciation and finance charges shall be charged to or apportioned only between the departments or votes to which the projects relate.
(vi) At least 5% of the operating budget component of each annual and adjustments budget shall be set aside for maintenance.

(b) When considering the draft annual budget, council shall consider the impact, which the proposed increases in rates and service tariffs will have on the monthly municipal accounts of households.

(c) The impact of such increases shall be assessed on the basis of a fair sample of randomly selected accounts.

(d) The operating budget shall reflect the impact of the capital component on:
- depreciation charges
- repairs and maintenance expenses
- interest payable on external borrowings.
- other operating expenses.

(e) The chief financial officer shall ensure that the cost of indigent relief is separately reflected in the appropriate votes.

8. FUNDING OF CAPITAL AND OPERATING BUDGET

(a) The budget may be financed only from:

(i) realistically expected revenues, based on current and previous collection levels;
(ii) cash-backed funds available from previous surpluses where such funds are not required for other purposes; and
(iii) borrowed funds in respect of the capital budget only.

9. UNSPENT FUNDS / ROLL OVER OF BUDGET

(a) The appropriation of funds in an annual or adjustments budget will lapse to the extent that they are unspent by the end of the relevant budget year, but except for funds relating to capital expenditure.

(b) Only unspent grant (if the conditions for such grant funding allows that) or loan funded capital budget may be rolled over to the next budget year

(c) Conditions of the grant fund shall be taken into account in applying for such roll over of funds

(d) Application for roll over of funds shall be forwarded to the budget office by the 15th of April each year to be included in next year's budget for adoption by Council in May.

(e) No funding for projects funded from the Capital Replacement Reserve shall be rolled over to the next budget year except in cases where a commitment has been made at least 30 days (31 May each year) prior the end of that particular financial year.

(f) No unspent operating budget shall be rolled over to the next budget year

10. BUDGET TRANSFERS AND VIREMENTS

Budget transfers and veriments are dealt with in terms of the councils Budget Veriment Policy.

11. ADJUSTMENT BUDGET

Each adjustments budget shall reflect realistic excess, however nominal, of current revenues over expenses.

(a) The chief financial officer shall ensure that the adjustments budgets comply with the requirements of the National Treasury reflect the budget priorities determined by the executive mayor, are aligned with the IDP, and comply with all budget-related policies, and shall make recommendations to the executive mayor on the revision of the IDP and the budget-related policies where these are indicated.

(b) Council may revise its annual budget by means of an adjustments budget in terms of section 28 of the MFMA and according to the timelines of the Municipal Budget and reporting regulations section 23.

(c) The Accounting Officer must promptly adjust its budgeted revenues and expenses if a material under-collection of revenues arises or is apparent.

(d) The Accounting Officer shall appropriate additional revenues, which have become available but only to revise or accelerate spending programmes already budgeted for or any areas of critical importance identified by Council.

(e) The Council shall in such adjustments budget, and within the prescribed framework, confirm unforeseen and unavoidable expenses on the recommendation of the Executive Mayor.

(f) An adjustments budget must contain all of the following:
- (i) an explanation of how the adjustments affect the approved annual budget;
- (ii) appropriate motivations for material adjustments; and
- (iii) an explanation of the impact of any increased spending on the current and future annual budgets.

(g) Any inappropriate surplus from previous financial years, even if fully cash-backed, shall not be used to balance any adjustments budget, but shall be appropriated to the municipality's capital replacement reserve.

(h) Municipal taxes and tariffs may not be increased during a financial year except if required in terms of a financial recovery plan.

(i) Unauthorised expenses may be authorised in an adjustments budget.

(j) In regard to unforeseen and unavoidable expenditure, the following apply:
- (i) the Executive mayor may authorise such expenses in an emergency or other exceptional circumstances in terms of Section 29 of the MFMA;
- (ii) the authorized amount may not exceed 4 % of the approved own revenue included in the annual budget in respect of such unforeseen and unavoidable expenses;
- (iii) these expenses must be reported by the Executive mayor to the next Council meeting;
- (iv) the expenses must be appropriated in an adjustments budget; and
- (v) Council must pass the adjustments budget within sixty days after the expenses were incurred.

12. BUDGET IMPLEMENTATION

12.1 Monitoring

(a) The accounting officer with the assistance of the chief financial officer and other senior managers is responsible for the implementation of the budget, and must take reasonable steps to ensure that:
- funds are spent in accordance with the budget;
- expenses are reduced if expected revenues are less than projected; and
- revenues and expenses are properly monitored.

(b) The Accounting officer with the assistance of the chief financial officer must prepare any adjustments budget when such budget is necessary and submit it to the Executive mayor for consideration and tabling to Council.

(c) The Accounting officer must report in writing to the Council any impending shortfalls in the annual revenue budget, as well as any impending overspending, together with the steps taken to prevent or rectify these problems.

12.2 Reporting

12.2.1 Monthly budget statements

(a) The accounting officer with the assistance of the chief financial officer must, not later than ten working days after the end of each calendar month, submit to the Executive mayor and Provincial and National Treasury a report in the prescribed format on the state of the municipality's budget for such calendar month, as well as on the state of the budget cumulatively for the financial year to date.

This report must reflect the following:

(i) actual revenues per source, compared with budgeted revenues;
(ii) actual expenses per vote, compared with budgeted expenses;
(iii) actual capital expenditure per vote, compared with budgeted expenses;

(iv) actual borrowings, compared with the borrowings envisaged to fund the capital budget;
(v) the amount of allocations received, compared with the budgeted amount;
(vi) actual expenses against allocations, but excluding expenses in respect of the equitable share;
(vii) explanations of any material variances between the actual revenues and expenses as indicated above and the projected revenues by source and expenses by vote as set out in the service delivery and budget implementation plan;
(viii) the remedial or corrective steps to be taken to ensure that the relevant projections remain within the approved or revised budget; and
(ix) projections of the revenues and expenses for the remainder of the financial year, together with an indication of how and where the original projections have been revised.

(b) The report to the National Treasury must be both in electronic format and in a signed written document.

12.2.2 Quarterly Reports

(a) The Executive mayor must submit to Council within thirty days of the end of each quarter a report on the implementation of the budget and the financial state of affairs of the municipality.

12.2.3 Mid-year budget and performance assessment

(a) The Accounting officer must assess the budgetary performance of the municipality for the first half of the financial year, taking into account all the monthly budget reports for the first six months, the service delivery performance of the municipality as against the service delivery targets and performance indicators which were set in the service delivery and budget implementation plan.

(b) The Accounting officer must then submit a report on such assessment to the Executive mayor by 25 January each year and to Council, Provincial Treasury and National Treasury by 31 January each year.

(c) The Accounting officer may in such report make recommendations after considering the recommendation of the Chief Financial Officer for adjusting the annual budget and for revising the projections of revenues and expenses set out in the service delivery and budget implementation plan.

13. CONCLUSION

The Director Corporate Services must place on the municipality's official website the following:

- the annual and adjustments budgets and all budget-related documents;
- all budget-related policies;
- the integrated development plan
- the annual report;
- all performance agreements;
- all service delivery agreements;
- all long-term borrowing contracts;
- all quarterly and mid-year reports submitted the Council on the implementation of the budget and the financial state of affairs of the municipality.



ASSET MANAGEMENT POLICY

Date of Implementation: 01 July 2010

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1. INTRODUCTION

This policy for the management of assets has been designed to assist management and officials of the Witzenberg Municipality with the description of management procedures for Property, Plant and Equipment, Investment Property, Agricultural Assets and Intangible Assets. It also should assist with the capacity to differentiate between activities, which are acceptable in terms of general authorization, supervisory responsibilities and limits of authority to the management of assets and functions of the organisation.

This policy will provide certainty with respect to the handling of asset management procedures undertaken within the organization and will ensure that management and employees understand their respective responsibilities and duties.

For the purpose of this policy, assets exclude inventory and monetary assets such as debtors.

This policy replaces all asset management procedures/instructions and memoranda that have been previously issued.

Failure to comply with this policy will result in the institution of disciplinary procedures in terms of the stipulated human resource policies and procedures of Witzenberg Municipality.

2. OBJECTIVE

The objective of this policy is to ensure that assets of the Municipality are properly managed and accounted for by:

- The accurate recording of essential asset information;
- The accurate recording of asset movements;
- Exercising strict physical controls over all assets;
- Treating the assets correctly in the Municipality's financial statements;
- Providing accurate and meaningful management information;
- Compliance with the Council's accounting policies and Generally Recognised Accounting Practices;
- Adequate insuring of assets;
- Maintenance of Council's assets;
- Ensuring that managers are aware of their responsibilities with regard to the assets; and
- Setting out the standards of management, recording and internal controls so as to safeguard the assets against inappropriate utilisation or loss.

3. STATUTORY FRAMEWORK

The statutory framework for this policy is:

- The Constitution of the Republic of South Africa, Act 108 of 1996;
- Local Government: Municipal Structures Act, No 117 of 1998;
- Local Government: Municipal Systems Act, No 32 of 2000;

- Local Government: Municipal Finance Management Act, No. 56 of 2003;
- Regulation No. 31346 of 2008;
- Municipal Supply Chain Management Regulations No. 27636;
- Generally Recognised Accounting Practice.

4. ACCOUNTING STANDARDS

This document constitutes a policy statement and shall not take precedence over the standards specified by the Accounting Standards Board. The relevant accounting standards include:

- GRAP 1 – Presentation of Financial Statements;
- GRAP 13 – Leases;
- GRAP 16 – Investment Property;
- GRAP 17 - Property, Plant and Equipment;
- GRAP 100 - Non – current Assets Held for Sale and Discontinued Operations;
- GRAP 101 - Agricultural;
- GRAP 102 – Intangible Assets; and
- IAS 36 - Impairment of Assets

Other relevant accounting standards are:
- GRAP 12 on Inventories
- GRAP 11 on Construction Contracts

5. DEFINITIONS

Every effort has been made to use definitions established through legislation, standards of accounting and other guidance on asset management.

"Accounting Officer" means the municipal manager appointed in terms of Section 82 of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) and being the head of administration and accounting officer in terms of Section 60 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000).

"Agricultural Activity" is the management by an entity of the biological transformation of biological assets for sale, into agricultural produce, or into additional biological assets.

"Active market" is a market in which all the following conditions exist:

- The item traded within the market are homogeneous;
- Willing buyer and seller can normally be found at any time; and
- Prices are available to the public.

"Agricultural Produce" is the harvested product of the entity's biological assets.

"Amortisation" is the systematic allocation of the depreciable amount of an intangible asset over its useful life.

"Assets" are resources controlled by the municipality as a result of past events and from which future economic benefit or service potential are expected to flow. However for the purpose of this policy exclude inventory and other monetary assets.

"Asset categories" are the six main asset categories defined as follows:

"Asset Life-Cycle" is the cycle of activities that an asset goes through – including planning, design, initial acquisition and/or construction, cycle of operation and maintenance and capital renewal and finally disposal.

"Asset Manager" is any official who has been delegated responsibility and accountability for the control, usage, physical and financial management of the municipality's assets in accordance with the entity's standards, policies, procedures and relevant guidelines.

"Asset Register" is a record of information on each asset that supports the effective financial and technical management of the assets, and meets statutory requirements.

"Biological Asset" is a living animal or plant.

"Biological Transformation" comprises the processes of growth, degeneration, production and procreation that cause qualitative or quantitative changes to a biological asset.

"Carrying amount" is the amount at which an asset is recognized after deducting any accumulated depreciation and accumulated impairment losses.

"Chief Financial Officer" means an officer of a municipality designated by the municipal manager to be administratively in charge of the budgetary and treasury functions.

"Class of property, plant and equipment" means a grouping of assets of a similar nature or function in a municipality's operations, which is shown as a single item for the purpose of disclosure in the financial statements.

"Commercial service" means a service other than a municipal service

(a) rendered by a private sector party or organ of state to or for a municipality or municipal entity on a commercial basis; and
(b) which is procured by the municipality or municipal entity through its supply chain management policy.

"Community Assets" – are defined as any asset that contributes to the community's well-being. Examples are parks, libraries and fire stations.

"Cost" – is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction or where applicable, the amount attributed to that asset when initially

recognized in accordance with the specific requirements of Standards of GRAP.

"Depreciation" – is the systematic allocation of the depreciable amount of an asset over its useful life.

"Depreciable Amount" – is the cost of an asset, or other amount substituted for cost in the financial statements, less its residual value.

"Depreciated replacement cost", in relation to a capital asset, means an amount equivalent to the cost to replace the capital asset on the date of transfer adjusted by a deemed depreciated cost at the date of the transfer taking into account the age and condition of the asset.

"Disposal", in relation to a capital asset, includes –

(a) the demolition, dismantling or destruction of the capital asset; or
(b) any other process applied to a capital asset which results in loss of ownership of the capital asset otherwise than by way of transfer of ownership.

"Disposal management system" means the system contemplated in regulation 40 of the Municipal Supply Chain Management Regulations, published by General Notice No. 868 of 2005.

"Enhancements / Rehabilitation" is an improvement or augmentation of an existing asset beyond its original recognized service potential for example useful life, capacity, quality and functionality.

"Fair Value" – is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

"GRAP" is Standards of Generally Recognised Accounting Practice

"Head of department / senior manager" – means a manager referred to in section 56 of the Municipal Systems Act.

"Heritage Assets" – are defined as culturally significant resources. Examples are works of art, historical buildings and statues.

"Historical cost" means the original purchase price or cost of acquisition of the capital asset at the time the asset was acquired

An "**impairment loss"** of a cash generating asset is the amount by which the carrying amount of an asset exceeds its recoverable amount.

An "**impairment loss"** of non-cash generating asset is the amount by which the carrying amount of an asset exceeds its recoverable service amount.

"Infrastructure assets" are defined as any asset that is part of a network of similar assets. Examples are roads, water reticulation schemes, sewerage

purification and trunk mains, transport terminals and car parks.

"Intangible assets" are identifiable non-monetary assets without physical substance.

"Investment Properties" – are defined as property (land or a building-or part of a building-or both) held (by the owner or by lessee under a finance lease) to earn rentals or for capital appreciation or both, rather than for:

(a) use in the production and supply of goods or services or for administrative purposes; or
(b) sale in the ordinary course of business.

"Municipality" means the Witzenberg Municipality.

"Other Assets" – are defined as assets utilized in normal operations. Examples are plant and equipment, motor vehicles and furniture and fittings.

"Property, Plant and Equipment" (PPE) – are tangible assets that:

- are held by a municipality for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and
- are expected to be used during more than one period.

"Realisable value" means the amount of cash or cash equivalents that could currently be obtained by transferring the capital asset, less the estimated cost of completion and the estimated costs necessary to make the transfer.

"Recoverable Amount" – is the amount that the municipality expects to recover from the future use of an asset, including its residual value on disposal.

"Recoverable service amount" is the higher of a non-cash-generating asset's fair value less costs to sell and its future value in use.

"Residual Value" – of an asset is the estimated amount that an entity would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and condition expected at the end of its useful life.

"Right to use, control or manage" means a right to use, control or manage the capital asset for a period exceeding one calendar month without ceding legal ownership in the asset. In other words, where the granting of such rights do not amount to the transfer or permanent disposal of the asset, for example when a right is acquired through a leasing, letting or hiring out arrangement.

"Senior Manager" is a manager referred to Section 57 of the Municipal Systems Act (MSA) being someone reporting directly to the municipal manager.

"Service provider" –

(a) in relation to a municipal service, means a private sector party or organ of state appointed by a municipality in terms of Chapter 8 of the Municipal Systems Act to perform a municipal service in accordance with that Act; or

(b) in relation to a commercial service, means a private sector party or organ of state appointed in terms of the supply chain management policy of a municipality or municipal entity to render a commercial service to or for the municipality or entity as an independent contractor.

"Supply chain management policy" means the supply chain management policy which a municipality or municipal entity is required to have in terms of Chapter 11 of the Act.

"The Act" means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003).

"Transfer", in relation to a capital or subsidiary asset, means transfer of ownership in the asset as a result of a sale or other transaction.

"Useful Life" – is either:
- the period of the time over which an asset is expected to be used by the municipality, or
- the number of production or similar units expected to be obtained from the asset by the municipality.

6. BACKGROUND

The utilization and management of property, plant and equipment, investment property, intangible assets and agricultural assets is the prime mechanism by which the Municipality can fulfil its constitutional mandates for:-

- Delivery of sustainable services;
- Social and economic development;
- Promoting safe and healthy environments; and
- Fulfilling the basic needs to the community.

As trustees on behalf of the local community, the Municipality has a legislative and moral obligation to ensure it implements policies to safeguard the monetary value and future service provision invested in assets.

The policy for the management of assets deals with the Municipal rules required to ensure the enforcement of appropriate stewardship of assets. Stewardship has two components being the:-

- Financial administration by the Chief Financial Officer; and
- Physical administration by the relevant managers.

Statutory provisions are being implemented to protect public property against arbitrary and inappropriate management or disposals by local government.

Accounting standards have been approved by the Accounting Standards Board to

ensure the appropriate financial treatment for property, plant and equipment, investment property, intangible assets and agricultural assets. The requirements of these new accounting standards include:-

- The compilation of asset registers covering all assets controlled by the Municipality.
- Accounting treatment for the acquisition, disposal, recording and depreciation/amortisation of assets.
- The standards to which financial records must be maintained to comply with the new accounting standards.

7. DELEGATION OF POWERS

This policy should be applied with due observance of the Municipality's policy with regard to delegated powers. Such delegations refer to delegations between the Municipal Manager and other responsible officials as well as between the Council and the Executive Mayor and the Council and the Municipal Manager. All delegations in terms of this policy must be recorded in writing.

In accordance with the Local Government: Municipal Finance Management Act (Act 56 of 2003) (MFMA), the Municipal Manager is the accounting officer of the Municipality and therefore all designated officials are accountable to him/her. The Municipal Manager is therefore accountable for all transactions entered into by his/her designates.

The overall responsibility of asset management lies with the Municipal Manager. However, the day to day handling of assets should be the responsibility of all officials in terms of delegated authority reduced in writing.

8. RESPONSIBILITY

Municipal Manager

The Municipal Manager is responsible for the management of the assets of the Municipality, including the safeguarding and the maintenance of those assets. He/she must ensure that:-

- The Municipality has and maintains a management, accounting and information system that accounts for the assets of the Municipality.
- The Municipality's assets are valued in accordance with standards of Generally Recognized Accounting Practice (GRAP).
- The Municipality has and maintains a system of internal control of assets, including an asset register.
- Senior managers and their teams comply with this policy.

Chief Financial Officer

The Chief Financial Officer is responsible to the Municipal Manager to ensure that

the financial investment in the Municipality's assets is safeguarded and maintained. He/she may delegate or otherwise assign responsibility for performing these functions but he/she will remain accountable for ensuring that these activities are performed. He/she must ensure that:-

- Appropriate systems of financial management and internal control are established and carried out diligently.
- The financial and other resources of the Municipality assigned to him/her are utilized effectively, efficiently, economically and transparently.
- Any unauthorized, irregular or fruitless or wasteful expenditure, and losses resulting from criminal or negligent conduct, are prevented.
- The systems, processes and registers required to substantiate the financial values of the Municipality's assets are maintained to standards sufficient to satisfy the requirements of effective management.
- Financial processes are established and maintained to ensure the Municipality's financial resources are optimally utilized through appropriate asset plan, budgeting, purchasing, maintenance and disposal decisions.
- The Municipal Manager is appropriately advised on the exercise of powers and duties pertaining to the financial administration of assets.
- The senior managers and senior management teams are appropriately advised on the exercise of their powers and duties pertaining to the financial administration of assets.

Senior Managers

The Senior Managers must ensure that:-

- Appropriate systems of physical management and control are established and carried out for assets in their area of responsibility.
- The Municipal resources assigned to them are utilized effectively, efficiently, economically and transparently.
- Any unauthorized, irregular or fruitless or wasteful utilization and losses resulting from criminal or negligent conduct are prevented.
- Their management systems and controls can provide an accurate, reliable and up to date account of assets under their control.
- They are able to justify that their plans, budgets, purchasing, maintenance and disposal decisions for assets optimally achieve the Municipality's strategic objectives.

The senior managers may delegate or otherwise assign responsibility for performing these functions but they will remain accountable for ensuring that these activities are performed.

Each senior manager should report to the Municipal Manager on issues that will significantly impede the item of asset capabilities to provide the required level of service or economic benefit.

The responsibility for the physical control of assets rests with the relevant senior manager to whom the responsibility was delegated to in terms of section 79 of the Municipal Finance Management Act, No 56 of 2003.

Each senior manager shall ensure that assets entrusted to him / her are adequately maintained, properly used and insured and ensure that section 78 of the Municipal Finance Management Act, No 56 of 2003, is adhered to.

No amendments, deletions or additions to the asset register shall be made other than by the Asset Manager or by an official acting as the Asset Manager and must be authorized by the Chief Financial Officer.

Upon the resignation / retirement of an employee, the applicable senior manager must inform the Chief Financial Officer and Corporate Service Department in writing that the asset items entrusted to that employee to execute his / her duties are in good order and returned. When necessary the applicable senior manager must inform the Corporate Services Department of any losses and the value of such losses. The ultimate responsibility of any losses lies with the relevant senior manager.

9. ASSET REGISTER

The asset register shall be maintained in the format determined by the Chief Financial Officer, which format shall comply with the requirements of generally recognised accounting practice (GRAP) and any other accounting requirements which may be prescribed.

The asset register shall reflect the following information:

- a brief but meaningful description of each asset
- the date on which the asset was acquired or brought into use
- the location of the asset
- the responsible senior manager and department(s) or vote(s) within which the assets will be used
- the title deed number, in the case of property
- the stand number, in the case of property
- where applicable, the identification number
- the measurement based used (Cost or Fair Value)
- the original useful live
- the revised useful live
- the residual value
- the original cost, or the revalued amount or the fair value if no costs are available
- the (last) revaluation date of the assets subject to revaluation
- the revalued value of such assets
- who did the (last) revaluation
- accumulated depreciation to date
- the depreciation charge for the current financial year
- the carrying value of the asset
- the method and rate of depreciation

- impairment losses incurred during the financial year (and the reversal of such losses, where applicable)
- method of calculating recoverable amount (when impairment test are required in terms of GRAP)
- increases or the decreases resulting from revaluations (if applicable)
- the source of financing
- condition of the asset
- the current insurance arrangements
- whether the asset is required to perform basic municipal services
- whether the asset has been used to secure any debt, and – if so – the nature and duration of such
- security arrangements
- the date on which the asset is disposed of
- the disposal price
- the date on which the asset is retired from use, if not disposed of.

All heads of department under whose control any asset falls shall promptly provide the Chief Financial Officer in writing with any information required to compile the asset register, and shall promptly advise the Chief Financial Officer in writing of any material change which may occur in respect of such information.

An asset shall be capitalised, that is, recorded in the asset register, as soon as it is acquired. If the asset is constructed over a period of time, it shall be recorded as work-in-progress until it is available for use, where after it shall be appropriately capitalised as a fixed asset. An asset shall remain in the asset register for as long as it is in physical existence.

The Asset Manager must ensure that reconciliations are performed on a monthly basis between the general ledger values and the asset values and to be submitted to the Chief Financial Officer.

The Chief Financial Officer must check and authorize the reconciliations as correct.

Depreciation methods and rates used must be approved by the Chief Financial Officer.

The asset manager should allocate depreciation rates and methods to each asset class, and ensure that depreciation calculations are correctly applied and posted in the general ledger.

10. CLASSIFICATION OF ASSETS

In compliance with the requirements of the National Treasury, the Chief Financial Officer shall ensure that all assets are classified under the following headings in the Fixed Assets Register, and Heads of Departments shall in writing provide the Chief Financial Officer with such information or assistance as is required to compile a proper classification:

10.1 Property, Plant and Equipment

- Land (not held as investment assets).
- Infrastructure assets (assets which are part of a network of similar assets).
- Community assets (assets contributing to the general well-being of the community).
- Heritage assets (culturally significant assets).
- Other assets (ordinary operational assets).
- Housing (rental stock or housing stock not held for capital gain).

Save for land and buildings other assets shall be classified under the following headings:

- Computer equipment;
- Office equipment;
- Furniture and fittings;
- Radio Equipment;
- Plant and machinery;
- Motor Vehicles; and
- Emergency Equipment.

10.2 Investment Property

Investment assets (resources held for capital or operational gain and which are not used by the Municipality). Properties occupied by the Municipality, Councillors or officials are classified as owner-occupied property and are therefore not classed as investment property

Investment properties will be treated in accordance with GRAP 16 and will separately be classified in the Statement of Financial Position. Investment properties will not be depreciated but will annually be revalued.

10.3 Intangible Assets

Intangible assets are identifiable non-monetary assets without physical substance.

Intangible assets will be treated in accordance with GRAP 102 and will separately be classified in the Statement of Financial Position. Intangible assets shall be valued at cost less any accumulated amortization and any impairment losses.

10.4 Agricultural Assets

Agricultural Assets will be treated in accordance with GRAP 101 and will separately be classified in the Statement of Financial Position,

10.5 Assets Treated as Inventory

Any land or buildings owned or acquired by the municipality with the intention of selling such property in the ordinary course of business, or any land or buildings owned or acquired by the municipality with the intention of developing such property for the purpose of selling it in the ordinary course of business, shall be accounted for as inventory, and not included in either property, plant and equipment or investment property in the municipality's statement of position.

Such inventories shall, however, be recorded in the asset register in the same manner as other fixed assets, but a separate section of the asset register shall be maintained for this purpose.

The Chief Financial Officer shall use the classifications indicated in the Annexure on estimated lives of assets, as a guideline and in the case of an item of assets not appearing in the Annexure shall use the classification applicable to the asset most closely comparable in the Annexure.

11. CAPITALISATION CRITERIA

PPE and Intangible Assets

All assets may only be acquired in terms of council's Supply Chain Management Policy and in terms of the budgetary provisions. The responsibility for the purchase of assets would be delegated in terms of council's Delegation Framework and Supply Chain Management Policy. Depending on the cost of the asset to be purchased the following procedure for purchasing an asset must be followed:

- Senior managers shall at all times ensures that there are enough funds in their departmental budgets before requesting approval to any requisition to purchase an asset;
- Senior managers shall ensure that the correct vote and expenditure line item are used and recorded on the requisition requesting approval to purchase an asset;
- Tenders or quotations as required in terms of council's Supply Chain Management policy should be obtained and where required submitted to council's tender committee for approval;
- The tender committee resolution of the approved tender or recommended quotation should be attached to the requisition signed by the relevant head of department;
- The order would then be generated by the Budget and Treasury department;
- Once delivered the asset must be labelled / bar-coded by the Budget and Treasury department before such asset is put into use;
- The senior manager should endorse receipt of the asset on the invoice and forwarded it for payment to the Budget and Treasury department; and
- The Budget and Treasury department would then generate payment.

The completion of any immovable asset by or under control of every head of department should promptly be declared to the Chief Financial Officer in writing

stating the full details required for recording in the assets register.

All PPE and intangible assets shall be carried in the asset register, and appropriately recorded in the annual financial statements, at their original cost or fair value less any accumulated depreciation or amortisation in the case of intangible assets.

The original cost of an item of PPE or intangible assets may include:

- Cost price;
- Financing costs (MFMA section 46(4));
- Import tax;
- Non-claimable purchase tax; and
- Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

When payment for an item of PPE or intangible assets is deferred beyond normal credit terms, its cost is the cash price equivalent. The difference between this amount and the total payments is recognized as an interest expense over the period of credit.

When an item of PPE is acquired to be exchanged or partly exchanged for a dissimilar item of PPE or other asset, the cost of such item is measured at the fair value of the asset received, which is equivalent to the fair value of the asset given up adjusted by the amount of any cash or cash equivalents paid additional. For the purpose hereof, “fair value” shall be determined by the council with due regard to the definition ascribed to fair value in paragraph 2 hereof.

The only exceptions to this rule shall be revalued items of PPE (see part 7.9 below) and heritage assets in respect of which no depreciation is recorded in the fixed asset register.

Subsequent expenditure relating to an asset that has already been capitalized, should only be added to the carrying amount of the asset when it is probable that future economic benefits or potential service delivery, in excess of the originally assessed standard of performance of the existing asset, will flow to the municipality.

Investment Property

An investment property shall be measured initially at its cost. Transaction costs shall be included in the initial measurement. The cost of purchased investment property includes all directly attributable expenditure (professional fees for legal services, property transfer taxes and other transaction costs).

When payment for an investment property is deferred beyond normal credit terms, its cost is the cash price equivalent. The difference between this amount and the total payments is recognized as an interest expense over the period of credit.

When investment property is acquired to be exchanged or partly exchanged for a dissimilar investment property or other asset, the cost of such item is measured at the fair value of the asset received, which is equivalent to the fair value of the asset given up adjusted by the amount of any cash or cash equivalents paid additional. For the purpose hereof, "fair value" shall be determined by the council with due regard to the definition ascribed to fair value in paragraph 2 hereof.

After initial recognition investment property will be measured at fair value. A gain or loss arising from a change in fair value shall be recognized as a profit or loss in the Statement of Financial Performance in the period in which it arises. The fair value of investment property shall reflect market conditions at reporting date.

In terms of GRAP 16 transfers to and from investment property shall be made when there is a change in use:

(a) Commencement of owner-occupation, for a transfer from investment property to owner-occupied property;
(b) Commencement of development with a view to sale, for a transfer from investment property to inventories;
(c) End of owner-occupation, for a transfer from owner-occupied property to investment property; or
(d) Commencement of an operating lease to another party, for a transfer from inventories to investment property.

When an investment property is transferred to inventory or owner-occupied property, the property's deemed cost is the fair value of the property at the date of the change in use.

For a transfer from inventories to investment property, that will be carried at fair value, any difference between the fair value of the property at that date and its previous carrying amount shall be recognized in the Statement of Financial Performance.

Reinstatement, Maintenance and Other Expenses

Only expenses incurred in the enhancement of an asset (in the form of improved or increased services or benefits flowing from the use of such asset) or in the material extension of the useful operating life of an asset shall be capitalised.

Expenses incurred in the maintenance or reinstatement of an asset shall be considered as operating expenses incurred in ensuring that the useful operating life of the asset concerned is attained, and shall not be capitalised, irrespective of the quantum of the expenses concerned.

Expenses, which are reasonably ancillary to the bringing into operation of an asset, may be capitalised as part of such asset. Such expenses may include but need not be limited to import duties, forward cover costs, transportation costs, and installation, assembly and communication costs.

Intangible Assets

Assets that meet the criteria of GRAP 102 (Intangible Assets) shall be recognized as Intangible Assets at cost.

Heritage Assets

If no original costs or fair values are available in the case of one or more or all heritage assets, the Chief Financial Officer may, if it is believed that the determination of a fair value for the assets in question will be a laborious or expensive undertaking, record such asset or assets in the fixed asset register without an indication of the costs or fair value concerned.

For Statement of Financial Position purposes, the existence of such heritage assets shall be disclosed by means of an appropriate note.

Donated Assets

Where an asset is donated to the municipality, or an asset is acquired by means of an exchange of assets between the municipality and one or more other parties, the asset concerned shall be recorded in the asset register at its fair value, as determined by the Chief Financial Officer.

12. DEPRECIATION

Depreciation of PPE

All PPE, except land and heritage assets, shall be depreciated – or amortised in the case of intangible assets.

Depreciation may be defined as the monetary quantification of the extent to which PPE is used or consumed in the provision of economic benefits or the delivery of services.

Depreciation shall generally take the form of an expense both calculated and debited on a annual basis against the appropriate line item in the department or vote in which the item of PPE is used or consumed.

However, depreciation shall initially be calculated from the day following the day in which an item of PPE is acquired or – in the case of construction works and plant and machinery – the day following the day in which the item is brought into use, until the end of the year concerned. Thereafter, depreciation charges shall be calculated annually.

Each Head of Department, acting in consultation with the Chief Financial Officer, shall ensure that reasonable budgetary provision is made annually for the depreciation of all applicable PPE controlled or used by the department in question or expected to be so controlled or used during the ensuing financial year.

The procedures to be followed in accounting and budgeting for the amortisation of intangible assets shall be identical to those applying to the depreciation of other PPE.

Rate of Depreciation and Amortisation

The Chief Financial Officer shall assign a useful operating life to each depreciable item of PPE recorded on the Municipality's asset register. In determining such a useful life the Chief Financial Officer shall use to the useful lives set out in the annexure to this document as a guideline.

In the case of an item of PPE which is not listed in this annexure, the Chief Financial Officer shall determine a useful operating life, if necessary in consultation with the Head of Department who shall control or use the item in question, and shall be guided in determining such useful life by the likely pattern in which the item's economic benefits or service potential will be consumed.

The procedures to be followed in accounting and budgeting for the amortisation of intangible assets shall be identical to those applying to the depreciation of other PPE.

Method of Depreciation

The Chief Financial Officer shall allocate the depreciable amount of all depreciable PPE and intangible on a systematic basis over its useful life.

The residual value and useful life of an asset shall be reviewed at least at each reporting date and, if expectations differ from previous estimates, the changes shall be accounted for as a change in accounting estimate in accordance with GRAP 3.

13. AMENDMENT OF ASSET LIVES AND DIMINUTION IN THE VALUE OF PPE

Only the Chief Financial Officer may amend the useful operating life assigned to any PPE, and when any material amendment occurs the Chief Financial Officer shall inform the Council of such amendment.

The Chief Financial Officer shall amend the useful operating life assigned to any item of PPE if it becomes known that such item has been materially impaired or improperly maintained to such an extent that its useful operating life will not be attained, or any other event has occurred which materially affects the pattern in which the item's economic benefits or service potential will be consumed.

If the value of an item of PPE or intangible assets has been diminished to such an extent that it has no or a negligible further useful operating life or value such item shall be fully depreciated or eradicated in the financial year in which such diminution in value occurs.

Similarly, if an item of PPE has been lost, stolen or damaged beyond repair, it shall be fully depreciated in the financial year in which such event occurs, and if the item has physically ceased to exist, it shall be written off in the asset register.

In all of the foregoing instances, the additional depreciation expenses shall be debited to the department or vote controlling or using the item of PPE or intangible asset in question.

If any of the foregoing events arises in the case of a normally non-depreciable item of PPE, and such item has been capitalised at a value other than a purely nominal value, such item shall be partially or fully depreciated, as the case may be, as though it were an ordinary depreciable item of PPE, and the department or vote controlling or using the item in question shall bear the full depreciation expenses concerned.

Additional depreciation not budgeted for as a result of unforeseeable or unavoidable circumstances must be provided for in an adjustments budget and, if such circumstances arises close to the end of the financial year and there will not be time for Council to consider the adjustments before the end of the financial year, may in advance be approved by the Mayor in terms of Section 29 of the MFMA, provided that any other provisions of the MFMA be complied with.

14. IMPAIRMENT OF ASSETS

The accounting treatment relating to impairment losses is outlined in IAS37.

The carrying amount of an item or a group of identical items of property, plant and equipment should be reviewed periodically in order to assess whether or not the recoverable amount has declined below the carrying amount.

When such a decline has occurred, the carrying amount should be reduced to the recoverable amount. The amount of the reduction should be recognised as an expense immediately, unless it reverses a previous revaluation in which case it should be charged to the Revaluation Reserve.

The recoverable amount of individual assets, or groups of identical assets, is determined separately and the carrying amount reduced to the recoverable amount on an individual asset, or group of identical assets, basis. However, there may be circumstances when it may not be possible to assess the recoverable amount of an asset on this basis, for example when all of the plant and equipment in a sewerage purification works is used for the same purpose. In such circumstances, the carrying amount of each of the related assets is reduced in proportion to the overall decline in recoverable amount of the smallest grouping of assets for which it is possible to make an assessment of the recoverable amount.

The following may be indicators that an asset is impaired:

- The asset has been damaged.
- The asset has become technologically obsolete.
- The asset remains idle for a considerable period either prior to it being put into use or during its useful life.
- Land is purchased at market value and is to be utilized for subsidized housing developments, where the subsidy is less than the purchase price.

The following steps will have to be performed regularly during the year to account for impairment losses:

- Departments will identify and inform the Chief Financial Officer of assets that:

  - Are in a state of damage at year end.
  - Are technologically obsolete at year end. .
  - Have remained idle for a considerable period either prior to them being put into use at year end or during their useful life.
  - Are subject to impairment losses because the subsidies to be received in exchange for assets are less than the carrying amounts.

- The recoverable amounts of these assets need to be determined by calculating the net selling price per asset as defined above.

- The impairment loss per asset is the difference between the net selling price and the carrying value of the asset.

- The impairment loss needs to be accounted for by identifying the relevant funding source.

15. REVALUATION OF ITEMS OF PPE

All land and buildings recorded in the Municipality's asset register shall be revalued when the Council is of the opinion that economic conditions have had a substantial impact on the on the value of land and buildings within the municipal area. Under such circumstances a sworn valuer will be appointed to perform a valuation of all land and buildings.

The Chief Financial Officer shall adjust the carrying value of the land and buildings concerned to reflect in each instance the value of the items as recorded in the valuation roll, provided the Chief Financial Officer is satisfied that such value reflects the fair value of the land and buildings concerned.

The Chief Financial Officer shall also, where applicable, create a revaluation reserve for each such item equal to the difference between the value as recorded in the valuation roll and the carrying value of the item before the adjustment in question.

The buildings concerned shall thereafter be depreciated on the basis of its revalued amount, over its remaining useful operating life, and such increased depreciation expenses shall be budgeted for and debited against the appropriate line item in the department or vote controlling or using the buildings in question.

The Chief Financial Officer shall ensure that an amount equal to the difference between the new (enhanced) annual depreciation expense and the depreciation expenses determined in respect of such buildings before the revaluation in question is transferred each year from the revaluation reserve to the Municipality's appropriation account. An adjustment of the aggregate transfer shall be made at the end of each financial year, if necessary.

If the amount recorded by the valuer is less than the carrying value of the item of

land or buildings recorded in the asset register, the Chief Financial Officer shall adjust the carrying value of such item by increasing the accumulated depreciation of the item in question by an amount sufficient to adjust the carrying value to the value as recorded by the valuer. such additional depreciation expenses shall form a charge, in the first instance, against the balance in any revaluation reserve previously created for such item, and to the extent that such balance is insufficient to bear the charge concerned, an immediate additional charge against the department or vote controlling or using the item of land or building in question

Revalued land and buildings shall be carried in the asset register, and recorded in the annual financial statements, at their revalued amount, less accumulated depreciation (in the case of buildings).

16. ACQUISITION OF ASSETS

Pre-acquisition Planning

Before a capital project is included in the budget for approval, the Chief Financial Officer must demonstrate that he/she has considered the following:

- The projected cost over all the financial years until the project is operational;
- The future operational costs and revenue on the project, including the tax and tariff implications;
- The financial sustainability of the project over its use full life including revenue generation and subsidisation requirements;
- The physical and financial stewardship of that asset through all stages of its life including acquisition, installation, maintenance, operations, disposal and rehabilitation;
- The inclusion of the capital project in the Integrated Development Plan and future budgets; and
- Alternatives to the capital purchase.

The heads of department are accountable to ensure that the Chief Financial Officer receives all reasonable assistance, guidance and explanation to enable him to achieve his planning requirements.

Approval to Acquire Property, Plant and Equipment

Money can only be spent on a project if:

- The money has been appropriated in an approved Capital Budget;
- The project, including the total cost has been approved by the Council;
- The Chief Financial Officer confirms that funding is available for that specific project; and
- Any contract that will impose financial obligations beyond two years after the budget year is appropriately disclosed.
- The Supply Chain Management Policy is adhered to.

Authorization for the acquisition of assets should be as per this municipality's delegation of authority and payment for assets shall be in accordance with financial policies and regulations of this Municipality.

Funding of Capital Projects

Within the Municipality's on-going financial, legislative or administrative capacity, the Chief Financial Officer must establish and maintain the funding strategies that optimise the municipality's ability to achieve its strategic objectives as stated in the Integrated Development Plan. The acquisition of assets may not be funded over a period longer than the useful life of that asset.

17. PURCHASE OR HIRE OF IMMOVABLE PROPERTY

The municipality may acquire by purchase, or by hire, immovable property within- or outside the municipal boundary provided it complies with the requirements of the MFMA and the Supply Chain Management policy and subject to the following:

- The cost of the purchase or hire had been budgeted for; and
- The intention to buy or hire the immovable property had been advertised for public comment.
- After consideration of any public comments/objections the Council will:
    - In the case of the following paragraph complies with the requirements of that paragraph; and
    - In the case of all other immovable property, finally resolve to continue with the purchase or hire and apply the supply chain management processes
- The Council will not continue with the purchase or hire of any immovable property where:
    - The price is in excess of the market value thereof as assessed by an appraiser; or
    - The rental which, when calculated per annum in the case of:
        - Immovable property hired for agricultural purposes, exceeds six present; and
        - Immovable property hired for any other purpose, exceed twelve present of the market value of the property, as assessed by an appraiser.

The Council may accept a gift or conveyance of immovable property either for the municipality or in trust for charitable or other public purposes not connected with public worship, and hold the same in such trust or for such purpose as may be declared by such donors and may administer, utilize and improve such property.

The trustees of any immovable property held in trust for any township village of settlement which has become a municipality or part of a municipality may transfer such property to the Council, subject to any special trusts in their deeds of title and upon conditions not at variance therewith.

18. GUIDELINE PROCEDURES FOR ADDITIONS TO ASSETS

The Asset Manager must ensure all additions to assets are in accordance with an approved Capital Budget. Additions must be updated on a monthly basis in the Municipality's Asset Register. All additions must be approved by the Chief Financial Officer.

19. FUNDING OF PPE AND RESERVES

The purchase of assets may be funded from the raising of external loans, leases, government- and public contributions, the Capital Replacement Reserve and surplus cash.

The Chief Financial Officer shall ensure that in respect of all assets financed from grants or subsidies or contributions received from other spheres of government or from the public at large, as well as in respect of assets donated to the Municipality, a government grants reserve or public contribution reserve for future depreciation is created equal in value to the capitalised value of each item of asset in question.

The Chief Financial Officer shall thereafter ensure that in the case of depreciable PPE an amount equal to the annual depreciation expenses of the items concerned are transferred each year from such reserve to the Municipality's accumulated surplus.

20. ALIENATION OF ASSETS

In compliance with the principles and prescriptions of the Municipal Finance Management Act, the transfer of ownership of any item of PPE shall be fair, equitable, transparent, competitive and consistent with the municipality's supply chain management policy and the Municipal Asset Transfer Regulations

Every head of department shall report in writing to the Chief Financial Officer on 30 April of each financial year on all assets controlled or used by the department concerned which such head of department wishes to alienate by public auction or public tender.

The Chief Financial Officer shall thereafter consolidate the requests received from the various departments, and shall promptly report such consolidated information to the council or the municipal manager of the municipality, as the case may be, recommending the process of alienation to be adopted.

The council shall delegate to the municipal manager the authority to approve the alienation of any moveable asset with a carrying value less than R200 000 (two hundred thousand rand). The council shall ensure that the alienation of any asset with a carrying value equal to or in excess of R200 000 (two hundred thousand rand) takes place in compliance with Section 14 of the Municipal Finance Management Act, 2004.

In terms of Section 14 of the Municipal Finance Management Act, 2004 the Municipality may not transfer ownership as a result of a sale or other transaction or otherwise permanently dispose of assets needed to provide the minimum level of basic municipal services.

The Municipality may transfer ownership or otherwise dispose of assets other than one contemplated above, but only after the Council, in a meeting open to the public:-

- has decided on reasonable grounds that the asset is not needed to provide the minimum level of basic municipal services; and
- has considered the fair market value of the item and the economic and community value to be received in exchange for the asset;
- That a public participation process be held before council's assets can be alienated.

The decision that a specific asset is not needed to provide the minimum level of basic municipal services, may not be subsequently reversed by the Municipality after that asset has been sold, transferred or otherwise disposed of.

Once the assets are alienated, the Chief Financial Officer shall treat the disposal of the items in terms of GRAP and amend the relevant records of the asset register. If the proceeds of the alienation are less than the carrying value recorded in the asset register, such difference shall be recognised as a loss in the Statement of Financial Performance of the department or vote concerned.

If the proceeds of the alienation, on the other hand, are more than the carrying value of the asset concerned, the difference shall be recognised as a gain in the Statement of Financial Performance of the department or vote concerned.

All gains realised on the alienation of assets shall be appropriated annually to the municipality's Capital Replacement Reserve (except in the cases outlined below), and all losses on the alienation of fixed assets shall remain as expenses on the Statement of Financial Performance of the department or vote concerned.

If, however, both gains and losses arise in any one financial year in respect of the alienation of the assets of any department or vote, only the net gain (if any) on the alienation of such assets shall be appropriated to the Capital Replacement Reserve.

Transfer of assets to other municipalities, municipal entities (whether or not under the municipality's sole or partial control) or other organs of state shall take place in accordance with the Municipal Asset Transfer Regulations.

21. GUIDELINE PROCEDURES FOR THE DISPOSAL OF ASSETS

The Senior Manager must submit a motivation for the disposal of an asset under his/her control to the Chief Financial Officer.

The Chief Financial Officer must authorize, by signature the motivation and submit the motivation to the Accounting Officer for his/her approval.

Before computer equipment is disposed the Chief Financial Officer must consult the IT section.

All combined motivations must be submitted to the Asset Manager to update the asset register of the municipality and the book of accounts regarding the sale.

The following information should be update in the asset register:

- Reason for disposal;
- Information relating to the buyer;
- Individual requesting disposal;
- Cost, book value and proposed selling price of the asset;
- Date of sale;
- Method of payment;
- Receipt number; and
- The relevant asset information

22. OTHER WRITE-OFFS OF PPE

An item of PPE, even though fully depreciated, shall be written off when it can no longer be used, in consultation with the Head of Department controlling or using the item concerned.

Every Head of Department shall report to the Chief Financial Officer on 31 October and 30 April of each financial year on any item of PPE which such Head of Department wishes to have written off, stating in full the reason for such recommendation.

The Chief Financial Officer shall consolidate all such reports, and shall promptly notify the Council on the PPE to be written off.

The only reasons for writing off PPE, other than the alienation of such item of PPE, shall be the loss, theft, and destruction or material impairment of the PPE in question.

If an item of PPE must be written off as a result of an occurrence out of the control of the municipality, such as malicious damage, theft or destruction, the municipal manager must determine whether a third party or an employee was involved in the loss and take all reasonable steps to recover such loss, including reporting the incident to the South African Police Services and the Auditor General, the insurance as well as institute disciplinary steps against any employee who might have been involved in such incident.

In every instance where a not fully depreciated item of PPE is written off, the Chief Financial Officer shall immediately debit to such department or vote, as additional depreciation expenses, the full carrying value of the item concerned.

23. MANAGEMENT AND OPERATION OF ASSETS

Accountability to manage assets

Each Senior Manager is accountable to ensure that Municipal resources assigned to them are utilized effectively, efficiently, economically and transparently. This will include:

- Developing appropriate management systems, procedures, processes and controls for managing assets;
- Providing accurate, reliable and up to date account of assets under their control; and
- The development and motivation of relevant strategic asset management plans and operational budgets that optimally achieve the Municipality's strategic objectives.

Contents of a strategic management plan

Senior Managers need to manage assets under their control to provide the required level of service or economic benefit at the lowest possible long-term cost. To achieve this, the Senior Manager will need to develop strategic asset management plans that cover:-

- Alignment with the Integrated Development Plan;
- Operational guidelines;
- Performance monitoring;
- Maintenance programs;
- Renewal, refurbishment and replacement plans;
- Disposal and Rehabilitation plans;
- Operational, financial and capital support requirements, and
- Risk mitigation plans including insurance strategies

The operational budgets are the short to medium term plan for implementing this strategic asset management plan.

Reporting of Emerging Issues

Each Functional Manager should report to the Municipal Manager on issues that will significantly impede the item of asset capabilities to provide the required level of service or economic benefit.

Verification of Assets

The Municipality shall at least once during every financial year undertake on a

date as determined by the Chief Financial Officer a comprehensive verification of all moveable assets controlled or used by all the departments of the Municipality.

Every Head of Department shall promptly and fully report in writing to the Chief Financial Officer, in the format determined by the Chief Financial Officer, all relevant results of such verification, provided that each such item of asset verification shall be undertaken and completed during 30 June of each financial year, and that the resultant report shall be submitted to the Chief Financial Officer not later than 30 June of the year in question.

Movement of Assets

Every Head of Department shall promptly and fully report in writing to the Chief Financial Officer, in the format determined by the Chief Financial Officer, all transfers from its original location of assets (including minor assets items) within 5 working days after transfer of such item.

24. MAINTENANCE

Maintenance Plans

Every Head of Department shall ensure that a maintenance plan in respect of every new infrastructure asset with a value of R100 000 (one hundred thousand rand) or more is promptly prepared and submitted to the Council for approval.

If so directed by the Municipal Manager, the maintenance plan shall be submitted to the Council prior to any approval being granted for the acquisition or construction of the infrastructure asset concerned.

The Head of Department controlling or using the infrastructure asset in question, shall annually report to the Council, not later than in July or the earliest Council meeting thereafter, of the extent to which the relevant maintenance plan has been complied with, and of the likely effect which any non-compliance may have on the useful operating life of the item concerned.

Deferred Maintenance

If there is material variation between the actual maintenance expenses incurred and the expenses reasonably envisaged in the approved maintenance plan for any infrastructure asset, the Chief Financial Officer shall disclose the extent of and possible implications of such deferred maintenance in an appropriate note to the annual financial statements. Such note shall also indicate any plans which the Council has approved in order to redress such deferral of the maintenance requirements concerned.

If no such plans have been formulated or are likely to be implemented, the Chief Financial Officer shall re-determine the useful operating life of the fixed asset in question, if necessary in consultation with the Head of Department controlling or using such item, and shall recalculate the increased annual depreciation expenses accordingly.

General Maintenance of Assets

Every Head of Department shall be directly responsible for ensuring that all assets are properly maintained and in a manner which will ensure that such item attain their useful operating lives.

25. REPLACEMENT STRATEGY

The Municipal Manager, in consultation with the Chief Financial Officer and other Heads of Departments, shall formulate norms and standards for the replacement of all normal operational assets. Such norms and standards shall be incorporated in a formal strategy, which shall be submitted to the Council for approval. This strategy shall cover the replacement of motor vehicles, furniture and fittings, computer equipment, and any other appropriate operational items.

Such strategy shall also provide for the replacement of assets which are required for service delivery but which have become uneconomical to maintain.

26. TRANSFER OF ASSETS

When assets are transferred to other Government Departments or municipalities, a document with specific authorization should be attached to the asset to ensure the validity of the transfer.

The document should also include:

- Asset description;
- Cost of the asset;
- Date of acquisition;
- Unique asset number;
- Effective date of transfer;
- Quantity; and
- Authorization by both transferor and transferee.

The asset manager must then effect the transactions in the book of accounts of the municipality on the day the asset is transferred to the transferee.

27. PHYSICAL SECURITY OF ASSETS

Every Senior Manager shall be directly responsible for the physical safekeeping of any asset controlled or used by their department.

In exercising this responsibility, every Senior Manager shall adhere to directives issued by the Chief Financial Officer with regard to the control and safekeeping of the municipality's assets.

All assets should be kept in a secure location, maintained regularly, insured against theft or destruction, utilized economically and efficiently.

When it is suspect that an employee abuses assets, this fact should be reported to the Chief Financial Officer within 48 hours. Such an employee should be subject to the disciplinary procedures as described in terms of the Standard

Conditions of Service.

All items of Property, Plant and Equipment lost, stolen or damage must be reported to the Chief Financial Officer within 48 hours after discovery for further investigation and reporting required by the Municipal Finance Management Act No. 56 of 2003.

28. INSURANCE OF ASSETS

The Accounting Officer must ensure that all movable assets are insured at least against fire and theft, and municipal buildings and infrastructure are insured at least against fire and allied perils.

The Accounting Officer shall recommend, after consultation with the Chief Financial Officer, the basis of insurance cover to be applied: either the carrying value or the replacement value of the assets. Such a recommendation shall take due cognizance of the budgetary resources of the municipality.

Any theft, loss or damage to an asset should immediately be reported to council's insurance brokers by the relevant head of department under whose responsibility the asset falls. A copy of the insurance claim submitted should be forwarded to the Chief Financial Officer. All insurance claims must be recorded in an insurance register and all outstanding insurance claims reported on a monthly basis to the Chief Financial Officer. It is the responsibility of the relevant head of department to ensure that all documents / information for the completion of the claim is forwarded to council's insurance brokers and that copies thereof is forwarded to the Chief Financial Officer. The head of department should in writing request the replacement of the asset which can only be authorized, if sufficient provision for the replacement of the asset is on the capital budget, by the Municipal Manager after consultation with the Chief Financial Officer. If sufficient provision is not on the capital budget the asset can only be replaced if provision for the replacement is made on an Adjustments budget. In the case where an asset must be replaced as an emergency measure, the Mayor may authorise such expenditure, subject to compliance with Section 29 of the MFMA.

Third-party (insurance) pay-outs must be treated as revenue when the amount is certain and may not be offset against the cost of replacing the item. The carrying value of items lost, stolen or damaged beyond repair must be treated as impairment against the relevant department or vote. The full cost of the replacement item must then be capitalised.

If the municipality operates a self-insurance reserve, the Chief Financial Officer shall annually determine the premiums payable by the departments or votes after having received a list of the assets and insurable values of all relevant assets from the heads of departments concerned.

The municipal manager shall recommend to the council of the municipality, after consulting with the Chief Financial Officer, the basis of the insurance to be applied to each type of asset: either the carrying value or the replacement value of the assets concerned. Such recommendation shall take due cognisance of the

budgetary resources of the municipality.

The Chief Financial Officer shall annually submit a report to the council of the municipality on any reinsurance cover which it is deemed necessary to procure for the municipality's self-insurance reserve.

29. SHORT TITLE

This policy shall be called the Asset Management Policy of the **Witzenberg Municipality.**

APPENDIX A

SCHEDULE OF EXPECTED USEFUL LIVES OF ASSETS			
	ASSET LIFE		ASSET LIFE
INFRASTRUCTRE ASSETS		**INFRASTRUCTRE ASSETS**	
ELECTRICITY:		**GAS:**	
Power stations	30	Meters	20
Cooling towers	30	Main supply	20
Transformer kiosks	30	Storage tanks	20
Meters	20	Supply and reticulation networks	20
Load control equipment	20		
Switchgear	20	**SEWERAGE:**	
Supply and reticulation networks	20	Sewer mains	20
Main supply	20	Outflow sewers	20
		Sewerage purification works	20
ROADS:		Sewerage pumps	15
Motorways	15	Sludge machines	15
Other roads	10		
Traffic islands	10	**PEDESTRAIN MALLS:**	
Traffic lights	20	Footways	20
Street lights	25	Kerbing	20
Overhead bridges	30	Paving	20
Storm water drains	20		
Bridges, subways and culverts	30	AIRPORTS:	20
Car parks	20	Taxiways	20
Bus terminals	20	Runways	20
		Aprons	20
		Airport and radio beacons	20
WATER		**SECURITY**	
Meters	15	Fencing	3
Mains	20	Security systems	5
Rights	20	Access control systems	5
Supply and reticulation networks	20		
Reservoirs and storage tanks	20		
COMMUNITY ASSETS		**COMMUNITY ASSETS**	
RECREATIONAL FACILITIES		**BUILDINGS**	
Bowling greens	20	Ambulance stations	30
Tennis courts	20	Aquariums	30
Swimming pools	20	Beach developments	30
Golf courses	20	Care centres'	30
Jukskei pitches	20	Cemeteries	30
Outdoor sport facilities	20	Civic theatres and community centres'	30
Organ	20	Clinics and hospitals	30
Lakes and dams	20	Game reserves and rest camps	30
Fountains	20	Stadiums and indoor sports	30
Flood lights	20	Museums and galleries	30
		Parks and public conveniences	30
		Recreational centres' and zoo	30
OTHER ASSETS		**OTHER ASSETS**	

SCHEDULE OF EXPECTED USEFUL LIVES OF ASSETS			
	ASSET LIFE		ASSET LIFE
BUILDINGS		**EMERGENCY EQUIPMENT**	
Abattoirs	30	Other fire fighting equipment	15
Asphalt plant	30	Ambulances	5-10
Cable stations	30	Fire hoses	5
Caravan Parks	30	Emergency lights	5
Bioscope	30		
Compacting stations	30	MOTOR VEHICLES	
Hostels for public / tourists	30	Fire engines	20
Hostels for employees	30	Buses	15
Housing schemes	30	Motor vehicles	5-7
Kilns	30	Motorcycles	3
Laboratories	30	Trucks and light delivery vehicles	5-7
Markets	30		
Nurseries	30	**AIRCRAFT**	15
Office buildings	30		
Old age homes	30	**WATERCRAFT**	15
Quarries	30		
Tip sites	30	**PLANT AND EQUIPMENT**	
Training centres	30	Graders	10-15
Transport facilities	30	Tractors	10-15
Workshops and depots	30	Mechanical horses	10-15
		Farm equipment	5
OFFICE EQUIPMENT		Lawn mowers	2
Computer hardware	5	Compressors	5
Computer software	3-5	Laboratory equipment	5
Office machines	3-5	Radio equipment	5
Air conditioners	5-7	Firearms	5
FURNITURE AND FITTINGS		General	5
Chairs	7-10	Cable cars	15
Tables and desks	7-10	Irrigation systems	15
Cabinets and cupboards	7-10	Cremators	15
Sundry	7-10	Lathes	15
		Machining equipment	15
BINS AND CONTAINERS		Conveyors	15
Household refuse bins	5	Feeders	15
Bulk refuse containers	10	Tippers	15
		Pulverising mills	15



FUNDING AND RESERVES POLICY

Date of implementation: 01 July 2010

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APPENDIX A 14

Version: Final

Date: 15 June 2010

Summary: This document describes the Funding and Reserves Policy that will be applicable to the municipality, detailed.

Approved: This policy was approved by the Municipal Council on 15 June 2010.

Signature: _____ **Date**: _____

Municipal Manager

FUNDING AND RESERVE POLICY

1. INTRODUCTION AND OBJECTIVE

The Council sets as objective a long term financially sustainable municipality with acceptable levels of service delivery to the community.

This policy aims to set standards and guidelines towards ensuring financial viability over both the short- and long term and includes funding as well as reserves requirements.

2. SECTION A: FUNDING POLICY

2.1 LEGISLATIVE REQUIREMENTS

In terms of Sections 18 and 19 of the Municipal Finance Management Act (Act No 56 of 2003) (MFMA), an annual budget may only be funded from:

- Realistically anticipated revenues to be collected;
- Cash backed accumulated funds from previous years' surpluses not committed for other purposes. and
- Borrowed funds, but only for capital projects.

Furthermore, spending on a capital project may only be commenced once the funding sources have been considered, are available and have not been committed for other purposes.

The requirements of the MFMA are therefore clear in that the budget must be cash – funded i.e. cash receipts inclusive of prior cash surpluses must equal or be more than cash paid.

In determining whether the budget is actually cash funded and in addition ensuring long term financial sustainability, the municipality will use analytical processes, including those specified by National Treasury from time to time.

2.2 STANDARD OF CARE

Each functionary in the budgeting and accounting process must do so with judgment and care, under the prevailing circumstances, as a person of prudence, discretion and intelligence would exercise to the management of his or her own finances with the primary objective of ensuring that the objectives of this policy are achieved.

2.3 STATEMENT OF INTENT

The municipality will not pass a budget which is not cash – funded or where any of the indicators as listed in this document are negative, unless acceptable reasons can be provided for non-compliance, provided that the requirements of the MFMA must at all times be adhered to.

2.4 CASH MANAGEMENT

Cash must be managed in terms of the municipality's Cash Management and Investment Policy.

2.5 DEBT MANAGEMENT

Debt must be managed in terms of the municipality's Debt Management Policy, together with any requirements in this policy.

2.6 FUNDING THE OPERATING BUDGET

2.6.1 INTRODUCTION

The municipality's objective is that the user of municipal resources must pay for such usage in the period it occurs.

The municipality however, recognises the plight of the poor, and in line with national and provincial objectives, the municipality commits itself to subsidised services to the poor. This will necessitate cross subsidisation in tariffs to be calculated in the budget process.

2.6.2 GENERAL PRINCIPLE WHEN COMPILING THE OPERATING BUDGET

The following specific principles apply when compiling the budget:

a) The budget must be cash – funded, i.e. revenue and expenditure projections must be realistic and the provision for impairment of receivables must be calculated on proven recovery rates;

b) Growth parameters must be realistic and be based on historic patterns adjusted for current reliable information;

c) Tariff adjustments must be fair, taking into consideration general inflation indicators as well as the geographic region's ability to pay;

d) Revenue from Government Grants and Subsides must be in accordance with the amounts promulgated in the Division of Revenue Act, proven

provincial transfers and any possible transfers to or from other municipalities.

For the purpose of the Cash flow budget any National or Provincial grants that have been re-appropriated for roll–over purposes must be excluded from the calculation as it must be included in changes in Cash and Cash Equivalents and Payables.

Furthermore, in the budget the total grants recognised as revenue must equal the total expected expenditure from grants, inclusive of capital expenditure and VAT as per directive given in MFMA circular 48.

e) Projected revenue from services charges must be reflected as net (all billing less revenue foregone, which is free basic services, discounts and rebates).

f) Projected revenue from property rates must include all rates to be levied, but rebates and discounts must be budgeted for as either revenue foregone or a grant, as per directive in MFMA Budget Circular 51, depending on the conditions of the exemption, rebate or reduction.

For the purpose of the Cash flow Budget all rebates and discounts must be deducted from the projected revenue.

g) Only changes in fair values related to cash may be included in the cash flow budget. Changes to unamortised discount must be included in the Operating Budget but excluded in the cash flow budget.

h) Employee related costs include contributions to non-current and current employee benefits. It is acknowledged that the non-current benefits' requirements are well above the initial cash capabilities of the municipality, and it is therefore determined that provision for the short term portion of employee benefits, as well as an operating surplus calculated at 5% of the prior year balance of the long–term benefits, be included in the operating budget, in order to build sufficient cash for these requirements. The cash portion of the employee benefits must be accounted for in an "Employee Benefits Reserve".

i) Depreciation must be fully budgeted for in the operating budget.

In order to ensure a sufficient accumulation of cash for the replacement of Property, Plant and Equipment and Intangible Assets, the amount of depreciation on assets funded from own sources, excluding assets funded from grants, public contributions and external loans must be reflected as a surplus on the cash flow budget.

j) Contributions to provisions (non-current and current) do not form part of the cash flow. It is however, necessary to provide for an increase in cash resources in order to comply with the conditions of the provision at the time when it is needed.

It is therefore a requirement that the contribution to current provisions, as well as 20% of the prior year balance of the non current provision, is budgeted as cash surpluses until the necessary funding level is obtained.

2.7 FUNDING THE CAPITAL BUDGET

2.7.1 INTRODUCTION

The municipality's objective is to maintain, through proper maintenance and replacement measures, existing levels of service and to improve and implement services which are neglected or non – existent.

In order to achieve this objective the municipality must annually, within financial means, budget for the replacement of redundant assets as well as new assets.

2.7.2 FUNDING SOURCES FOR CAPITAL EXPENDITURE

The capital budget can be funded by way of own contributions, grants, public contributions as well as external loans.

Own Contributions

The capital budget financed from own contributions must primarily be funded from the Capital Replacement Reserve.

Notwithstanding the above the capital budget or portions thereof may also be funded from surplus cash. The allocations of the funding sources from own contributions are determined during the budget process.

Contributions to the Capital Replacement Reserve (CRR)

All proceeds from the sale of redundant property plant and equipment, and the VAT portion of capital grants that represents own income must be transferred to the CRR.

Funds must be transferred to the CRR in the budget process to ensure that sufficient funds are available in the reserve to finance the capital expenditure from own contributions.

Grants (Including Public Contributions)

Grants for capital expenditure have become a common practice, especially in order to extend service delivery to previously disadvantaged areas. While such grants are welcomed, care should also be taken that unusual grant funding does not place an unreasonable burden on the residents for future maintenance costs which may be higher than their ability to pay.

It is therefore determined that the accounting officer must evaluate the long term effect of unusual capital grants on future tariffs, and if deemed necessary, report on such to Council.

It is furthermore determined that the depreciation charges on assets financed from grants and donations must not have a negative effect on tariffs charged to the users of such assets. The Accounting Officer must put such accounting measures in place to comply with this requirement, to a reasonable extent.

External Loans

The municipality may only raise loans in accordance with its Debt Management Policy.

The Accounting Officer must also put such accounting measures in place to ensure that no unspent portions of loans are utilised for operating purposes.

For budgeting purposes any difference between proposed capital spending from loans and proposed loans raised must be included in the cash surplus for the year.

2.8 FUNDING COMPLIANCE MEASUREMENT

2.8.1 INTRODUCTION

The municipality wants to ensure that the budget or adjustments budget complies with the requirements of the MFMA and this policy. For this purpose a set of indicators must be used as part of the budget process and be submitted with the budget. These indicators include all the indicators as recommended by National Treasury as well as reconciliations according to this policy. Any additional indicators recommended by National Treasury in future must also be taken into account, as well as any additional reconciliation items as either determined by the Council or the Accounting Officer.

If any of the indicators are negative during the compilation or approval process of the budget, the budget may not be approved until all the indicators provide a positive return, unless any negative indicators can be reasonably explained and

future budget projections address the turn-around of these indicators to within acceptable levels.

2.8.2 CASH AND CASH EQUIVALENTS AND INVESTMENTS

A positive Cash and Cash Equivalents position throughout the year is crucial. In addition, the forecasted cash position at year-end must at least be the amount as calculated in the Reconciliation of Cash Requirements as determined by this policy and attached to this policy as Appendix "A".

2.8.3 CASH PLUS INVESTMENTS LESS APPLICATION OF FUNDS

The overall cash position of the municipality must be sufficient to include:

- unspent conditional grants;
- unspent conditional public contributions;
- unspent borrowings;
- vat due to SARS;
- secured investments;
- the cash portion of statutory funds such as the Housing Development Fund;
- other working capital requirements; and
- In addition, it must be sufficient to back reserves as approved by the municipality and the portions of provisions as indicated below:
    - Current portion of Rehabilitation of landfill sites
    - Current portion of Post-retirement benefits
    - Current portion of Long service provisions
    - Current portion of Ex-gratia pension provisions
    - 20% of staff leave
    - 100% of performance bonuses
    - 100% of staff bonuses
    - 100% of any other employee benefits

2.8.4 MONTHLY AVERAGE PAYMENT COVERED BY CASH AND CASH EQUIVALENTS ("CASH COVERAGE")

This indicator shows the level of risk should the municipality experience financial stress.

2.8.5 SURPLUS/DEFICIT EXCLUDING DEPRECIATION OFFSETS

It is almost certain that the operating budget, which includes depreciation charges on assets funded by grants and public contributions, as well as on revalued assets, will result in a deficit.

As determined elsewhere in this policy it is not the intention that the users of the assets funded from grants, public contributions and revaluations must be burdened with tariff increases to provide for such depreciation charges. In order to ensure a "balanced" budget but excluding such depreciation charges, the depreciation charges may be offset against the net surplus / deficit.

Should the budget result in a deficit after the offsetting, the budget will be deemed unfunded and must be revised.

2.8.6 PROPERTY RATES/SERVICE CHARGE REVENUE PERCENTAGE INCREASE LESS MACRO INFLATION TARGET

The intention of this indicator is to ensure that tariff increases are in line with macro economic targets, but also to ensure that revenue increases for the expected growth in the geographic area is realistically calculated.

The formula to be used is as follows:

	DESCRIPTION	PROPERTY RATES	SERVICE CHARGES	TOTAL
A	Revenue of budget year	R XX	R XX	R XX
B	Less: Revenue of prior year	R XX	R XX	R XX
C	**=Revenue increase/decrease**	**R XX**	**R XX**	**R XX**
D	% Increase/(Decrease)	C/B %	C/B %	C/B %
E	Less: Upper limit of macro Inflation target	%	%	%
F	**=Growth in excess of inflation target**	**%**	**%**	**%**
G	Less: Expected growth %	%	%	%
H	**=Increase attributed to tariff Increase above macro inflation target**	**%**	**%**	**%**

In the event that the percentage in (h) above is greater than zero, a proper motivation must accompany the budget at submission, or the budget must be revised.

2.8.7 CASH COLLECTION % RATE

The object of the indicator is to establish whether the projected cash to be collected is realistic and complies with section 18 of the MFMA.

The collection rate for calculating the provision for impairment of receivables must be based on past and present experience. Past experience refers to the collection rates of the prior years and present experience refers to the collection rate of the current financial year as from 1 July.

It is not permissible to project a collection rate higher than the rate currently being obtained, even if the municipality recently approved a debt collection policy or implemented additional debt collection measures. Any improvement in collection rates during the budget year may be appropriated in an Adjustment Budget.

2.8.8 DEBT IMPAIRMENT EXPENSE AS A PERCENTAGE OF BILLABLE REVENUE

This indicator provides information whether the contribution to the provision for impairment of receivables is adequate. In theory it should be equal to the difference between 100% and the cash collection rate, but other factors such as past performance might have an influence on it. Any difference, however, must be motivated in the budget report.

2.8.9 CAPITAL PAYMENTS AS A PERCENTAGE OF CAPITAL EXPENDITURE

This indicator provides information as to the timing for payments on capital projects and utilising allowed payment terms.

2.8.10 BORROWING AS A PERCENTAGE OF CAPITAL EXPENDITURE (EXCLUDING GRANTS AND CONTRIBUTIONS)

This indicator provides information as to compliance with the MFMA in determining borrowing needs. The Accounting Officer must ensure compliance with the Municipality's Debt Management Policy.

2.8.11 GRANTS REVENUE AS A PERCENTAGE OF GRANTS AVAILABLE

The percentage should never be less than 100% and the recognition of expected unspent grants at the current year-end as revenue in the next financial year must be substantiated in a report.

2.8.12 CONSUMER DEBTORS CHANGE (CURRENT AND NON - CURRENT)

The object of the indicator is to determine whether budgeted reductions in outstanding debtors are realistic.

An unacceptable high increase in either current– or non– current debtors' balances should be investigated and acted upon.

2.8.13 REPAIRS AND MAINTENANCE EXPENDITURE LEVEL

It is of utmost importance that the municipality's Property Plant and Equipment be maintained properly, in order to ensure sustainable service delivery. The budget should allocate sufficient resources to maintain assets and care should be exercised not to allow a declining maintenance program in order to fund other less important expenditure requirements.

Similarly, if the maintenance requirements become excessive, it could indicate that a capital renewal strategy should be implemented or reviewed.

As a general benchmark the maintenance budget should be between 4% and 8% of the value of assets.

2.8.14 ASSET RENEWAL/REHABILITATION EXPENDITURE LEVEL

This indicator supports further the indicator for repairs and maintenance.

The Accounting Officer must, as part of the capital budget, indicate whether each project is a new asset or a replacement/renewal asset in order to determine whether the renewal program is sufficient or needs revision.

2.8.15 FINANCIAL PERFORMANCE BUDGET

Although it is not a legal requirement that the financial performance budget should balance, it only makes management sense that it should balance.

A number of line–items influence the net result of the financial performance budget. It includes capital grant revenue, depreciation charges including those where assets were funded from grants and public contributions, unamortised discounts and gains/losses on the disposal of Property Plant and Equipment. These items need to be taken into consideration in order to establish if the operating budget is realistic and credible.

2.8.16 FINANCIAL POSITION BUDGET

This indicator provides an overall view of the projected financial position over the periods of the Medium Term Expenditure framework, including movements in inventory and payables.

2.8.17 CASH FLOW BUDGET

A positive cash flow is a good indicator of a balanced budget, as well as the ability of the municipality to meet its future commitments.

The cash flow budget, however, does not include those items such as contributions to the provisions described elsewhere in this policy, the effect of depreciation charges etc, and care must be taken not to let a projected positive cash inflow lead to additional expenditure requests, without taking the requirements of those items into consideration.

3. SECTION B: RESERVES POLICY

3.1 INTRODUCTION

Fund accounting historically formed a huge part of municipal finance in the IMFO standards.

Since the municipality changed to General Recognised Accounting Practices (GRAP), fund accounting is no more allowed.

The municipality, however, recognises the importance of providing to the municipality itself, as well as its creditors, financiers, staff, and general public a measure of protection for future losses, as well as providing the necessary cash resources for future capital replacements and other current and non-current liabilities.

This policy aims to provide for such measure of protection by creating certain reserves.

3.2 LEGAL REQUIREMENTS

There are no specific legal requirements for the creation of reserves, except for the Housing Development Fund. The GRAP Standards itself also do not provide for reserves.

However, the GRAP “Framework for the Preparation and Presentation of Financial Statements” states in paragraph 91 that such reserves may be created, but “Fund Accounting” is not allowed and any such reserves must be a “legal” reserve, i.e. created by law or Council Resolution.

3.3 TYPES OF RESERVES

Reserves can be classified into two main categories being “cash funded reserves” and “non – cash funded reserves”.

3.3.1 CASH FUNDED RESERVES

In order to provide for sufficient cash resources for future expenditure, the municipality hereby approves the establishment of the following reserves:

(a) Capital Replacement Reserve (CRR)

The CRR is to be utilised for future capital expenditure from own funds and may not be used for maintenance– or other operating expenditure.

The CRR must be cash–backed and the Accounting Officer is hereby delegated to determine the contribution to the CRR during the compilation of the annual financial statements.

(b) **Employee benefits reserve**

The aim of the reserve is to ensure sufficient cash resources are available for the future payment of employee benefits.

The contributions to the reserve must be made in accordance with the directives set in this Funding Policy.

(c) **Non-current provisions reserve**

The aim of this reserve is to ensure sufficient cash resources are available for the future payment of non – current provisions.

The contributions to the reserve must be made in accordance with the directives set in this Funding Policy.

(d) **Valuation reserve**

The aim of this reserve is to ensure sufficient cash resources are available to undertake a General Valuation as per the Municipal Property Rates Act.

The contribution to this reserve should be approximately 25% of the anticipated cost of the General Valuation and the Accounting Officer is hereby delegated to determine this amount annually during the compilation of the annual financial statements.

(e) **Other statutory reserves**

It may be necessary to create reserves prescribed by law, such as the Housing Development Fund. The Accounting Officer must create such reserves according to the directives in the relevant laws.

3.3.2 NON – CASH FUNDED RESERVES

It might be necessary to create non – cash funded reserves for a variety of reasons, including GRAP requirements. The Accounting Officer must create any reserves prescribed by the accounting standards, such as the Revaluation Reserve, if required.

The Accounting Officer is hereby delegated and may also in the discretion of the Accounting Officer, create reserves for future depreciation offsetting, in the absence of a standard similar to IAS 20.

3.4 ACCOUNTING FOR RESERVES

3.4.1 REVALUATION RESERVE

The accounting for the Revaluation Reserve must be done in accordance with the requirements of GRAP 17.

3.4.2 OTHER RESERVES

The accounting for all other reserves must be processed through the Statement of Financial Performance. The required transfer to or from the reserves must be processed in the Statement of Net Assets to or from the accumulated surplus.

It is a condition of GRAP and this policy that no transactions may be directly appropriated against these reserves.

4. SECTION C: REVIEW OF THE POLICY

This Funding and Reserves Policy is the only policy of the municipality and replaces any past policies in this regard. Any revision of the policy must be approved by the Municipal Council.

Whenever the Minister of Finance or the National Treasury or the Auditor – General requests changes to the policy by way of legislation, changes to GRAP or otherwise, it must be reviewed and submitted for consideration by the Council on an annual basis. Such submission must be accompanied with a full description of the reasons for the change to the policy.

APPENDIX A

RECONCILIATION OF CASH REQUIREMENTS

Cash flow from operating activities	R XX
Add : Depreciation from own funds	R XX
Add : Current provisions balance	R XX
Add : Current employee benefits balance	R XX
Add : Unspent conditional grants	R XX
Add : Unspent public contributions	R XX
Add : Unspent borrowings	R XX
Add : VAT due to SARS	R XX
Add : Secured investments	R XX
Add : Cash portion of Statutory Reserves	R XX
Add : Working Capital Requirements	R XX
= Minimum Cash Surplus Requirements for the year	R XX



BORROWING POLICY

Date of implementation 01 July 2013

BORROWING POLICY

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1. PURPOSE

1.1. To provide the Municipality with a borrowing framework policy.
1.2. Set out the objectives, policies, statutory requirements as well as guidelines for the borrowing of funds.

2. OBJECTIVES

2.1. The objectives of the policy are to:
2.2. enable the municipality to exercise their obligation to ensure sufficient cash resources to implement capital programme in the most cost effective manner;
2.3. ensure compliance with the relevant legal and statutory requirements relating to Municipal borrowing;
2.4. govern the taking up of short-term and long-term debt according to the legislative framework
2.5. manage interest rate and credit risk exposure
2.6. maintain debt with specified limits and ensure adequate provision for the repayment of debt and
2.7. To maintain financial sustainability.

3. SCOPE OF THIS POLICY

3.1. The primary goal in the borrowing of funds is to ensure that the funds are obtained at the lowest possible interest rates at minimum risk, within the parameters of authorized borrowings.
3.2. This policy shall apply the Council, Mayoral Committee, all Portfolio Committees, Accounting Officer, Strategic Executive Directors and all staff of the municipality. It is, however, specifically applicable to the council and all officials who have a formal, administrative duty to deal with capital projects and programmes of the municipality and the management of the budget.

4. BORROWING ETHICS

4.1. In dealing with financial institutions, the following ethical principles must be adhered to:
4.2. The Chief Financial Officer shall not accede to any influence by or interference from councillors, borrowing institutions or any outsiders.
4.3. Under no circumstances may inducements to borrow be accepted.

5. LEGISLATION

5.1. The legislative framework governing borrowings are:
5.1.1. Local Government Municipal Finance Management Act, Act 56 of 2003; and
5.1.2. Local Government Municipal Regulations and Debt Disclosure, Regulation R492, published under Government Gazette 29966, 15 June 2007.

6. COMPULSORY DISCLOSURE WHEN INCURRING MUNICIPAL DEBT

6.1. The Municipal Regulations on Debt Disclosure has been promulgated (Government Gazette no. 29966, 15 June 2007) and has been effective from 01 July 2007 for a municipality or municipal entity. Refer to Annexure A2, Municipal Finance Management Act: Municipal Regulations on Debt Disclosure.

6.2. The implementation of the regulations will help to strengthen the level of confidence in municipal fiscal affairs and enable the capital markets to effectively participate by providing access to a range of competitive funding instruments for the provision of municipal infrastructure and other capital development in accordance with section 46 of the Municipal Finance Management Act

6.3. In the case of short-term debt it must be disclosed whether the debt is to bridge:

6.3.1. Shortfalls within a financial year during which the debt is incurred, in expectation or specific and realistic anticipated revenue to be received with that financial year; or

6.3.2. Capital needs within a financial year, to be repaid from specific funds to be received from enforceable allocation or long-term debt commitments.

6.4. In the case of long-term debt, whether the purposes of the debt is for:

6.5. Capital expenditure on property, plant or equipment to be used for the purpose of achieving the objectives of local government, subject to section 46(4) of the Act.

6.6. Refinancing of existing long-term debt, subject to section 46(5) of the Act.

7. PROCESS

The process as required by the Act is as follows:

7.1. Short-term debt

7.1.1. A municipality may incur short-term debt only if:

7.1.1.1. A resolution of the municipal council, signed by the executive mayor, has approved the debt agreement; and

7.1.1.2. The accounting officer has signed the agreement or other document which creates or acknowledges the debt.

7.1.2. A short term debt transaction may be:

7.1.2.1. approve individually; or

7.1.2.2. approve an agreement with a lender for short-term credit facility to be accessed as and when required, including a line of credit or bank overdraft facility, provided that:

7.1.3. the credit limit must be specified in the resolution of the council;

7.1.4. in terms of the agreement, including the credit limit, may be changed only by a resolution of the council; and

7.1.5. if the council approves a credit facility that is limited to emergency use, the accounting officer must notify the council in writing as soon as practical of the

amount, duration and cost of any debt incurred in terms of such a credit facility, as well as options for repaying such debt.

7.1.6. A municipality:

7.1.6.1. Must pay off short-term debt within the financial year; and

7.1.6.2. May not renew or refinance short-term debt, whether its own debt or that of any other entity, where such renewal or refinancing will have the effect of extending the short-term debt into a new financial year.

7.1.6.3. No lender may wilfully extend credit to a municipality for the purpose of renewing or refinancing short-term debt that must be paid off in terms of subsection 7.1.6.2

7.1.6.4. If a lender wilfully extends credit to a municipality in contravention of paragraph 7.1.6.3, the municipality is not bound to repay the loan or interest on the loan.

7.1.6.5. Subsection 7.1.6.1 does not apply if the lender:

7.1.6.5.1. Relied in good faith on written representations of the municipality as to the purpose of the borrowing; and

7.1.6.5.2. Did not know and had no reason to believe that the borrowing was for the purpose of renewing or refinancing short-term debt. Long-term debt

7.2. **Long-term debt**

7.2.1. A municipality may incur long-term debt only if:

7.2.1.1. A resolution of the municipal council, signed by the executive mayor, has approved the debt agreement; and

7.2.1.2. The accounting officer has signed the agreement or other document which creates or acknowledges the debt.

7.2.2. A municipality may incur long-term debt only if the accounting officer of the municipality:

7.2.2.1. has, in accordance with section 21A of the Municipal Systems Act:

7.2.2.2. at least twenty one (21) days prior to the meeting the council at which approval for the debt is to be considered, made public an information statement setting out particulars of the proposed debt, including the amount of the proposed debt, the purposes for which the debt is to be incurred and particulars of any security to be provided; and

7.2.2.3. invited the public, the National Treasury and the relevant provincial treasury to submit written comments or representations to the council in respect of the proposed debt; and

7.2.2.4. has submitted a copy of the information statement to the municipal council at least twenty one (21) days prior to the meeting of the council, together with particulars of:

7.2.2.4.1. the essential repayment terms, including the anticipated debt repayment schedule; and

7.2.2.4.2. The anticipated total cost in connection with such debt over the repayment period.

7.2.3. Capital expenditure contemplated in 5.3(a) may include:
7.2.3.1. Financing costs, including:
7.2.3.1.1. capitalized interest for a reasonable initial period;
7.2.3.1.2. Costs associated with security arrangements in accordance with section 48 of the Act;
7.2.3.1.3. discounts and fees in connection with the financing;
7.2.3.1.4. fees for legal, financial, advisory, trustee, credit rating and other services directly connected to the financing; and
7.2.3.1.5. Costs connected to the sale or placement of debt, and costs for printing and publication directly connected to the financing.
7.2.3.1.6. Costs of professional services directly related to the capital expenditure; and
7.2.3.1.7. Such other costs as may be prescribed.

7.2.4. A municipality may borrow money for the purpose of refinancing existing long-term debt, provided that:
7.2.4.1. the existing long-term debt was lawfully incurred;
7.2.4.2. the refinancing does not extend the term of the debt beyond the useful life of the property, plant or equipment for which the money was originally borrowed
7.2.4.3. the net present value of projected future payments (including principal and interest payments) after refinancing is less than the net present value of projected future payments before refinancing; and
7.2.4.4. the discount rate used in projecting net present value referred to in paragraph (c), and any assumptions in connection with the calculations, must be reasonable and in accordance with criteria set out in a framework that may be prescribed.
7.2.5. A municipality's long-term debt must be consistent with its capital budget referred to in section 17(2) of the Act.

8. CONDITIONS

Witzenberg Municipality may incur debt only if:
8.1. the debt is denominated in rand and is not indexed to, or affected by fluctuations in the value of the rand against any foreign currency; and
8.2. section 48(3) of the Act has been complied with, if security is to be provided by the municipality.

9. SECURITIES

9.1. Witzenberg Municipality may by resolution of its council provide security for:
9.1.1. any of its debt obligations; and
9.1.2. contractual obligations of the municipality undertaken in connection with capital expenditure by the persons on property, plant or equipment to be used by the

municipality or such other person for the purpose of achieving the objectives of local government in terms of section 152 of the Constitution.

9.2. Appropriate security is contemplated in section 48(2) of the Act.

9.3. Other additional conditions to be complied with are contemplated in section 48(3) to (5) of the Act.

10. DISCLOSURE

The Municipality must, when interacting with a prospective Lender or when preparing documentation for consideration by a prospective Investor, disclose all relevant information that may be requested or that may be material to the decision of the prospective Lender or Investor. Reasonable care must be taken to ensure the accuracy of any information disclosed. Whilst this is a standard and acceptable business practice, it is also in compliance with section 49 of the Municipal Finance Management Act.

11. GUARANTEES

11.1. The Municipal Finance Management Act provides that the Municipality may not guarantee any debt of any entity unless the entity is a Municipal entity under its sole ownership control. The debt must be reflected in the approved business plan of the entity. The guarantee must be authorized by the Municipality. This must be done in the same manner and subject to the same conditions applicable to any other borrowings. Neither the National nor Provincial Government may guarantee the debt of any Municipality.

11.2. Witzenberg Municipality may not issue any guarantee for any commitment or debt of any organ of state or person, except on the following condition:

11.3. The guarantee must be within limits specified in the municipality's approved budget.

11.4. Neither the national nor a provincial government may guarantee the debt of a municipality except to the extent that chapter 8 of the Public Finance Management Act provides for such guarantees

12. SUBMISSION OF DOCUMENTS

When entering into discussion with a prospective lender with a view to incur short-term or long-term debt, the following information must be made available to the prospective lender.

12.1. audited financial statements for the preceding three (3) financial years with audited outcomes;

12.2. approved annual budget;

12.3. the municipal integrated development plan;

12.4. Repayment schedules pertaining to existing short-term or long-term debt.

13. NOTIFICATION TO NATIONAL TREASURY

All information prescribed in the act must be provided to National Treasury with respect to a long-term debt proposal.

Information to be provided with respect to a long-term debt proposal

	Details	MFMA
A	A copy of the *information statement* required by section 46(3), containing particulars of the proposed borrowing (debt) instrument.	46(3)(a)(i)
B	If not already incorporated in the *information statement*, the following information should be provided separately (note QBMR = Quarterly Borrowing Monitoring Return to NT, see over page for further information): amount of debt to be raised through borrowing or other means purposes for which the borrowing (debt) is to be incurred interest rate(s) applicable (state whether fixed or variable etc) planned start and end date (term of instrument) detailed repayment schedule for the duration of the borrowing (debt) (showing dates and all payments of principal and interest, etc) total estimated cost of the borrowing (debt) over the repayment period type of instrument (select from QBMR) security to be provided (select from QBMR) and provide details source of loan funds (select from QBMR)	46(3)(b)(i) and (ii)
C	A schedule of consultation undertaken, including: date(s) when the *information statement* was made public details of meetings, media adverts and other methods used to consult on the proposed long-term borrowing (debt)	46(3)(a)(i), (ii)
D	A copy of the approved budget, and relevant documentation supporting the budget, highlighting the asset(s) to be funded by the proposed borrowing (debt) and the revenue to be received. It must be demonstrated that the proposed borrowing (debt) is consistent with the IDP, the capital budget and the revenue is shown accordingly.	46(6) 17(2) 19
E	If the borrowing (debt) is for the purpose of refinancing existing long-term borrowing (debt), the following information: description of the asset(s) for which the original loan was required the useful remaining life of the asset(s) the net present value of the asset(s), including the discount rate used	46(5)

	and any assumptions in the calculations the net present value of projected future payments before refinancing, including the discount rate and assumptions used. the net present value of projected future payments after refinancing, including the discount rate and assumptions used.	
F	What source of funding will be used to repay the loan? Please specify the revenue stream(s) and whether this is existing revenue, or new revenue.	19(1)(d)
G	Schedule of all long-term borrowing (debt) obligations in the format of the QBMR showing principal and interest payments for the life of all loans and any associated investments set up as sinking funds etc.	
H	A copy of the council/board of directors' resolution approving the borrowing (debt) instrument should be forwarded once approved.	

14. FINANCIAL AFFAIRS OF THE MUNICIPALITY

14.1. The following information concerning the financial situation and financial management of the municipality must be disclosed:

14.1.1. schedule of all long-term debt obligations stating principal and interest payments for the life of all loans and any security provided to secure such debt;

14.1.2. the amount of any short-term debt outstanding;

14.1.3. the revenue of the municipality for the preceding three (3) financial years stated separately:

14.1.4. Government grants and public donations;

14.1.5. Revenue from rates and service charges and other revenue sources

14.1.6. what source of funding will be used to repay the loan;

14.1.7. details of any default by the municipality on outstanding or repaid debt during the preceding three (3) years;

14.1.8. the reserves of the municipality;

14.1.9. a summary of financial policies and practices; and

14.1.10. The latest credit rating obtained.

15. INTEREST RATE RISK

15.1. As a general principle when interest rates are expected to decrease, it is advisable that a floating rate be negotiated in order to take advantage of the lower interest rates in future. If interest rates are expected to increase, it is advisable to obtain a fixed rate so that the benefits of the current low interest rate are maintained.

15.2. The interest risk must be limited in so far as possible. The policy directive is to negotiate fixed interest rates for all long-term borrowings. This will ensure stability

of the repayments and reduce the risk for high rates and tariff increases as a result of interest rate hikes in the market.

15.3. Variable rates should be considered for short-term debt only.

16. LIMITATIONS

To ensure a financial viable municipality the following ratios are used to determine the municipal gearing ability to borrow:

16.1. Long-term credit rating of BBB;

16.2. Interest cost to total expenditure to not exceed 8%;

16.3. Long-term debt to revenue (excluding grants) not be exceed 50%;

16.4. Payment rate mature above 95%; and

16.5. Percentage of capital charges to operating expenditure less than 18%.

17. PROHIBITED BORROWING PRACTICES

Witzenberg Municipality shall not borrow for investment purposes, with the sole purpose of investing to earn a return. The cost of debt is almost always more expensive than the return that the Municipality can derive by investing in permitted investments. Foreign Borrowing is permitted in terms of section 47 of the Municipal Finance Management Act, whereby the debt must be denominated in Rand and is not indexed to, or affected by, fluctuations in the value of the Rand against any foreign currency.

18. IMPLEMENTATION AND REVIEW

18.1. The Accounting Officer shall be responsible for the implementation and administration of this policy with the assistance of the Strategic Executive Director for Financial Services Department once approved by Council. All future borrowings must be considered in accordance with this policy read with MFMA and Local Government Municipal Regulations and Debt Disclosure, Regulation R492, published under Government Gazette 29966, 15 June 2007 and other directives and guidelines issued by National Treasury.

18.2. In terms of section 17(1) (e) of the Municipal Finance Management Act, 2003 this policy shall be reviewed on annual basis to ensure that it complies with changes in applicable legislation and regulation and the reviewed policy tabled to Council for approval as part of the budget process .

18.3. This policy must be read together with the Budget and Funding and Reserves Policies; Local Government Municipal Finance Management Act, Act 56 of 2003; and Local Government Municipal Budget and Reporting Regulation, Regulation 393, published under Government Gazette 32141, 17 April 2009.



CELLULAR TELEPHONE AND DATA CARD POLICY

Date of implementation 01 July 2013

CELLULAR TELEPHONE AND DATA CARD POLICY

1. Purpose

The purpose of this policy is to determine guidelines for the:

- Management of cellular telephones
- Acquisition of cellular telephones
- Acquisition of data cards
- Management of data cards

2. General

2.1 It is recognised that cellular telephones are useful communications tools is in many cases essential for Municipal officials to carry out their duties. To this end this policy shall regulate the provision of a cellular telephone and/or data cards for officials in the Witzenberg Municipality.

2.2 All applications for cellular telephones and/or data cards shall require the approval of the Municipal Manager.

2.3 In considering the granting of a cellular phone and/or data card, the Municipal Manager shall take into account all of the following:-

2.3.1 Operational responsibility of the applicant.
2.3.2 Availability of funds.
2.3.3 Time spent outside of the office by the official.
2.3.4 The need for constant and immediate contact of the official.
2.3.5 Improvement in efficiency of the official.
2.3.6 Need for immediate contact with councillors and the public.
2.3.7 Safety of officials.

3 General Controls

3.1 An annual review shall be carried out by the Municipal Manager to determine the continued need for all cellular telephones and/or data cards.

3.2 If it is determined that an official no longer qualify for a cellular telephone and/or data card, he/she must be advised in writing of the decision with at least a two months' notice period.

4 Limit of allowances

4.1 The allowable all inclusive expenditure for cellular telephones and/or data cards will be limited to the following maximum monthly amounts excluding VAT.

Positions[1]	Contract by municipality	Allowance to employee
Municipal Manager	1 500	2 000
Directors	1 200	1 600
Deputy Director	900	1 200
Managers	600	800
Middle Managers	400	500
Other Approved Employee's	200	300

[1] Amended by Council 25/10/2017

All data Cards	200	300
Tablets	400	500

4.2 The municipal manager can in exceptional cases and on justifiable grounds on written application by a person whose cell phone expenditure is above the maximum monthly limit set above, determine in writing a higher limit for that specific month.

4.3 Any account in excess of the allowable maximum amounts as stated in paragraph 4.1 or the higher limit in paragraph 4.2 above, will be deducted from the relevant employee's salary as soon as possible.

4.4 Where no written determination by the municipal manager in terms of paragraph 4.2 is received on or before the 10th of the month, any account in excess of the allowable maximum amounts as stated in paragraph 4.1 will be deducted from the relevant employee's salary as soon as possible.

4.5 Before any cellular telephone and/or data card is handed over to an employee he or she must sign the relevant authority that any excess can be deducted from his or her salary.

4.6 The municipal manager can adjust these amounts annually subject to budgetary provisions.

4.7 All employees that qualify for the cellular phone and data card allowance will receive the allowance and not a municipal funded cellular phone or data card. All employees' receiving this allowance must ensure that the item for which the allowance is received is in working condition and has the necessary airtime/data to perform their functions.

4.8 The local government regulations on appointment and conditions of employment of senior managers in terms of the Local Government: Municipal Systems Act, 2000 (act no. 32 of 2000) section 40 determines that a senior manager is entitled to compensation for the use of a mobile telephone and data card for official purposes in accordance with the relevant policy of the municipality.[2]

5 Additional charges

5.1 All additional charges including but not limited to the following will be for the account of the user:

Content charges
Subscriptions
Cellular phone data charges

6 Cellular telephones and Data Card Allowance

6.1 The municipal manager may approve that a monthly allowance not exceeding the limits as per paragraph 4.1 be paid to employees that qualify for the use of cellular telephones or data cards.

6.2 Employees that elect the allowance option must provide a cellular phone and/or data card to be used for official business and may not use municipal cellular telephones and/or data cards.

6.3 Proof that the cellular phone and/or data card is available for official use must be provided on request. If the required proof cannot be provided the allowance will be stopped with immediate effect.

[2] Recommended for inclusion in policy

6.4 The municipality will only pay the allowance to the user; all cost in excess of the allowance will be for the account of the user.

6.5 The allowance will be paid together with the employees' monthly salary.

6.6 The recipient of the allowance will be responsible for the payment of income tax on the allowance, which will be deducted from the employee's salary.

7 Management and Control Of Cellular telephones and Data Card Needs

7.1 A register of all cellular telephones and data cards and service agreements must be maintained by the Administration department.

7.2 All cellular telephones and data cards will be obtained on a rental agreement.

7.3 The agreement for a cellular phone must be conducted in the Municipalities name.

7.4 The agreement for a data card must be conducted in the Municipalities name.

7.5 No cellular telephones or data cards will be upgraded for improved models before the contract has expired, unless indicated to the contrary by the service provider or on recommendation by the relevant director or head of department.

7.6 After lapse of the agreement, the cellular phone or data card becomes the property of the employee.

7.7 If the relevant employee leaves the employment of the municipality before the agreement lapse, the cellular phone and/or data cards with the relevant SIM cards must be handed in at the administration department who must ensure that it is in working condition and that it is the correct SIM cards.

7.8 The cellular phone number is the property of the Witzenberg municipality and cannot be transferred to employees.

8 Insurance

8.1 All reasonable care must be taken to protect the equipment from damage, destruction or loss and any proof of negligence shall be dealt with within the context of Council's disciplinary code.

8.2 The Excess payment on insurance claims will be for the account of the user of the cellular phone or data card.

9 ICT policies

9.1 Users of data cards acknowledge that all other ICT policies adopted by Witzenberg Municipality are applicable on the usage of the data cards.

10 Promotional Items and or Gift Vouchers

10.1 Any promotional items and or gift vouchers received with a cellular phone and or data contract will be the property of the municipality and not of the employee.

10.2 The only exception to the above is tablets that can be used by the employee for official purposes for the duration of the rental agreement, where after it will become the property of the employee.

11 Procurement

11.1 The administration of the procurement process will be done by the Administration section.

11.2 The procurement of cellular telephones and data cards will be done by the Supply Chain Unit.



SUPPLY CHAIN MANAGEMENT POLICY

Reviewed by Council 30/05/2017 Reviewed by Council 18/05/2016 Reviewed by Council 28/05/2015 Reviewed by Council 27/05/2014 Adopted by Council 29/05/2013

SUPPLY CHAIN MANAGEMENT POLICY

LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003

Proposed date for adoption: 1 April (PP regulations 2017) /July 2017

Council resolves in terms of section 111 of the Local Government Municipal Finance Management Act (No. 56 of 2003), to adopt the following proposal as the Supply Chain Management Policy of the municipality**.**

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CHAPTER 2

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Annexure A

Annexure B

1. **Definition -** In this Policy, unless the context otherwise indicates, a word or expression to which a meaning has been assigned in the Act has the same meaning as in the Act, and –

"Accounting officer" – means the municipal official referred to in section 60 of the Act

"B-BBEE" means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act.

"B-BBEE Status Level of Contributor" means the B-BBEE status of an entity in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act. [1]

"Bid" means a written offer in a prescribed or stipulated form in response to an invitation by the municipality for the provision of goods, services or construction works through price quotations, advertised competitive bidding processes or proposals.

"Bidder" means any person submitting a competitive bid or a quotation.

"Black designated groups" has the meaning assigned to it in the codes of good practice issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act. [2]

"Black people" has the meaning assigned to it in section 1 of the Broad-Based Black Economic Empowerment Act. [3]

"Broad-Based Black Economic Empowerment Act" means the Broad-Based Black Economic Empowerment Act, 53 of 2003 and Codes of Good Practice pertaining thereto.

"Chief Financial Officer or CFO" means a person designated in terms of section 80(2) (a) of the Act.

"CIDBA regulations" means any regulations issued in terms of the Construction Industry Development Board Act, 2000 (Act No. 38 of 2000);

"Class deviation" means a deviation from the normal procurement process for goods

[1] Amended by council 30 May 2017
[2] Amended by council 30 May 2017
[3] Amended by council 30 May 2017

and services anticipated to be procured more than once in a financial year but exclude procurement made in an emergency situation.

"Community Based Vendor" means a supplier of goods, services and/or construction works who resides in the Witzenberg municipal area or has its principal business activities in the Witzenberg municipal area, who meets the criteria for community based vendor as determined by the Municipal Council from time to time, and who is registered as such on the municipality's supplier database.

"Competitive bidding process" means a competitive bidding process referred to in paragraph 21 of this Policy;[4]

"Competitive bid" means a bid in terms of a competitive bidding process;

"Consultant/ consulting engineer" means a person or entity providing advisory services to the municipality which amongst others include consulting firms, management firms, procurement agents, inspection agents, auditors, other multinational organisations, investment and merchant banks, universities, research agencies, government agencies, non-governmental organisations (NGOs) and individuals.

"Contract" means the agreement which is concluded when the municipality accepts, in writing, a competitive bid or quotation submitted by a supplier.

"Contract manager" refers to an internal official assigned to ensure the effective administration of the contract

"Day(s)" means calendar days unless the context indicates otherwise.

"Designated sector" means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content.

"**Disposal"** in relation to capital assets means –

(a) The demolition, dismantling or destruction of the capital asset; or

(b) Any other process applied to a capital asset which results in loss of ownership of the capital asset otherwise than by way of transfer of ownership;

[4] Amended by council 30 May 2017

"Exempted Micro Enterprise" means an exempted micro enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act. [5]

"Final award", in relation to bids or quotations submitted for a contract, means the final decision on which bid or quote was accepted;

"Formal written price quotation" means a written or electronic offer to the municipality in response to an invitation to submit a quotation as referred to in paragraph 19 of this Policy;

"Green procurement" means the procurement of environmentally friendly products and services;[6]

"Head of Department" means a Senior Manager as defined in the Municipal Finance Management Act, 2003 (Act no.56 of 2003) and who is responsible for a vote as assigned by the Accounting Officer;

"Individual deviation" means a deviation from the normal procurement process as set out in this policy that affect only one contract / procurement award made in circumstances where it is impractical to follow the normal procurement process and in an emergency situation.

"In the service of the state" means to be –

(a) A member of –
  (i) Any municipal council;
  (ii) Any provincial legislature; or
  (iii) The National Assembly or the National Council of Provinces;
(b) A member of the board of directors of any municipal entity;
(c) An official of any municipality or municipal entity;
(d) An employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Municipal Finance Management Act, 2003 (Act No.56 of 2003); and Public Finance Management Act, 1999 (Act No. 1 of 1999)
(e) A member of the accounting authority of any national or provincial public entity; or
(f) An employee of Parliament or a provincial legislature;

[5] Amended by council 30 May 2017
[6] Amended by council 30 May 2017

"Joint Venture or Consortium" means an association of persons formed for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract or contracts. The Joint Venture must be formalised by agreement between the parties.

"Line manager" means a manager reporting directly to a senior manager and who is responsible for a cost centre as assigned by the relevant senior manager;

"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 24(1)(e) of this policy;[7]

"Long term nature contract" means a contract as defined by section 33(1) of the Municipal Finance Management Act imposing financial obligations on the Municipality beyond the first three years covered in the approved annual budget; [8]

"List of accredited prospective providers" means the list of accredited prospective providers which the municipality must keep in terms of paragraph 16 of this policy;[9]

"Municipality" means Witzenberg Municipality or any person(s) or committee delegated with the authority to act on its behalf.

"Other applicable legislation" means any other legislation applicable to municipal supply chain management, including –

(a) the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000), as amended;
(b) The Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003), as amended;
(c) The Construction Industry Development Board Act, 2000 (Act No.38 of 2000), as amended; and
(d) The Preferential Procurement Regulations of 2017, as amended[10]
(e) The Local Government: Municipal Systems Act;[11]

[7] Amended by council 30 May 2017
[8] Amended by council 30 May 2017
[9] Amended by council 30 May 2017
[10] Amended by council 30 May 2017
[11] Amended by council 30 May 2017

(f) The Competition Act; and[12]

(g) The Promotion of Administrative Justice Act.[13]

"Policy" means this Supply Chain Management Policy as amended from time to time by Council

"Targeted Labour" means those individuals employed by a contractor, or sub-contractor, in the performance of a contract, who are defined in the contract as the target group, and who permanently reside in the municipal area.

"Tender' referred to in the Preferential Procurement Regulations 2017, has the same meaning as "bid" as defined in this policy[14]

"Treasury guidelines" means any guidelines on supply chain management issued by the Minister in terms of section 168 of the Act;

"The Act" means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);

"The Regulations" means the Local Government: Municipal Finance Management Act, 2003, Municipal Supply Chain Management Regulations published by Government Notice 868 of 2005;

"Written quotations" means quotations referred to in paragraph 18 of this Policy.[15]

[12] Amended by council 30 May 2017
[13] Amended by council 30 May 2017
[14] Amended by council 30 May 2017
[15] Amended by council 30 May 2017

2. Policy statement and objectives

Section 111 of the Municipal Finance Management Act requires each municipality and municipal entity to adopt and implement a supply chain management policy, which gives effect to the requirements of the Act.

In addition, the Preferential Procurement Policy Framework Act requires an Organ of State to determine its Preferential Procurement Policy and to implement it within the framework prescribed.

The objectives of this Policy are:

- to give effect to section 217 of the Constitution of the Republic of South Africa by implementing a system that is fair, equitable, transparent, competitive and cost effective;
- to comply with all applicable provisions of the Municipal Finance Management Act including the Municipal Supply Chain Management Regulations published under GN868 in Government Gazette 27636 30 May 2005 and any National Treasury Guidelines issued in terms of the MFMA; regulations pertaining thereto, including:
  - the Preferential Procurement Policy Framework Act;
  - the Broad-Based Black Economic Empowerment Act;
  - the Construction Industry Development Board Act;
  - the Local Government: Municipal Systems Act; and
  - the Promotion of Administrative Justice Act.
  - the Competition Act.[16]

[16] Amended by council 30 May 2017

CHAPTER 1
IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY

3. Supply chain management policy

(1) All officials and other role players in the supply chain management system of the municipality must implement this Policy in a way that –

(a) Gives effect to –

(i) Section 217 of the Constitution; and

(ii) Part 1 of Chapter 11 and other applicable provisions of the Act;

(b) is fair, equitable, transparent, competitive and cost effective;

(c) Complies with –

(i) The Regulations; and

(ii) Any minimum norms and standards that may be prescribed in terms of section 168 of the Act;

(d) is consistent with other applicable legislation;

(e) does not undermine the objective for uniformity in supply chain management systems between organs of state in all spheres; and

(f) is consistent with national economic policy concerning the promotion of investments and doing business with the public sector.

(2) This Policy applies when the municipality –

(a) Procures goods or services;

(b) Disposes of goods no longer needed;

(c) Selects contractors to provide assistance in the provision of municipal services otherwise than in circumstances where Chapter 8 of the Municipal Systems Act applies; and

(d) Selects external mechanisms referred to in section 80 (1) (b) of the Municipal Systems Act for the provision of municipal services in circumstances contemplated in section 83 of that Act.

(e) the procurement of goods and services under a contract secured by that other organ of state, provided that the relevant supplier has agreed to such procurement.

(3) This Policy, except where provided otherwise, does not apply in respect of the procurement of goods and services contemplated in section 110(2) of the Act, including –

(a) Water from the Department of Water Affairs or a public entity, another municipality or a municipal entity; and

(b) Electricity from Eskom or another public entity, another municipality or a municipal entity.

4. Amendment of the supply chain management policy

(1) The accounting officer must –

(a) at least annually review the implementation of this Policy; and

(b) When the accounting officer considers it necessary, submit proposals for the amendment of this Policy to the Council.

(2) If the accounting officer submits proposed amendments to the Council that differs from the model policy issued by the National Treasury, the accounting officer must –

(a) Ensure that such proposed amendments comply with the Regulations; and

(b) Report any deviation from the model policy to the National Treasury and the relevant provincial treasury.

(3) When amending this supply chain management policy the need for uniformity in supply chain practices, procedures and forms between organs of state in all spheres, particularly to promote accessibility of supply chain management systems for small businesses must be taken into account.

5. Delegation of supply chain management powers and duties

(1) The council hereby delegates all powers and duties to the accounting officer which are necessary to enable the accounting officer –

(a) To discharge the supply chain management responsibilities conferred on accounting officers in terms of –

(i) Chapter 8 or 10 of the Act; and

(ii) This Policy;

(b) to maximize administrative and operational efficiency in the implementation of this Policy;

(c) to enforce reasonable cost-effective measures for the prevention of fraud, corruption, favouritism and unfair and irregular practices in the implementation of this Policy; and

(d) To comply with his or her responsibilities in terms of section 115 and other applicable provisions of the Act.

(2) Sections 79 and 106 of the Act apply to the sub delegation of powers and duties delegated to an accounting officer in terms of subparagraph (1).

(3) The accounting officer may not sub delegate any supply chain management powers or duties to a person who is not an official of the municipality or to a committee which is not exclusively composed of officials of the municipality;

(4) This paragraph may not be read as permitting an official to whom the power to make final awards has been delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 35-37 of this Policy.

6. Sub delegations

(1) The accounting officer may in terms of section 79 or 106 of the Act sub delegate any supply chain management powers and duties, including those delegated to the accounting officer in terms of this Policy, but any such sub delegation must be consistent with subparagraph (2) of this paragraph and paragraph 4 of this Policy.

(2) The power to make a final award –

(a) Above R 10 million (VAT included) may not be sub delegated by the accounting officer;

(b) Above R2 million (VAT included), but not exceeding R10 million (VAT included), may be sub delegated but only to –

(i) The chief financial officer;

(ii) A bid adjudication committee of which the Chief Financial Officer is a member / Chairperson;

(c) Not exceeding R2 million (VAT included) may be sub delegated but only to –

(i) The chief financial officer;

(ii) A senior manager;

(iii) A manager directly accountable to the chief financial officer or a senior manager; or

(iv) A bid adjudication committee.

(3) An official or bid adjudication committee to which the power to make final awards has been sub delegated in accordance with subparagraph 5(2) must within five days of the end of each month submit to the official referred to in subparagraph 5(4) a written report containing particulars of each final award made by such official or committee during that month, including–

(a) The amount of the award;
(b) The name of the person to whom the award was made; and
(c) The reason why the award was made to that person.

(4) A written report referred to in subparagraph 5(3) must be submitted –
(a) To the accounting officer, in the case of an award by –
(i) The chief financial officer;
(ii) A bid adjudication committee of which the chief financial officer; or
(b) To the chief financial officer or his delegate responsible for the relevant bid, in the case of an award by –
(i) A manager referred to in subparagraph 5 (2) (c) (ii); or
(ii) A bid adjudication committee of which the chief financial officer is a member.

(5) Subparagraphs 5(3) and 5(4) of this policy do not apply to procurements out of petty cash.

(6) This paragraph may not be interpreted as permitting an official to whom the power to make final awards has been sub delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 26 of this Policy.

(7) No supply chain management decision-making powers may be delegated to an advisor or consultant/ consulting engineer.

7. Oversight role of council

(1) The Council reserves its right to maintain oversight over the implementation of this Policy.

(2) For the purposes of such oversight the accounting officer must –

(a) within 30 days of the end of each financial year, submit a report on the implementation of this Policy and the supply chain management policy of any municipal entity under the sole or shared control of the municipality, to the council of the municipality; and

(b) Whenever there are serious and material problems in the implementation of this Policy, immediately submit a report.

(3) The Supply Chain Manager must, within 4 days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the Chief Financial Officer, of which he must submit it within 3 days to the Accounting Officer**.** The Accounting Officer must within 3 days after receiving the report submit it to the Mayor.

(4) The reports must be made public in accordance with section 21A of the Municipal Systems Act.

8. Supply chain management unit

(1) Witzenberg Municipality has established a supply chain management unit to implement this Policy.

(2) The supply chain management unit operates under the direct supervision of the chief financial officer whom this duty has been delegated in terms of section 82 of the Act.

9. Training of supply chain management officials

(1) The training of officials involved in implementing this Policy should be in accordance with any Treasury guidelines on supply chain management training.

CHAPTER 2

SUPPLY CHAIN MANAGEMENT SYSTEM

10. Format of supply chain management system

This Policy provides systems for –

(1) Demand management;

(2) Acquisition management;

(3) Logistics management;

(4) Disposal management;

(5) Risk management; and

(6) Performance management.

11. Communication with the municipality

(1) All correspondence with regards to this policy shall be addressed to the Manager: Supply Chain Management.

Part 1: Demand management

12. System of demand management

(1) The accounting officer has established and implemented an appropriate demand management system in order to ensure that the resources required by the municipality support its operational commitments and its strategic goals outlined in the Integrated Development Plan.

(2) The demand management system -

(a) include timely planning and management processes to ensure that all goods and services required by the municipality are quantified, budgeted for and timely and effectively delivered at the right locations and at the critical delivery dates, and are of the appropriate quality and quantity at a fair cost;

(b) take into account any benefits of economies of scale that may be derived in the case of acquisitions of a repetitive nature; and

(c) Provide for the compilation of the required specifications to ensure that its needs are met.

(d) undertake appropriate industry analysis and research to ensure that innovations and technological benefits are maximized.

(e) provide efficient and effective provisioning and procurement systems and practices to enable the municipality to deliver the required quantity and quality of services to the communities.

(f) establish uniform procedures, documents and contracts and the implementation of sound systems of control and accountability.

(g) establish a professional supply chain management system which results in continuing improvement in affordability and value for money, based on total cost of ownership and quality of procurement as competition amongst suppliers is enhanced.

(3) Green procurement must be incorporated as far as reasonable possible, for all specifications of goods, services and construction works.

(4) In the development of bid specifications, innovative mechanisms should be explored to render the service or product more resource and energy efficient.

Part 2: Acquisition management

13. System of acquisition management

(1) The objectives of this acquisition management system are to ensure:

(a) that goods and services, including construction works and consultant services are procured by the municipality only in accordance with the authorised procedures incorporated herein;

(b) that expenditure on goods and services, including construction works and consultant services is incurred in terms of an approved budget; and

(c) that the threshold values of the different procurement procedures are complied with.

(d) that bid documentation, evaluation and adjudication criteria, and general conditions of contract are in accordance with the requirements of relevant legislation including, the Preferential Procurement Policy Framework Act, and any conditions of the Construction Industry Development Board Act; and

(e) that procurement guidelines issued by the National Treasury are taken into account.

(2) 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 municipality's supply chain management system, including -

(a) The kind of goods or services; and

(b) The name of the supplier.

(3) Unless otherwise indicated in the bid documents, the municipality shall not be liable for any expenses incurred in the preparation and / or submission of a bid or quotation.

(4) Bid documentation may state that alternative bids can be submitted provided that a bid is in accordance with the bid documents is also submitted.

(5) An alternative bid shall be submitted on a separate complete set of bid documents and shall be clearly marked "Alternative Bid" to distinguish it from the main bid offer referred to above.

(6) Bid documentation shall state that the municipality will not be bound to consider alternative bids.

(7) The Manager Supply Chain management may extend the bid closing date if circumstances justify the action, provided that the closing date may not be extended unless a notice is published in the same newspapers as the original advertisement prior to the original bid closing date.

(8) The notice referred to in paragraph 13 (7) must also be posted on the municipal notice boards, the municipal website and a notice must be sent to all bidders

14. Range of procurement processes

(1) Goods and services may only be procured by way of

(a) One written price quotation up to a transaction value of R 2,000 (VAT included);

(b) Petty cash purchases up to a transaction value of R 2,000 (VAT included) for items specified in the Petty Cash policy;

(c) Three written price quotations for procurements of a transaction value over R 2,000 up to R10,000 (VAT included);

(d) Three formal written price quotations for procurements of a transaction value over R 10,000 up to R200,000 (VAT included); and

(e) A competitive bidding process for–

(i) Procurements above a transaction value of R200 000 (VAT included); and

(ii) The procurement of long term contracts.

(2) The accounting officer may, in writing lower, but not increase, the different threshold values specified in subparagraph 14(1);

(3) For quotations (up to R 30 000) bidders are required to be registered on the municipality's supplier database prior to the acceptance of their quotation in respect of the goods or services required.

(4) Goods or services may not deliberately be split into parts or items of a lesser value merely to avoid complying with the requirements of the policy. When determining transaction values, a requirement for goods or services consisting of different parts or items must as far as possible be treated and dealt with as a single transaction.

15. General preconditions for consideration of written quotations or bids

(1) A written quotation or bid may not be considered unless the provider who submitted the quotation or bid –

(a) Has furnished that provider's –

(i) Full name;

(ii) Identification number or company or other registration number; and

(iii) Tax reference number and VAT registration number, if any;

(iv) registration number in terms of section 18(1) of the Construction Industry Development Board Act, 2000 (Act No.38 of 2000), should the provider quote or bid to undertake, carry out or complete any construction works or portion thereof;

(b) Has provided the municipality with an original and valid tax clearance from the South African Revenue Services confirming that the provider's tax matters are in order; and

(c) Has indicated –

(i) Whether he or she is in the service of the state, or has been in the service of the state in the previous twelve months;

(ii) if the bidder is not a natural person, whether any of its directors, managers, principal shareholders or stakeholder is in the service of the state, or has been in the service of the state in the previous twelve months; or

(iii) Whether a spouse, child or parent of the provider or of a director, manager, shareholder or stakeholder referred to in subparagraph (ii) is in the service of the state, or has been in the service of the state in the previous twelve months;

(iv) On their supplier database application form if the supplier or person is in the service of the state, that such declaration be deemed as sufficient and that the responsibility rests on the supplier to notify the supply chain management unit of any changes hereto.

(v) Has completed, signed and submitted a certificate of independent bid determination with their bid or quotation.

(2) Laws of the Republic of South Africa shall govern contracts arising from the acceptance of bids and quotations.

(3) Where the acquisition in question is likely to involve an imported component which will be subject to foreign exchange rate adjustments, the bid documentation must specify that the contractor take out a forward

exchange contract in order to fix the Rand based price as soon as possible after the award.

16. Lists of accredited prospective providers

(1) The accounting officer must –

(a) keep a list of accredited prospective providers of goods and services that must be used for the procurement requirements through written or verbal quotations and formal written price quotations for procurement up to R 30 000; and

(b) at least twice a year through newspapers commonly circulating locally, the website and any other appropriate ways, invite prospective providers of goods or services to apply for evaluation and listing as accredited prospective providers;

(c) specify the listing criteria for accredited prospective providers;

(d) disallow the listing of any prospective supplier on the municipality's supplier database who do not comply with the accreditation requirements i.e. listing criteria and also based on standards, set by any relevant control bodies that govern or regulate the category of service or industry.

(e) disallow the listing of any prospective provider whose name appears on the National Treasury's List of Restricted Suppliers and/or Registered for Tender Defaulters and/or a person or business prohibited from doing business with the public sector.

(2) The list must be updated at least quarterly to include any additional prospective providers and any new commodities or types of services. Prospective providers must be allowed to submit applications for listing at any time.

(3) The list must be compiled per commodity and per type of service.

(4) The accounting officer may use the Central Supplier Database hosted by National Treasury for procurement.[17]

[17] Amended by council 30 May 2017

17. Petty cash purchases

Petty cash purchases must be done according to the Petty Cash policy. The conditions for the procurement of goods by means of petty cash purchases referred to in paragraph 14 (1) (b) of this Policy, are as follows–

(a) The Accounting Officer may delegate the responsibility for petty cash to an official directly or indirectly reporting to the CFO;

(b) No item that is an approved stores item might be purchase by means of a petty cash transaction;

(c) No fixed asset of whatever value may be purchase through petty cash;

(d) The nature of petty cash transactions that can be processed as petty cash transactions are listed in paragraph 5 of the Petty Cash policy;

(e) The Council will determine annually the maximum amount of petty cash expenditure per month as referred to in paragraph 6 of the petty cash policy;

(f) A monthly reconciliation report must be provided to the chief financial officer, within five days of the end of each month containing particulars of each final award made by an official during that month, including:

(i) The total amount of petty cash purchases for that month; and

(ii) Receipts and appropriate documents for each purchase.

18. Written Price quotations

(1) The conditions for the procurement of goods or services through written price quotations are as follows:

(a) All requirements below R2 000.00 (VAT incl.) which are not covered by the Petty Cash policy, one written price quotation must be obtained from providers who are listed as accredited prospective service providers.

(b) All requirements between R2 000.00 (VAT incl.) and R 10 000.00 (VAT incl.) three written price quotations must be obtained from providers who are listed as accredited prospective service providers.

(c) Where no suitable providers are available from the list of accredited prospective providers, quotations may be obtained from other possible providers, provided that such providers meet the listing criteria;[18]

[18] Amended by council 30 May 2017

19. Formal written price quotations

(1) The conditions for the procurement of goods or services through formal written price quotations are as follows:

(a) Quotations must be obtained in writing from at least three different providers whose names appear on the list of accredited prospective providers of the municipality;

(b) Quotations may be obtained from providers who are not listed, provided that such providers meet the listing criteria; [19]

(c) if it is not possible to obtain at least three quotations, the reasons must be recorded and approved by the chief financial officer or an official designated by the chief financial officer, and

(d) The Chief Financial Officer must record the names of the potential providers and their written quotations.

(2) A designated official referred to in subparagraph 19 (1) (c) must within three days of the end of each month report to the chief financial officer on any approvals given during that month by that official in terms of that subparagraph.

20. Procedures for procuring goods or services through written or verbal quotations and formal written price quotations

(1) The procedure for the procurement of goods or services through written quotations or formal written price quotations is as follows:

(a) When using the list of accredited prospective providers the accounting officer must promote on-going competition amongst providers by inviting providers to submit quotations on a rotation basis;

(b) all requirements in excess of R30 000 (VAT included) that are to be procured by means of formal written price quotations must, in addition to the requirements of paragraph 19, be advertised for at

[19] Amended by council 30 May 2017

least seven days on the website and official notice boards of the municipality;

(c) Offers received must be evaluated on a comparative basis taking into account unconditional discounts;

(d) the accounting officer or chief financial officer must on a monthly basis be notified in writing of all written quotations and formal written price quotations accepted by an official acting in terms of a sub delegation;

(e) Offers below R30 000 (VAT included) must be awarded based on compliance to specifications and conditions of contract, ability and capability to deliver the goods and services and lowest price;

(f) Acceptable offers, which are subject to the preference points system (PPPFA and Preferential Procurement Regulations of 2017), must be awarded to the bidder who scored the highest points;[20]

(g) Comply with all requirements for proper record keeping.

21. Competitive bids

(1) Goods or services above a transaction value of R200 000 (VAT included) and long term contracts may only be procured through a competitive bidding process, subject to paragraph 13(2) of this Policy.

(2) No requirement for goods or services above an estimated transaction value of R200 000 (VAT included), may deliberately be split into parts or items of lesser value merely for the sake of procuring the goods or services otherwise than through a competitive bidding process.

(3) The accounting officer may split unduly large quantities of work into smaller contracts (units) to provide opportunities for emerging entrepreneurs and make it manageable. This may only be done when it is technically, logistically and financially feasible.

22. Process for competitive bidding

(1) The procedures for the following stages of a competitive bidding process are as follows:

(a) Compilation of bidding documentation as detailed in paragraph 23

[20] Amended by council 30 May 2017

(b) Public invitation of bids as detailed in paragraph 24;

(c) Site meetings or bid clarification meetings as detailed in paragraph 25;

(d) Handling of bids submitted in response to public invitation as detailed in paragraph 27;

(e) Evaluation of bids as detailed in paragraph 36;

(f) Award of contracts as detailed in paragraph 37;

(g) Administration of contracts -

(i) After approval of a bid, the accounting officer and the bidder must enter into a written agreement.

(h) Proper record keeping -

(i) Original / legal copies of written contracts agreements should be kept in a secure place for reference purposes.

23. Bid documentation for competitive bids

(1) The criteria to which bid documentation for a competitive bidding process must –

(a) Take into account –

(i) The general conditions of contract and any special conditions of contract, if specified;

(ii) Any Treasury guidelines on bid documentation; and

(iii) The requirements of the Construction Industry Development Board, in the case of a bid relating to construction, upgrading or refurbishment of buildings or infrastructure;

(iv) And clearly indicate the terms and conditions of contract specifications, criteria for evaluation and adjudication procedures to be followed where applicable, and include if and where site meetings/ bid clarification meetings are compulsory.

(b) include the preference points system to be used , goals as contemplated in the Preferential Procurement Regulations 2017;[21]

(c) Compel bidders to declare any conflict of interest they may have in the transaction for which the bid is submitted;

(d) Provide for an appropriate contract and / or delivery period;

(e) stipulate if the value of the transaction is expected to exceed R5 million (VAT included), require bidders to furnish–

[21] Amended by council 30 May 2017

(i) If the bidder is required by law to prepare annual financial statements for auditing, their audited annual financial statements –

(aa) for the past three years; or

(bb) since their establishment if established during the past three years;

(ii) a certificate signed by the bidder certifying that the bidder has no undisputed commitments for municipal services towards a municipality or other service provider in respect of which payment is overdue for more than 30 days;

(iii) Particulars of any contracts awarded to the bidder by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract;

(iv) a statement indicating whether any portion of the goods or services are expected to be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality or municipal entity is expected to be transferred out of the Republic; and

(j) Stipulate that disputes must be settled by means of mutual consultation, mediation (with or without legal representation), or, when unsuccessful, in a South African court of law.

(k) Not be aimed at hampering competition, but rather to ensure fair, equitable, transparent, competitive and cost effective bidding, as well as the protection or advancement of persons or categories of persons.

24. Public invitation for competitive bids

(1) The procedure for the invitation of competitive bids is as follows:

(a) On completion of the bid specification process the municipality shall publicly invite bids.

(b) Any invitation to prospective providers to submit bids must be by means of a public advertisement in newspapers commonly circulating locally, the website of the municipality or any other appropriate ways (which may include an advertisement in the

Government Tender Bulletin);

(b) The notice may require a payment of a non-refundable bid fee by bidders who require bid documents. The bid documentation fee shall be determined by the accounting officer from time to time

(d) The information contained in a public advertisement, must indicate –

(i) The title of the proposed bid;

(ii) The bid number;

(iii) The date, time and location of any site meeting/ bid clarification meeting and whether such meetings are compulsory;

(iv) Whether functionality is required;

(v) The place where the bid documentation is available for collection and the times between which bid documents may be collected;

(vi) The bid documentation fee;

(vii) The place where bids must be submitted;

(viii) The closing date and time for submission of bids; and

(ix) The required CIDB contractor grading for construction work, if applicable.

(e) The closure date for the submission of bids, which may not be less than 30 days in the case of transactions over R4 million (VAT included), or which are of a long term nature, or 14 days in any other case, from the date on which the advertisement is placed in a newspaper, subject to subparagraph 22(2) of this policy;

(f) A statement that bids may only be submitted on the bid documentation provided by the municipality, must be included.

(2) The accounting officer may determine a closure date for the submission of bids which is less than the 30 or 14 days requirement, but only if such shorter period can be justified on the grounds of urgency or emergency or any exceptional case where it is impractical or impossible to follow the official procurement process.

(3) Bids submitted must be sealed and must clearly indicate the bid number and bid title on the outside of the envelope for which the bid is being submitted.[22]

(4) Details of all prospective bidders who have been issued with bid documents must be recorded by the Supply Chain Management Unit and shall remain confidential for the duration of the bid period. Details of prospective bidders must, wherever possible, include the full name of the person drawing documents, the name of the company for whom the bid documents are, a contact person, a contact telephone, a fax number and a postal and email address.

(5) A bidder that did not pay the prescribed bid document fee, will be disqualified from the bidding process.

(6) The municipality may require bidders to submit section(s) of their bid in electronic format, but only after the bid closing date. If the electronic copy differs from the original hard copy, the original hard copy will be binding.

25. Site meetings/ bid clarification meetings

(1) Site meetings/ bid clarification meetings will, in general, not be compulsory. In exceptional circumstances however, a site meeting/ bid clarification meeting may be made compulsory with the approval of the relevant director.

(2) If site meetings/ bid clarification meeting are to be held, full details must be included in the bid notice and the bid document, including whether or not the site meeting/ bid clarification meeting is compulsory.

(3) Where site meetings/ bid clarification meetings are made compulsory, the date for the site meetings/ bid clarification meeting shall be not less than 7 (seven) days after the bid has been advertised.

(4) Site meetings/ bid clarification meeting will be chaired by a duly authorised representative from the Supply Chain Management Unit. The relevant line manager responsible for a specific bid or the duly appointed consulting

[22] Amended by council 30 May 2017

engineering firm employee must be present at the site meetings/ bid clarification meeting in order to provide technical information and to answer technical related questions that might arise from the prospective bidders.

(5) The chairperson of the site meeting/ clarification meeting must explain the way how the site meetings/ bid clarification will be conducted and must exclude prospective bidders that arrive after the meeting has been opened.

(6) Prospective bidders present at the site meetings/ bid clarification meeting, will be required to confirm their attendance by signing the attendance register as provided by the Supply Chain Management Unit.

(7) In instances where bid documentation provides for an attendance certificate, such a certificate must be signed by the representative of the Supply Chain Management Unit who was present at the site meetings/ bid clarification meeting and submitted with the bid document.

(8) If at a site meetings/ bid clarification meeting, any additional information is provided or clarification of vague points is given, such additional information or clarification must be conveyed to all bidders in writing within a time frame as determined by the municipality, but not later than 7 (seven) days before the bid closing date.

(9) Drawings and other supplements to bid documents may be provided to prospective bidders at the site meetings/ bid clarification meeting.

(10) A bidder who failed to attend a compulsory site meeting/ bid clarification meeting will be disqualified from the bidding process.

26. Submission of bids

(1) Bids must be submitted before the closing time, at the address and in accordance with the directives in the bid documents.

(2) Each bid must be in writing using non-erasable ink and must be submitted on the official Form of Bid/Offer issued with the bid documents.

(3) The bid must be submitted in a separate sealed envelope with the name and address of the bidder, the bid number and title, the bid box number (where applicable), and the closing date indicated on the envelope. The envelope may not contain documents relating to any bid other than that shown on the envelope. Only sealed bids will be accepted.

(4) The onus shall be on the bidder to place the sealed envelope in the official, marked and locked bid box provided for this purpose, at the designated venue, not later than the closing date and time specified in the bid notice.

(5) No bids forwarded by telegram, facsimile or similar apparatus shall be considered.

(6) A bid is late if it is not placed in the relevant bid box by the closing time and date of such bid.

(7) A late bid shall not be admitted for consideration and shall be returned unopened (where feasible) to the bidder with the reason for the return thereof endorsed on the envelope.

27. Procedure for handling, opening and recording of competitive bids and formal written price quotations in excess of R 30 000[23]

(1) The procedures for the handling, opening and recording of **competitive** bids and formal written price quotations in excess of R 30 000, are as follows:[24]

(a) At least two officials, of whom one must be the delegated Supply Chain Management representative, must at all times, administer the opening of bids.

(b) At the specified closing time on the closing date the applicable bid box shall be closed.

(c) The bid box shall be opened in public as soon as practical after the closing time of the bid.

(d) Immediately after the opening of the bid box, all bids that are clearly marked shall be opened.

[23] Amended by council 30 May 2017
[24] Amended by council 30 May 2017

(e) The Supply Chain Management representative as delegated, shall read out the name of the bidder, if practical the bid amount, the BBBEE status level contribution of each bidder, where applicable the local content percentages of the goods offered and the bid opening register will be made available for public inspection and published on the municipality's website.[25]

(f) Any bidder or member of the public has the right to request that the names of the bidders who submitted bids in time must be read out and, if practical, also each bidder's total bidding price;

(g) No information, except the provisions in subparagraph (e), relating to the bid should be disclosed to bidders or other persons until the successful bidder is notified of the award; and

(h) The Supply Chain Management representative that is delegated to open the bids must –

(i) stamp the bid document with the official municipal stamp together with the two signatories administering the bid opening

(ii) record in a register all bids received in time;

(iii) sign the register as well as the official assisting at the bid opening.

(iv) Make the register available for public inspection; and

(v) Publish the entries in the register and the bid results on the website.

(vi) No councillor may be present at the opening of bids.

(2) Bids shall be invalid, and shall be endorsed and recorded as such in the bid opening record by the responsible official to open the bid, in the following instances:

(a) If the bid is not sealed;

(b) if the bid, including the bid price amount, where applicable is not submitted on the official Form of Bid/Offer;

[25] Amended by council 30 May 2017

(c) if the bid is not completed in non-erasable ink;

(d) if the Form of Bid/Offer is signed, but the name of the bidder is not stated, or is indecipherable; or

(e) if in a two envelope system is followed, the bidder fails to submit both a technical proposal and a separate sealed financial offer/bid.

(3) A bid will not be invalidated if the amount in words and the amount in figures do not correspond, in which case the amount in words shall be read out at the bid opening and shall be deemed to be the bid amount.

(4) The Manager Supply Chain Management may, in compliance with paragraph 63 of this policy, provide a reasonable opportunity to a bidder who made an innocent error and/ or omission in his/ her bid document, to correct the innocent error and/ or omission, provided that such opportunity will not unduly prejudice any of the other bidders.

(5) Bidders shall be afforded no longer than 48 hours from time of notification to correct such innocent errors and/ or omissions. If no response is received from such bidders at the deadline, the bid may be invalidated.

(6) When bids are declared invalid at the bid opening, the bid sum of such bids shall not be read out. However, the name of the bidder and the reason for the bid having been declared invalid shall be announced.

28. Procedure for the opening of bids where a two envelope system is followed

(1) If a two envelope system is followed, only the technical proposal will be opened at the bid opening.

(2) The unopened envelope containing the financial proposal shall be stamped and endorsed with the opening official's signature, and be retained by him/her for safekeeping.

(3) When required the financial offers/bids corresponding to responsive technical proposals, shall be opened by the opening officials in accordance with paragraph 27 (1) (a)

(4) All bidders who submitted responsive technical proposals must be invited to attend the opening of the financial offers/bids.

(5) Envelopes containing financial offers/bids corresponding to non-responsive technical proposals shall be returned unopened along with the notification of the decision of the Bid Adjudication Committee in this regard.

29. Communication with bidders before bid closing

(1) The Manager Supply Chain Management may, if necessary, communicate with bidders prior to bids closing.

(2) Such communication shall be in the form of a notice issued to all bidders by the Manager Supply Chain Management by either e-mail, facsimile, or registered post as may be appropriate. A copy of the notice together with a transmission verification report/proof of posting shall be kept for record purposes. Notices should be issued at least one week prior to the bid closing date, where possible, except in terms of paragraph 13 (7).

(3) Notwithstanding a request for acknowledgement of receipt of any notice issued, the bidder will be deemed to have received such notice if the procedures in paragraph 29 (2) have been complied with.

30. Negotiations with preferred bidders

(1) The accounting officer may negotiate the final terms of a contract with bidders identified through a competitive bidding process as preferred bidders, provided that such negotiation –

(a) does not allow any preferred bidder a second or unfair opportunity;

(b) is not to the detriment of any other bidder; and

(c) does not lead to a higher price than the bid as submitted.

(2) Minutes of such negotiations must be kept for record purposes.

31. Two-stage bidding process

(1) A two-stage bidding process is allowed for –

(a) Large complex projects;

(b) Projects where it may be undesirable to prepare complete detailed

technical specifications; or

(c) Long term projects with a duration period exceeding three years subject to section 33 of the Act.

(2) In the first stage technical proposals on conceptual design or performance specifications should be invited, subject to technical as well as commercial clarifications and adjustments.

(3) In the second stage final technical proposals and priced bids should be invited.

(4) A two envelope system differs from a two-stage (prequalification) bidding process in that a technical proposal and the financial offer are submitted in separate envelopes at the same place and time. The financial offers will only be opened once the technical proposals have been evaluated.

32. Validity periods

(1) The period for which bids are to remain valid and binding must be indicated in the bid documents.

(2) The validity period is calculated from the bid closure date and bids shall remain in force and binding until the end of the final day of that period.

(3) This period of validity may be extended by the Manager: Supply Chain Management, provided that the original validity period has not expired, and that all bidders are given an opportunity to extend such period. Any such extension shall be agreed to by a bidder in writing.

(4) Bidders who fail to respond to such a request before the validity of their bid expires, or who decline such a request shall not be considered further in the bid evaluation process.

(5) In the event that an appeal is received, the validity period is deemed to be extended until finalisation of the appeal.

33. Samples

(1) Bid documents may require samples that must be submitted.

(2) Where samples are called for in the bid documents, samples (marked with the bid and item number as well as the bidder's name and address) shall be delivered separately (to the bid) to the Supply Chain Management representative mentioned in the bid document before the bid closing date.

(3) A register will be kept by the Supply Chain Management representative of samples received from prospective bidders. An acknowledgement of receipt shall be issued to the prospective bidder as proof of delivery.

(4) Bids may not be included in parcels containing samples.

(5) If samples are not submitted as required in the bid documents then the bid concerned must be declared non-responsive.

(6) Samples shall be supplied by a bidder at his/her own expense and risk. The municipality shall not be obliged to pay for such samples or compensate for the loss thereof, unless otherwise specified in the bid documents.

(7) If a bid is accepted for the supply of goods according to a sample submitted by the bidder, that sample will become the contract sample. All goods/materials supplied shall comply in all respects to that contract sample. If not, it might be deemed as a breach in contract.

(8) The municipality reserves the right not to return the contract sample and may dispose of it at its own discretion.

34. Committee system for competitive bids

(1) A committee system for competitive bids is hereby established, consisting of the following committees for procurement or cluster of procurements as

the accounting officer may determine:

(a) A bid specification committee;

(b) A bid evaluation committee; and

(c) A bid adjudication committee;

(2) The accounting officer appoints the members of each committee, taking into account section 117 of the Act; and

(3) A neutral or independent observer, appointed by the accounting officer, must attend or oversee a committee when this is appropriate for ensuring fairness and promoting transparency.

(4) The committee system must be consistent with –

(a) Paragraph 35, 36 and 37 of this Policy; and

(b) Any other applicable legislation.

(5) The accounting officer may apply the committee system to formal written price quotations.

35. Bid specification committees

(1) A bid specification committee must compile the specifications for procurement of goods or services by the municipality.

(2) Specifications –

(a) Must be drafted in an unbiased manner to allow all potential suppliers to offer their goods or services;

(b) must take account of any accepted standards such as those issued by Standards South Africa, the International Standards Organisation, or an authority accredited or recognised by the South African National Accreditation System with which the equipment or material or workmanship should comply;

(c) Must, where possible, be described in terms of performance required rather than in terms of descriptive characteristics for design;

(d) may not create trade barriers in contract requirements in the forms of specifications, plans, drawings, designs, testing and test

methods, packaging, marking or labelling of conformity certification;

(e) may not make reference to any particular trade mark, name, patent, design, type, specific origin or producer unless there is no other sufficiently precise or intelligible way of describing the characteristics of the work, in which case such reference must be accompanied by the word "equivalent";

(f) must indicate the preference points system to be utilised as set out in the Preferential Procurement Regulations 2017; and[26]

(g) Must be approved by the relevant director prior to publication of the invitation for bids in terms of paragraph 24 of this Policy.[27]

(3) A bid specification committee must be composed of one or more officials of the municipality preferably the manager responsible for the function involved, and may, when appropriate, include external specialist advisors.

(4) No person, advisor or corporate entity involved with the bid specification committee, or director of such a corporate entity, may bid for any resulting contracts.

36. Bid evaluation committees

(1) A bid evaluation committee must –

(a) Evaluate bids in accordance with –

(a) the specifications for a specific procurement; and

(b) The points system set out in terms of paragraph 35 (2) (f).

(b) Evaluate each bidder's ability to execute the contract;

(c) Check in respect of the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears, and;

(d) Submit to the adjudication committee a report and recommendations regarding the award of the bid or any other related matter.

(2) A bid evaluation committee must as far as possible be composed of-

[26] Amended by council 30 May 2017
[27] Amended by council 30 May 2017

(a) Officials from departments requiring the goods or services; and

(b) At least one supply chain management practitioner of the municipality.

(3) The accounting officer may sub-delegate its power in terms of paragraph 63 of this policy to the bid evaluation committee.

37. Bid adjudication committees

(1) A bid adjudication committee must –

(a) Consider the report and recommendations of the bid evaluation committee; and

(b) Either –

(i) Depending on its delegations, make a final award or a recommendation to the accounting officer to make the final award; or

(ii) Make another recommendation to the accounting officer how to proceed with the relevant procurement.

(2) A bid adjudication committee must consist of at least four senior Managers of the municipality which must include –

(a) The Chief Financial Officer or, if the chief financial officer is not available, another manager in the budget and treasury office reporting directly to the chief financial officer and designated by the chief financial officer;

(b) at least one senior supply chain management practitioner who is an official of the municipality or the municipal entity; and

(c) a technical expert in the relevant field who is an Director of the municipality or municipal entity, if the municipality or municipal entity has such a expert

(3) A quorum is of 50 % plus 1, with the Chief Financial Officer or, if the chief financial officer is not available, another manager in the budget and treasury office reporting directly to the chief financial officer and designated by the chief financial officer being, at all times one of the quorum-forming members:

(4) The accounting officer may appoint the CFO as chairperson of the

committee. If the chairperson is absent from a meeting, the members of the committee who are present must elect one of them to preside at the meeting and will be documented in the minutes.

(5) Neither a member of a bid evaluation committee, nor an advisor or person assisting the evaluation committee, may be a member of a bid adjudication committee.

(6) If the bid adjudication committee decides to award a bid other than the one recommended by the bid evaluation committee, the bid adjudication committee must prior to awarding the bid –

(a) check in respect of the preferred bidder whether that bidder's municipal rates and taxes and municipal service charges are not in arrears, and;

(b) Notify the accounting officer.

(c) The accounting officer may –

(i) After due consideration of the reasons for the deviation, ratify or reject the decision of the bid adjudication committee referred to in paragraph (a)-(b); and

(ii) If the decision of the bid adjudication committee is rejected, refer the decision of the adjudication committee back to that committee for reconsideration.

(7) The accounting officer may at any stage of a bidding process, refer any recommendation made by the evaluation committee or the adjudication committee back to that committee for reconsideration of the recommendation.

(8) The accounting officer must comply with section 114 of the Act within 10 working days

(9) If the Bid Adjudication Committee or other delegated official has resolved that a bid be accepted, the successful and unsuccessful bidders shall be notified in writing of this decision

(10) Every notification of decision shall be sent via registered mail and either faxed or sent via electronic 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 and kept for record purposes.

(11) Members of the bid specification committee, bid evaluation committee and technical advisors may attend the bid adjudication committee to provide clarity, but has no decision making rights pertaining to the award.

(12) The accounting officer may sub-delegate its power in terms of paragraph 63 of this policy to the bid evaluation committee, the bid adjudication committee and the Manager Supply Chain Management.

38. Procurement of banking services

(1) A contract for banking services –

(a) Must be procured through competitive bids;

(b) Must be consistent with section 7 or 85 of the Act; and

(c) May not be for a period of more than five years at a time.

(2) The process for procuring a contract for banking services must commence at least nine months before the end of an existing contract.

(3) The closure date for the submission of bids may not be less than 60 Days from the date on which the advertisement is placed in a newspaper in terms of paragraph 22(1). Bids must be restricted to banks registered in terms of the Banks Act, 1990 (Act No. 94 of 1990).

39. Procurement of IT related goods or services

(1) The accounting officer may request the State Information Technology Agency (SITA) to assist with the acquisition of IT related goods or services through a competitive bidding process.

(2) Both parties must enter into a written agreement to regulate the services rendered by, and the payments to be made to, SITA.

(3) The accounting officer must notify SITA together with a motivation of the IT needs if –

(a) the transaction value of IT related goods or services required in any financial year will exceed R50 million (VAT included); or

(b) The transaction value of a contract to be procured whether for one or more years exceeds R50 million (VAT included).

(4) If SITA comments on the submission and the municipality disagree with such comments, the comments and the reasons for rejecting or not following such comments must be submitted to the council, the National Treasury, the relevant provincial treasury and the Auditor General.

40. Procurement of goods and services under contracts secured by other organs of state

(1) the accounting officer may procure goods or services under a contract secured by another organ of state, but only if –

(a) The contract has been secured by that other organ of state by means of a competitive bidding process applicable to that organ of state;

(b) There is no reason to believe that such contract was not validly procured;

(c) There are demonstrable discounts or benefits to do so; and

(d) That other organ of state and the provider have consented to such procurement in writing.

(2) Subparagraphs (1) (c) and (d) do not apply if –

(a) a municipal entity procures goods or services through a contract secured by its parent municipality; or

(b) A municipality procures goods or services through a contract secured by a municipal entity of which it is the parent municipality.

41. Procurement of goods necessitating special safety arrangements

(1) The acquisition and storage of goods in bulk (other than water), which necessitate special safety arrangements, including gasses and fuel,

should be avoided where ever possible.

(2) Where the storage of goods in bulk is justified, such justification must be based on sound reasons, including the total cost of ownership, cost advantages and environmental impact and must be approved by the accounting officer.

42. Proudly SA Campaign/Local content

(1) The municipality supports the Proudly SA Campaign to the extent that, all things being equal, preference is given to procuring local goods and services

(2) Bids in respect of services, works or goods that have been designated for local production and content, must contain a specific bidding condition that only locally produced goods, services or works or locally manufactured goods with a stipulated minimum threshold for local production and content will be considered

(3) The National Department of Trade and Industry is empowered to designate industry sectors, in line with national development and industrial policies for local production, where only locally produced goods, services or construction works, or locally manufactured goods that meet a stipulated minimum threshold for local production and content, may be used.

(4) In the case of designated sectors, where in the award of bids, local production and content is of critical importance, such bids must be advertised with a specific condition of bidding, that only locally produced goods, services or construction works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.

(5) Any instructions, circulars and guidelines issued by National Treasury in the above regard may be complied with.

(6) Where there is no designated sector, bids may include, as a specific condition of bidding, that only locally produced goods, services or

construction works, or locally manufactured goods with a stipulated minimum threshold for local production and content, will be considered, on condition that such prescript and threshold(s) are in accordance with the specific directives issued for this purpose by the National Treasury in consultation with the Department of Trade and Industry.

(7) Every bid where local production and content are used, it must be measurable and audited.

(8) Bids must be evaluated in terms of the evaluation criteria stipulated in the bid documents. The amendment of the stipulated minimum threshold for local production and content after the closure of bids is not allowed as this may jeopardise the fairness of the process.

43. Appointment of consultants

(1) the accounting officer may procure consulting services provided that any Treasury guidelines in respect of consulting services are taken into account when such procurements are made.

(2) Consultancy services must be procured through competitive bids if
   (a) The value of the contract exceeds R200 000 (VAT included); or
   (b) The duration period of the contract exceeds one year.

(3) In addition to any requirements prescribed by this policy for competitive bids, bidders must furnish particulars of –
   (a) all consultancy services provided to an organ of state in the last five years; and
   (b) Any similar consultancy services provided to an organ of state in the last five years.

(4) The accounting officer must ensure that copyright in any document produced, and the patent rights or ownership in any plant, machinery, thing, system or process designed or devised, by a consultant in the course of the consultancy service is vested in the municipality.

44. Deviation from, and ratification of minor breaches of, procurement processes

(1) The accounting officer may –

(a) Dispense with the official procurement processes established by this Policy and procure any required goods or services through any convenient process, which may include direct negotiations and through the process set out in this paragraph provided that the municipality shall adhere to fair, equitable, transparent, competitive and cost-effective, procurements to the maximum extent practicable.

(b) Dispense with the official procurement processes established by this Policy only –

(i) In an emergency;

(ii) If such goods or services are produced or available from a single provider only;

(iii) For the acquisition of special works of art or historical objects where specifications are difficult to compile;

(iv) Acquisition of animals for zoos and/or nature and game reserves; or

(v) In any other exceptional case where it is impractical or impossible to follow the official procurement processes; and

(c) Ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.

(2) In compliance with the provisions of paragraph 44(1) the municipality implements individual and class deviations.

(3) Individual Deviations

The accounting officer may decide to consider an individual deviation only if –

(a) In an emergency

(b) In any other exceptional case where it is impractical or impossible to follow the official procurement processes; and the goods or services are anticipated to be used only once during the financial year.

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(4) The conditions warranting procurement in an emergency dispensation should include, where time of the essence, the existence of one or more of the following:

(a) the possibility of human injury or death;

(b) the prevalence of human suffering or deprivation of rights;

(c) the possibility of damage to property, or suffering and death of livestock and animals;

(d) the interruption of essential services, including transportation and communication facilities or support services critical to the effective functioning of the municipality as a whole;

(e) the possibility of serious damage occurring to the natural environment;

(f) the possibility that failure to take necessary action may result in the municipality not being able to render an essential community service; and

(g) the possibility that the security of the state could be compromised.

(5) The accounting officer must be satisfied that the prevailing situation as indicated in (a)-(g) above is of such a scale and nature that it could not readily be alleviated by interim measures in order to allow time for normal bid, at least three quote procurement process or a class deviation.

(6) Where possible, in an emergency situation, three quotes in accordance with general acquisition management principles should be obtained and a report submitted to the Municipal Manager for approval. However, where time is of the essence, the emergency shall be immediately addressed, and the process formalised in a report to the Municipal Manager as soon as possible thereafter.

(7) System of class deviations:

(a) The accounting officer may decide to consider a class deviation, only if –

(i) Such goods or services are produced or available from a single provider;

(ii) For the acquisition of special works of art or historical objects where specifications are difficult to compile;

(iii) Acquisition of animals for zoos and/or nature and game reserves; or

(iv) In any other exceptional case where it is impractical or impossible to follow the official procurement processes and a contract for goods or services are likely to be awarded more than once in the financial year to the same supplier;

(8) Where possible, in considering a class deviation in terms of paragraph 44(7), three quotes in accordance with general acquisition management principles should be obtained and a report submitted to the Municipal Manager for

approval.

(9) If the accounting officer decides to consider a class deviation in terms of paragraph 44 (7) (i)-(iv), other than in paragraph 44(8) the decision must be made public in accordance with section 21A of the Municipal Systems Act, together with

a) Reasons as to why the procurement is done through a class deviation and why it is not open to other competitors; and

(c) An invitation to the public or other potential suppliers to submit their comments within 14 days of the notice.

(10) The bid adjudication committee must consider the class deviation and make a recommendation to the accounting officer

(11) A meeting of the adjudication committee to consider a class deviation may be open to the public.

(12) When considering the class deviation, the adjudication committee must take into account –

(a) Any comments submitted by the public or suppliers;

(b) The indicative market prices of the goods or services;

(c) The duration or planned times of when the service or goods are needed;

(d) The proposed circumstances, conditions or limitations for the of use of the class deviation; and

(e) The reasons for deviating from the normal procurement process in compliance with paragraph 44

(13) The accounting officer must record the reasons for any deviations in terms of this policy and report them to the next meeting of the council and include it as a note to the annual financial statements.

(14) Paragraph 44 (13) of this policy does not apply to the procurement of goods and services contemplated in paragraph 13(2) of this policy.

45. Unsolicited bids

(1) In accordance with section 113 of the Act there is no obligation to consider unsolicited bids received outside a normal bidding process.

(2) The accounting officer may decide in terms of section 113(2) of the Act to consider an unsolicited bid, only if –

(a) the product or service offered in terms of the bid is a demonstrably or proven unique innovative concept;

(b) The product or service will be exceptionally beneficial to, or have exceptional cost advantages;

(c) The person who made the bid is the sole provider of the product or service; and

(d) The reasons for not going through the normal bidding processes are found to be sound by the accounting officer.

(3) If the accounting officer decides to consider an unsolicited bid that complies with subparagraph 45(2) of this policy, the decision must be made public in accordance with section 21A of the Municipal Systems Act, together with –

(a) Reasons as to why the bid should not be open to other competitors;

(b) An explanation of the potential benefits if the unsolicited bid were accepted; and

(c) An invitation to the public or other potential suppliers to submit their comments within 30 days of the notice.

(4) The accounting officer must submit all written comments received pursuant to subparagraph (3), including any responses from the unsolicited bidder, to the National Treasury and the relevant provincial treasury for comment.

(5) The adjudication committee must consider the unsolicited bid and may award the bid or make a recommendation to the accounting officer, depending on its delegations.

(6) A meeting of the adjudication committee to consider an unsolicited bid must be open to the public.

(7) When considering the matter, the adjudication committee must take into account –

(a) any comments submitted by the public; and

(b) Any written comments and recommendations of the National Treasury or the relevant provincial treasury.

(8) If any recommendations of the National Treasury or provincial treasury are rejected or not followed, the accounting officer must submit to the Auditor General, the relevant provincial treasury and the National Treasury the reasons for rejecting or not following those recommendations.

(9) Such submission must be made within seven days after the decision on the award of the unsolicited bid is taken, but no contract committing the municipality to the bid may be entered into or signed within 30 days of the submission.

46. Combating of abuse of supply chain management system

(1) The accounting officer must–

(a) Take all reasonable steps to prevent abuse of the supply chain management system;

(b) Investigate any allegations against an official or other role player of fraud, corruption, favouritism, unfair or irregular practices or failure to comply with this Policy, and when justified –

(i) Take appropriate steps against such official or other role player; or

(ii) Report any alleged criminal conduct to the South African Police Service;

(c) Check the National Treasury's database prior to awarding any contract to ensure that no recommended bidder, or any of its directors, is listed as a person prohibited from doing business with the public sector;

(d) Reject any bid from a bidder–

(i) if any municipal rates and taxes or municipal service charges owed by that bidder or any of its directors to the municipality,

or to any other municipality or municipal entity, are in arrears for more than three months; or

(ii) Who during the last five years has failed to perform satisfactorily on a previous contract with the municipality or any other organ of state after written notice was given to that bidder that performance was unsatisfactory;

(e) Reject a recommendation for the award of a contract if the recommended bidder, or any of its directors, has committed a corrupt or fraudulent act in competing for the particular contract;

(f) Cancel a contract awarded to a person if –

(i) The person committed any corrupt or fraudulent act during the bidding process or the execution of the contract; or

(ii) An official or other role player committed any corrupt or fraudulent act during the bidding process or the execution of the contract that benefited that person; and

(g) Reject the bid of any bidder if that bidder or any of its directors –

(i) Has abused the supply chain management system of the municipality or has committed any improper conduct in relation to such system;

(ii) Has been convicted for fraud or corruption during the past five years;

(iii) has willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or

(iv) Has been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).

(2) The accounting officer must inform the National Treasury and relevant provincial treasury in writing of any actions taken in terms of paragraphs 46 (1) (b) (i)-(ii) of this policy.

Part 3: Logistics, Contract, Disposal, Risk and Performance Management

47. Logistics management

Logistics management must provide for an effective system in order to provide for the setting of inventory levels, placing of orders, receiving and distribution of goods, stores and warehouse management, expediting orders, transport management, vendor performance, maintenance and contract administration.

(1) The accounting officer must establish and implement an effective system of logistics management, which must include –

(a) Placing of orders:

(i) Purchase orders will be created with reference to requisitions where the supply source is either bids or quotations.

(ii) All purchase orders will be captured on the municipality's financial system

(b) Receiving of goods:

(i) Goods received must be captured on the municipality's financial system via a goods receive note with reference to the relevant purchase order number.

(ii) Deliveries of goods may not exceed the order quantity. Short deliveries will keep the purchase order open until the balance of the order is received or when the order is cancelled.

(c) Expediting orders:

(i) The purchasing expeditor will be required to monitor and expedite the transport of goods and outstanding purchase orders.

(ii) Reminder letters can be communicated automatically to vendors based on the reminder levels (days before delivery due date) that are set in the bid or quotation.

(d) Stores / warehouse management

i. Stock is valued at the weighted average costing method per item and is VAT exclusive.

ii. Regular monitoring of spending patterns on types or classes of goods must be performed, where practical.

iii. Each item must have a unique stock item number.

iv. A formal stock count must be done on a quarterly basis and any surpluses, deficits, losses, damaged stock and obsolete stock must be reported by the Manager Supply Chain Management to Council.

v. Each stock item must have a minimum, maximum and re-order level which must be captured on the financial system.

vi. Stock items must be systematically replenished using the re-order point as per the financial system.

vii. Goods in transit must be taken into account during the replenishment of stock

viii. Stock levels must be revisited on an annual basis

ix. The financial system must indicate lead times for stock items

x. Before payment is approved, certification by the Storekeeper that the goods and services are received or rendered on time and is in accordance with the order, the general conditions of contract and specifications where applicable and that the price charged is as quoted in terms of a contract

xi. The Storekeeper must ensure appropriate standards of internal control and warehouse management are adhered to, to ensure that goods placed in stores are secure, safe and

only used for the purpose for which they were purchased

xii. The Storekeeper must perform regular spot-checking of stock items to ensure that the items are on the correct shelving space and that the physical quantities correspond with the quantities as per the financial system. Any differences found must be reported to the Manager Supply Chain Management.

xiii. Items listed as stock, may not be procured outside of the stock system.

xiv. Where user departments require higher quantities of stock, a demand forecast must be provided to the Storekeeper in advance, taking lead time into consideration, to enable the Storekeeper to procure the requested quantities on time.

48. Contract management

1) Contract administration includes all administrative duties associated with a contract that has arisen through the acquisition/procurement processes described in this policy.

2) All contracts must be administered by a contract manager, who will be an internal official assigned to ensure the effective administration of the contract.

3) The contract manager will typically be the internal project manager assigned to the project as a whole, but may also be a cost centre owner or other responsible official.

4) A contract manager must be assigned to each contract and, where possible, should be involved from the earliest stages of the acquisition process.

5) The contract manager's duties and powers shall be governed by the conditions of contract and the general law.

6) In administering a contract, the contract manager will be required to form

opinions and make decisions which, while in the Witzenberg Municipality's best interests, must be fair to all parties concerned.

7) Directors shall be responsible for ensuring that contract managers are:

(a) assigned to all contracts within the Director's area of responsibility; and

(b) adequately trained so that they can exercise the necessary level of responsibility in the performance of their duties.

8) The contract manager must:

(a) ensure that all the necessary formalities in signing up the contract and/or issuing the purchase order(s) are adhered to;

(b) ensure that purchase order are captured on the municipality's financial system in the form in accordance with the pricing schedule;

(c) ensure that all original contract documentation is lodged with Archives for record purposes;

(d) monitor on a monthly basis the performance of the service provider order to ensure that all of the terms and conditions of the contract are met;

(e) regularly report to the accounting officer on the management of the contract and the performance of the service provider;

(f) conduct contract risk assessments for contracts longer then 3 months as stated in paragraph 50 (4) and 50 (5);

(g) where necessary, take appropriate action where a service provider is underperforming or is in default or breach of the contract and to report such failures promptly to the accounting officer;

(h) where appropriate, authorise payments due in terms of the contract by processing payment certificates (if applicable), and ensuring that

the necessary Service Entry Sheets or Goods Received Notes are lodged with the Finance Department for capturing on the municipality's financial system;

(i) contract variation or change procedures are approved by the accounting officer in writing which must be in line with the applicable general conditions of contract and this policy;

(j) administer disputes, in consultation with the Supply Chain Management Unit, in terms of this policy and the applicable conditions of contract;

(k) conduct, as appropriate, post contract reviews;

(l) maintain adequate records (paper and/or electronic) in sufficient detail on an appropriate contract file to provide an audit trail;

(m) act with care and diligence and observe all accounting and legal requirements;

(n) inform the Asset Management section of the location of newly procured assets for asset register and insurance purposes; and

(o) provide contract information to the Supply Chain Management Unit, as determined by the unit, after a contract has ended.

49. Disposal management

(1) Subject to the provisions of the Municipal Asset Transfer Regulations:

(a) moveable assets may be sold either by way of written price quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous to the municipality;

(b) immovable property may be sold only at market related prices except when the public interest or the plight of the poor demands otherwise;

(c) in the case of the free disposal of computer equipment, the provincial department of education must first be approached to indicate within 30 days whether any of the local schools are interested in the equipment;

(d) in the case of fire arms, the National Conventional Arms Control Committee must approve any sale or donation of firearms to any person within or outside the Republic.

(e) where assets are traded in for other assets, the highest possible trade in price is negotiated

(2) The criteria for the disposal or letting of assets, including unserviceable, redundant or obsolete assets, subject to sections 14 and 90 of the Act; are as follows:

(A) A municipality may not transfer ownership as a result of sale or other transaction or otherwise permanently dispose of a capital asset needed to provide the minimum level of basic municipal services.

(B) A municipality may transfer ownership or otherwise dispose of capital asset other than one contemplated in subsection (1), but only after the municipal council, in a meeting open to the public-

(a) has decided on reasonable grounds that the asset is not needed to provide the minimum level of basic municipal services; and

(b) has considered the fair market value of the asset and the economic and community value to be received in exchange for the asset

(3) Immovable property may only be let at market related rates except when the

public interest or the plight of the poor demands otherwise and provided that all charges, rates, tariffs, scales of fees or other charges relating to the letting of immoveable property are annually reviewed;

(a) Except for compliance with paragraph 49(3) above, this policy shall not apply to the letting of immovable property unless decide otherwise by council.

(4) Assets may be disposed of by –

(i) Transferring the asset to another organ of state in terms of a provision of the Act enabling the transfer of assets;

(ii) Transferring the asset to another organ of state at market related value or, when appropriate, free of charge;

(iii) Selling the asset; or

(iv) Destroying the asset.

50. Risk management

(1) The accounting officer has established and implemented an effective system of risk management for the identification, consideration and avoidance of potential risks in the supply chain management system.

(2) Risk management include –

(a) The early and systematic identification of risks on a case-by-case basis;

(b) The allocation and acceptance of risks to the party best suited to manage such risks;

(c) Acceptance of the cost of the risk where the cost of transferring the risk is greater than that of retaining it;

(d) The management of risks in a pro-active manner and the provision of adequate cover for residual risks; and

(e) The assignment of relative risks to the contracting parties through clear and unambiguous contract documentation.

(3) Due care must be taken in the bid administration and management process to minimise the risks of:

(a) litigation by unsatisfied service providers

(b) misinterpretation of municipal needs
(c) overstatement or understatement of municipal needs
(d) selecting or delivery of inappropriate goods and services
(e) poor value for money
(f) appointing inappropriate suppliers
(g) unethical conduct of suppliers and other official involved in the supply chain management process
(h) uneconomical, uncompetitive and inequitable procurement

(4) To give effect to paragraph 3 above, the municipality will identify risk inherent to a particular bid
(a) Risks may be identified for all bids during the specification stage of the bid process.
(b) Risks identified in (i) above may cover the entire life cycle of a contract from initiation to completion of the goods/services
(c) For contracts with a life cycle in access of 3 months, the risks may be reviewed at least monthly by the contract manager as referred to in paragraph 48(1)(e)(iii)
(d) The contract manager in conducting the review of the bid risks during the life cycle of the contract may add new or emerging risks when identified

(5) A risk table may be included at specification stage for each bid that may set out:
(a) Risk description
(b) Background to the risk
(c) Impact
(d) Likelihood
(e) Inherent risk
(f) Current controls
(g) Perceived control effectiveness
(h) Residual risk
(i) Risk owner
(j) Actions to improve management of the risk
(k) Time scale

(6) The risk rating methodology will be in accordance with the Witzenberg Municipality's risk management policy.

(7) The Evaluation and Adjudication Committee may review risks of bids received against the predetermined risk as identified at the bid specification stage and may in conducting the review of the bid add new or emerging risks and mitigating strategies when identified.

(8) At the briefing session with the successful bidder in terms of paragraph 66 of this policy:

(a) Risks identified during the Bid specification, Bid evaluation and Bid adjudication process that pertains to the contract for goods or services may be disclosed to the successful bidder to improve mitigating factors.

(b) New and emerging risks identified may be added

(c) Risks identified by the successful bidder may be added to the contract risks if agreed to by the municipality.

51. Performance management

(1) The accounting officer must establish and implement an internal monitoring system in order to determine, on the basis of a retrospective analysis, whether the authorised supply chain management processes were followed and whether the objectives of this Policy were achieved.

(2) The quarterly report and annual report on the implementation of this policy, the monitoring of the service delivery and budget implementation plan (SDBIP) and the Annual Report may be used as tools to perform a retrospective analysis of supply chain management processes.

(3) **Vendor performance**

(a) Each project manager shall monitor the supplier's compliance and performance to the set of specifications.

(b) If the supplier fails to perform in accordance with the specification requirements, the project manager must report such failure to the supplier in writing immediately upon becoming aware of such non-compliance for them to correct the situation.

(c) The above information will be kept and made available for future

evaluation purposes, contract negotiations and regular feedback to vendors.

(d) If vendors fail to deliver in terms of paragraph 23 (1) (a) of the General conditions of contract, the municipality reserves the right to make use of remedies at its disposal in terms of applicable law.

Part 4: Other matters

52. Prohibition on awards to persons whose tax matters are not in order

(1) No award above R15 000 (including VAT) may be made in terms of this policy to a person whose tax matters have not been declared by South African Revenue Service to be in order.[28]

(2) Before making an award to a person the accounting officer must first check with SARS whether that person's tax matters are in order.

(3) If SARS does not respond within 7 days such person's tax matters may for purposes of subparagraph (1) be presumed to be in order.

(4) It is the supplier's responsibility to provide the municipality with a valid and original tax clearance certificate.

53. Prohibition on awards to persons in the service of the state

(1) Irrespective of the procurement process followed, no award may be made to a person in terms of this Policy –

(a) Who is in the service of the state;

(b) If that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state; or

(c) A person who is an advisor or consultant contracted with the municipality with the purpose of assisting the municipality with the defining of requirements, drafting of specifications or the evaluation of the bids.

(2) Persons and business must declare their interest as stated in 53(1)(a)-(c)

[28] Amended by council 30 May 2017

of this policy when completing their supplier database application forms and bid documents. Failure to do so may lead to disqualification.

(3) The municipality may utilise mechanisms at its disposal to determine whether a person is in the service of the state.

54. Awards to close family members of persons in the service of the state

(1) The municipality does not encourage the awarding of contract by employees in decision-making positions to close family members or friends. To this extent the municipality requires all employees to make full disclosures of businesses owned by close family members and/ or friends and it is further expected that such individuals must not directly or indirectly be involved in the awarding of such business

(2) The accounting officer must ensure that the notes to the annual financial statements disclose particulars of any award of more than R2000 to a person who is a spouse, child or parent of a person in the service of the state, or has been in the service of the state in the previous twelve months, including –

(a) The name of that person;

(b) The capacity in which that person is in the service of the state; and

(c) The amount of the award.

55. Ethical standards

(1) A code of ethical standards as set out in the "National Treasury's code of conduct for supply chain management practitioners" is hereby established for officials and other role players in the supply chain management system of the municipality in order to promote –

(a) mutual trust and respect; and

(b) An environment where business can be conducted with integrity and in a fair and reasonable manner.

(2) A breach of the code of ethics must be dealt with as follows -

(a) in the case of an employee, in terms of the disciplinary procedures

of the municipality envisaged in section 67(1)(h) of the Municipal Systems Act;

(b) In the case a role player who is not an employee, through other appropriate means in recognition of the severity of the breach.

(c) In all cases, financial misconduct must be dealt with in terms of chapter 15 of the Act.

56. Inducements, rewards, gifts and favours to municipalities, officials and other role players

(1) No person who is a provider or prospective provider of goods or services, or a recipient or prospective recipient of goods disposed or to be disposed of may either directly or through a representative or intermediary promise, offer or grant –

(a) any inducement or reward to the municipality for or in connection with the award of a contract; or

(b) Any reward, gift, favour or hospitality to –

(i) Any official; or

(ii) Any other role player involved in the implementation of this Policy.

(2) The accounting officer must promptly report any alleged contravention of subparagraph 55 (1) to the National Treasury for considering whether the offending person, and any representative or intermediary through which such person is alleged to have acted, should be listed in the National Treasury's database of persons prohibited from doing business with the public sector.

(3) Subparagraph 55 (1) does not apply to gifts less than R350 in value.

57. Sponsorships

(1) The accounting officer must promptly disclose to the National Treasury and the relevant provincial treasury any sponsorship promised, offered or granted, whether directly or through a representative or intermediary, by any person who is –

(a) a provider or prospective provider of goods or services; or

(b) A recipient or prospective recipient of goods disposed or to be disposed.

58. Objections and complaints

(1) Persons aggrieved by decisions or actions taken in the implementation of this supply chain management system, may lodge within 14 days of the decision or action, a written objection or complaint against the decision or action.

59. Resolution of disputes, objections, complaints and queries

(1) The accounting officer must appoint an independent and impartial person, not directly involved in the supply chain management processes –

(a) To assist in the resolution of disputes between the municipality and other persons regarding -

(i) Any decisions or actions taken in the implementation of the supply chain management system; or

(ii) Any matter arising from a contract awarded in the course of the supply chain management system; or

(b) To deal with objections, complaints or queries regarding any such decisions or actions or any matters arising from such contract.

(2) The accounting officer, or another official designated by the accounting officer, is responsible for assisting the appointed person to perform his or her functions effectively.

(3) The person appointed must –

(a) Strive to resolve promptly all disputes, objections, complaints or queries received; and

(b) Submit monthly reports to the accounting officer on all disputes, objections, complaints or queries received, attended to or resolved.

(4) A dispute, objection, complaint or query may be referred to the Relevant provincial treasury if –

(a) The dispute, objection, complaint or query is not resolved within 60 days; or

(b) No response is forthcoming within 60 days.

(5) If the provincial treasury does not or cannot resolve the matter, the Dispute, objection, complaint or query may be referred to the National Treasury for resolution.

(6) This paragraph must not be read as affecting a person's rights to approach a court at any time.

60. Contracts providing for compensation based on turnover

(1) If a service provider acts on behalf of a municipality to provide any service or act as a collector of fees, service charges or taxes and the compensation payable to the service provider is fixed as an agreed percentage of turnover for the service or the amount collected, the contract between the service provider and the municipality must stipulate –

(a) A cap on the compensation payable to the service provider; and

(i) That such compensation must be performance based.

61. Compliance with Ethical standards

(1) In order to create an environment where business can be conducted with integrity and in a fair and reasonable manner, this Policy will strive to ensure that the accounting officer and all representatives of the Witzenberg Municipality involved in supply chain management activities shall act with integrity and in accordance with the highest ethical standards. All supply chain management representatives shall adhere to the code of conduct of municipal staff contained in schedule 2 of the Systems Act, the code of conduct for supply chain management practitioners and other role players (annexure A to this policy) and the Ethical code of suppliers (annexure B to this policy).

62. Handling of proprietary information

(1) All information designed and prepared for the municipality is deemed as proprietary. No such information may be distributed, modified or customised for third parties without the written permission of the accounting officer.

(2) All supplier information shall be treated as confidential

(3) In appropriate instances, the municipality may require security clearance and confidentiality agreements to be entered into with suppliers.

63. Non-compliance with peremptory requirements of bids

(1) The accounting officer is empowered to condone non-compliance with peremptory requirements of bids in cases where the condonation is not incompatible with public interest and promote the values of fairness, competitiveness and cost-effectiveness which are listed in Section 217 of the Constitution.

64. Right of Appeal

(1) In terms of Section 62 of the Municipal Systems Act (Act 32 of 2000 as amended), a person whose rights are affected by a decision taken by the municipality, in terms of a delegated authority, in the implementation of its supply chain management system, may appeal against that decision by giving written notice of the appeal and reasons to the Municipal Manager within 21 days of the date of receipt of the notification of the decision.

Bid documents must state that any appeal in terms of paragraph 64 must be submitted to the Municipal Manager, and must contain the following:

(a) reasons and/or grounds for the appeal;
(b) the way in which the appellants rights have been affected; and
(c) the remedy sought by the appellant.

(2) The Municipal manager shall establish an appropriate appeal authority in terms of section 62 of the Systems Act, to consider appeals received in terms of paragraph 64(1) above

(3) The appeal authority must consider the appeal, and confirm, vary or revoke the decision, but no such variation or revocation of a decision may detract from any rights that may have accrued as a result of the decision

65. Unsuccessful bidder debriefing

(1) The unsuccessful bidder debriefing service is offered by the municipality to unsuccessful bidders upon request.

(2) During the debriefing unsuccessful bidders can find out how their proposal scored against required criteria and obtain comments from the evaluation

team on their bid.

(3) The debriefing should be a positive and constructive experience that explains how bidders can improve future submissions.

(4) The debriefing an opportunity for unsuccessful bidders to:

(a) Learn more about the procurement and evaluation process in an informal setting.

(b) Find out how their proposal scored against the required criteria.

(c) Hear the overall comments from the evaluation team on your bid.

(d) Gather information on how future submissions may be improved.

(5) The debriefing is not part of the Supply Chain complaint or appeal process in terms of paragraph 58 or 64 of this policy.

(6) The debriefing is not legal proceeding and no legal representation is permitted at the debriefing.

(7) At the debriefing session the unsuccessful bid is not compared to other bids, nor will information be provided to the unsuccessful bidder about other bids.

(8) In scheduling bidders debriefings session upon the request of the unsuccessful bidder, the municipality must:

(a) Confirm the date and time of the debriefing session in writing;

(b) Conduct separate debriefings with each vendor;

(c) Ensure that proper minutes are kept of each debriefing session;

(d) Retain all correspondence and documentation relevant to the debriefing session as part of the procurement documentation.

(9) In conducting bidders debriefings, the municipality may:

(a) Provide a general overview of the evaluation process set out in the bid documents;

(b) Discuss the strengths and weaknesses of the bidder's submission in relation to the specific evaluation criteria and the bidders evaluated score.

(c) Provide suggestions on how the supplier may improve future submissions;

(d) Address specific questions and issues raised by the supplier in relation to their submission.

66. Successful bidder briefing

(1) The notification to the successful bidder in terms of paragraph 37(8) may

require of the successful bidder to attend a compulsory briefing session with the municipality before commencement of the contract at no cost to the municipality.

(2) The purpose of the briefing session is to:

(a) Introduce the municipal contract manager allocated to the specific contract in terms of paragraph 48 and to meet the successful bidders contract manager;

(b) Examine and analyse the bid document and contractual conditions to ensure that specific expectations of the municipality and the obligations of the successful bidder are well understood;

(c) Discuss the strengths and weaknesses of the bidder's submission in relation to the specific evaluation criteria and the bidders evaluated score.

(d) Communicate and document the anticipated contract risks and challenges as perceived by both the municipality and the successful bidders;

(e) To develop mitigating strategies to address and mitigate the contract risk and challenges; and

(f) Communicate the contract administration process as stated in paragraph 48 of this policy.

(g) Formally sign the bid contract

(3) At least the following persons must attend the briefing session:

(a) The municipal contract manager

(b) The authorised municipal supply chain official

(c) The successful bidders authorised contract signatory

(d) The successful bidders contract manager

(4) The notification to the successful bidder refer to in paragraph 66(1) must state the date, time and place of the briefing session in writing.

(a) Proper minutes must be kept of each briefing session;

(b) All correspondence and documentation in relation to the briefing session must be maintained as part of the procurement documentation.

67. Acceptance of offers

(1) At the invitation of bids, or quotations;

(a) the municipality is not obliged to accept the lowest or any offer;

(b) The municipality may, where an offer relates to more than one item, accept such offer in respect of or any specific item or items.

(c) The municipality may accept any offer notwithstanding the fact that the offer does not comply with the bid invitation in respect of which the offer has been made subject to the conditions of paragraph 63 of this policy.

68. Commencement

This Policy takes effect on 1 July 2017

ANNEXURE A

WITZENBERG MUNICIPALITY

CODE OF CONDUCT FOR SUPPLY CHAIN MANAGEMENT PRACTITIONERS AND OTHER ROLE PLAYERS

The **purpose** of this Code of Conduct is to promote mutual trust and respect and an environment where business can be conducted with integrity and in a fair and reasonable manner.

1. General Principles

The municipality commits itself to a policy of fair dealing and integrity in the conducting of its business. Officials and other role players involved in supply chain management (SCM) are in a position of trust, implying a duty to act in the public interest. Officials and other role players should not perform their duties to unlawfully gain any form of compensation, payment or gratuities from any person, or provider/contractor for themselves, their family or their friends.

Officials and other role players involved in SCM should ensure that they perform their duties efficiently, effectively and with integrity, in accordance with the relevant legislation, policies and guidelines. They should ensure that public resources are administered responsibly.

Officials and other role players involved in SCM should be fair and impartial in the performance of their functions. They should at no time afford any undue preferential treatment to any group or individual or unfairly discriminate against any group or individual. They should not abuse the power and authority vested in them.

2. Conflict of interest

An official or other role player involved with supply chain management –

(a) must treat all providers and potential providers equitably;

(b) may not use his or her position for private gain or to improperly benefit another person;

(c) may not accept any reward, gift, favour, hospitality or other benefit directly or indirectly, including to any close family member, partner or associate of that person, of a value more than R350;

(d) must declare to the accounting officer details of any reward, gift, favour, hospitality or other benefit promised, offered or granted to that person or to any close family member, partner or associate of that person;

(e) must declare to the accounting officer details of any private or business interest which that person, or any close family member, partner or associate, may have in any proposed procurement or disposal process, or in any award of a contract by the municipality;

(f) must immediately withdraw from participating in any manner whatsoever in a procurement or disposal process or in the award of a contract in which that person, or any close family member, partner or associate, has any private or business interest;

(g) must declare any business, commercial and financial interests or activities undertaken for financial gain that may raise a possible conflict of interest;

(h) should not place him/herself under any financial or other obligation to outside individuals or organizations that might seek to influence them in the performance of their official duties; and

(i) Should not take improper advantage of their previous office after leaving their official position.

3. Accountability

Practitioners are accountable for their decisions and actions to the public.
Practitioners should use public property scrupulously.
Only accounting officers or their delegates have the authority to commit the municipality to any transaction for the procurement of goods and / or services.

All transactions conducted by a practitioner should be recorded and accounted for in an appropriate accounting system. Practitioners should not make any false or misleading entries into such a system for any reason whatsoever.

Practitioners must assist the accounting officer in combating fraud, corruption, favouritism and unfair and irregular practices in the supply chain management system.

Practitioners must report to the accounting officer any alleged irregular conduct in the supply chain management system which that person may become aware of, including:

(i) Any alleged fraud, corruption, favouritism or unfair conduct;

(ii) any alleged contravention of the policy on inducements, rewards, gifts and favours to municipalities or municipal entities, officials or other role players; and

(iii) Any alleged breach of this code of conduct.

Any declarations made must be recorded in a register which the accounting officer must keep for this purpose. Any declarations made by the accounting officer must be made to the **Mayor** who must ensure that such declaration is recorded in the register.

4. Openness

Practitioners should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only if it is in the public interest to do so.

5. Confidentiality

Any information that is the property of the municipality or its providers should be protected at all times. No information regarding any bid / contract / bidder / contractor may be revealed if such an action will infringe on the relevant bidder's / contractors personal rights.

Matters of confidential nature in the possession of officials and other role players involved in SCM should be kept confidential unless legislation, the performance of duty or the provisions of law requires otherwise. Such restrictions also apply to officials and other role players involved in SCM after separation from service**.**

6. Bid Specification / Evaluation / Adjudication Committees

Bid specification, evaluation and adjudication committees should implement supply chain management on behalf of the municipality in an honest, fair, impartial, transparent, cost-effective and accountable manner.

Bid evaluation / adjudication committees should be familiar with and adhere to the prescribed legislation, directives and procedures in respect of supply chain management in order to perform effectively and efficiently.

All members of bid adjudication committees should be cleared by the accounting officer at the level of "CONFIDENTIAL" and should be required to declare their financial interest annually.

No person should-

(i) Interfere with the supply chain management system of the municipality; or

(ii) Amend or tamper with any price quotation / bid after its submission.

7. Combative Practices

Combative practices are unethical and illegal and should be avoided at all cost. They include but are not limited to:

(i) Suggestions to fictitious lower quotations;

(ii) Reference to non-existent competition;

(iii) Exploiting errors in price quotations / bids;

(iv) Soliciting price quotations / bids from bidders / contractors whose names appear on the Register for Tender Defaulters.

ANNEXURE B

Witzenberg Municipality's Supply Chain Management: Supplier's Code of Conduct

The purpose of this Code of Conduct is to promote mutual trust and respect and an environment where business can be conducted with integrity and in a fair and reasonable manner.

WM is committed to high standards of business ethics and integrity as reflected in this WM Code of Conduct. WM expects all of its suppliers to adhere to similar good working standards and business ethics. The Supplier is expected to comply with the requirements set out in this WM Supplier Code of Conduct. In addition, WM and the Supplier may agree on further standards in supply agreements.

1. Human Rights

This Bill of Rights, as enshrined in Constitution Act 108 of 1996, is a cornerstone of democracy in South Africa. It enshrines the rights of all people in our country and affirms the democratic values of human dignity, equality and freedom. The Constitution obliges municipalities to respect, protect, promote and fulfill the rights in the Bill of rights. To this end, when service providers provide services to and on behalf of the WM they are also oblige to respect, protect, promote and fulfill the rights in the Bill of rights insofar as it is relevant to their business.

In accordance with the aforementioned ethics and standards, WM require the following business practices from Suppliers:

- To not unfairly discriminate directly or indirectly against anyone on one or more grounds, including race, gender, sex, pregnancy, marital status, ethnic or social origin, colour, sexual orientation, age, disability, religion, conscience, belief, culture, language and birth.
- To respect the right of everyone to inherent dignity and the right to have their dignity respected and protected.
- To respect the right of every person not to be subjected to slavery, servitude or forced labour.

- To respect everyone's right to freedom of conscience, religion, thought, belief and opinion.

2. Fair Labour Conditions and Child Labour

The Supplier will ensure fair labour conditions. In particular, the supplier will:

- refrain from employment discrimination based on gender, colour, ethnicity, religion, disability, union membership, political affiliation or sexual orientation;
- respect the rights of employees to freely associate and bargain collectively;
- comply with all applicable laws on employment and in particular the Basic Conditions of Employment Act 75 of 1997 and the Labour relations Act 66 of 1995.
- not use any forced or compulsory labour or involuntary prison labor and give all employees the choice to leave their employment freely upon reasonable notice;

- compensate employees fairly and adhere to the Basic Conditions of Employment Act 75 of 1997, sector specific minimum wages and / or collective agreements and where these do not exist, compensate employees so they can at the least meet their basic needs; and
- The Supplier will protect children from exploitative labour practices and in particular they will not require or permit children to perform work or provide services that-
    - are inappropriate for a person of that child's age; or

    - place at risk the child's well-being, education, physical or mental health or spiritual, moral or social development;

3. Occupational Health and Safety

The Supplier will strive to provide a safe and healthy workplace for all of its employees and strive to adhere to the requirements of Occupational Health and Safety Act 85 of 1993.

4. Environmental Responsibility

The Supplier is committed to environmental protection and will conduct its business in an environmentally sensitive way.

5. Business Ethics

The Supplier will conduct its business in an ethical manner in accordance with all applicable rules and regulations. In particular, the Supplier will

- refrain from any and all forms of extortion and bribery;
- adhere to anti-trust and other competition laws, e.g. not participating in price fixing or bid-rigging; and
- disclose to WM information about any principal shareholder, directors in the service of the state
- The Supplier will protect all confidential information provided by WM and its respective business partners.

6. Conflict of Interest

The Supplier must disclose to WM information about conflict of interest of any WM employee, or close family member of an employee that have an interest in any of the Supplier's business.

Suppliers must not use their position for private gain or to improperly benefit any person or company.

Suppliers must not offer any reward, gift, favour, hospitality or other benefit directly or indirectly, including to any close family member, partner or associate of a WM employee, irrespective of the value of the gift, reward, favour, hospitality or benefit.

Suppliers must declare to the accounting officer of WM details of any private or business interest which an employee of WM, or any close family member, partner or associate, may have in any proposed procurement or disposal process, or in any award of a contract by WM;

Suppliers must not place WM employees under any financial or other obligation that might seek to influence WM employees in the performance of their official

duties; and

Suppliers must not take improper advantage of previous WM employees to unfairly benefit the supplier by using the information or knowledge of previous employees of WM after leaving office.

7. Business Continuity Planning

The Supplier shall maintain appropriate insurance and or policies to mitigate exposures to business risk, business threats, terrorism, crime, pandemics, natural disasters and related major accident exposures.

8. Procurement by Supplier

WM expects the Supplier to obtain confirmation from each of its sub-suppliers providing goods or services directly or indirectly to WM that the sub-supplier acts in compliance with this WM Supplier Code of Conduct.



LONG-TERM FINANCIAL PLAN POLICY

Date of implementation 01 July 2013

LONG-TERM FINANCIAL PLAN POLICY

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1. DEFINITIONS AND ABBREVIATIONS

''basic municipal service'' means a municipal service that is necessary to ensure an acceptable and reasonable quality of life and which, if not provided, would endanger public health or safety or the environment;

"BSC" means Budget Steering Committee, a committee established to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the MFMA;

''budget-related policy'' means a policy of a municipality affecting or affected by the annual budget of the municipality, including—

the tariffs policy which the municipality must adopt in terms of section 74 of the Municipal Systems Act;

the rates policy which the municipality must adopt in terms of legislation regulating municipal property rates; or

the credit control and debt collection policy which the municipality must adopt in terms of section 96 of the Municipal Systems Act;

"IDP" means the Integrated Development Plan;

"LTFP" means Long Term Financial Plan;

''long-term debt'' means debt repayable over a period exceeding one year;

"MBRR" means the Municipal Budget and Reporting Regulations;

"MFMA" means the Municipal Finance Management Act No 56 of 2003;

"MTREF" means Medium Term Revenue and Expenditure Framework, as prescribed by the MFMA. It sets out indicative revenue and projected expenditure for the budget year, plus two outer financial years;

"Municipality" means Witzenberg Municipality;

''municipal tariff'' means a tariff for services which a municipality may set for the provision of a service to the local community, and includes a surcharge on such tariff;

''municipal tax'' means property rates or other taxes, levies or duties that a municipality may impose;

''National Treasury'' means the National Treasury established by section 5 of the Public Finance Management Act.

"Short Term" refers to a period up to 3 (three) years

"Medium Term" refers to a period between 3 (three) and 5 (five) years

"Long Term" refers to any period longer than 5 (five) years

2. INTRODUCTION

2.1. The Local Government: Municipal Finance Management Act No 56 of 2003 (hereafter MFMA) has instituted various financial reform measures. Sound financial management practices have been identified as essential to the long- term sustainability of municipalities. In this regard the MFMA necessitates that municipality's must have a policy related the Long Term Financial Plan (hereafter LTFP).

2.2. A municipality's financial plan integrates the financial relationships of various revenue and expenditure streams to give effect to the Integrated Development Plan (hereafter IDP). It provides guidance for the development of current budgets and assesses financial impacts on outer years' budgets by incorporating capital expenditure outcomes, operating expenditure trends, optimal asset management plans and the consequential impact on rates, tariffs and other service charges.

2.3. The Municipality has developed a financial model that aims to determine the appropriate mix of parameters and assumptions within which the municipality should operate to facilitate budgets which are affordable and sustainable at least 10 years into the future. In addition, it identifies the consequential financial impact of planned capital projects on the municipality's operational budget.

3. PROBLEM STATEMENT

3.1. Preceding the inception of the MFMA municipal budgets usually catered for immediate demands with little or no view to future needs or the future consequences of particular decisions. This poor planning practice fragmented the sustainability of municipal budgets.

4. PURPOSE

4.1. The policy aims to ensure that all long-term financial planning is based on a structured and consistent methodology thereby ensuring long-term financial affordability and sustainability.

5. GUIDING PRINCIPLES

5.1. The policy is based on the following principles:-

5.1.1. Future financial sustainability;
5.1.2. Optimal collection of revenue, taking into consideration the socio economic environment;
5.1.3. Optimal utilisation of grant funding;
5.1.4. Continuous improvement and expansion in service delivery framework, and
5.1.5. Prudent financial strategies.

6. ROLE PLAYERS AND STAKEHOLDERS

The following role players will ensure that the LTFP is implemented in accordance with the prescribed legislative requirements and Council processes.

6.1. Budget Office

6.1.1. Responsible for the preparation and the compilation of the LTFP;
6.1.2. Responsible for overall oversight;
6.1.3. Present long term financial plan outcome to the Budget Steering Committee;
6.1.4. Review Policy and Strategy, in consultation with relevant stakeholders, to ensure maximum compliance in terms of legislation.

6.2. Directorates and Departments

6.2.1. Responsible for providing reasons on past performance outcomes
6.2.2. Responsible for providing information to Budget Office to update the financial plan;
6.2.3. Required to identify revenue and expenditure plans for both operating and capital budgets for at least 3 years.
6.2.4. Required to make recommendations on future service delivery matters.

6.3. Budget Steering Committee

6.3.1. Responsible for providing strategic guidance on matters relevant to the long term financial plan
6.3.2. Responsible for endorsing the projected MTREF assumptions and parameters contemplated by the LTFP.

7. REGULATORY CONTEXT

7.1. Section 17 (3) of the MFMA states that "when an annual budget is tabled it must be accompanied by amongst other "any proposed amendments to the budget-related policies of the municipality".

7.2. Section 21 of the MFMA states that the mayor of a municipality must at least 10 months before the start of the budget year, table in the municipal council a time schedule outlining key deadlines for, amongst other:
(i) The preparation, tabling and approval of the annual budget;
(ii) the annual review of—
(aa) the integrated development plan in terms of section 34 of the Municipal Systems Act; and
(bb) the budget-related policies;
(ii) The tabling and adoption of any amendments to the IDP and the budget-related policies; and
(iii) any consultative processes forming part of the processes referred to in subparagraphs (i), (ii) and (iii).

7.3. Section 7 (1) of the Local Government: Municipal Finance Management Act, 2003, Municipal Budget and Reporting Regulations, 2009 (hereafter MBRR) states that:
"the Municipal Manager of a municipality must prepare, or take all reasonable steps to ensure the preparation of budget-related policies of the municipality, or any or any necessary amendments to such policies, in accordance with the legislation applicable to those policies for tabling in the municipal council by the applicable deadline specified by the mayor in terms of section 21 (1) (b) of the MFMA".

7.4. Section 7 (1) reference (1) of the MBRR, further states that "as defined in section 1 of the MFMA. Policies that affect or are affected by the annual budget of a municipality include …. "(g) A policy related to the long term financial plan".

7.5. Section 4 (1) of the MBRR states "that the mayor of a municipality must establish a budget steering committee to provide technical assistance to the mayor in discharging the responsibilities set out in section 53 of the MFMA".

7.6. Section 26 (h) of the Local Government: Municipal Systems Act 32 of 2000 (hereafter the MSA) states that "An Integrated Development Plan must reflect a financial plan, which must include a budget projection for at least the next three years".

8. POLICY DIRECTIVE DETAILS

8.1. Financial strategies
8.1.1. An intrinsic feature of the LTFP is to give effect to the Municipality's financial strategies. These strategies include:
8.1.1.1. Increasing funding for asset maintenance and renewal;
8.1.1.2. Continuous improvement to the financial position;
8.1.1.3. Ensuring affordable debt levels to fund the capital budget;
8.1.1.4. Maintaining fair, equitable and affordable rates and tariff increase;
8.1.1.5. Maintaining or improving basic municipal services;
8.1.1.6. Achieving and maintaining a breakeven/surplus Operating budget; and
8.1.1.7. Ensuring full cost recovery for the provision of internal services.

8.2. Non – financial strategies
8.2.1. The LTFP is a key component for achieving the goals listed in the IDP of the Municipality. The LTFP must consider the following non – financial strategic strategies:
8.2.1.1. The Municipality's Strategic Focus Areas;
8.2.1.2. Infrastructure led growth strategies; and
8.2.1.3. The Municipality's Spatial Development Framework.

8.3. Preparation of the LTFP
8.3.1. The LTFP process should commence by latest June of each year.
8.3.2. The LTFP should consider the fiscal overview by reviewing past financial performance, projection of long-term financial outlook and financing and funding arrangements. The following matters should be considered annually:
8.3.2.1. Revising the long-term financial plan for events that may have impacted during the recent past;

8.3.2.2. Assessing the outcomes and achievements of the past few years financial performance as per the audited financial statements;
8.3.2.3. Reviewing the financial objective and assumptions;
8.3.2.4. Reviewing the past and summarise long term financial outlook;
8.3.2.5. Assess the current overall financial position and liquidity situation;
8.3.2.6. Identify any financial challenges and constraints;
8.3.2.7. Identifying strategies to deal with the challenges, and to maintain financial viability and capacity to sustain services;
8.3.2.8. Identify overall funding mix and implications for own revenue and external funding; and
8.3.2.9. Assess compliance with the MFMA and other relevant legislation etc.

8.3.3. The LTFP is prepared in an uncertain environment it is therefore required to make certain assumptions on the following internal and external factors:
8.3.3.1. Reviewing the external factors (population migration, employment, health, development of businesses, and new residential areas, etc.);
8.3.3.2. General inflation outlook and its impact on the municipal activities;
8.3.3.3. Credit rating outlook;
8.3.3.4. Interest rates for borrowing and investment of funds;
8.3.3.5. Rates, tariffs, charges and timing of revenue collection;
8.3.3.6. Growth or decline in tax base of the municipality;
8.3.3.7. Collection rates for each revenue source;
8.3.3.8. Price movements on specifics e.g. bulk purchases of water and electricity, fuel etc.;
8.3.3.9. Average salary increases;
8.3.3.10. Industrial relations climate, reorganisation and capacity building;
8.3.3.11. Trends in population and households (growth, decline, stable);
8.3.3.12. Changing demand characteristics (demand for services);
8.3.3.13. Trends in demand for free or subsidised basic services;
8.3.3.14. Impact of national, provincial and local policies;
8.3.3.15. Ability of the municipality to spend and deliver on the programmes; and
8.3.3.16. Implications of restructuring and other major events into the future.

8.3.4. Intergovernmental fiscal transfers/allocations from National and Provincial government play a pivotal role in the finances of the Municipality. The following unconditional transfers/allocations must be considered, as a minimum, when projecting the budget:
8.3.4.1. Local Government Equitable Share;
8.3.4.2. Grants related to the provision of Provincial government functions.

8.4. The Municipality's LTFP model and scenario planning
8.4.1. The Municipality financial model gives effect to the LTFP. It enables the forecasting of the operating and capital budgets for at least 10 years into the future. The model embodies National Treasury's budget preparation guidelines, drawing on assumptions and parameters to forecast the operating budget.
8.4.2. Strategic initiatives should be prioritised and quantified to be included in the financial model.
8.4.3. The financial forecasting model must be updated using the fiscal overview, assumption and intergovernmental fiscal transfers/allocations information to identify immediate opportunities and/or risks.
8.4.4. The medium and long-term financial viability should be evaluated.
8.4.5. Reiterative scenario planning should be executed to ensure optimum use of resources to cater for strategic initiatives.
8.4.6. To identify the optimum balance between revenue collection and municipal spending the following should be taken into account:
8.4.6.1. The impact each scenario has on the financial sustainability and affordability of the Municipality;
8.4.6.2. Whether scenarios are realistic in terms of revenue projections;
8.4.6.3. Potential revenue enhancement strategies which may have a long-term impact on the revenue base of the Municipality;
8.4.6.4. Potential cost saving mechanisms related to strategic initiatives; and
8.4.6.5. The impact of infrastructure investments and maintenance programs on future revenue streams.
8.4.7. Presentations on scenarios should be presented to the BSC as may be requested.
8.4.8. BSC should endorse the final MTREF scenario inclusive of assumptions and parameters annually by latest January.

8.5. The annual updated LTFP should identify the following:
  8.5.1. Assumptions and parameters to be used to compile the Operating and Capital budgets over the next MTREF;
  8.5.2. Future Operating revenue and expenditure projections based on assumptions and parameters;
  8.5.3. Future affordability of projected Capital Plans
  8.5.4. The level of infrastructure development required to achieve the
  8.5.5. Municipal priorities, within the funding restrictions; and
  8.5.6. External funding requirements in respect of long term debt.

8.6. Implementation of the LTFP
  8.6.1. The annual updated LTFP should provide the parameters and assumptions for the compilation of the operating and capital budgets for the next MTREF.
  8.6.2. This information should be provided to the Operating and Capital budget departments by latest January of each year.

9. EVALUATION AND REVIEW
  9.1. This policy shall be implemented once approved by Council.
  9.2. In terms of section 17(1) (e) of the MFMA this policy must be reviewed on an annual basis
  9.3. Changes in financial strategy, non – financial strategic strategies and legislation must be taken into account for future amendments to this policy.
  9.4. Any amendments must be tabled to Council for approval as part of the budget process.



TRANSPORT- TRAVEL- AND SUBSISTENCE ALLOWANCE POLICY

TRANSPORT- TRAVEL- AND SUBSISTENCE ALLOWANCE FOR COUNCILLORS AND EMPLOYEES OF WITZENBERG MUNICIPALITY

This policy applies to all Councillors and employees of Witzenberg Municipality who are travelling on official business.

1. Glossary

"accommodation allowance"	an amount payable to a Councillor or an employee for expenses incurred in respect of overnight accommodation, meals and incidental costs (e.g. refreshments). This allowance is intended for unusual circumstances which fall outside of the employee's or Councillor's normal daily course.
"incidental costs"	private telephone calls, refreshments, service charges and gratuities.
"meals"	breakfast and /or lunch and /or dinner.
"miscellaneous expenses"	laundering, bus fares, taxi fares, parking- & toll fees, and expenses not specified.
"representative"	A Councillor or an employee who is duly authorised to represent the Municipality in terms of the delegated powers of the Council.
"senior manager"	an employee appointed in terms of Section 56 of the Municipal Systems Act (Act no. 32 of 2000).

2. Transport Allowance

2.1. Councillors

An travelling allowance of not more than 25% of the annual total remuneration package of a councillor concerned as determined in terms of Remuneration Of Public Office Bearers Act of 1998 may be included as part of the total package of the councillor.

2.2. Municipal Manager and Senior Managers

The Municipal Manager and Senior Managers shall be required to utilise their own motor vehicle when they is required to travel for purposes relating to their employment and may therefore structure their total cost of employment to provide for a car allowance for tax purposes.

2.3. Other qualifying employees: Fixed Travelling Allowance Scheme (Perk scheme)

All applications for a Transport Allowance shall require the approval of the Municipal Manager. The monthly transport allowance of other qualifying employees will be determined according to their task levels:

T LEVEL	New Transport Allowance	Current Transport Allowance
T 14	R 9,000	R 8,330
T 15	R 10,000	R 8.330
T 16	R 11,000	R 8,330 – 10,925 Higher amounts – personal to incumbent.
T 17+	R 12,000	R 8.330

The monthly allowance will increase with 50% of the annual salary increase as agreed upon by the Bargaining Council from 1 July 2017.

2.4. Essential User Transport Allowance

The Essential User Transportation Scheme is paid to employees who need transport to perform duties as an alternative to the provision of official transport.

To be eligible for a regular transport allowance an employee should for six consecutive months in the form prescribed keep record of official trips taken with private vehicles by keeping at least information about the date, route, distance and reason and authorization for each trip. During the six months the employee will be paid an ad hoc monthly transport allowance calculated by multiplying the official distance travelled (limited to 1 166km) by the sum of the fixed and running cost of the relevant vehicle. At the end of six months a reported should be submitted to the municipal manager for consideration of the award of a regular transport allowance based on the average monthly distance travelled for official purposes within the Witzenberg Municipal area..

All applications for an Essential User Transport Allowance including the type of vehicle shall require the approval of the Municipal Manager. Admission to and participation in the scheme is determined on the basis of the need for transportation for official purposes.

The fixed monthly allowance is based on average distance travelled over 6 months. The maximum fixed monthly distance is 1 166 km per month. If the municipal manager approves a monthly distance of more than 1 166 km in special circumstances only the running cost will be payable for the distance in excess of 1 166 km.

If records of distances travelled over a period of six months are not available a log book must be kept and the employee will be paid for the actual official distances travelled to a maximum of 1 166 km per month.

The cost per kilometre is determined as per the following table and will be amended with the annual budget process:[1]

FIXED COST		
NORM	**R 170 000**	**R 250 000**
CAPACITY	**1400cc - 1600cc**	**2000cc**
TYPE	**Sedan**	**LDV**
FINANCING	**R 43 350**	**R 63 750**
INSURANCE	**R 9 100**	**R 11 000**
TOTAL	**R 52 450**	**R 74 750**
÷ANNUAL DISTANCE	**14 000 km**	**14 000 km**
Cent/km	**380c**	**540c**
RUNNING COST		
Cent/km	**190c**	**200c**

The employer or employee can terminate participation in this scheme with six months' notice.

[1] Recommended for amendment

3. **Travelling expenses**

3.1. In the consideration of expenditure the most practical and economical mode of transport must be used, after all the factors have been considered by the Municipal Manager or his/her nominee, provided that such consideration does not exceed whatever is listed hereunder.

3.2. Airfares

Economy class airfares shall be paid plus vehicle rental in the Class A category. In cases of emergency and where no booking for economy class or a Class A vehicle is available, the Municipal Manager or his nominee may authorise that Business Class or any other vehicle class tariffs may be paid.

3.3. Travelling expenses

Travelling expenses shall only be paid to a representative or in the case of an employee where he/she uses private transport to undertake a trip on behalf of the Municipality.

Every trip by an employee must have the prior authorisation of the employee's senior manager.

3.3.1. Reimbursement of travelling expenses to destinations outside of the Municipality's jurisdictional area, shall be payable to employees who participate in the **Fixed Travelling Allowance Scheme (Perk scheme)** as per kilometres measured from the employee's location or place of residence, whichever is the shortest. The tariff per kilometre is R 2.00.

The running cost will increase with 50% of the annual salary increase as agreed upon by the Bargaining Council from 1 July 2017.

3.3.2. Reimbursement of travelling expenses to destinations outside of the Municipality's jurisdictional area, shall be payable to Employees who participate in the **Essential User Transportation Scheme** as per kilometres measured from the employee's location or place of residence, whichever is the shortest. The tariff per kilometre will is according to the running cost of the scheme.

3.3.3. Employees who are not part of any Transportation Scheme shall be reimbursed for actual kilometres travelled from their place of residence or from his/her location during office hours in accordance with Section 8(1)(b) of the Income Tax Act and in conjunction with the prescribed tariffs per kilometre for employees not travelling more than 8 000 kilometres per annum.

3.3.4. Travelling expense reimbursements **for Councillors, the Municipal Manager and other senior managers** shall be dealt with as follows:

3.3.4.1. Destinations outside of the Municipality's area of jurisdiction:

Councillors, the Municipal Manager and other senior managers shall be reimbursed for the actual kilometres travelled in accordance with the tariffs of the Department of Transport.

3.3.4.2. Destinations within the Municipality's area of jurisdiction:

3.3.4.2.1. The Municipal Manager and other senior managers shall not receive any reimbursement for actual kilometres travelled within the

Municipality's area of jurisdiction, insofar as such travelling expenses have already been factored into their total reimbursement package.

3.3.4.2.2. Councillors shall be reimbursed in accordance with the Act on Public Office Bearers subject to the business kilometre limits as stipulated in the Act.

3.3.4.2.3. Where a councillor wishes to claim for kilometres travelled over and above the limit as stipulated in the Act referred to in (b) supra, such claim must be accompanied by a travel log of all the kilometres travelled. This travel log should at least include a starting- and finishing kilometre reading per trip, as well as defining the purpose of the trip. The reimbursement for the kilometres travelled over and above the limit, shall be paid in accordance with the tariffs of the Department of Transport.

3.3.5. A person who elects to make use of private transport to attend a meeting, congress or seminar, and where the travelling costs would be more than airfare, shall be paid the cash equivalent of an Economy Class air ticket based on a seven (7) day advance booking, with the proviso that the subsistence costs shall only be paid for a period not longer than would have been applicable in the case of air travel.

3.3.6. Where at all possible, more than one (1) person shall make use of the same vehicular transport, and only the owner or the driver of the vehicle is entitled to claim the applicable travelling allowance as defined in 3.3.1 to 3.3.5. Every endeavour should be made to utilize the mode of transport that is the most economical.

3.3.7. Where an employee who participates in the Essential User Transportation Scheme or the Fixed Travelling Allowance Scheme travels to the very same destination as Councillors or other employees, then such Councillors and employees shall endeavour to travel with the employee who is in receipt of the said travelling allowance.

3.3.8. Where an employee will be travelling beyond a radius of 200 kilometres from his location or place of residence, he may claim an advance payment equal to the estimated kilometres multiplied by the applicable tariff. Upon return to his location, the employee shall submit a final claim so that the adjustment between the advance payment and the actual claim can be settled once-off.

4. Subsistence Costs

The accommodation allowance is divided into two categories, namely overnight allowance and day allowance.

4.1. Overnight allowance

An overnight allowance shall be paid to a representative who travels to a destination outside of the municipal area for a period of 24 hours or longer or any portion thereof after the first 24 hours.

A distinction is made between travelling within and travelling outside of the boundaries of the Republic of South Africa.

The following are the limits in respect of allowances and actual expenditure:

4.1.1. Accommodation

4.1.1.1. Accommodation expenses, both within as well as outside of the boundaries of South Africa:

4.1.1.2. The actual expenditure in respect of accommodation shall be paid by the Municipality, provided that this expenditure does not exceed the day tariff as determined by Council during its budget process.

4.1.1.3. Only the actual expense incurred by the representative shall be paid. In the event where the representative is accompanied by his/her spouse, the representative shall be responsible for the difference between the single tariff and the double tariff of the relevant institution.

4.1.1.4. The costs for the representative's spouse as referred to in 4.1.1.2 must be paid to the Municipality in advance if such costs have to be paid in together with that of the representative.

4.1.1.5. Where the tariff as mentioned in 4.1.1.1 is exceeded, the prior approval of the Municipal Manager or his nominee has to be obtained.

4.1.2. **Meals and incidental expenses within the boundaries of the Republic of South Africa:**

4.1.2.1. The allowance payable shall be equal to the "Meals and Incidental Costs"-tariff as determined and amended by the South African Revenue Services in terms of Section 8(1)(c) of the Income Tax Act, and is deemed non-taxable. The allowance paid shall be deemed as the actual expenditure by the representative.

Actual expenditure incurred for meals excluding alcoholic refreshment may be claimed provided that this expenditure does not exceed the day tariff as determined by Council during its budget process.

4.1.2.2. In the event where all the meals are included with the accommodation and/or supplied during the conference, meeting or seminar, the tariff for incidental expenses will apply. This tariff is equal to the tariff defined as "Only Incidental Expenses" as determined and amended by the South African Revenue Services in accordance with Section 8(1)(c) of the Income Tax Act, and is deemed non-taxable.

4.1.2.3. In the event where certain meals are included with the accommodation or supplied during the conference, meeting or seminar, the accommodation allowance shall be reduced proportionately as follows:

The difference between the tariffs as determined in 2.1.2.1 and 2.1.2.2 shall be divided into three equal parts and shall be reduced by the number of meals provided, irrespective of whether the representative made use of the meals or not, plus the tariff as referred to in 2.1.2.2.

4.1.2.4. In the event where the purpose of the expense is to facilitate training, all tariffs payable in terms of 2.1.2.1, 2.1.2.2 and 2.1.2.3 may be claimed in advance with the prior approval of an authorised official within the Human Resources Section.

4.1.2.5. In the event where the representative is unable to make use of the meals provided due to religious convictions or allergies, the reimbursement for alternative meals shall be dealt with on an ad hoc basis, with the authorization of the Municipal Manager or his nominee.

4.1.3. Meals and incidental expenses outside of the boundaries of the Republic of South Africa:

4.1.3.1. The maximum tariff payable shall be equal to the tariff defined as “Meals and Incidental Costs in the Republic” as determined and amended by the South African Revenue Services in terms of Section 8(1)(c) of the Income Tax Act, and is deemed non-taxable.

4.1.3.2. The payment of the tariff shall be deemed as actual expenditure by the representative, for which no formal proof of expenditure is required, and is payable irrespective of whether meals were provided or not.

4.1.3.3. The tariff payable in terms of 2.1.3.1 may be claimed in advance with the prior approval of the Municipal Manager. In the case of the Municipal manager the prior approval must be given by the Executive Mayor.

4.1.3.4. In the event where all the meals are included with the accommodation and/or supplied during the conference, meeting or seminar, the tariff for incidental expenses is payable subject to paragraph 2.1.3.8.

4.1.3.5. This tariff is equal to the tariff defined as “Only Incidental Expenses” as determined and amended by the South African Revenue Services in accordance with Section 8(1)(c) of the Income Tax Act, and is deemed non-taxable.

4.1.3.6. In the event where certain meals are included with the accommodation or supplied during the conference, meeting or seminar, the accommodation allowance shall be reduced proportionately as follows:

4.1.3.7. The difference between the tariff defined as “Only Incidental Expenses” and the tariff known as “Meals and Incidental Costs” shall be divided into three equal parts and shall be reduced by the number of meals provided, irrespective of whether the representative made use of the meals or not.

4.1.3.8. Incidental expenses is only due where the recipient is obliged to spend at least one night away from his or her usual place of residence.

4.1.4. Miscellaneous Expenses:

4.1.4.1. The actual expenditure in respect of laundry (excluding dry cleaning), bus fares and taxi fares, parking fees and toll fees, shall be paid by the Municipality upon proof of payment, both within as well as outside of the boundaries of the Republic of South Africa, and the expenditure shall be linked to the exchange rate, where applicable.

4.1.4.2. Communication Expenses:

4.1.4.2.1. All expenses incurred within the Republic’s boundaries, shall be dealt with in terms of the Cell Phone Policy, as amended.

4.1.4.2.2. The cost of any calls made or received by the representative outside of the boundaries of the Republic, shall be paid at the actual cost of all official calls.

5. Reimbursement for applicants who attend interviews.

5.1. Accommodation expenses

5.1.1. The actual cost of the accommodation, including the cost of meals, as arranged by the Municipality.

5.2. Travelling expenses

5.2.1. Travelling expenses shall be dealt with according to the guideline in paragraph 3.1, and in the event of the applicant making use of private transport, the tariff per actual kilometres travelled will apply, as outlined in paragraph 3.3.3. Where a hired vehicle is used to transport the applicant from the airport, the actual cost of a hired vehicle with the engine capacity of 1300cc to 1500cc shall be paid.

5.2.2. Where the applicant has to make use of air travel to attend an interview, the actual cost as defined in par 3.2 shall be paid.

5.2.3. Travelling expenses shall be paid only for applicants who reside within the boundaries of the Republic of South Africa.

6. Claims

For a claim to be processed for payment, the following documentary proof must be handed in to the Directorate: Finance:

6.1. In the case of an employee, the representative's attendance must be authorised by the Municipal Manager or his nominee in terms of the delegation of authority.

6.2. In the case of a senior manager, his/her attendance must be authorised by the Municipal Manager.

6.3. In the case of Councillors or the Municipal Manager, their attendance must be authorised by the Executive Mayor, in consultation with the Municipal Manager.

6.4. In the case of the Executive Mayor, his/her attendance must be authorised by the Municipal Manager.

6.5. A properly completed official claim form (attached as annexure 6.5) must be handed in, having been signed by an official who is duly authorised to approve expenses.

6.6. Supporting documentation in the form of invoices for overnight allowances in terms of miscellaneous expenses and communication expenses. (the latter being applicable only to overseas trips).

6.7. All claims to be processed must be handed in to the Directorate: Finance not later than 10 working days after the journey has been undertaken or a longer period approved by the Director Finance.

7. Commencement date

The implementation date of this policy be affective from 1 July 2016 irrespective the date of approval.

WITZENBERG LOCAL MUNICIPALITY CLAIM FOR TRAVEL- AND SUBSISTENCE ALLOWANCE
Claimant:
Reason for visit:
Town visited:

Travel and Subsistence allowance					
DEPARTURE		ARRIVAL		TOTAL	
Date	Time	Date	Time	Days	Hours
Day allowance:					R
Vehicle	cc	Kilometres	@		R

Travel allowance for candidates attending interviews (in terms of item 4)				
Vehicle	cc	Kilometres	@	R
Rail ticket				R
Air ticket & vehicle rental				R
Accommodation expense				R

Incidental expenses, subject to proof of expenses	
Sundry expenses	R
Sundry expenses	R
Sundry expenses	R
Sundry expenses	R
Communication expenses (outside the borders of RSA)	

TOTAL	R

…….. ……
DATE SIGNATURE OF CLAIMANT

…….. …….....
DATE AUTHORISED OFFICIAL

……..
VOTE NUMBER

WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

POST-EMPLOYMENT MEDICAL AID CONTRIBUTION POLICY

Reviewed by Council 30/05/2017
Adopted by Council 26/07/2016

POST-EMPLOYMENT MEDICAL AID CONTRIBUTION POLICY

1. Purpose

The purpose of this policy is to determine guidelines for the:

1.1 Management of contributions to medical aids, post-employment.

1.2 Determine whether an employee is entitled to the post-employment medical aid benefit.

2. Definitions

2.1 Approved medical aid: A medical aid approved by the Bargaining Council.

2.2 Bargaining Council: The South African Local Government Bargaining Council.

2.3 Medical disability: Employees not able to continue with employment due to medical reasons with proof from medical practitioners.

2.4 Normal retirement age: The retirement age for the purpose of this policy is set at 60 years.[1]

2.5 **Qualifying dependants:** Legally married spouse and dependent children below the age of 21.

3. Object of the policy

To ensure a transparent, accountable and sustainable manner to assist qualifying employees access of post-employment health care benefits.

4. Qualifying employees

4.1 An employee retiring at normal retirement age, with at least 10 years' service and who was a member of an approved medical aid for at least the last 5 years before retirement.

4.2 An employee retiring within 5 years of normal retirement age, with at least 20 years' service, and who was a member of an approved medical aid for at least the last 5 years before retirement.

4.3 An employee leaving employment due to health reasons with at least 5 years' service and who was a member of an approved medical aid for at least the last year before retirement.

4.4 An employee not capable to continue employment due to injury on duty and who was a member of an approved medical aid for at least the last year before medical retirement.

4.5 An employee who did not have a medical condition that resulted in the medical boarding at date of appointment.

4.6 An employee retiring at normal retirement age who was in the employment of the municipality at the date of implementation of this policy and who was a

[1] Amended by Council 30/05/2017

member of an approved medical aid for at least the last 5 years before retirement.

4.7 The qualifying dependants of an employee if the employee passed while in service and the employee and his qualifying dependants were members of an approved medical aid.[2]

4.8 The qualifying dependants of an employee will be entitled to the benefits even after the passing of the employee after retirement. [3]

5. Limit of benefit

The benefit will be limited to the smaller of:

5.1 The maximum amount applicable to in-service members as agreed on at the Bargaining Council.

5.2 70 % of the total contribution payable to an approved medical aid scheme in respect of the employee and his/her qualifying dependants.

6. Payment of benefit

6.1 The municipality will only be responsible to pay the employer's contribution over to the relevant medical aid. The employee must make his/her own arrangements to pay his/her contribution to the medical aid.

6.2 If the employee fails to pay his/her contribution to the medical aid the contribution payable by the municipality can be stopped.

7. Cancellation of benefit

The benefit in terms of this policy may be terminated:

7.1 If the beneficiary is still economically active (Employed by another entity or self-employed.)

7.2 If the beneficiary is in arrears for three months or longer with his contribution to the medical aid.

7.3 The Municipal Manager may consider the continuation of the benefit on receipt of a motivated application.

8. Transitional arrangements

8.1 Existing beneficiaries of the post-employment medical scheme will retain their current benefit until 31 December 2017 when they can choose more affordable options from their medical schemes.

8.2 The future benefit of existing beneficiaries whose current benefit is more than the benefit as per paragraph 5.1 will receive the larger of the current benefit and the benefit as per paragraph 5.1, but limited to the amount as per paragraph 5.2.

[2] Amended by Council 30/05/2017
[3] Amended by Council 30/05/2017



WITZENBERG MUNICIPALITY

CAPITAL INFRASTRUCTURE INVESTMENT POLICY

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1. DEFINITIONS

"Asset" means a tangible or intangible resource capable of ownership.

"Capital Asset" means:-

(a) Any immovable asset such as land, property or buildings; or

(b) Any moveable asset that can be used continuously or repeatedly for more than one year in the production or supply of goods or services, for rental to others or for administrative purposes, and from which future economic or social economic benefit can be derived, such as plant, machinery and equipment.

"Capital Expenditure (CAPEX)" means expenditure used to create new assets or to increase the capacity of existing assets.

"Carrying Value" means the Cost less Accumulated Depreciation of an Asset.

"Infrastructure Assets" includes all core assets which are integral to the delivery of municipal services, including water supply, sanitation, road transport and storm water drainage, solid waste removal, electricity supply, and community facilities. In terms of GRAP, it includes all immovable Property, Plant and Equipment (PPE), as well as specific immovable assets such as vehicles that are directly used in the delivery of the service (such as waste removal trucks). It excludes intangible assets (such as licenses, software, etc.) and current assets (ones with a life less than 12 months, such as consumables).

"Infrastructure Asset Management Plan (IAM)" means a plan developed for the management of Infrastructure Assets with the aim of providing specified levels of service in a cost-effective manner, now and in the future. Multi-disciplinary management techniques (including technical and financial) are combined to determine the aggregated asset life-cycle needs. A significant component of the plan is a long-term cash-flow.

"Infrastructure Asset Management Policy" means a formal statement adopted by Council that indicates the municipality's policy objective, the policy principles, and how these will be pursued (including the establishment of an IAM Team, and aligned systems and planning).

"Infrastructure Asset Management Strategy" means a document that defines key IAM processes and targets including the definition of Consumer Groups and Service Catchments; Service Performance Standards and targets that accommodate the municipality's vision of future growth and demand; interaction and coordination measures; AMS functionality and data standards; risk management processes; IAM practice improvement processes; a funding and prioritisation strategy; and allocation of responsibility for implementation.

"Operation" relates to running the service e.g. record keeping, accounting, monitoring, complaints and repairs.

"Maintenance" means the actions required for an asset to achieve its expected useful life and ensuring that the asset functions efficiently for the whole of its Expected Useful Life. Maintenance can be planned or unplanned. Planned Maintenance includes measures to prevent known failure modes and can be time or condition-based. Repairs are a form of unplanned maintenance to restore an asset to its previous condition after failure or damage. Expenses on maintenance are considered operational expenditure.

2. INTRODUCTION

2.1 This policy aims to describe the process through which the Municipality can initiate projects of a capital nature. It ultimately aims to serve as a principal instrument to steer the budget for Infrastructure and Capital projects in the Municipality around a particular agreeable and sustainable developmental path.

2.2 This policy is mandated by section 8 of the Local Government: Municipal Budget and Reporting Regulations.

3. PURPOSE

3.1 This policy sets out the process and methodology for capital investment of any nature, regardless of the funding source. The following investments of a capital infrastructure nature fall within the ambit of this policy:

3.1.1 New building construction or acquisitions;
3.1.2 Extensions to existing buildings;
3.1.3 Upgrades to accommodation and housing, other than those projects relating to low cost housing;
3.1.4 Land acquisitions;
3.1.5 All major capital works, as covered within the Asset Maintenance / Life-Cycle Management Policy;
3.1.6 All infrastructure developments; and
3.1.7 Information and communication infrastructure renewals and/or upgrades;

4. GUIDING PRINCIPLES

4.1. The Capital Infrastructure Investment Policy is based on the following principles:-

4.1.1 Need as identified within the IDP, underpinned by the Municipal Capital Investment Program and National Spatial Development Perspective;
4.1.2 Necessity to fulfil the service delivery mandate as identified within the Asset Maintenance / Life-Cycle Management Policy; and
4.1.3 Affordability.

5. NEW CAPITAL INFRASTRUCTURE INVESTMENT

5.1 New infrastructure development may only be entered into if:-

5.1.1 The project is in line with the Municipality's IDP;
5.1.2 Funding has been secured through either internal or external funding mechanisms and has been approved in the Municipality's Capital Budget; and
5.1.3 A detailed life-cycle funding plan has been developed, supported and integrated into the Asset Maintenance / Life –Cycle Management Policy;

5.2. All new infrastructure investments will be subject to:-

5.2.1 Needs analysis based on:-
i. Service delivery sustainability;
ii. Consumer growth projections which are in line with the National and Regional Spatial Development Growth Perspectives; and
iii. National, Regional and Municipal strategic directives.
5.2.2 Strategic project plan, including:-

i. A holistic overview of the direct benefits, risks and impact of the intended project;

ii. An assessment on the impact of current Infrastructure;

iii. A service delivery framework relevant to the project;

iv. A cost assessment, detailing the capital and maintenance cost projections for the entire life-cycle; and

v. A funding model, detailing the financing source and associated cost, if any, as well as any revenue projections associated with the project.

5.2.3 Outcome of stakeholder consultation, including:-

i. Environmental impact studies; and

ii. Feedback from community participation process, with specific focus on:-

- Rights and entitlements of members of the community; and
- impact on quality of life.

5.2.4 Implementation model, detailing:-

i. Relevant skills base and source of skills required for implementation; and

ii. Specific timeframes for each activity throughout the project lifecycle (cradle to grave approach).

6. REFURBISHMENT AND SIGNIFICANT INFRASTRUCTURE MAINTENANCE PROJECTS

6.1 All Capital Infrastructure refurbishment and significant maintenance projects may only be entered into if:

6.1.1 The project is in line with the Municipality's IDP or emergency maintenance framework;

6.1.2 Funding has been secured through either internal or external funding mechanisms and has been approved in the Municipality's Capital Budget; and

6.1.3 A detailed life-cycle funding plan has been developed, supported and integrated into the Asset Maintenance / Life –Cycle Management Policy.

6.2 All refurbishments and significant infrastructure maintenance projects will be subject to:-

6.2.1 Needs analysis based on:-

i. Service delivery sustainability; and

ii. Asset redundancy and failure assessment of the asset under scrutiny.

6.2.2 Strategic project plan, including:-

i. A holistic overview of the direct benefits, risks and impact of the intended refurbishment project;

ii. An assessment on the potential impact of unavailability of the asset during the refurbishment process, including redundancy measures;

iii. A service delivery framework relevant to the project;

iv. A cost assessment, detailing the capital and maintenance cost projections for the entire life-cycle; and

v. A funding model, detailing the financing source and associated cost, if any, as well as any revenue projections associated with the project.

6.2.3 Outcome of stakeholder consultation, including:-

i. Environmental impact studies; and

ii. Feedback from community participation process, with specific focus on;

- Rights and entitlements of members of the community; and
- Impact on quality of life;

6.2.4 Implementation model, detailing:-

i. Relevant skills base and source of skills required for implementation; and

ii. Specific timeframes for each activity throughout the project lifecycle (cradle to grave approach).

7. FUNDING OF CAPITAL INFRASTRUCTURE INVESTMENTS

7.1 All new Capital Infrastructure Investments may be funded from:-

7.1.1 Cash backed accumulated surpluses;
7.1.2 Borrowings;
7.1.3 Government grants and subsidies;
7.1.4 Public donations and contributions;
7.1.5 PPP initiatives in line with the MFMA PPE regulations; and
7.1.6 Operating Revenue.

7.2 All refurbishment and significant infrastructure maintenance projects may be funded from:-

7.2.1 Cash backed accumulated surpluses;
7.2.2 Borrowings in respect of refurbishment;
7.2.3 Government grants and subsidies in accordance with their relevant conditions; and
7.2.4 Operating Revenue.

8. INFRASTRUCTURE BUDGETING

8.1 The on-going renewal of Infrastructure Assets should be approximately 1.0 % of the Carrying Value of the Assets.

8.2 On-going Repairs and Maintenance of Infrastructure Assets should be at the very least 2.0 % of the Carrying Value of the Assets.

9. IMPLEMENTATION & REVIEW OF THIS POLICY

9.1 This policy shall be implemented once approved by Council.

9.2 In terms of section 17(1)(e) of the MFMA this policy must be reviewed on a regular basis as deemed necessary and the reviewed policy tabled to Council for approval as part of the budget process.

Style Definition: Heading 3: Font: Not Bold, Font color: Red, English (South Africa)



TARIFF POLICY

Date of implementation: 1 July 2010
Reviewed by Council 20/04/2011
Reviewed by Council 31/05/2012
Reviewed by Council 29/05/2013
Reviewed and amended by Council on 28/05/2014
Reviewed and amended by Council on 30/05/2017

Updated Council 15/06/2010
Council 28/05/2009

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Updated - Council 15/06/2010
Council 28/05/2009

1. Introduction

Every Municipality is responsible for the drafting and annual revision of a tariffs policy within the framework provided by the Act on Municipal Systems.

2. Purpose

The purpose of the policy is to ensure that:

- the provisions of section 74 of the Act on Municipal Systems (Act 32 of 2000) are complied with;
- a properly documented policy is in place to determine how the tariffs of the Witzenberg Municipality are to be determined; and
- the tariffs are realistic and affordable.

3. Principles

The determination of tariffs should in all instances be based on sound economic principles. The Council's input is to ensure that the tariffs policy be reviewed and modified during the annual budgetary process.

3.1 Basic principles

The following principles, in addition to those enunciated in section 74 of Act 32 of 2000, were considered:

- Equalisation within the shortest possible time
- Affordability of service
- Discouragement of wastage through pricing mechanisms
- Ensuring adequate cash flow
- Simple and understandable structure
- Justifiable structure
- Transparent structure

3.2 The Municipal account

The accounts for property rates and services may not be viewed in isolation. They must be approached collectively in order to determine the most affordable amount to be paid by different clients as a total account.

3.3 Credit control

It is not possible to successfully calculate a tariffs structure without considering the provisions of an effective credit control system. Similarly, a credit control system cannot function without a sound tariffs policy drafted in support of the problems of indigent persons.

3.4 Costs of the provision of services and the calculation of tariffs

Tariffs must be capable of recovering the costs of the provision of a service. If a service should be run at a loss, there will by necessity have to be cross-subsidising from other services. It is therefore imperative that the tariffs for each service be accurately calculated and that the correct tariffs structure is accepted and implemented.

3.5 Socio-economic factors

As a result of non-payment, local authorities are experiencing problems with their cash flow. One of the most important reasons for non-payment is the failure of tariffs structures to make proper allowance for the socio-economic circumstances of the communities involved. The implementation of pre-paid electricity, as well as "free" water and electricity, partially address this problem.

Clients have been divided into the following categories:

- Clients unable to make any contribution towards the provision of services and who have to be subsidised fully.
- Clients who can afford a partial contribution and who need only to be subsidised partially.
- Users who can fully afford the services.

It is important to identify these categories and to plan the tariffs structures accordingly. The subsidies are derived from two sources, namely:

- Contributions by the State – The State determine the extent of these contributions from year to year and may increase or lower the contribution, while the needs of the local authority increase annually.
- Contributions from Municipal funds – These funds must be budgeted for.

Services may also be subsidised from a combination of the aforementioned funds.

The tariffs structure has been compiled in the following manner in order to make provision for subsidising:

- Fully subsidised in terms of the Indigent policy
- Full tariff payable.

3.6 Equalisation of principles

In order to accomplish the total legalisation of tariffs, the tariffs must as far as possible be standardised throughout the whole municipality. Unique circumstances of a particular town will, however, play a role in preventing the tariffs from being 100% identical throughout. The principles for the determination of the tariffs should however, never vary.

3.7 Phasing in of new tariffs structures

Time is needed for the phasing in of any new structure. In practice this will mean that different towns will be subjected to different tariff increases during the period of phasing in.

3.8 Profit-taking

The following goals for profit-taking are applicable within Witzenberg.

- Electricity - Profit of 15%
- Water - Profit of 15%
- Sewerage - Profit of 0,5%
- Refuse removal - Profit of 0,5%

3.9 Basic and Availability charges

Tariffs are set in a manner that will ensure sustainability of the service. Therefore basic services charges and service availability charges are levied on every site whether the service is utilized or not. The aim is to recover all fixed costs and a portion of the variable cost of the relevant service

4. Tariffs structure

4.1 Electricity

The following directions of the NER were considered during the drafting of the electricity tariffs structure:

- Tariffs must be economically sustainable.
- Clients must be given a choice of tariffs.
- The tariffs should be based on the costs of delivery, while also complying with the guidelines laid down in NRS 058.
- The tariffs must be transparent and the level of cross-subsidising must be known.
- The tariffs must be comparable with the tariffs of neighbouring suppliers
- The tariffs must be conveniently administered and must reflect the standard of service provision.

NERSA suggested five categories of tariffs to form the basis of the tariffs structure.

Name of Tariff	Tariff Components			
	Minimum levy (Rand/client/ month)	Energy levy (Cent/ kWh)	Duration of use of energy tariff (Cent/ kWh)	Demand tariff (Rand/KVA)
Singular energy tariff		√		
Dual tariff	√	√		
Dual time of consumption tariff	√		√	
Tripartite tariff	√	√		
Tripartite time of consumption tariff	√		√	√

The structuring of the tariffs structure for the provision of electricity, with due consideration of the NER directions, is based on the following principles:

- Structure is divided into client groups;
- A costing structure is allocated to each client group;
- Five tariffs structures and components were used as per the NER's directions;
- Profit-taking of the existing tariffs in the new structure;
- Phasing in of existing tariffs into new structure.

4.1.1 Client groups

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The tariffs structure is divided into the following client groups:

- Residential clients
- Commercial clients
- Industrial clients
- Rural clients
- Large-scale clients

The classification of the client is left up to the client himself, and will largely be determined by the client's own needs.

- Street lights and sports bodies are identified as a special group.

4.1.2 Tariffs structures

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The following tariffs are used:

- Availability tariff

This tariff is levied on all vacant premises with the potential of being linked to the municipal services.[1]

The availability tariff is levied monthly or part thereof, provided that where a resident is connected after the 15th of a month, a levy will only be imposed on the following month's account.

- Singular energy tariff

This structure is only available to clients who are residential, street lights or sports bodies. The tariff is based on the quantity kwh consumed. Provision is made for the following varying sizes of connections:

- Pre-paid meters up to 1 X 40A
- Single phase
- Three-phase

It is up to the client to decide which connection meets his particular requirements. Depending on the consumption of kWh, the client should decide whether a single-phased tariffs structure will suit his requirements better than a dual tariffs structure. The cut-off point is approximately 1 000kwh consumption.

- Dual tariff

This tariffs structure is available for commercial, rural and residential clients. The tariff consists of a minimum component and an energy component.

[1] Amended by council on 28 May 2014

The minimum levy is a levy per month, or portion thereof, provided that where a resident is connected after the 15th of a month, a levy will only be imposed on the following month's account.

The energy component is based on the kWh consumed from one reading to the next.

Two sizes of residential connections are provided:
- single phase
- three phase.

For the commercial client a distinction is made between single and three-phase supplies as well as between the following sizes per phase:

20A
40A
60A
80A
100A
150A
200A
250A

Rural clients are divided into smaller than 25KVA, larger than 25KVA but smaller than 50KVA and larger than 50KVA to a maximum of 100KVA. The energy tariff is divided into two tariffs, i.e. fewer than 1000 units and more than 1000 units during a period measured from one reading to the next.

- Tripartite tariff

This tariffs structure is available to commercial, industrial, rural and large-scale clients.

As with the dual structure, the levies are based on a minimum as well as an energy levy. Additionally, however, a demand levy is imposed, based on the client's maximum demand during the previous month.

Within the groups, a distinction is made between:

Bigger than 1MVA high tension
Smaller than 1MVA high tension
Low tension

- Tripartite tariff for time of use

This tariffs structure is exactly the same as the tripartite tariff. It is also available to the same groups of clients. The only difference is that the time of consumption is linked to the tariff. The client has to apply for this tariff, usually following a thorough examination by him.

4.2 Water

4.2.1 Client groups

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Recovery of the costs of the water service is not based only on consumption and the type of client, but also on the extent to which the client has access to the service and what the service must

provide for, as well as the actual consumption. The principle of equity is taken into account when the client groups are classified.

Clients are classified in accordance with the size of their connections to the main supply. By classifying the client in accordance with the size of the connection, a more equitable basis for contributions towards costs is obtained than when a tariff is simply allocated to a certain type of consumer. In this way, cross-subsidising is largely eliminated.

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2.2 Tariffs structures

The following tariffs structures will be in existence:

- Availability levy on all vacant premises within the town areas linked to the water network.
- Minimum levies for every size of connection with distinction being made between the following sizes:

Size of connections	Factor
Vacant premises	1.64
0-25mm	1.00
26-50mm	11.45
51-80mm	28.92
81-100mm	45.78
101-150mm	102.41
Client consuming > 20 000 kl./per month	2228.92
Un-metered connections	3.37

- The consumption tariff is a block tariff, with the client able to choose between block A and B:

• **Block A**

Consumption	Factor
0-6	0.32
7-30	0.92
31-60	0.92
61-300	0.92
Above 300	3.19

• **Block B**

Consumption	Factor
0-300	1.00
301-1000	1.00
1001-8000	0.97
Above 8000	0.97

• **Block C** (Only for consumers with consumption of over 20 000 kilolitres per month)

Consumption	Factor
0-20 000	0
Above 20 000	0.31

• **Block D** (Only municipal consumption)

Consumption	Factor
Above 0	0.26

The block tariffs should encourage consumption, but discourage abuse, with Block A for residential clients and Block B for commercial clients. The choice nevertheless remains the client's. The third block is clients with consumption of over 20 000 kilolitres per month.

The above factors will be phased out as the water demand is growing in relation to the water supply.[2]

- Pre-paid water tariff – This tariff is calculated together with the other tariffs with a factor of 0.85.

- Municipal tariff – A departmental tariff based on the size of the connection is levied together with a consumption tariff. The departmental levy is aimed at the mere recovery of maintenance and running costs. In calculating this, loan costs, administrative levies, provision for bad debts and profit-taking are not considered.

The availability and minimum levies are levied monthly or part thereof, provided that where a resident is connected after the 15th of a month, a levy will only be imposed on the following month's account.

If a client on Block A consumption is higher than 300 kl of water per meter reading cycle, then that client may apply for relief if the client can proof that leakage existed. The relief application will be considered based on the following criteria:

(a) Usage portion of the client indicated that the clients consumption prior to the leakage was less than 300kl and
(b) Proof can be provided of the cost of repair of the leakage.

The account will be adjusted as follow:

A = Usage during period of meter reading (can be more than one period)
B = 300
C = Tariff of Block A for consumption (61 – 300)

Formula: A – B X C

If a client's consumption increased due to a leakage, an average consumption can be charged for a period not exceeding 3 months on submission of proof that the leakage existed and was subsequently repaired.

That the authority for the approval of the relief be assigned to the Manager: Income or Chief Financial Officer.[3]

Clients are entitled to one claim in a financial year for relief for high water accounts caused by leaking pipes and fittings. Any additional applications can only be approved by the Chief Financial Officer.[4]

4.2.3 Calculation of tariffs during water restrictions

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Council determine water saving tariffs with the annual budget and tariff approval process. Provision is made for moderate and extreme restrictions.

[2] Amended by Council resolution 30/05/2017
[3] Amended by Council resolution 27/8/2014
[4] Amended by Council resolution 30/05/2017

4.3 Refuse removal

No distinction is made between fixed and variable costs in the costing structure of refuse removal.

The total costs are divided amongst the clients in relation to the municipal valuation of residential property.

All other consumers are billed according to the size and number of wheelie bins removed.

Where more than one dwelling unit **or business unit**, as defined in the Council's zoning scheme regulations, is situated on a premises (such as a semi-detached dwelling or a block of flats etc.) each such a dwelling unit or **each business unit** shall for the purpose considered to be a consumer

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4.3.1 Client groups

The following client groups are distinguished:

- Non Residential Clients with one removal per week
- Non Residential Clients with two removals per week
- Non Residential Clients with three removals per week
- Residential Clients with one removal per week

4.3.2 Tariffs structure

A minimum tariff equal to one removal per week is levied on all commercial and industrial clients, irrespective of whether the service is utilised or not.

All levies are levied monthly or part thereof, provided that where a resident is connected after the 15th of a month, a levy will only be imposed on the following month's account.

Non Residential Clients are compelled to use wheelie bins for refuse removal purposes. The minimum monthly charge will be equal to the charge for a 240L Wheelie Bin.

4.4 Sewerage

Different types of services provided by the Municipality are in existence in respect of sewerage. These include a water-closet system and a suction-drain system, primarily in Prince Alfred's Hamlet.

4.4.1 Costs structure and client groups

In order to determine a basis for the equitable sharing of costs, each client group's share in the costing structure should be considered.

Potential dumping is used as the fairest method. The client is levied in accordance with his dumping potential. This is determined by the size of the water connection to the property. The client with a bigger connection has the ability to dump more water into the sewerage system. The quantity of water used is not taken into account.

As sewage sludge is based on the flow of water, the costs are largely incurred in respect of the dumping into the sewage works and the treatment of the substances.

The following categories are distinguished:

<20mm water connection
21-50mm water connection
80mm water connection
100mm water connection
150> water connection

A special category was created for Qbiqua Prison.

Where more than one dwelling unit or business unit, as defined in the Council's zoning scheme regulations, is situated on a premises (such as a semi-detached dwelling or a block of flats etc.) each such a dwelling unit or each business unit shall for the purpose of this considered to be a consumer

4.4.2 Water-closet system

For the purposes of classification where one connection is in place but more than one usage are separately operated on the premises, each separate usage is regarded as a connection in accordance with the classification under which such usage would normally be connected, but not bigger than the connection that serves the premises.
Examples of these are flats, shopping centres where sub-letting takes place and a residential house with a separate flat.

All levies are a monthly levy, or part thereof, provided that where a resident is connected after the 15th of a month, a levy will only be imposed on the following month's account.

A monthly availability levy is imposed on vacant premises where the possibility exists for the connection of a water-closet system to the main sewerage system. The tariff is calculated by dividing the total loan costs by the number of clients (built-up and vacant premises) and to divide that figure by twelve.

4.4.3 Suction-drain system

The suction-drain system is based on usage. Seepage systems which are never sucked make no contribution towards the costs of the service, although the service must still be provided. Fixed costs are accordingly recovered by consumer's tariffs and not by a fixed levy.

The suction-drain service structure entails the following:

- Availability levies are recovered monthly from all built-up properties in Prince Alfred's Hamlet.
- Variable costs which recover vehicle and personnel costs, are levied per suction service provided.
- A distinction is made between areas inside and outside the town area.

Based on vehicle costs, a kilometre tariff is recovered from clients outside the town area.

All levies, with the exception of the kilometre tariff and suction-drain service tariff, are imposed monthly or pro rata on both water-closet and suction-drain services, provided that where a resident is connected after the 15th of a month, a levy will only be imposed on the following month's account.

4.5 Property rates

The general valuation roll for Witzenberg will come into effect on 1 July 2013.[5] The Municipality has at its disposal a rates policy which addresses the following:

- Criteria for differentiated property rates categories
- Differentiated tariffs

The purpose of property rates is to recover costs that cannot be redeemed by tariff-recovering services or direct revenue.

5. Sundry Tariffs

The principles expounded for tariff construction, are also applicable to diverse tariffs.

5.1 Resorts

The full costs of the resorts must be recovered by the tariffs so that they place no further burden on the inhabitants of Witzenberg, while at the same time the utilisation of the resorts should be encouraged. The costs of the swimming baths within the resorts form part of the resorts' costs.

The following tariff groups are distinguished:

- Chalets or houses
- Caravan sites
- Semi-permanent camping sites
- Day visitors/motor vehicles
- Renting of conference facilities and halls

A distinction is also made in respect of seasons and the following seasons are defined:

High season

The period of 26 days during the December and January school holidays. Exact dates are determined from year to year

And

The four days coinciding with the Easter weekend during March or April.

In-season

From the commencement of the Western Cape's school holidays during September until the end of April, excluding the high seasons indicated above.

Off-season

All other days, excluding high season and in-season.

A further distinction exists between weekends and weekdays in the event of high season and in-season. No such distinction exists during the off-season.

[5] Amended by Council resolution 30/05/2017

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The following rebates will be given:

(a) Rebate of 25 % for bookings during weekdays except in school holidays of the Western Cape;
(b) Pensioners qualifies for a rebate of 50 % in off-season;
(c) Students accompanied by parents receives 12 % discount on day visit tariffs;
(d) 50 % rebate for bookings of conference facilities where 5 or more chalets or houses are booked and occupied.

The Director: Community Services may use his/her discretion in terms of the delegation of powers to grant rebates other than stipulated above based on occupation rate and tourism potential.

5.2 Tariffs for halls

Tariffs are levied for the use of municipal halls (e.g. Community halls).

5.2.1 Tariff

All halls must be graded in accordance with their size, condition and available facilities, in the following grades:

A-grade	=	100%
B-grade	=	75%
C-grade	=	50%

The tariffs are determined on the basis of economical and equitable rent and are calculated as follows:

- Costs of personnel and equipment utilised from time to time during use of the hall and preparations and tidying-up activities, to be calculated on the same basis for each property.
- Letting of property, which will vary per grouping (e.g. eating utensils, etc.).
- Categories of functions.

5.2.2 Deposits

Sufficient deposits must be obtained for each letting to cover not only the Municipality's costs, but also to provide for breakage.

5.2.3 Letting periods

Letting is to be divided into morning, afternoon and evening sessions while preparation and tidying up are also provided. This division is retained and is defined as follows:

- Morning session - from 08:00 – 13:00, including preparation and tidying up
- Afternoon session – from 13:00 - 18:00, including preparation and tidying up.
- Evening session - from 18:00 – 24:00, including preparation and tidying up.
- A pro-rata contribution must be paid, in addition to the letting fee, for every hour or portion there of falling outside those indicated above.

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5.2.4 Free of Charge

The Library Halls may be provided free of charge to the following organisations:

- Youth
- Charity
- Community
- Sport
- Education
- Government and
- Local management meetings of political parties

Community halls may be provided free of charge twice a quarter per party which are represented in the Council, which may be used for political meetings with the community. The political party must however give notice in omitting to the Accounting Officer.

The provision is subject to the availability of the facility and will be dealt with accordingly to priority of application based on time of receipt of the application.

5.3 Fees for Cemeteries

Cemetery fees are based on the following:

- Value of land
- Costs of preparing grave
- Maintenance in future
- Costs of digging and closing up of grave (should the family not do so)
- A premium on the sale of the grave to a non-inhabitant of Witzenberg.

As only one costing centre is used, the costs for the preparation of a grave must be the same at all cemeteries. Exceptions, however, may be made in relation to ground formation in respect of the digging of the grave. In order to provide for those who cannot afford the full tariff, a subsidy is to be calculated that is based on specific criteria, and be included in the Municipality's indigent policy.

5.4 Other

The other diverse tariffs must, wherever possible, be determined on actual costs plus a percentage.

6. Rebates

The Municipality provides rebates to people or organisations that assist with economic growth within Witzenberg by the creation of new structures or by additions to existing buildings and the creation of job opportunities.

The person or organisation who wants to apply for the rebate must do so that the application speaks to the criteria extent and conditions as stipulated below:

6.1 Criteria

The person or organisation must create new or extent building and create new job opportunities. The investor must apply for the rebate and provide at least the following information in writing:

- Total cost of building plan
- Total number of jobs created after completion of building phase
- Number of Directors
- Number of Directors classified as historically disadvantaged individuals HDI

The criteria and weights for evaluating the application are as follow:

Criteria	Points
Improvement value of Buildings extended	60
Job opportunities	30
HDI points based on Directors	10

The allocation of points will be as follow:

Improvement value of extension
1 Point for every R80,000.00 of value added

Job opportunities
2 Points for every permanent new job opportunity created, and
1 Point for every seasonal job opportunity created

HDI points
The percentage of the number of HDI directors is used as a basis to allocate a point out of 10.

The applicant must score at least 50 points to qualify for a rebate. The applicant must be prepared that an audit be performed at any stage during the period when the rebates are allocated. If at any stage it is found the applicant do not meet the requirements then the rebate will be stopped immediately.

6.2 Extent

Two categories of rebates exist. A minimum of 75 points must be obtained to qualify for a category A rebate.

The rebate will be for a period of 5 years and will be as follow:

	Rebate A Percentage rebate	Rebate B Percentage rebate
Year 1	25 %	15 %
Year 2	20 %	12 %
Year 3	15 %	9 %

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Year 4	10 %	6 %
Year 5	5 %	3 %

The rebate will be applicable on all service charges as well as property rates.

7. Conclusion

In drafting any tariffs policy, the principles enunciated above must be applied in order to determine the equity of the tariff. However, irrespective of the fairness or equity of the tariff, huge problems will be encountered with maintaining and continuing a service if the tariff is not affordable to a large portion of the clients.

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Council 28/05/2009



PROPERTY RATES POLICY

FORMULATED IN TERMS OF SECTION 3 OF THE LOCAL GOVERNMENT: MUNICIPAL PROPERTY RATES ACT, NO. 6 OF 2004

Date of Implementation: 01 July 2010

OUR VISION: **"A MUNICIPALITY THAT CARES FOR ITS COMMUNIY, CREATING GROWTH AND OPPORTUNITIES"**

Amended by Council 30/05/2017
Amended by Council 18/05/2016
Amended by Council 15/06/2010
Amended by Council 28/05/2009

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1. LEGISLATIVE CONTEXT

1.1 This policy is mandated by Section 3 of the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004) as amended, which specifically provides that a municipality must adopt a Rates Policy.

1.2 In terms of Section 229 of the Constitution of the Republic of South Africa, 1996 (No.108 of 1996), a municipality may impose rates on property.

1.3 In terms of the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004) as amended a municipality in accordance with-

a. Section 2(1), may levy a rate on property in its area; and
b. Section 2(3), must exercise its power to levy a rate on property subject to-

i. Section 229 and any other applicable provisions of the Constitution;
ii. the provisions of the Property Rates Act; and
iii. the rates policy.

1.4 In terms of Section 4 (1) (c) of the Local Government: Municipal Systems Act, 2000 (No. 32 of 2000), the municipality has the right to finance the affairs of the municipality by imposing, *inter alias*, rates on property.

1.5 In terms of Section 62(1)(f)(ii) of the Local Government: Municipal Finance Management Act, 2003 (No. 56 of 2003) the municipal manager must ensure that the municipality has and implements a rates policy.

2. DEFINITIONS

2.1 **Act** means the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004) as amended.

2.2 **Municipality** means the municipal council for the municipal area of Witzenberg.

2.3 **Pensioners** mean natural persons 60 years old or older.[1]

[1] Added on 30 May 2017

2.4 **All other terms** are used within the context of the definitions contained in the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004) as amended.

3. POLICY PRINCIPLES

3.1 Rates are levied in accordance with the Act as an amount in the rand based on the market value of all rateable property contained in the municipality's valuation roll and supplementary valuation roll.

3.2 As allowed for in the Act, the municipality has chosen to differentiate between various categories of property and categories of owners of property. Some categories of property and categories of owners are granted relief from rates. The municipality however does not grant relief in respect of payments for rates to any category of owners or properties, or to owners of properties on an individual basis, other than by way of an exemption, rebate or reduction provided for in this policy.

3.3 There would be no phasing in of rates based on the new valuation roll, except as prescribed by legislation.

3.4 The rates policy for the municipality is based on the following principles:

(a) Equity
The municipality will treat all ratepayers with similar properties the same.

(b) Affordability
The ability of a person to pay rates will be taken into account by the municipality. In dealing with the poor/indigent ratepayers the municipality will provide relief measures through exemptions, reductions or rebates.

(c) Sustainability
Rating of property will be implemented in a way that:

i. it supports sustainable local government by providing a stable an buoyant revenue source within the discretionary control of the municipality; and
ii. supports local social economic development

(d) Cost efficiency
Rates will be based on the value of all rateable property and the amount required by the municipality to balance the operating budget after taking into account profits generated on trading (water, electricity) and economic (refuse removal, sewerage removal) services and the amounts required to finance exemptions, rebates, reductions and phasing-in of rates as approved by the municipality from time to time.

4. SCOPE OF THE POLICY

This policy document guides the annual setting (or revision) of property rates. It does not make specific property rates proposals. Details pertaining to the applications of the various property rates are published in the Provincial Gazette and the municipality's schedule of tariffs, which must be read in conjunction with this policy.

5. APPLICATION OF THE POLICY

In imposing the rate in the rand for each annual operating budget component, the municipality shall grant exemptions, rebates and reductions to the categories of properties and categories of owners as allowed for in this policy document.

6. CATEGORIES OF PROPERTY

6.1 Criteria for determining categories of properties for the purpose of levying different rates and for the purpose of granting exemptions will be according to the permitted use of the property

6.2 Categories of property for the municipality include-

(a) residential properties
(b) industrial properties
(c) business and commercial properties
(d) agricultural properties
(e) mining properties
(f) properties owned by an organ of state and used for public service purposes
(g) public service infrastructure properties
(h) properties owned by public benefit organisations and used for specified public benefit activities
(i) properties used for multiple purposes, subject to Section 9; or
(j) any other category of property as may be determined by the Minister, with the concurrence of the Minister of Finance, by notice in the Gazette."[2]

[2] Amended by Council on 27/02/2017 in terms of amendments to the Act

7. CATEGORIES OF OWNERS

7.1 Criteria for determining categories of owners of properties, for the purpose of granting exemptions, rebates and reductions will be according to the-

(a) indigent status of the owner of a property
(b) sources of income of the owner of a property
(c) owners of property situated within an area affected by-

i. a disaster within the meaning of the Disaster Management Act, 2002 (Act No. 57 of 2002); or
ii. any other serious adverse social or economic conditions;

(d) owners of residential properties with a market value below a determined threshold;
(e) owners of agricultural properties who are *bona fide* farmers; or
(f) pensioners[3]

7.2 In determining whether a property forms part of a particular category indicated below, the council shall have regard to the actual zoning to which the relevant property is put. Vacant land is included in its own category, irrespective of the permitted use of the property. A change in zoning may result in a change in the category of the property. In table 1 the different usage is listed against the rating categories.

7.3 Business and/or commercial improvements on agricultural properties will be rated separately from the rest of the property according to the zoning of the improvement.

Table 1

Rating categories	Use codes
Residential Property	GEN RES
	GROUP HOUSE
	RES
	RES 1
	RES 2
	RES 3
	RES 4
	SIN RES

[3] Added on 30 May 2017

Rating categories	Use codes
	RESORT 2
	AGRI 1/ROS 2
Informal Settlements	INF RES
Business/Commercial Property	BUS
	BUS 1
	BUS 2
	BUS 4
	BUS 5
	CEMETERY
	COM
	EDUC
	GUEST HOUSES
	INST
	INST 1
	INST 2
	INST 3
	LOC BUS
	OPEN S1
	OPEN S 2
	OPEN S 3
	PARKING
	RES 5
	RESORT 1
	ROS 1/ OPEN S 3
Industrial property	IND
	IND 1
	IND 3
Agricultural Properties:	
Bona fide Agricultural	AGRI 1/RES 1
	AGRI 1/RES 2
	AGRI 1/SERVT
	AGRI 1
	AGRI 1/OS 2
	AGRI 1/OS 3
	AGRI 1
	AGRI 1/INST[4]
	AUTH
Agricultural / Business / Residential	AGRI 1/BUS 2/RES 5
	AGRI 1/ROS 1/RES 5
	AGRI 1/BUS 2
	AGRI 1/RES 5

[4] Updated by Council 29/05/2013 with effect from July 2012

Rating categories	Use codes
Agricultural / Industrial	AGRI 1/AGRI 2
	AGRI 1/IND 1
	AGRI 1/IND 2
	AGRI 2
State Owned Property	AGRI 1
	AUT
	BUS
	EDUC
	GEN RES
	INST
	INST 1
	INST 2
	INST 3
	LOC BUS
	OS 1
	OS 2
	OS 3
	OS
	RES
	RES 1
	SERV
	SIN RES
	SPORT
	TRANS
	TRANS 1
	TRANS 2
	TRANS 3
	UNDET
Municipal Property	AGRI 1
	AUT
	BUS
	EDUC
	GEN RES
	INST
	INST 1
	INST 2
	INST 3
	LOC BUS
	OS 1
	OS 2

Rating categories	Use codes
	OS 3
	POS
	RES
	RES 1
	SERV
	SIN RES
	SPORT
	TRANS
	TRANS 1
	TRANS 2
	TRANS 3
	UNDET
Vacant Land - Urban	VACANT
	POS
Public Service Infrastructure	SERV STAT
	TRANS
	TRANS 1
	TRANS 2
	UNDET

8. DIFFERENTIAL RATING

8.1 Criteria for differential rating on different categories of properties will be according to-

(a) The nature of the property including its sensitivity to rating e.g. agricultural properties used for agricultural purposes.
(b) The promotion of social and economic development of the municipality.

8.2 Differential rating among the various property categories will be done by way of setting different cent amount in the rand for each property category.

8.3 Pensioners may qualify for a rebate of 50% on residential property in terms of councils' policy.

8.4 Rates ratios to be applied

The rates ratio in relation to residential properties to be applied on non-residential properties is set in the table 2 below:

Table 2:

Categories	Ratio in relation to residential Property
Residential Property:	
Bona Fida residential	1:1
Informal settlements	1:0.9
Business / Commercial property:	1:1.81
Industrial Property	1:1.76
Agricultural Properties:	
Bona Fida Agricultural	1:0.12
Agricultural/Business/Residential	1:1.13
Agricultural / Industrial	1:1.13
State owned Property	1:1.58
Vacant Land – Urban	1:1.50
Public Service Infrastructure	1:0.25
Building clauses	1:1.25

9. EXEMPTIONS

9.1 The following categories of property are exempted from rates:

(a) Municipal properties
Municipal properties are exempted from paying rates as it will increase the rates burden or service charges to property owners or consumers.

~~Public Service Infrastructure properties (PSI)~~

~~The Municipality will apply the rate ratio as set out in the MPRA (Definitions, Sections 17 (1) (a) and 17 (1) (aA) and the Regulations) to public service infrastructure.~~
~~Notwithstanding Section 93A of the MPRA, the Municipality will grant 100% exclusion on all such properties.~~

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(b) Public Benefit Organisations
The following Public Benefit Organisations may apply for the exemption of property rates subject to producing a tax exemption certificate issued by the South African Revenue Services (SARS) as contemplated in Part 1 of the Ninth Schedule of the Income Tax Act, 1962 (No 58 of 1962):

i. Welfare organisations
Properties owned by not for gain institutions or public benefit organisations and are solely use for the benefit of the institution and or for charitable purposes and performs welfare and humanitarian work as contemplated by part 1 of the ninth Schedule of the Income Tax Act (Act 58 of 1962). Council may grant a rebate as of 100% in the case of Inst. 2 uses and 50% in the case of Inst. 3 users.

ii. Animal welfare
Property owned or used by institutions/organisations whose exclusive aim is to protect birds, reptiles and animals on a not-for-gain basis.

(c) In terms of section 17(i) of the MPRA, the council do not levy a rate on the property registered in the name of and used primarily as a place of public worship by a religious community, including an official residence registered in the name of that community which is occupied by an office bearer of that community who officiates at services at that place of worship.

(**The exclusion lapses if not used for the purposes as indicated above**.)

(d) Public Service Infrastructure properties (PSI)

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The Municipality will apply the rate ratio as set out in the MPRA (Definitions, Sections 17 (1) (a) and 17 (1) (aA)) to public service infrastructure. Municipality will phase out PSI as per transitional arrangement 93Aon section 17(1)(aA).

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9.2 Exemptions will be subject to the following conditions:

(a) all applications must be addressed in writing to the municipality;
(b) a SARS tax exemption certificate must be attached to all applications;
(c) the municipal manager or his/her nominee must approve all applications;

(d) applications must reach the municipality before the end of October preceding the start of the new municipal financial year for which relief is sought; and
(e) the municipality retains the right to refuse exemptions if the details supplied in the application form were incomplete, incorrect or false.

10. REDUCTIONS

10.1 A reduction in the municipal valuation as contemplated in section 15(1)(b) of the Act will be granted where the value of a property is affected by-

(a) a disaster within the meaning of the Disaster Management Act, 2002 (Act No. 57 of 2002); or
(b) any other serious adverse social or economic conditions

10.2 The reduction will be in relation to the certificate issued for this purpose by the municipal valuer.

10.3 All categories of owners can apply for a reduction in the rates payable as described above

11. REBATES

Categories of property

(a) Business, commercial and industrial properties

i. The municipality may grant rebates to rateable enterprises that promote local, social and economic development in its area of jurisdiction, based on its Local, Social and Economic Development Policy and as included in the council tariff policy.

ii. Rebates will be granted once an application was received and approved by the municipal manager or his/her delegate.

(b) Conservation Land

No rebates are granted to privately owned properties whether designated or used for conservation purposes.

(c) Historical or heritage properties

No rebates are granted other than residential rebates if appropriate.

(d) Cemeteries.

Privately owned cemeteries received a rebate of 50% and must be exclusively be used for the purpose of a cemetery.

(e) Residential Properties.

The Municipality will not levy a rate on the first value up to R 120 000 of the market value as per the Valuation Roll of Residential Properties, as follows:

- on the first R15 000 on the basis set out in Section 17(1)(h) of the MPRA; and
- on the balance of the market value up to R10585 000 in respect of residential properties, as an important part of the Councils indigent relief measures aimed primarily at alleviating poverty amongst those persons owning low-value properties.[5]

(f) Other properties: informal settlements; industrial properties; business and commercial properties. (Refer to paragraph 6.2)

The Municipality will not levy a rate on the first value up to R12000 000 of the market value as per the Valuation Roll of informal settlements, industrial properties or business and commercial properties as categorise in paragraph 6.2.[6]

(g) i) Pensioners may qualify for a rebate of 50% on residential property.

ii) Rebates will be granted once an application was received and approved by the municipal manager or his/her delegate.[7]

12. MULTIPLE-USE PROPERTIES

If a portion of farms and smallholdings is being used for commercial or industrial purposes and where the municipality considers it reasonable to apply the category of multiple-use properties, the apportionment of value for each distinct use of the property will be calculated by the municipal valuer and used for billing at the applicable rate. This also caters for wind and solar energy plants.[8]

13. RATES INCREASES

[5] Subsection (e) added by Council 18/05/2016
[6] Subsection (f) added by Council 18/05/2016
[7] Paragraph (g) - added by Council 30/05/2017
[8] Paragraph 13 added by Council 18/05/2016

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(a) The municipality will consider increasing rates annually during the budget process in terms of the guidelines issued by National Treasury from time to time.
(b) Rate increases will be used to finance the increase in operating costs of community and subsidised services.
(c) Affordability of rates to ratepayers.
(d) All increases in property rates will be communicated to the local community in terms of the municipality's policy on community participation.

14. NOTIFICATION OF RATES

(a) The municipality will give notice of all rates approved at the annual budget meeting at least 30 days prior to the date that the rates become effective. Accounts delivered after the 30 days' notice will be based on the new rates.

(b) A notice stating the purport of the municipality's resolution and the date on which the new rates become operational will be displayed by the municipality at places installed for that purpose.

15. PAYMENT OF RATES

15.1 Liability for and payment of rates is governed by the MPRA and the Municipality's Credit Control and Debt Collection Policy and By-Laws as well as any other applicable legislation.[9]

15.2 Ratepayers may choose, not later than 31 August in any financial year, or such later date in such financial year as may be determined by the municipal manager or his/her nominee, between paying rates annually in one instalment on or before 30 September or in twelve equal instalments on or before the 15th day of the month following on the month in which it becomes payable.[10]

15.3 An owner is liable for payment of a rate whether or not that person has received a written account. The furnishing of accounts for rates in terms of this section is subject to section 102 of the Municipal Systems Act.[11]

15.4 A rate levied by a municipality on a sectional title unit is payable by the owner of the unit.[12]

[9] Paragraph 16.1 added by Council 18/05/2016
[10] Paragraph 16.2 amended by Council 18/05/2016
[11] Paragraph 16.3 added by Council 18/05/2016
[12] Paragraph 16.4 added by Council 18/05/2016

15.5 Interest on arrears rates, whether payable on or before 30 September or in equal monthly instalments, shall be calculated in accordance with the provisions of the credit control, debt collection and indigent policy of the municipality.

15.6 If a property owner, who is responsible for the payment of property rates in terms of this policy, fails to pay such rates in the prescribed manner, it will be recovered from him/her in accordance with the provisions of the Credit Control, Debt Collection and indigent policy of the Municipality.

15.7 Arrears rates shall be recovered from tenants, occupiers and agents of the owner, in terms of section 28 and 29 of the Act.

15.8 Where the rates levied on a particular property have been incorrectly determined, whether because of an error or omission on the part of the municipality or false information provided by the property owner concerned or a contravention of the permitted use to which the property concerned may be put, the rates payable shall be appropriately adjusted for the period extending from the date on which the error or omission is detected back to the date on which rates were first levied in terms of the current valuation roll.

15.9 In addition, where the error occurred because of false information provided by the property owner or as a result of a contravention of the permitted use of the property concerned, interest on the unpaid portion of the adjusted rates payable shall be levied at the maximum rate permitted by prevailing legislation.

16. CLEARANCE CERTIFICATES

(a) Are issued in terms of Section 118 (1) (a) of the Local Government: Municipal Systems Act, 2000, Act No. 32 of 2000, and will be valid for a period of 60 days from the date it has been issued.

(b) Are issued within 7 working days after receipt of the applicable fees and receipt of the clearance application form.

(c) Are issued when all amounts due in connection with that property for municipal fees, surcharges, property rates and other municipal taxes, levies and duties have been fully paid.

(d) All rates in respect of the financial year when the transfer is reasonably expected are immediately payable.

(e) If an amount liable for rates and services in respect of a property is outstanding and the property needs to be transferred, a rates clearance certificate will only be issued upon payment of the current account and after completion of an agreement by the new owner for any municipal services in arrears, subject to Council's Credit Control and Debt Collecting Policy in respect of the following transfers:

(i) Transfer of a property from the Municipality to the new owner;

(ii) Transfer of a property from one spouse to the other;

(iii) Transfer of a property from the owner (parent) to a child.[13]

17. REGULAR REVIEW PROCESSES

The rates policy will be reviewed on an annual basis to ensure that it complies with the Municipality's strategic objectives and with legislation.

18. SHORT TITLE

This policy is the Property Rates Policy of the Witzenberg Municipality.

19. ENFORCEMENT/IMPLEMENTATION

This policy has been approved by the Municipality and came into effect from 1 July 2009.

[13] Paragraph 17 added by Council 18/05/2016

CREDIT CONTROL & DEBT COLLECTION POLICY

OUR VISION: "A MUNICIPALITY THAT CARES FOR ITS COMMUNIY, CREATING GROWTH AND OPPORTUNITIES"

Date of implementation: 01 July 2008

Reviewed and amended by Council 28/05/2014
Reviewed by Council 29/05/2013
Reviewed by Council 31/05/2012
Reviewed by Council 28/09/2011
Reviewed by Council 20/04/2011
Reviewed by Council 15/06/2010
Council 28/05/2009 Item 8.1.2
Council 04/08/2008

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PREAMBLE

WHEREAS Section 152 (1) (b) of the Constitution of the Republic of South Africa Act 108 of 1996 (*the Constitution*) provides that one of the objects of local government is to ensure that the provision of services to communities occurs in a sustainable manner;

AND WHEREAS Section 153 (a) of the Constitution provides that a municipality must structure its administration, budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community;

AND WHEREAS Section 195 (1) of the Constitution provides that the public administration must be governed by the democratic values and principles enshrined in the Constitution, including-

- the promotion of the efficient, economic and effective use of resources;
- the provision of services impartially, fairly, equitably and without bias; and
- the fact that people's needs must be responded to.

AND WHEREAS Section 4 (1) (c) of the Local Government: Municipal Systems Act 33 of 2000 (*the Systems Act*) provides that the Council of a municipality has the right to finance the affairs of the municipality by charging fees for services, imposing surcharges on fees, rates on property and, to the extent authorised by national legislation, other taxes, levies and duties;

AND WHEREAS Section 5 (1) (g), read with subsection (2) (b), of the Systems Act provides that members of the local community have the right to have access to municipal services which the municipality provides provided that, where

applicable and subject to the policy for indigent debtors, pay promptly for services fees, surcharges on fees, other taxes, levies and duties imposed by the municipality;

AND WHEREAS Section 6 (2) (c), (e) and (f) of the Systems Act provides that the administration of a municipality must take measures to prevent corruption; give members of a local community full and accurate information about the level and standard of municipal services that they are entitled to receive; and inform the local community about how the municipality is managed, of the costs involved and the persons in charge;

AND WHEREAS Chapter 9, Sections 95, 96, 97, 98, 99 and 100, of the Systems Act provides for Customer Care Management, Debt Collection responsibility of the Municipality, contents of the policy, by-laws that give effect to the policy, Supervisory authority and Implementing authority.

The Witzenberg Municipal Council, at its meeting of 28May 2008adopts this policy to be known as: The Witzenberg Municipality Credit Control and Debt Collection Policy". This policy replaces that policy in its entirety.

1. DEFINITIONS

In this policy, unless the context indicates otherwise, the word or expression has the following meaning:

1.1 "**Accounting Officer"** The Municipal Manager appointed in terms of Section 82(1) (a) or (b) of the Municipal Structures Act, 1998 (Act No. 117 of 1998);

1.2 **"Actual consumption**" means the measured consumption of a consumer of a municipal service during a specified period;

1.3 "**Arrangements**" means a formal agreement entered into between the Council and a debtor where specific repayment parameters are agreed to.

1.4. "**Arrears** "mean any amount due, owing and payable by a customer in respect of a municipal account not paid on the due date;

1.5. "**Average consumption**" means the deemed consumption of a customer of a municipal service a specific period, which consumption is calculated by adding the recorded monthly average consumption and the current actual consumption and dividing the total by 2;

1.6. "**Bank guarantee**" refers to an undertaking by a registered financial institution whereby it guarantees a specified maximum amount to be paid if the principal debtor (the consumer) fails to pay;

1.7. "**Calculated amounts"** refers to the amounts calculated by the Chief Financial Officer, in consultation with the relevant technical departments, to be due to the Council by a consumer in respect of the supply of the applicable municipal services for any period during which the exact quantity of the supply cannot be determined accurately for reasons beyond the control of the Chief Financial Officer. This shall normally be based on the average consumption figures, if available, for the service rendered to the customer **or,** failing the availability of such data, on the average consumption figures applicable to one or more properties of similar size and nature in the area in which the customer resides or carries on business;

1.8. "Charges" refers to charges incurred by the municipality to collect arrears;

1.9. "**Chief Financial Officer**" refers to the person so designated in terms of Section 75(2)(a) of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) or any person duly authorised to act on behalf of such person and shall have the same meaning as Strategic Executive Manager: Finance or City Treasurer;

1.10. "**Consolidated account**" refers to one combined account for all municipal services, housing rents and instalments, rates and basic charges payable, and" consolidated bill" has a corresponding meaning;

1.11. "**Consumer**" means a customer;

1.12 "**Conventional electricity and water meters means** "electricity and/or water meters, as the case may be, which are used to determine the supply of electricity and water and which are normally read on a monthly or other fixed interval basis;

1.13 "**Council**" refers to The Witzenberg Municipality and its successors in law and includes the Council of that municipality or its Executive Committee or any other body acting by virtue of any power delegated to it in terms of legislation, as well as any official to whom the Executive Committee has delegated any powers and duties with regard to this policy;

1.14 "**Councillor**" refers to any member of a municipal council;

1.15 "**Credit Control** "refers to all functions relating to the collection of monies owed by customers and users of municipal services.

1.16 "**Customer**" refers to any occupier of any premises to which Council has agreed to supply or is actually supplying services, or if there is no occupier, then the owner of the premises and includes any debtor of the municipality;

1.17 "**Defaulter**" refers to any customer owing the municipality money in respect of rates and / or service or sundry charges; not paid on the due date as stipulated on the account or on the agreement. The owner will be held responsible for occupiers / tenants, arrear accounts, for water, electricity and any other service or sundry accounts;

1.18 "**Deposit**" refers to a minimum sum of money specified by the Chief Financial Officer and payable by the consumer to the Municipality prior to occupation of the property or prior to the date on which services to the property are required;

1.19 "**Due date**" in the absence of any express agreement in relation thereto between the Council and the customer, refers to the date stipulated on the account and determined from time to time as the last date on which the account must be paid;

1.20 "**Equipment**" refers to any building or other structure, pipe, pump, wire, cable, meter, engine or any accessories;

1.21 "**Estimated** "consumption arises when no actual reading can be taken and is equivalent to the existing average consumption;

1.22 "**Existing**" customers refers to the customers who have already entered into an agreement for the supply of municipal services;

1.23 "**Financial year**" refers to the period starting from 1 July in a year to 30 June the next year;

1.24 "**Fees**" refers to expenses incurred by the municipality to collect arrears;

1.25 "**Implementing Authority**" means the Municipal Manager or his nominee, acting in terms of Section 100 of the Local Government Municipal Systems Act, 2000 (Act No. 32 of 2000);

1.26 "**Interest**" is a charge levied with the same legal priority as service fees and calculated at a rate determined by Council from time to time on all arrear monies;

1.27 "**Meter**" audits refer to an investigation to verify the correctness of the consumption and supply of electricity and water;

1.28 "**Municipality**" when referred to as:

(a) a corporate body, means a municipality as described in Section 2 of the Municipal Systems Act, 2000 (Act No. 32 of 2000);

(b) A geographic area means a municipal area determined in terms of the Local Government Municipal Demarcation Act, 1998 (Act No. 27 of 1998).

1.29 "**Municipal Manager**" means the person appointed as Municipal Manager in terms of Section 82 of the Local Government Municipal Structures Act, 1998, (Act No. 117 of 1998) and includes any person acting in that position or to whom authority has been delegated;

1.30 "**Municipal services** "refers to any services provided by the municipality or any authorised and contracted service provider, available or applied for, or provision made for any service, for which it is entitled to charge a fee or formulate a tariff, payable by a customer or user, thereof;

1.31 "**Normal office hours**" means the hours when the Chief Financial Officer' s offices are open to the public from Mondays to Fridays, excluding public holidays, Saturdays and Sundays;

1.32 "**Official**" refers to an employee of The Witzenberg Municipality

1.33 "**Occupier**" means any person, who occupies any property or part thereof, without regard to the title under which he or she occupies the property,

1.34 "**Owner"** means:

(a) The person in who from time to time is vested the legal title to premises, which title is registered at the Deeds Office;

(b) In a case where the person in whom the legal title is vested is insolvent or deceased, or is under any form of legal disability whatsoever, the person in whom the administration of and control of such premises is vested as curator, trustee, executor, administrator, judicial manager, liquidator or other legal representative;

(c) In a case where the Council is unable to determine the identity of such person, a person who is entitled to the benefit of such premises with a building thereon;

(d) In the case of premises for which a lease of 30 years or more has been entered into, the lessee thereof;

(e) In relation to

i. A piece of land delineated on a sectional plan registered in terms of the Sectional Titles Act 1986, (Act 95 of 1986), and without restricting the above the developer or the body corporate in respect of the common property; or

ii. A section, as defined in such Act, the person in whose name such a section is registered under a sectional title deed and includes the lawfully appointed agent of such a person;

(f) Any legal person including but not limited to

i. A company registered in terms of the Companies Act, 1973 (Act 61 of 1973), a Trust, a Closed Corporation registered in terms of the Closed Corporations Act, 1984 (Act 69 of 1984) and a voluntary association;

ii. Any department of State;

iii. Any Council or Board established in terms of any legislation applicable to the Republic of South Africa;

iv. Any Embassy or other foreign entity;

1.35 "**Premises**" includes any piece of land, the external surface boundaries of which are delineated on-

(a) A general plan or diagram registered in terms of the Land Survey Act, 1927 (9 of 1927), or in terms of the Deed Registry Act, 1937 (47 of 1937); or

(b) A sectional plan registered in terms of the Sectional Titles Act, 1986 (95 of 1986), which is situated within the area of jurisdiction of the Council;

1.36 "**Rates**" refers to property rates on property situated in the municipal area, any other tax, duty or levy imposed by the municipality;

1.37 "**Service agreement**" refers to an agreement for the consumption of electricity and/or water and other services as determined from time to time;

1.38 "**Terminated account**" refers to:

(a) the final account for services after the customer has left the premises, whether or not the customer has given notice to terminate the supply of service; OR

(b) the final account for services if the customer has contravened the service provisions of this policy and attendant municipal bylaws;

1.39 "**Variable flow-restricting device**" refers to a device that is coupled to the water connection that allows the water supply to be restricted or closed;

1.40 "**Visitation fee**" refers to the fee charged for attendance and/or disconnection/reconnection of an electricity/water supply when the supply has been disconnected due to non-payment and/or tampering, or where access to disconnect/restrict has not been gained, which fee shall be

1.41 "**Voluntary garnishee order/emoluments order"** refers to a court order for the deduction of an amount of money from the salary or other income of a customer.

2. INTRODUCTION

2.1. The Council cannot develop the local economy and provide acceptable services to its residents unless it receives payment, in full, of all bills raised for the services that it provides.

2.2. The municipality must develop, maintain and implement a credit control and debt collection policy that is consistent and complies with the relevant legislation.

2.3. In regard to payments expected from registered indigents and Council tariffs, this policy is to be read in conjunction with The Witzenberg Municipality Indigent Policy and The Witzenberg Municipal Tariff Policy.

3. OBJECTIVES

The objectives of the Credit Control and Debt Collection Policy are:

3.1 To define a framework within which the municipality can develop an effective procedure to bill and collect its revenues;

3.2 To ensure that all monies due and payable to the municipality are collected and used to deliver municipal services in the best interests of the community, residents and ratepayers and in a financially sustainable manner as prescribed by the Municipal Systems Act, 2000 (Act No. 32 of 2000), and other applicable legislation;

3.3 To maintain and implement a credit control and debt collection policy, which is consistent and complies with Section 97 of the Municipal Systems Act, 2000 (Act No. 32 of 2000).

3.4 To ensure that the municipality develops credit control procedures and mechanisms that are considered to be consistent, fair and effective to all its consumers.

4. UNDERLYING PRINCIPLES OF THIS POLICY

4.1 The administrative integrity of the municipality must be maintained at all times. The democratically elected councillors are responsible for policymaking, while it is the responsibility of the Councillors, Municipal Manager and all staff to ensure the execution of these policies.

4.2 This policy shall take effect and be enforceable from the date of approval thereof by Council.

4.3 The collection process must be cost-effective and enforcement of payment for services rendered must be prompt, consistent and effective.

4.4 Unauthorised consumption, connection and reconnection, the tampering with or theft of meters, service supply equipment and the reticulation network and any fraudulent activity in connection with the provision of municipal services will lead to disconnections and/or restrictions, penalties, loss of rights and criminal prosecutions.

4.5 All Witzenberg Municipality employees shall:

4.5.1 Embrace the principles of Batho Pele and treat all debtors with dignity and respect at all times

4.5.2 Employees shall execute their duties in an honest and transparent manner whilst protecting the confidentiality of information in accordance with the Access to Information Act.

5. ROLE AND RESPONSIBILITY OF MUNICIPAL MANAGER

5.1 In terms of Section 100 of the Municipal Systems Act, 2000 (Act No. 32 of 2000), the Municipal Manager is responsible for implementing the credit control and debt collection policy. In line with this, the Municipal Manager is to perform the following:

5.2 install and maintain appropriate accounting system.

5.3 bill customers.

5.4 demand payment on due dates.

5.5 raise penalties and interest for defaulters.

5.6 appropriate payments received.

5.7 collect outstanding debt.

5.8 provide different/alternate payment methods.

5.9 determine credit control and debt collection measures.

5.10 determine all relevant work procedures for, inter alias, public relations, arrangements, disconnection/reconnection of services, summonses, attachments of assets, sales in execution, write-off of debts, sundry debtors and legal processes.

5.11 instruct attorneys to proceed with the legal process (i.e. attachment and sale in execution of assets, emolument attachment orders, etc.).

5.12 appoint staff to execute Council's policy and by-laws.

5.13 determine internal control procedures.

5.14 monitor contracts with service providers in connection with credit control and debt collection.

5.15 The Municipal Manager may delegate these responsibilities to the Chief Financial Officer. However, this delegation does not absolve the Municipal Manager from being held accountable for implementing this policy.

5.16 The Municipal Manager is to report monthly to the Executive Committee, and quarterly to the Council, on the actions taken in terms of this policy, and on the payment levels for the periods concerned.

5.17 Although the Municipal Manager is held accountable for implementing this policy, it is the responsibility of all officials of the municipality to promote and support this credit control and debt collection policy.

6 ROLE AND RESPONSIBILITY OF COUNCILLORS

6.1 To approve budgets consistent with the needs of communities, ratepayers and residents.

6.2 To impose rates and taxes and to determine service charges, fees and penalties to finance the budget.

6.3 To facilitate sufficient funds to give access to basic services for the poor.

6.4 To provide for a bad debt provision, in line with the payment record of the community, ratepayers and residents, as reflected in the financial statements of the municipality.

6.5 To, together with the Chief Financial Officer, set an annual improvement target for debt collection (refer Section 9), in line with acceptable accounting ratios and the ability and performance of any appointed external service providers.

6.6 To approve a reporting framework for credit control and debt collection.

6.7 To consider and approve by-laws to give effect to the Council's policy.

6.8 To revise the budget should Council's targets for credit control and debt collection is not met.

6.9 To take disciplinary and/or legal action against Councillors, officials and agents who do not execute Council policies and by-laws, or act improperly in terms of such policies.

6.10 To approve a list of suitably qualified service providers that will act on behalf of Council in all collection and legal matters relating to debt collection.

6.11 To provide sufficient capacity in the Municipality's Budget and Treasury Office for credit control and debt collection or, alternatively, to appoint service providers or debt collection agents to assist with the credit control and debt collection procedures.

6.12 To assist the Municipal Manager in the execution of his duties, if and when required.

6.13 To provide funds for the training of staff in connection with credit control and debt collection.

6.14 In terms of Section 99 of the Municipal Systems Act, 2000 (Act No. 32 of 2000), the Executive Committee, is to monitor and supervise the application of this policy, and is to report to Council on the extent and success of the municipality's credit control actions.

6.15 In order to maintain the credibility of the municipality in the implementation of the present policy, Councillors, by adopting this policy, pledge that their own accounts will at no stage fall into arrears.

7. DUTIES AND FUNCTIONS OF WARD COUNCILORS

7.1 To adhere to and convey Council policies to residents and ratepayers.

7.2 To adhere to the Code of Conduct for Councillors.

7.3 The ward committees will act in terms of roles and functions as approved by Council.

7.4 The ward committees are encouraged to actively promote this policy, and to ensure, at the same time, that the municipality's customer service is of a standard acceptable to the community.

8. DUTIES AND FUNCTIONS OF COMMUNITIES, RATEPAYERS AND RESIDENTS

8.1 To fulfil certain responsibilities, as brought about by the privilege and or right to use and enjoy public facilities and municipal services.

8.2 To pay service fees, rates on property and other taxes, levies and duties imposed by the municipality on or before the due date for payment.

8.3 To observe the mechanisms and processes of the municipality in exercising their rights.

8.4 To allow municipal officials access to their property to execute municipal functions.

8.5 To comply with the by-laws and other legislation of the municipality.

8.6 To refrain from tampering with municipal services and property.

9. EXPECTED DEBTOR PAYMENT LEVELS

9.1 The municipality is to aim at ensuring that payment levels (i.e. the percentage level of income received from debtors) for the present and future financial years, in respect of all amounts due to the municipality, exclusive of the balance of the monthly accounts payable by registered indigents, are maintained at an annual average of at least 96%. ~~Should this be in line with the performance agreements determined by the council~~

9.2 The long-term target is a debtor turnover ratio of 30 days, that is, debtors are expected to pay for services on average within one month of receiving accounts.

10. AREA OF APPLICATION

10.1 This policy shall apply and be enforceable throughout the entire area of jurisdiction of The Witzenberg Municipality

10.2 The Council reserves the right to differentiate between different categories of consumers, debtors, services or service standards when applying this policy. The Council will, on application of this policy, avoid discrimination as forbidden by the Constitution unless it is established that the discrimination is fair as allowed by the Constitution.

11 APPLICATION FOR SERVICES AND SERVICE AGREEMENTS

11.1 Before being provided with electricity, water and/or other customer services, and prior to taking occupation of premises, every customer shall enter into a service agreement with the Council in which, inter alias, the customer agrees that the electricity, water and/or other services, supplied by either Prepaid or Credit meter systems, may be used for credit control purposes to collect arrears in respect of all outstanding debt.

11.2 All consumers wishing to utilise municipal services must apply to enter into a service agreement.

11.3 The service agreement will be entered into prior to the provision of services and prior to the consumer taking occupation of the premises.

11.4 A new service agreement will only be entered into once all amounts owed by a consumer on other debtor accounts are settled in full.

11.5 A new service agreement will only be entered into on a property, once all outstanding amounts owed on the property are settled in full. The owner of the property shall have the responsibility to ensure that all debts incurred after 1 July 2007 are fully paid by the tenant in order to mitigate the non-provision of services to tenants/residents after the date mentioned above.

11.6 Paragraph 11.5 is not applicable to outstanding accounts in respect of houses allocated by the housing committee.[1]

11.7 Where municipal services are used/consumed or made use of, and the owner, tenant, or occupants of a property, have not entered into nor completed an agreement for such services, the owner responsible for the payment of rates on the property will be billed for the metered consumption and all municipal service charges applicable to the property.

11.8 The service agreement shall indicate that transfer of a property may not be registered until the municipality issues a clearance certificate which reflects that all amounts due in connection with that property for municipal service fees, property rates and other municipal taxes, levies and duties have been fully paid. The outstanding monies include accounts relating to tenants who may have left the property of the seller.

11.9 Application forms are available at the municipal offices and the application process must occur at least ten (10) working days prior to taking occupation of the premises. This will ensure that services are available when occupation is taken. Failure to adhere to the timeframe may result in customers not having the services available when occupation is taken. Once the application has been approved, a service agreement will be entered into and services will commence.

11 .10 The Municipality will render the first account after the first meter reading cycle following the date of signing the service agreement or as soon as is administratively possible.

11.11 Consumers who illegally consume services without a valid service agreement will be subject to disconnection and/or removal of the service and may have charges laid against them for theft and fraud.

[1] Amended by Council on 28 May 2014

11.12 The service agreement shall set out the conditions under which the services are provided and shall require the signatories thereto to accept the contents of the municipality' s credit control and debt collection policy, as well as the provisions of the Municipal Systems Act, 2000 (Act No. 32 of 2000).

(a) An undertaking by customers:

- That the electricity, water and/or other services supplied by either the Prepaid or Credit meter systems, may be used for credit control purposes to collect arrears in respect of all outstanding debt and shall include rates if the customer is the owner of the property;
- That they are liable for the costs of collection, including any administration fees, penalties for late payment, legal costs, interest, disconnection fees and reconnection fees, and
- That any alleged non-receipt of an account does not affect the customers' liability for the account, nor stop the credit control process;

(b) An undertaking by Council:

- That it will deliver accounts to customers
- That if customers do not receive an account and have accordingly requested one, a statement will be supplied to them.

11.13 Where a signatory is not the owner of the property to which the services are to be provided, a letter from the owner indicating that the signatory is the lawful occupant of the property and where a lessor/lessee arrangement exists between the parties, a copy of such agreement shall be attached to the service agreement.

11.14 Where a consumer has failed to enter into a service agreement with the Council, water and/or electricity shall be restricted or disconnected, as the circumstances may require, until such time as a service agreement has been entered into and the applicable deposits have been paid. In such circumstances, the consumer will be held liable for any calculated amounts.

12 DEPOSITS AND GUARANTEES

12.1 Every customer is to pay a deposit on application for the provision of municipal services before the municipality renders any service to the property. Deposits are payable when new customers sign service agreements and when existing customers move to a new supply address. All deposits shall be paid at least 5 (days) days prior to occupation of the property or prior to the date on which the services are required. Failure to comply with this clause may result in a delay in the connection of services and the Council shall not be liable for any loss or prejudice suffered by a customer as a result thereof.[2]

12.2 Subject to the provisions of clauses 12.3, 12.4 and 12.5 hereunder, the calculation for deposits shall be based on two months' consumption of metered services together with any charges for other municipal services, or a minimum amount specified by the Chief Financial Officer from time to time.

12.3 In determining the deposit described in Section 12.2, the Chief Financial Officer may differentiate between areas to give cognisance to differences in service standards and usage.

12.4 The Chief Financial Officer may re-assess customer deposits for new domestic, commercial and industrial customers three months after the initial deposit date and may, as a result of this reassessment, require an additional deposit from the customer.

12.5 The Chief Financial Officer may review deposits annually and, in the case of a customer' s service being disconnected or restricted as a result of non-payment or tampering, may increase the deposit. Should the deposit be increased as a result of this review the customer must immediately make payment of the increased amount in line with the instruction from the Chief Financial Officer.

12.6 The outcome of the review contemplated in clause 12.5 shall be communicated to the customer in the event of any variation in the deposit arrangements being required.

12.7 Should a customer's services be disconnected twice during any twelvemonth period due to non-payment, the customer's deposit shall be adjusted the following month to conform to Clause 12.5.

12.8 Bank guarantees are only permitted for businesses and only under circumstances as determined by Council from time to time.

12.9 The municipality will pay no interest on consumer deposits

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[2] Amended by Council on 28 May 2014.

13 ACCESS TO PROPERTY TO READ METERS

13.1 In terms of Section 101 of the Municipal Systems Act, 2000 (Act No. 32 of2000), the occupier, owner or tenant of a property is to allow municipal officials or the municipality' s authorised service providers access to read meters, install or repair meters as well as to, discontinue or restrict the provision of a service. The official is to have the proper authorisation and can only request access during reasonable hours.

13.2 If the municipality is unable to read any meter on any property because the meter has been rendered inaccessible, the municipality shall estimate the consumption of the service concerned and thereafter bill the accountholder for the monetary value of such estimated consumption.

13.3 In the event that the Council continues to be unsuccessful in obtaining access to the property and, therefore, is unable to obtain an accurate meter reading, the Chief Financial Officer or his authorised representative may disconnect the supply of services.

13.4 Voluntary readings:

- These will be permitted provided the municipality obtains any final reading should the consumer move to another supply address.
- Consumers may be liable for a fee to cover the costs of obtaining a reading if no advance warning is given and special arrangements are required to obtain a reading.
- The Municipality is entitled to make suitable adjustments to the readings should a consumer fail to ensure that a final reading is obtained.
- An audit reading during the normal reading cycles must be obtained at least once every 06 months. If a special audit reading becomes necessary this will be done at the cost of the consumer.
- The consumer may elect to supply voluntary readings subject to compliance with these rules. The Chief Financial Officer may, however, cancel the voluntary reading convenience if the consumer fails to render readings on two or more consecutive occasions.

14 ACCOUNTS, BILLING AND PAYMENT

14.1 The Council shall produce and post one consolidated monthly bill to consumers for services supplied or available (inter alias, electricity, water, refuse and sewerage charges) and for rates levied on property within the municipal area unless, for whatever reason, the rates account has not been consolidated with the services account in which case separate monthly accounts will be posted. These accounts will be produced in accordance with meter reading cycles at regular intervals or as prescribed by law. In the case of indigents where the net account after rebates amounts to zero, these will only be posted bi-annually and not on a monthly basis.

14.2 The account/invoice will reflect the following details:

- Consumer name;
- Consumer account number;
- Consumer postal address;
- Address details to which the services have been supplied;
- The consumption or estimated consumption for each metered service within a specified period;
- The applicable service tariff;
- The monthly amount due on property rates and the total annual amount due;
- The valuation of the property;
- The amount due on any other service charges;
- The total amount due and payable;
- The amount in arrears, if any;
- The final date for payment (due date);
- The method, name and location of any municipal offices and authorised agents where payments may be made, and
- A notification that failure to settle the total amount due by due date will result in termination or restriction of services.

14.3 The Council shall undertake to post the consolidated account to the customer address, in South Africa, as specified by each customer. However, non-receipt of an account does not negate the responsibility of the customer to pay the amount owing by due date nor prevent interest charges and debt collection procedures. In the event of non-receipt of an account, the onus rests on the account holder to obtain a free copy of the most recent account, before the due date.

14.4 The consumer shall, in writing, notify the Council of any change of address, including an e-mail address, and contact details. Notwithstanding the fact that a consumer has not received an account as a result of his failing to notify the Council of his change of address or due to delays on the part of external service providers, the customer is nevertheless liable for payment of such account. Any change of address only becomes effective when the notification of the change is received and acknowledged by the Council.

14.5 Accounts must be paid in full on or before the due date as indicated on the account. Failure to comply with this section shall result in debt collection action (as contained in Section 27 of this policy) being instituted against the customer. Interest on arrears, at the rate determined from time to time by the Council or, in the absence of any determination, as prescribed by law, will accrue after due date if the account remains unpaid irrespective of the reason for non-payment (refer Section 18).

14.6 Bulk consumers may at the discretion of Council be notified of their unpaid accounts prior to the commencement of the debt collection process.

14.7 Payments for accounts must be received at a Municipal pay-point by close of business on or before the due date. In the case of any electronic payments the money must be received in the municipal bank account no later than the close of business on the due date. In the case of monies paid to agents, the money must be deposited with the agent prior to the close of business on due date and proof thereof may be required to validate any claims.

14.8 The following methods of payment and payment points can be used: Debit order payments, which forms are available from the municipal cash offices;

- Cash and cheque payments can be made at the municipality' s cash offices, any South African Post Office and their agencies, ABSA and Easy Pay Outlets e.g. Pick & Pay, Checkers, etc.
- Electronic banking payments directly into the municipality' s account;
- Mail.

14.9 The consumer acknowledges that any agent used for transmitting payments to the Municipality is at the risk and cost of the consumer. In addition the consumer must take into account the transfer time of the particular agent.

14.10 All payments and/or part-payments received by the Chief Financial Officer shall be allocated to services in the manner as contained in Section 20.

15. METERING OF CONSUMABLE SERVICES

15.1 The municipality may introduce various metering equipment for the measurement of service consumption and customers may be encouraged to convert to a system preferred by the municipality.

15.2 Customers who default (fail to pay by the due date) may be required by the municipality to convert to another metering system.

15.3 Meters (credit) will be read in monthly cycles, at regular intervals or as prescribed by Council. Should circumstances prevent such a reading, the Municipality is entitled to continue with the procedure as laid down in Section 13 of this policy.

15.4 A consumer is responsible to ensure access to metering equipment and will be liable for any cost incurred to ensure access (such as relocating or disconnecting the meter) if satisfactory access is not possible. 15.5 Routine or special maintenance of metering equipment will be communicated to the consumer prior to being undertaken in order to establish a suitable time to perform such maintenance.

16. VALUATION OF PROPERTIES

16.1 All properties within the boundaries of the Witzenberg Municipality are to be valued in terms of the legislation applicable to the valuation of properties for the purpose of levying property rates.

17. PROPERTY RATES

17.1 In terms of the Council Rates Policy, and in accordance with the tariff of Charges Schedule, Property Rates will be raised annually in July of each year, charged on a monthly basis and will be reflected on the consumers monthly bill.

17.2 All Property Rates not paid by due date will, in addition to any procedures as prescribed by law, be subject to credit control and debt collection procedures as stipulated in this policy.

17.3 An owner may apply to have his/her property rates be charged monthly. In which the due date for application is set at 30th June of each year.[3]

17.4 If in default it will reversed to yearly and the total annual rates amount become payable.

18. INTEREST ON ARREARS AND OTHER PENALTY CHARGES

18.1 Interest shall be charged for a full month on all arrear amounts at the percentage determined by Council irrespective of when payment is made.

18.2 For purposes of determining arrear amounts, all amounts that are unpaid after due date, excluding interest, penalty charges previously raised including collection charges and Value Added Taxation, shall be taken into account.

18.3 The Chief Financial Officer will be entitled to raise the following charges/fees in addition to the interest charge contemplated in clause 18.1:

- charges for disconnection or restriction of services
- charges for reconnection or reinstatement of services
- charges for notices of default and other correspondence
- penalty charges for illegal reconnections
- penalty charges for dishonoured cheques
- Reconnection fee to be paid for both prepaid and conventional meters
- Charges / Fees on all legal proceedings[4]

[3] Updated 04/08/2008 Special Council meeting
[4] Amended by Council on 28 May 2014

18.4 Other than those penalty charges prescribed by legislation, the value of each of these charges will be determined on an annual basis by Council when considering its annual budget and shall be contained in the Witzenberg Municipality Tariff Register.

19. AGREEMENTS AND ARRANGEMENTS FOR PAYMENT OF ARREARACCOUNTS

19.1 The Chief Financial Officer is authorised to enter into agreements with customers in arrears with their accounts and to grant customers extensions of time for settlement of the amounts due to Council. No arrangement for the payment of debt in instalments may be entered into with a tenant without the consent of the property owner.[5]

19.2 Where a customer in arrears is a business or commercial concern, a minimum of 50% of the total overdue amount, as an initial payment, shall be paid, and the balance of the account shall be paid in equal instalments over a maximum period of twelve months. Any future monthly current accounts shall be paid on or before the due dates for the month in question. In respect of business or commercial consumers who are in arrears, interest will be raised in terms of Section 18 of this policy.

In exceptional circumstances, The Accounting Officer and CFO can deviate from the general rule above provided that:

- The current account is paid in full
- A written agreement is entered into that provides for the down payment of the arrears amount in monthly instalments.

19.3 Where a customer in arrears is a domestic consumer the following processes will be follows:

i) When the customer account include outstanding debt, property rates not regarded, the customer payment incentive policy as approved by Council may apply; and

ii) In the case of all other debt, the current account, as an initial payment, shall be paid, and the balance of the account shall be paid in equal instalments over a maximum period of forty eight [48] months.

iii) In exceptional circumstances, The Accounting Officer and CFO can deviate from the general rule in (ii) above provided that:

- The current account is paid in full
- A written agreement is entered into that provides for the down payment of the arrears amount in monthly instalments.

iv) A customer can make a maximum of 2 arrangements within a financial year of the Municipality.[6]

[5] Amended by council on 28 May 2014
[6]Updated 28/05/2009

Any future monthly accounts shall be paid on or before the due date. Consumers, who honour their agreements and arrangements to pay, will not be charged interest from the date of the agreement on municipal service arrears, with the exception of property rates in arrears where statutory provisions may apply. Should they default on their credit extension for whatever reason, interest shall be raised from the date of default on the full outstanding debt in terms of Section 18 of this policy."

Any agreement reach prior to this policy will still be applicable.

19.4 A consumer may be required to complete a debit order for the payment of arrears in terms of the agreement.

19.5 Should a customer breach the arrangement in any way, the balance of the arrear account, together with the balance of interest outstanding on the account, shall immediately become due and payable to the municipality.

19.6 A customer who fails to comply with any credit arrangement shall not be permitted to enter into any further arrangement or extension of time for payment and shall have his services terminated, however a customer who brings his credit arrangement up to date by an immediate payment shall have his services reconnected as soon as is practically possible.

19.7 A customer who fails to comply with any arrangement of debt shall have his service agreement terminated, services disconnected/restricted, and his deposit on any outstanding amounts set off against any arrear debt.

19.8 Only debtors with positive proof of identity or an authorised agent with a Power of Attorney shall be permitted to enter into an Acknowledgment of Debt agreement with the Council.

19.9 Where a debtor is a close corporation, trust, or a company, the person who signs an acknowledgment of debt on behalf of such close corporation, trust or company, shall produce written proof that he is authorised to sign such acknowledgment on behalf of all members and/or directors of the close corporation, trust, or the company.

19.10 An Acknowledgment of Debt agreement shall contain all arrangements for paying off arrear accounts, which may include interest. One copy of the agreement shall be handed to the customer and another filed with the Chief Financial Officer.

19.11 In instances where a customer is employed, the municipality may obtain a voluntary garnishee order or emoluments attachment order.

19.12 Where any debt has arisen as a result of the Council having applied an incorrect charge and/or tariff, the consumer may arrange to pay the debt over a maximum period equivalent to the period over which the incorrect charge was applied or over twelve months, whichever is the shorter.

19.13 The Director Finance and Deputy Director Finance may deviate from the policy in special circumstances.[7]

20. ALLOCATION OF PAYMENTS AND PART-PAYMENTS

20.1 Receipt of the total outstanding monies will be allocated to the credit of the account in full. If a debtor pays only part of any amount due, the Chief Financial Officer shall allocate such payment as follows:

- firstly, to any unpaid interest raised on the account;
- secondly, to any other sundry debtors (miscellaneous);
- thirdly, to housing rents and instalments;
- fourthly, to any unpaid refuse collection charges;
- fifthly, to any unpaid sewerage charges;
- sixthly, to any unpaid water charges;
- seventhly, to any other unpaid electricity charges; and
- lastly, to any unpaid property rates.

20.2 A customer shall not be entitled to allocate any payment made to any portion of the total debt due to the Council.

21 DISHONOURED AND OTHER UNACCEPTABLE CHEQUES/DEBIT ORDERS

21.1 Refusal by banks to honour payments by cheque or debit order is regarded as non- payment, upon which the relevant debtor is subject to credit control measures.

21.2 The Council shall, at the earliest opportunity, be entitled to disconnect or restrict, as the case may be, the electricity and/or water supply of a customer who has offered a cheque or debit order as payment for municipal services if such cheque or debit order is returned or dishonoured by the financial institution on which it is drawn as a result of a lack of funds or for any other reason.

[7] Recommended for amendment.

21.3 A customer tendering a cheque or debit order referred to in Clause 21 .2 shall be liable for all administration charges and bank fees as determined by Council as a result of such transaction.

21 .4 Should a dishonoured cheque or debit order be received, the customer may be contacted telephonically with the request that a cash deposit equal in amount to that of the dishonoured cheque be made into the municipality' s account within 24 hours.

21.5 Should any attempt to contact the customer fail, then the municipality shall immediately discontinue the supply of services to the premises.

21.6 In the event of the customer not having sufficient funds to settle the outstanding debt, the Municipality may open a case of fraud with the South African Police Service.

21.7 Dishonoured cheques are to be kept on file and will only be given to account holders on request if the account is paid up to date after the reversal of the dishonoured payment.

21.8 A customer who has offered three dishonoured cheques in any 12 month period will not be allowed to make further payments by cheque for a period of at least one year, although a bank guaranteed cheque may be accepted by the Chief Financial Officer.

22. QUERIES IN RESPECT OF ACCOUNTS

22.1 The enquiries counters at the municipality's service centres can be contacted for all account queries.

22.2 An enquiry clerk stationed at the municipality's service centres shall be available to assist consumers with account balance queries as well as the opening and closing of accounts.

22.3 Any resident or consumer who may feel aggrieved concerning his/her account may address a written grievance / appeal to the Chief Financial Officer.

22.4 The municipality endeavours to investigate any query and give feedback within fourteen working days of the receipt of the query.

22.5 Any query in respect of the amount due and payable on the consolidated bill must be lodged, in writing, at the municipality within 10 days of the consolidated bill date in order that it may be investigated. Should the query not be lodged within 10 days, the municipality cannot be bound to the provisions of clause 22.4.

22.6 A customer who has lodged an enquiry is not relieved of the responsibility to maintain regular payment on his account. In the event of an accountholder reasonably querying any item or items on the monthly municipal account, no action shall be taken against the accountholder provided the accountholder has paid, by due date, an amount equal to the monthly average monetary value of the three most recent un-queried accounts in respect of the service under query, as well as all un-queried balances on such account, and, provided further that, such query is made in writing by the accountholder or is recorded in writing by the Chief Financial Officer or his designate on behalf of the accountholder within 10 days of the consolidated bill date.

22.7 If a customer has received a response to a query but is still not convinced that the account is correct, the customer will still be liable for the full outstanding amount and will be subject to credit control action.

23. UNRESOLVED CUSTOMER QUERIES

23.1 Should a query remain unresolved after 14 working days have passed from the date the query was lodged, the customer is to notify the Section Head of the relevant section who will follow up and resolve the query.
23.2 Should the Section Head, as a result of the complexity of the case, be unable to resolve the query, it is to be referred to the Consolidated Billing Manager for resolution.

24. DISCONNECTIONS/RESTRICTIONS OF SERVICE

24.1 The Council shall disconnect/restrict services to consumers whose consolidated accounts remain unpaid after due date.

24.2 The municipality shall, prior to disconnection and/or restriction of services, not be obliged to issue any final demand notices or other reminders to customers whose accounts are unpaid after due date.

24.3 The municipal account shall reflect a warning message that shall be deemed to be proper and sufficient notice to the customer that his services may be disconnected or restricted unless payment is received on or before due date.

24.4 In the event that full payment of the consolidated account, including any accumulated arrears, is not received by close of business on due date, the electricity supply and thereafter the water supply may be disconnected/restricted, unless a formal arrangement for an extension of payment, in terms of Section 19, has been approved by the Chief Financial Officer or his authorised representative.

24.5 Even though a customer may have concluded satisfactory credit arrangements in terms of Section 19, the Council is not obliged to effect a reconnection of services on the day that payment is received or the agreement has been signed, but will, unless unable to do so because of circumstances beyond the control of the municipality, endeavour to do so within three (3) working days in terms of Section 26 read in conjunction with Section 25.

24.6 Where a customer's services are disconnected, or where access to disconnect services has not been obtained, the customer shall be charged a visitation fee, as determined by the Council, which shall be paid prior to the services being reconnected.

24.7 Where a customer's account and/or service agreement has been terminated or is in arrears and no credit arrangement has been entered into,

the Council may, at the customer' s cost, proceed to collect such amount as is outstanding and due in terms of the procedures for debt collection contained in Section 27 of this policy.

24.8 Where a customer or owner' s account is in arrears and no credit arrangement for the settlement of any outstanding debt has been entered into, and, whether the services to the property have been disconnected / restricted or no the Council may, regardless of whether the service agreement is terminated or not, implement the procedures for debt collection as set out in Section 27 of this policy, if such action is deemed by the Chief Financial Officer to be in the best interests of the Council.

24.9 Should the Chief Financial Officer be of the opinion that the termination of services, in respect of which the account is in arrear, could result in the endangerment of the life of any person, the Chief Financial Officer may appropriately restrict rather than terminate the services in question.

If a household is classified as an indigent household in terms of section 6.1 of the Assistance to the poor policy, as amended, then the following will be applicable with regard to disconnection/restriction of services:

(i) Prepaid electricity may be blocked for purchases if the other services are in arrears; and[8]

24. A Changing meters of defaulters[9]

(i) The water meters of defaulters can be replaced with water management meters, and the consumption can be limited to a minimum of 200 litres per day (6 kilolitres per month);

[8]Updated 31/05/2012 Council meeting
[9]Updated Council 28/09/2011

(ii) The electricity meters of defaulters can be replaced with split prepaid meters;

(iii) The cost of the replacement meters will be borne by the consumer who can pay the cost in three monthly instalments. If the consumer defaults on the payment for the meters, the electricity supply will be blocked and/or the water consumption will be limited to 200 litres per day (6 kilolitres per month).

25. RECONNECTION/REINSTATEMENT OF TERMINATED/RESTRICTED SERVICES

25.1 Services which have been terminated or restricted shall be reconnected or reinstated by the municipality only when all the following conditions have been met:

- the 30 days arrear account plus the reconnection fee has been paid in full, including the interest raised on such account; and an acceptable arrangement has been entered on the arrears older than 30 days with the municipality, including the interest raised on such account; or a query, as contemplated in Section 22, has been resolved and arrangements for payment as approved by the Chief Financial Officer have been concluded; a revised/existing service agreement has been entered into/reinstated with the municipality, as contemplated in Section 11 of this policy; and
- a suitable cash deposit, as determined by the Chief Financial Officer in terms of Section 12, has been paid to the municipality.

26. PROCEDURE FOR DEBT COLLECTION AND WRITE OFF

Where consumer accounts are in arrears, the Chief Financial Officer is authorised to institute the following procedures with the intention of proceeding until the debt is collected or written off:

26.1 Immediately after due date, disconnect and/or restrict all water and/or electricity services for all overdue amounts relating to rates, service charges or any charges for services rendered by the municipality in terms of the procedures laid down in Section 24 of this policy;

26.2 Thirty days after the due date:

- Tracing action may be authorized and instituted if the whereabouts of the debtor is unknown.

26.3 Sixty days (or any earlier period if the Chief Financial Officer deems that it is in the best interest of the Council) after the due date, and where an account rendered to a customer remains outstanding, the following action may be taken:

- All arrear amounts shall be handed over to the Council's internal or external debt collection agents.

The collection agents will then make use of normal debt collection procedures including a call centre approach and legal processes to collect the amounts owed to Council

- If necessary, the sale in execution of such property to recover arrear property rates and service charges will be instituted (if the accountholder is also the owner of the property).

- All legal expenses incurred by the municipality shall be for the account of the accountholder in default[10].

26.4 The Chief Financial Officer may insist that a consumer, who is utilising a credit meter, convert from that credit metered supply to a prepayment supply. The cost of such a conversion is to be borne by the consumer.

26.5 The Chief Financial Officer may allocate up to thirty (30) percent of any payment for prepayment services to arrear debt.

26.6 The Chief Financial Officer may order that emolument attachment or garnishee orders be instituted on debtors' salaries.

[10]Updated 20/04/2011

26.7 The Chief Financial Officer may withhold rates clearance certificates in terms of Section 118 of the Municipal Systems Act, 2000 (Act No. 32 of 2000) and Section 30 of this policy.

26.8 The Chief Financial Officer may withhold payments of grants-in-aid to consumers whose accounts are in arrears.

26.9 The Chief Financial Officer may withhold payment to suppliers whose accounts are in arrears in terms of the Supply Chain Management policy.

26.10 The Chief Financial Officer may withhold/reject the approval of building plans relating to improvements on properties if there are arrears on that property.

26.11 Whenever all the legal avenues and procedures listed above have been exhausted, or it becomes uneconomical to proceed further, the arrear amounts should be classified as irrecoverable and should be written off.

26.12 The Chief Financial Officer, may forward a report to Council for the writing off of consumer, if such debts may be irrecoverable.

26.13 The Executive Committee, in terms of its delegated authority, may authorize the writing off of the debts wherein after a report will be forwarded to full Council for ratification.

26.14 The Chief Financial Officer shall as soon as possible after 30 June each year, or more regularly if requested by Council to do so, present to the Council a report indicating the amount of the arrears that have been written off during the financial year, together with the reasons for the write off.

26.15 The Chief Financial Officer may write off debts to the value of R1000.00 per individual if he is satisfied that:

- All reasonable steps have been taken to recover the debt and the debt is considered to be irrecoverable, or
- He/she is convinced that recovery of the debt would be uneconomical.

26.16 The Chief Financial Officer may approve the write off of debt outstanding for more than three years, excluding property rates, on condition that all the other debt is paid immediately in full.[11]

26.17 Any debtors whose amounts are written off may be listed with the Credit Bureau and may not be permitted to enter into future service contracts with the Council.

[11] Amended by Council on 28 May 2014

26.18 Industrial consumers can qualify for an early payment rebate of one percent if their account is paid in full within 15 days after the month during which the services were consumed.[12]

26.19 A collection fee of up to 5% of the amount collected on behalf of the municipality may be paid to employers that deduct municipal accounts from their employees.[13]

26.20 If a household is classified as an indigent household in terms of section 6.1 of the Assistance to the poor policy, as amended, then the Chief Financial Officer must prior to implementation of sections 26.2 and 26.3 determine whether the debt would be uneconomical to recover as set out in section 26.15.[14]

27 ILLEGAL TAMPERING AND/OR THEFT OF SERVICES

The Municipality does not condone theft and fraud of municipal services and will monitor the service networks for signs of tampering or irregularities. Furthermore,

27.1 Water and electricity metering and connection equipment remain the property of the municipality and anyone involved in instances of tampering, damaging or theft thereof will be liable for criminal prosecution.

27.2 With regard to electricity services, if tampering of any nature or theft of such services is identified, the electricity supply to the property may be discontinued by the removal of the meter and the cable and the water supply may be restricted. In addition, the customer's service agreement with the Council may be cancelled and the customer's deposit may be offset against any amounts owed to the Council.

27.3 If the restricted water supply is tampered with or any variable flow-restricting device removed, the water supply may be discontinued, the service connection removed and the customer' s service agreement with the Council may be cancelled. The customer's deposit may be offset against any amounts owed to the Council.

27.4 Once Council becomes aware that any terminated or restricted service has been irregularly reconnected or reinstated, the necessary action to remedy the situation will be implemented which could include the Municipal Manager reporting such action to the South African Police Service.

27.5 All outstanding amounts including, all metered consumption since the date of the illegal reconnection, or the estimated consumption, if a reliable meter reading is not possible, shall be paid in full together with the required deposit, before any reconnection/reinstatement, and new services agreement are considered.

[12] Amended by Council on 28 May 2014
[13] Amended by Council on 28 May 2014
[14] Updated 04/08/2008 Special Council meeting

27.6 If found that any person (natural or juristic) are illegally connected or reconnected to municipal services, or that he/she fiddled with any meter, reticulation network or any other supply equipment, or delivered any unlawful service associated with the provision of municipal services, or stole or damaged any municipal property, he/she shall be prosecuted and/or held liable for fines, as determined by council

27.7 The total account due, including fines, estimates of unlawful consumption and disconnection and reconnection fees, as well as increased deposits as determined by the council, if applicable, is due

27.8 Arrangement for down payment for the replacement of tampered meters for indigent clients, only 1st and 2nd offences, can be approved by the Chief Financial Officer or his/her nominee.

27.9 An official case shall be laid at the South African Police Service against both vandals and thieves and the council reserves the right to take any other legal action against them;

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However, the receipt of payment will not necessarily impact on nor prejudice any legal or criminal proceedings against the customer.

28 UNOCCUPIED PREMISES

28.1 When a consumer terminates a consumption account and no new owner registers, the property is deemed to be unoccupied.

28.2 Whenever water and/or electricity consumption is recorded at a property that is deemed to be unoccupied effort will be made to establish the identity of the person responsible for that consumption, failing which an appropriate bill will be raised and forwarded to the owner of the property for payment. Should payment not be received then the registered owner of the property is liable for the services consumed.

29. CLEARANCE CERTIFICATES

29.1 Before any property can be transferred from one owner to another, all amounts owing to the municipality on the property must be settled. Only after settlement, will the Municipality issue a certificate stating that all outstanding debts have been settled. No property transfer can take place without such a certificate.

29.2 The Municipality requires a payment in advance equal to two[15] months average consumption of all relevant services prior to the issuing of such a clearance certificate in order to allow for any consumption that may take place during the time taken for the transfer to go through.

29.3 The Municipality shall, wherever possible, issue a clearance certificate within ten working days of such request once all outstanding debts and administration fees have been paid in full.

29.4 The above provisions do not apply in the case of transfers from National Government, Provincial Government or another municipality of residential property where the provisions of Section 118 of the Municipal Systems Act are applicable.

[15] Updated 04/08/2008 Special Council meeting

30. MUNICIPAL STAFF

30.1 Any member of staff of the Council and any Councillor may not be in arrears with the Council for rates and/or service charges for a period longer than three months, and the Council will deduct any outstanding amounts from the salary or allowance of such member of staff or Councillor after this period, in accordance with item 10 of Schedule 2 of the Municipal Systems Act, 2000 (Act No. 32 of 2000).

30.2 Staff arrangements made to pay off debt will be adjusted yearly equal to the percentage salary increase.

30.3 Salary deductions will be made from yearly bonuses & performance bonuses to be set off against any arrears or outstanding amount.

30.4 Any back pay, promotions, overtime & standby are first use to reduce arrears of staff.

30.5 Staff members that made arrangements to pay off debt must complete a salary deduction form and this deduction may not be stopped until debt has been paid in full.

30.6 If a staff member is sixty (60) days in arrears and has made no arrangement to pay off the outstanding amount, deduct full amount from salary.

31. REPORTING AND PERFORMANCE MANAGEMENT

31.1 The Chief Financial Officer shall report monthly to the Municipal Manager in a suitable format to enable the Municipal Manager to report to the Executive Committee as supervisory authority in terms of Section 99 of the Municipal Systems Act, 2000 (Act No.32 of 2000), read with section 100(c).

31.2 If, in the opinion of the Chief Financial Officer, Council will not achieve cash receipt income equivalent to the income projected in the annual budget as approved by Council, the Chief Financial Officer will report this with motivation to the Municipal Manager who will immediately move for a revision of the budget according to realistically realisable income levels.

31.3 The Executive Committee shall, at intervals of 3 months, report to Council as contemplated in Section 99(c) of the Municipal Systems Act.

32. DEFINITION OF IRRECOVERABLE DEBT

Debt will only be considered as irrecoverable if it complies with the following criteria:

(a) All reasonable notifications and cost effective legal avenues have been exhausted to recover specific outstanding amount, or

(b) Any amount equal to or less than R500.00, or as determined by Council from time to time, will be considered too small, after having followed basic checks, to warrant further endeavours to collect it, or

(c) The cost to recover debt does not warrant further action, or

(d) The debtor is untraceable or cannot be identified so as to proceed with further action, or

(i) the debtor has immigrated leaving no assets of value to cost effectively recover Council's claim, or

(e) It is not possible to prove debt outstanding, or

(i) a court has ruled that the claim is not recoverable, or

(ii) the outstanding amount is due to an irrecoverable administrative error by the Municipality, or

(f) All arrears will be written off to bad debts where water consumers have had their water leaks repaired, provide the necessary proof and for a period of six months from the date of repair –

(i) Pay their water & sewer bill above the free portion on or before the due date, and

(ii) Maintain their water consumption within affordable levels.

33. COMMUNICATION OF POLICY TO CONSUMERS

33.1 The municipality will, at its own cost, publish the Credit Control and Debt Collection Policy in the local media. The Chief Financial Officer operating under delegated authority will publish the policy on whatever basis is to the Council's best advantage. A copy of the policy will be posted on the municipality's website and hardcopies will be made available on request at the service centres. Any amendments may be communicated on the website and in a newsletter from time to time.

33.2 Councillors must, from time to time, address ward committees on the contents of the policy and any amendments thereto.

34. BY-LAWS TO BE ADOPTED

34.1 By-laws shall be adopted to give effect to the Council's credit control and debt collection policy.

34.2 The by-laws are to comply with the requirements of the Municipal Systems Act, 2000 (Act No. 32 of 2000), the Water Services Act, 1997 (Act No. 108 of 1997), the Electricity Act, 1987 (Act No. 41 of 1987) and the Municipal Finance Management Act, 2003 (Act No. 56 of 2003).

34.3 The by-laws deal severely with defaulters, and their application requires a considerable degree of commitment from the Municipal Manager and his or her administration, as well as from the municipality's political structures. For the by-laws to ensure the avoidance of financial misfortunes for the municipality, and to lead to sustained financial stability, their application will have to receive the constant attention of all the municipality' s key role- players and decision makers. If the by-laws are not constantly and consistently applied, from month to month and from year-to-year, the municipality' s political and administrative credibility will be severely impaired, and it may not be able to ensure financial sustainability in the long run.

34.4 Although the by-laws envisage even the termination of basic services for defaulting accountholders this will not in itself, no matter how harsh it may seem to those councillors and officials who are disposed to greater leniency, prevent the accumulation of arrears. The monthly billing for property rates, sewerage charges and refuse removal fees will continue in respect of defaulting accountholders, even though their consumption of electricity and water may have been terminated or restricted. The termination or restriction of services must therefore be seen merely as a vital first step in the credit control programme, and the commitment by the municipality to follow up such actions with the full force of the law at the municipality' s disposal is an essential further step if the accumulation of debts is to be meaningfully curtailed.

35 DECEASED ESTATES

The accounts of deceased estates may be transferred into the names of relatives as determined by the executor of the deceased estate, to allow for the continuation of service delivery to the relevant property on the following conditions:

The historical debt remains a claim against the deceased estate;

The executor of the deceased estate together with the new account holder must enter into an agreement with Witzenberg municipality for the payment of the historical debt;

The normal service deposit is payable by the new account holder unless a report by the municipal social worker indicates that the new account holder cannot afford to pay the deposit;

If the property is let out, the service deposit is payable without any exceptions;

A clearance certificate in terms of section 118 of the municipal systems act may be issued by Witzenberg municipality on condition that the executor of the deceased estate provides the municipality with a guarantee that the outstanding debt will be paid on transfer;

In the instance of a child-headed household the account must remain in the name of the deceased estate, but the estate will qualify for indigent support, if the other criteria for an indigent household are met.

36. ENFORCEMENT OF OTHER LEGISLATION

36.1 In addition to the credit control and debt collection provisions contained in this policy and the published by-laws relating hereto, the Council may enforce any other rights or exercise any power conferred upon it by the Municipal Systems Act, 2000 (No. 32 of 2000), the Water Services Act, 1997 (Act No. 108 of 1997), the Property Rates Act, 2004 (Act No. 6 of 2004) and the Municipal Finance Management Act, 2003 (Act No. 56 of 2003).

36.2 In the event of an inconsistency between the provisions of these and any other by-laws, the provisions of these by-laws shall prevail.

37 COMMENCEMENT DATE

This policy as amended takes effect as from the 28 September 2011.



CASH MANAGEMENT AND INVESTMENT POLICY

Date of implementation: 01 July 2008

Reviewed Council 15/06/2010
Council 28/05/2009
Special Council Meeting 13/11/2008 Item 5.4

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APPENDIX A

PREAMBLE

Whereas section 13 of the Local Government: Municipal Finance Management Act, 2003 (No. 56 of 2003) determines that a municipality must introduce an appropriate, prudent and effective cash management and investment arrangement;

and whereas a bank, in accordance with the provisions of section 13 of the Act, has to disclose details regarding a municipalities' investments;

and whereas councillors and officials, as trustees of public funds have an obligation to ensure that cash resources are managed as effectively, efficiently and economically as possible;

now therefore the Witzenberg Municipality adopt the cash and investment management policy set out in this document.

1. DEFINITIONS

"Act" means the local government Municipal Finance Management Act, 2003 (Act no. 56 of 2003)

"Council" means the Municipal Council of Witzenberg Municipality

"Gazette" means the Government Gazette

"Investee" means an institution or counterparty with which an investment is placed, or its agent.

"Investment" means an amount of funds deposited in deposit taking institutions registered in terms of the Bank's Act, 1990 (Act 94 of 1990) on which interest is earned or received.

"Internal investment manager" means the official appointed or acting as the Manager: Financial administration of Witzenberg Municipality.

2. LEGAL FRAMEWORK

a) Legislation – local government: Municipal Finance Management Act 56 of 2003 (As amended)

b) Treasury regulations in terms of Section 13(1) of the Act (As amended).

3. OBJECTIVES

a) To maximize returns from authorized investments, consistent with the secondary objective of minimizing risk

b) To ensure compliance with all legislation governing the investment of funds.

c) To maintain adequate liquidity to meet cash flow needs

d) To undertake the investment of funds not immediately required for operational purposes in a prudent financial manner.

e) To ensure diversification of permitted investment.

f) To ensure complaints with regard to revenue management as contemplated in Sect 64(d), 64(f) and 64(h) of the Act

g) Te ensure complaints with regard to Sect 10 and 11 of the Act

4. CASH MANAGEMENT POLICY

4.1. General Policy

It is recognised that from time to time, Council has cash flow surpluses and borrowing requirements due to daily receipts and payments. Council maintains a daily cash position summary and a yearly cash flow projection is prepared during the annual planning process and is updated monthly. This determines Council's borrowing requirements and surpluses for investment. Cash invested "outside" the bank account is covered by section 4 of this policy.

4.2. Bank Accounts

Council operates one primary bank account for its day to day operational activity requirements. All monies due to Council and due by Council emanating from Council activities must pass through this primary account.

4.2.1 Cheque Management

Cheques are printed in batch format. To prevent the removing of cheques, cheques are delivered in sealed boxes where strict control is exercised over the numerical sequence of cheques on the expenditure system by means of a cheque register.

4.2.2 Delegation/Rights

The incumbents of the following post are authorized to sign cheques on behalf of Council

4.2.3 Cheques

A-Signatories:	Director: Financial Services/Chief Financial Officer
	Manager: Financial Administration
	Manager Income
	Manager: Supply Chain
B-Signatories:	Accountant Assets & Budgets
	Accountant Credit Control
	Accountant Debtors
	Accountant Expenditure

Each payment needs to be signed by at least two A-signatories, or one A-signatory and one B signatory.

4.2.4 Electronic Funds Transfer (EFT)

Authorisation same as cheques above

4.3 Bank Overdraft

4.3.1 Barring the fact that Council has an approved overdraft facility with its primary banker for possible unanticipated short-term cash flow shortfall, its general policy is to avoid going into overdraft.

Short-term debt is incurred based on expected income and must be repaid within the same financial year. (Section 45 of the MFMA)

4.3.2 Council set the credit limit for the bank overdraft facility at R6, 000, 000 (six million rand).

4.3.3 The terms of the agreement for the bank overdraft facility, including the credit limit, may be changed only by a resolution of council.

4.3.4 Any overdrawn bank account at any date must be reported without avail to Council supported by reasons therefore.

4.3.5 Any short term facility that requires review must first be approved by the Accounting Officer.

4.4 Cash collection

4.4.1 Controlled, secured and prompt cash collection

a) All cashier banking batches and or shifts must be closed at least on a daily basis;

b) Each cashier banking batch must be closed and deposit in the primary bank account separately;

c) All forms, categories or types of money receipted must be quoted in the form or type received, for example cheques as cheques and cash as cash;

d) A cashier must count the money he/she receipted, record the outcome on the cash-up sheet per category, then report to the senior responsible for the closing of the banking batches;

e) No cashier may have access to the closing bank batch facility of the financial system;

f) The senior verifies whether the amounts is correct and send the cashier back if necessary, otherwise closed the banking batch;

g) The cashier in the presence of the senior put the money in the cash bags; seal it and lock it away in his/her fault for collection;

h) All closed banking batches must be deposited and received by the bank within 72 hours;

i) An independent service provider will collect all bags; quote the seal serial number and issue a receipt for the money bags;

j) The service provider must ensure that the bank check the seals, verify the seal number and sign for the money bag; and

k) All shortages must be paid in by the cashier and all surpluses must be receipted in an item number open for this purpose.

4.4.2 Availability of receipting points

a) Cash receipting points will be available in Wolseley, Tulbagh, Ceres, Prince Alfred Hamlet and Op-Die-Berg at municipal offices;

b) The normal office hours are Monday to Thursday 08h30 till 15h30 and Friday 08h30 till 14h30;

c) The Municipality makes use of prepaid electricity sales points in all the suburbs where the Municipality is the approved electricity supplier, these points is open at least from 07h00 till 20h00; and

d) The Municipality also make use of third party payments for example Easy pay and Pay – a- Bill.

4.4.3 Electronic payments directly into bank account

Electronic payments directly into the bank account are allowed provided that the client use his/her debtors account number as reference or booking number or traffic fine number.

4.4.4 Receipt of money by post

a) All mail of the Municipality is opened by an official responsible for Archives in the presence of a cashier responsible for collecting the mail received payments;

b) All monies (cash, cheques and postal orders) are recorded in a register signed by the mail received payments;

c) This cashier will then capture the received payments on the financial system; records the receipting number with the date of the receipt and sign the register;

d) When a cheque is post dated, it is written in a post dated cheque register and then kept in a safe until the valid date and then it is captured; and

e) The senior responsible for the cashiers must verify at least once a week that all payment received via mail is receipted and that all post dated payments has been captured.

5. INVESTMENT POLICY

5.1 General Policy

Generally Council will invest surplus funds with deposit taking institutions registered in terms of the Bank's Act, 1990 (Act 94 of 1990) for terms not exceeding one year in anticipation of cash flow expectations. From time to time, with prior Executive Mayoral Committee approval, investments can exceed 1 [one] year and be made at other institutions/instruments as approved in the National Treasury regulations from time to time.

5.2 Application

5.2.1 This policy applies to all investments made by the Witzenberg Municipality or its duly appointed investment manager.

5.2.2 In addition, all investments must be in accordance with the Municipal Investment Regulations. Where there is a conflict between this policy and the Municipal Investment Regulation, the Municipal Investment Regulations will supersede this policy.

5.2.3 This policy do not apply to -

(a) a pension or provident fund registered in terms of the Pension Funds Act 24 of 1956, or any subsequent legislation; or

(b) in respect of trust money administered by a municipality where a trust deed prescribes how the trust money is to be invested.

5.2.4 Investments dominated in foreign currencies prohibited

Council may make an investment only if the investment is dominated in Rand and is not indexed to, or affected by, fluctuations in value of the Rand against foreign currency.

5.4 Diversification

5.4.1 Council will only make investments with approved institutions which have an A rating as per Appendix A.

5.4.2 Not more than 30% of available funds will be placed with a single institution.

5.4.3 Council must regularly monitor its investment portfolio and when appropriate liquidate an investment that no longer has the minimum acceptable credit rating as specified in 4.4.1 above.

5.5 Investment Managers

5.5.1 External Investment Managers

The municipality may as and when the need arise approach an external A-graded investment manager to administer the investment portfolio on its behalf. The external investment manager will be appointed in terms of SCM policy and service level agreement will govern the functions and responsibility of the service provider. All investments made by the external investment manager on behalf of the Council of Witzenberg must be made within the ambit of this policy and with National Treasury's investment Regulations.

5.5.2 Internal Investment Manager.

All investments made by the internal investment manager shall be in accordance with section 4.4 of this policy.

5.6 INTERNAL CONTROLS OVER INVESTMENTS

5.6.1 Delegations

In terms of section 79 of the Act, the Accounting Officer has delegated to the Director: Finance (CFO), in writing, his duty under section 65(2)(h) to manage the councils available working capital effectively and economically in terms of the prescribed cash management and investment framework. The CFO has sub delegated this duty to the Manager Financial Administration.

5.6.2 Concluding deals

Written mandates, signed by the Manager Financial Administration and the CFO, shall be issued to all investees with whom the Council of Witzenberg invests funds setting out the following:

5.6.2.1 Authorised dealers: name and particulars of the Councils officials who are authorised to transact investments deals with the investees;

5.6.2.2 Authorised signatories: name and particulars of the Councils officials who are authorised to sign written confirmations or any other correspondence in respect of investments transactions.

5.6.2.3 A dealing sheet, signed by an authorised dealer, shall be prepared in all instances for each individual investment, detailing the quotations received and the recommended investee. The Manager Financial Administration, together with any one of the authorised signatories referred to above, shall be authorised to approve the transaction.
A written confirmation of the terms of each investment transaction shall be prepared, and signed off by the Manager Financial Administration and the CFO.

5.7 Ownership

5.7.1 All investments must be made in the name of the Council of Witzenberg Municipality.

5.7.2 Written proof of investments made must obtained from the institution where the investment is made and must be kept on file.

5.7.3 Council may not borrow money for the purposes of investment.

6. DUE CARE

In dealing with financial institutions, the following ethical principles must be observed:

6.1 The Chief Financial Officer and all staff in his/her directorate shall not accede to any influence by or interference from Councillors, investment agents, institutions or any other outsiders.
6.2 Under no circumstances may inducements to invest be accepted;
6.3 Interest rates quoted by one institution must not be disclosed to another institution; and
6.4 The business ethics of any controlling body of which the relevant financial institution is a member must be observed by such institution or body at all times.
6.5 Investments must be made with such judgement and care, under prevailing circumstances like a person of prudence, discretion and intelligence would exercise.
6.6 Investment may not be made for speculation but must be a genuine investment; and
6.7 Investments must in the first instance be made with the primary regards being to the probable safety of the investment, in the second instance to the liquidity needs of the municipality and lastly to the probable income derived form the investment.

7. PERFORMANCE MEASUREMENT

Measuring the effectiveness of Council's treasury activities is achieved through a mixture of subjective measures. The predominant subjective measure is the overall quality of treasury management information. The Chief Financial Officer has primary responsibility for determining this overall quality. Objective measures include:-

7.1 Adherence to policy.

7.2 Timely receipt of interest income.

8. REPORTING

8.1 Reports

REPORT NAME	FREQUENCY	PREPARED BY	RECIPIENT
Bank Balance	Report Daily	Senior Clerk Bank Reconciliations	Manager: Financial administration
Investments	Monthly within 10 working days of the end of the month. As part of section 71 of MFMA report	Accountant	Manager: Financial administration, Chief Finance Officer and Council

8.2 Monthly reports

Monthly reports must set out at least –

(a) the market value of each investment as at the beginning of the reporting period;
(b) any changes to the investment portfolio during the reporting period;
(c) the ,market value of each investment as at the end of the reporting period; and
(d) fully accrued interest and yield for the reporting period

9. ANNUAL REVIEW OF POLICY

This policy on investments will be reviewed annually or earlier if so required by legislation. Any changes to the investment policy must be adopted by council and be consistent with the Act and any National Treasury regulations.

10. EFFECTIVE DATE

The effective date of this amended policy shall be 1 July 2010.

APPENDIX A

APPROVED INSTITUTIONS

Banking Institution	Short-term	Long-term
ABSA Bank Ltd		AAA
Development Bank of SA		AAA
First Rand Bank Ltd		AA+
Sanlam Capital Markets Ltd		A
Imperial Bank Ltd		A+
Investec Bank Ltd		A+
Land and Agricultural Bank of SA		AA-
Nedbank Ltd		AA-
Standard Bank of South Africa Ltd		AA+

1. Long-term ratings

AAA- Obligations which have the highest rating assigned by Fitch IBCA on its nation rating scale for that country. This rating is automatically assigned to all obligations issued or guaranteed by the sovereign state. Capacity for timely repayment of principal and interest is extremely strong, relative to other obligors in the same country.

AA- Obligations for which capacity for timely repayment of principal and interest is very strong relative to other obligors in the same country. The risk attached to these obligations differs only slightly from the country's highest rated debt.

A- Obligations for which capacity for timely repayment of principal and interest is strong relative to other obligors in the same country. However, adverse changes in business economic or financial conditions are more likely to affect the capacity for timely repayment than for obligations in higher rated categories.



CONSUMER PAYMENT INCENTIVE POLICY (CPIP)

Date of implementation 01 July 2009
Reviewed by Council 15/06/2010
Reviewed by Council 20/04/2011
Reviewed by Council 31/05/2012
Reviewed by Council 29/05/2013
Reviewed and amended by Council on 28/05/2014
Reviewed and amended by Council on 27/05/2015
Reviewed and amended by Council on 18/05/2016
Reviewed and amended by Council on 30/05/2017

1. BACKGROUND

The Credit Control and Debt Collection Bylaws were reviewed and adopted by Council on the 28 May 2008. The purpose of the policy is to encourage the residents of Witzenberg to pay for services and also to promote the culture of payment amongst its citizens. The policy also aims to promote the Municipal Systems Act 32 of 2000, Sec 97(F) which relates to the extension of time for payment of services. The main focus of the policy is to institute incentive schemes to encourage prompt payment of debtor accounts.

2. OBJECTIVE OF THE SCHEME

To outline the parameters, criteria and procedures within which identified debts of participants to the scheme is written-off in exchange for prompt and timeous payment of future accounts rendered by the Municipality.

3. INCENTIVE DEFINED

3.1 Benefits derived by a participant to scheme

- One tenth of verified debt to be written-off every six month until debt is written-off in totality upon the participant fully complying with the conditions of the scheme.
- Assist consumers in improving the status of their municipal account in two ways, namely the decreasing of their existing debt through write-off and assisting them in ensuring that their current accounts do not deteriorate to a similar state.
- Registered Indigents must ensure that their monthly accounts are up-to-date if consumption has been more than the subsidy provided.
- The Incentive Policy is applicable only on debt relating to Service Charges excluding charges on Property Rates.

3.2 Benefit to Council

- Promotes sustainable and reliable revenue for the Council for future years.
- Creates amongst consumers the awareness and principle of paying for services consumed.
- Limits the financial burden of bad debt on the municipal council in future years.

4. CONDITIONS APPLICABLE TO THE SCHEME

4.1 Participant to promptly and timorously pay six (6) consecutive months account rendered. The account must be paid before or on due date.

4.2 Participant to honour the acknowledgement of debt agreement entered into for the debt not identified for write-off, failing which it invalidates the application on the Incentive Policy.

5. WHO MAY APPLY

5.1 Only domestic consumers and educational schools and Hostels service accounts (Rates excluded) that have active accounts at date of application.

5.2 Only consumers that have outstanding debts as at the 30th June 2016 and the said debt or portion thereof is at date of application still outstanding.[1]

6. WHO MAY NOT APPLY

6.1 Registered indigent consumers.

6.2 Commercial and Industrial consumers.

6.3 Government Departments, which includes schools and Parastatals.

6.4 Consumers utilising domestic premises to operate businesses.

7. METHOD OF COMMUNICATION ON THE SCHEME

7.1 The incentive scheme will be advertised in different mediums - newspapers, road shows and through the monthly statements.

7.2 A consumer must then complete an application form.

7.3 A reconciliation of the account will then be performed to verify whether the applicant qualifies.

8. THE PROCEDURE APPLICABLE

8.1 Verified debt as at 30th June 2016[2] to be "parked" and written-off in instalments as the conditions are met.

8.2 Verified debt accrued after 1st July 2016[3] to be dealt with via an acknowledgement of debt and arrangement for payment by the participant.

8.3 Incentive to be applied with effect from the 1st July 2010 retrospectively and upon approval.

[1] Recommended for adjustment
[2] Recommended for adjustment
[3] Recommended for adjustment

9. INCENTIVE CALCULATION

One tenth of applicable debt to be written-off upon the participant promptly and timorously paying six (6) consecutive months account rendered in addition to the acknowledgement of debt accrued after 1st July 2016.[4]

Example

(a)	Verified outstanding debt as at the 30th June 2016 amounts to	R5 000-00
(b)	Incentive portion written off each quarter 1/10th of debt as per (a)	R500-00
(c)	Verified outstanding debt for the period accrued after 1st July 2016	R2 400-00
(d)	Monthly accounts rendered	
	Account rendered for July 2017	R352-60
	Account rendered for August 2017	R201-49
	Account rendered for September 2017	R165-82
	Account rendered for October 2017	R199-61
	Account rendered for November 2017	R210-99
	Account rendered for December 2017	R332-84
		R1 463-35
(e)	Acknowledgement of debt agreement (2400/36)	R66-67 per month

Incentive calculation

- The R5 000-00 is "parked thereby targeting it for write-off.
- An agreement is entered into for the R2 400 at R66-67 per month (2400/36)
- For every six consecutive months that the participants' current account and the arrangement of (66-67) must be paid up, an amount of R500-00 will be written-off from the "parked debt".

10. PARTICIPANTS TO THE SCHEME THAT DEFAULT

10.1 Participants, who default will not automatically be removed from the scheme, however their participation will be automatically suspended by the financial system that Council is using should they be in default for by two months or more.

10.2 The participants, in order to be reinstated on the Incentive Policy, must pay all outstanding amounts from the last account which was paid.

10.3 The incentive portion will only be affected if the participant has fully complied with the said conditions referred to in Section 4 of this scheme.

10.4 Participants who default on a regular basis will at management's discretion be removed from the scheme and normal credit control actions in terms of the bylaws will be instituted.

[4] Recommended for adjustment



PETTY CASH POLICY

Date of implementation: 01 July 2010

Petty Cash Policy

1. INTRODUCTION

The management of expenditure of the municipality in an effective and controlled manner is the responsibility of the Accounting Officer of the municipality. Therefore the following petty cash policy is adopted by the Witzenberg Municipality.

Witzenberg Municipality includes the towns and rural areas of:

Ceres,
Prince Alfred's Hamlet,
Op-die-Berg,
Tulbagh, and
Wolseley

2. OBJECTIVES

To comply with regulatory framework in terms of the relevant legislation.

3. REGULATORY FRAMEWORK

a) The Municipal Finance Management Act (56 of 2003)
b) Paragraph 15 of the Municipal Supply Chain Management Regulations of 2005
c) Paragraph 15 of the Municipal Supply Chain Management Policy

4. RESPONSIBILITY AND ACCOUNTABILITY

The key responsibilities in terms of the MFMA (Section 65) are:

(1) The accounting officer of a municipality is responsible for the management of the expenditure of the municipality.
(2) The accounting officer must for the purpose of subsection (1) take all reasonable steps to ensure—

(a) that the municipality has and maintains an effective system of expenditure control, including procedures for the approval, authorisation, withdrawal and payment of funds;

(b) that the municipality has and maintains a management, accounting and information system which—
(i) recognises expenditure when it is incurred;
(ii) accounts for creditors of the municipality; and

(iii) accounts for payments made by the municipality;

(c) that the municipality has and maintains a system of internal control in respect of creditors and payments;

(d) that payments by the municipality are made—
(i) directly to the person to whom it is due unless agreed otherwise for reasons as may be prescribed; and
(ii) either electronically or by way of non-transferable cheques, provided that cash payments and payments by way of cash cheques may be made for exceptional reasons only, and only up to a prescribed limit;

The Municipal Manager hereby delegates authority to the Chief Financial Officer.

5. PETTY CASH PURCHASES

Petty cash requests will be made to the designated Petty cash officer in writing. The applicant must ensure that the items requested must be approved Petty Cash items. Petty cash officers will be held accountable for the safe guarding of petty cash.

(a) Petty cash is strictly restricted to cash purchases:

i. up to a transaction value of R2 000.00 (VAT included)

(b) Approved list of Petty cash purchases are as follows:

i. Condolences, well wish cards, bouquets and flowers; keys for offices;
ii. Temporary vehicle licensing and public driver permits
iii. Tollgate fees when an employee is driving with an official vehicle registered in the name of council
iv. Refunds (Library book fees);
v. Refreshments and catering
vi. Purchase other than that specified in (i) to (v) above, may be approved by the CFO in exceptional cases where it is impractical or impossible to follow the official procurement processes provided that:
    1. No approved store items may be purchased by means of a petty cash transaction;
    2. No fixed asset may be purchased by means of a petty cash transaction;
    3. No travel and subsistence claims or disbursements may be paid via petty cash;
    4. Purchases are not split over two or more cash purchase claims;

6. MAXIMUM AMOUNT OF PETTY CASH PER MONTH

Petty cash will only be held in Ceres. The maximum float may not exceed R5 000.00 at any point in time. The maximum amounts of petty cash purchases are limited to R10 000.00 per month.

7. REPORTING

A monthly reconciliation report must be provided within 5 working days after month end to the chief financial officer, including:

(a) The total amount of petty cash purchases for that month: and

(b) Receipts and appropriate documents for each purchase

WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

INDIGENT POLICY

OUR VISION

A Municipality that cares for its community, creating growth and opportunities.

OUR MISSION

The Witzenberg Municipality is committed to improve the quality of life of its community by:

- Providing and maintaining affordable services.
- Promoting Social and Economic Development
- The effective and efficient use of available resources
- Effective Stakeholder and Community participation

Reviewed by Council 30/05/2017
Reviewed by Council 18/05/2016
Reviewed by Council 28/09/2011
Adopted by Council 15/06/2010

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1. INTRODUCTION
2. AIM
3. OBJECT OF THE POLICY
4. PRINCIPLES
5. DEFINITIONS
6. CRITERIA
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9. COMMENCEMENT
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1. INTRODUCTION

Witzenberg acknowledges the fact that priority must be given to the basic needs of the community and that the social and economical development of the community is assisted in an effort to provide access to the basic level of service in terms of the Constitution of South Africa, Sect 152 (1) (b) and 153 (b).

In an effort to make basic services accessible to the poor and to contribute to poverty alleviation program of National Government, the Council will allocate funds to assist the Poor. This policy, the Indigent Policy, is the tool to ensure that eventually the poor is in the safety net and are protected from measures to deny them access to the basic services. It is however acknowledge that the assistance will only be possible with the assistance of National Governments Fiscal.

2. AIM

To ensure a sound and sustainable manner to provide affordable basic services to the Poor by means of assisting them financially within the legal framework of the powers and functions of the Municipality in order to improve the livelihood, in an effort to creating a prosperous Municipality free of poverty.

3. OBJECT OF THE POLICY

The object of this policy is to:

- Ensure a transparent, accountable and sustainable manner to assist the poor to access of basic services as defined later in the policy;
- Ensure a sustainable manner to assist the poor with the graveyard costs, transfer duties and to change the municipal accounts in the cases of death, legal separation, divorce, etc. when necessary; and to
- Ensure that a fair portion of the equitable share, as provided by National Government, is utilized as a contribution to poverty alleviation.

4. LEGAL FRAMEWORK

The legal framework within to provide basic services, are in terms the Constitution of South Africa:

- Sect 152 (1) (b) – provision of services in sustainable manner,
- Sect 153 (b) – participation in national and provincial programs, and

- Sect 156 – powers and functions to be preformed by the municipalities.

Section 74(2)(c) of the Systems Act, Act 32 of 2000 deals with the ability of the municipality to make provision for the provision of access to at least basic services for the poor households. Sect 118 of the same Act provides the powers to the Municipality to issue clearance certificates and to hold back those of owners who are in arrears.

It is also seen that Sect 151(1) (b) of the Constitution, read with Section 74(2) (c) of the systems act provides enough powers to the Municipality to subsidize the poor with regard to other tariffs as well as to ensure that the household can maintain access to basic services when the head of the household should pass away.

5. DEFINITIONS

In this policy the under mentioned means, unless the context indicates otherwise-

"Household" a family unit consisting of a head of the family, and his or her spouse.[1]

"Indigent household" a household that complies with the criteria as determined in section 6 of this policy.

"Income" All sources of income of a head of the family, and his or her spouse[2], for example salaries, allowances, pensions, rental and business income not limiting it to the examples mentioned, excluding state child support grants, care dependency grants, foster care grants or maintenance support.[3]

"Spouse" includes husband, wife or living partner, including traditional marriages.[4]

6. CRITERIA

Assistance is provided to households that meet the criteria as set out in 6.1 and to old age homes that meet the criteria as set out in 6.2.

6.1. The qualification criteria for urban households in order to receive assistance are as follow:

6.1.1. The head of the household must be a South African citizen;

[1] Recommended for amendment
[2] Recommended for amendment
[3] Amended by Council 28/09/2011
[4] Recommended for inclusion

6.1.2. An application on the prescribe form, fully completed with the required information and signed, must be provided;

6.1.3. The household, except in the case of rural households, must receive an account from the Municipality of Witzenberg;

6.1.4. No member of the household, except in the case of rural households which resides on the farm where he/she works and is not the owner, may own a fixed property other that the site on which the household resides; and

6.1.5. The household joint gross income may not exceed the level of R 3,000 per month.

6.1.6. Two individual government pension (old age or disability) that exceeds the threshold as per 6.1.5 may qualify if it is the only household income.[5]

6.1.7. The municipal manager may approve a household as indigent in exceptional circumstances.[6]

6.2. The qualification criteria for old age homes in order to receive assistance are as follow:

6.2.1. More 50% of the residence within the old age home must receive less than R 3,000 per month income; and

6.2.2. An application on the prescribe form, fully completed with the required information and signed, must be provided.

7. BENEFITS

All benefits are awarded in the form of free use consumption tickets or as a subsidy on the municipal account.

The following benefits are available for:

7.1. Households with a joint gross household income less than R 3,000

7.1.1 Property rates

In terms of the Property Rates Act, Act 6 of 2004, section 17(h) all residential sites are exempt from the first R 15,000 of the market value on property. As additional subsidy the Municipality will increase this level to ~~R 85,000~~ R105 000 by means of a subsidy in the form a credit

[5] Recommended for amendment
[6] Amended by Council 30/05/2017

on the municipal account. This subsidy will be equal to the smallest of ~~R 85,000~~ R 105 0000 market value or the total valuation of property.

7.1.2 Electricity

A subsidy equal to the amount charged for the first 50 kWh consumed per month.

7.1.3 Water

A subsidy equal to the amount charged for the first 6 kilolitres consumption per month as well as 100% subsidy on the basic charge for water, where the Municipality is the service providers.

7.1.4 Sanitation

A subsidy equal to 100% of the amount charged for the service per month where the Municipality is the service provider.

7.1.5 Refuse removal

A subsidy equal to 100% of the amount charged for the service per month where the Municipality is the service provider.

7.1.6 House rental

A subsidy equal to 100% of the amount charged in the case of municipal sub economical rental stock as house rental per month

7.1.7 Graveyard costs

A subsidy equal to 100% of the amount charged for graveyard cost. The subsidy can be in terms of every deceased member of the household and minor dependents.

7.1.8 Transfer costs

7.1.8.1. A subsidy equal to 100% of the amount charged for transferring the municipal services accounts as a result of death of the head of the household. In the event of separation or divorce, the person who is residing at this plot, qualifies for the subsidy on transfer costs. This household is also exempt from making a consumer deposit or to increase the existing deposit.

7.1.8.2. A subsidy equal to 100% of the costs of an attorney to transfer the property into the spouse name, this as a result of death of the head of the household whilst approved as a Indigent household and the current registration is not in both parties name registered in the

deeds office. The appointment of the attorney is entirely the prerogative of the Municipality. Only applicable to rental stock

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7.2. Old age Homes

7.2.1 Electricity

A subsidy equal to 10% of the amount charged for the service per month

7.2.2 Water

A subsidy equal to 81.2% of the amount charged for the service per month

7.2.3 Sanitation

A subsidy equal to 59% of the amount charged for the service per month.

7.2.4 Refuse removal

A subsidy equal to 33% of the amount charged for the service per month.

7. A Restrictions / limitations on indigent relieve:[7]

(i) The water meters of indigents who consumed in excess of 6 kilolitre water per month and do not pay regularly for the excess can be replaced with water management meters, and the consumption can be limited to a minimum of 200 litres per day (6 kilolitres per month);

(ii) The electricity meters of indigents who consumed in excess of 50 kWh units of electricity per month and do not pay regularly for the excess can be replaced with split prepaid meters and the connection can be limited to a minimum of 20 Amps;

(iii) The cost of the replacement meters will be borne by the municipality.

[7] Amended council 28/09/2011

8. ADMINISTRATIVE PROCEDURES

8.1. Organizational Structure

The organizational structure dealing with assistance to the poor is split in decision making and execution.

The decision making component will consist of the elected councilors in the Finance Committee, with the execution unit being the advisors of the committee.

Responsibilities of the Committee:

This committee will ensure that recommendations be made with regard to:

- Policy changes;
- Monitoring of the assistance provided; and
- Serve as the dispute handling committee.

The execution portion will be dealt with by the Social and Economic Development unit of Witzenberg Municipality.

Responsibilities of the unit will include at least:

- Assist households with applications;
- Consider applications according to criteria
- Approve applications;
- Ensure implementation of approved applications;
- Keep administrative record of all applications,
- Assist in reconciling information with the financial system; and
- Prepare monitoring reports.

8.2. Application Procedure

8.2.1. The head of the household, if not the municipal account holder supported by the municipal account holder, must apply for the subsidy in person. The onus to apply is placed on the head of household.

8.2.2. The application must be on the prescribe application form. Attached as Annexure 8.1.2.

8.2.3. The application form must at least include the following documents:

- Copy of the latest municipal accounts, where applicable;
- Copy of the head of the household identification document and in the case of not the account holder the account holder documentation;

- Copy of the deceased identification and death certificate documents, where applicable;
- Proof of income, certified by employer as a true reflection, if applicable;
- Copy of the pension card, UIF card, or interest certificate, etc, if applicable; and
- An affidavit that certifies that the information provided is the truth and nothing but the truth. (Attached as Annexure 8.1.3)
- Copy of the last three months bank statements when required.

8.2.4. The municipality acknowledged the fact that support must be offered in order to ensure access to the subsidy. For this purpose a unit is in tack to assist the poor. All applications must be lodged at this unit, called the Social & Economic Development unit of Witzenberg Municipality.

8.2.5. The Municipality reserves the right that an official of the unit may visit the household residing place in order to establish or confirm the information provided.

8.2.6. The Municipality reserves the right to verify information received by means of ITC checks.[8]

8.2.7. The Municipality undertakes to remind the household, two months prior to expiry of the approval, of the expiry. The non-receiving of the notice in the form of a house visit, letter or via the municipal account will not place the responsibility on the Municipality to ensure re-application.

8.3. Measurement and duration of applications for approval

8.3.1. Measurement whether the application qualify in terms of the criteria as set in section 6 is based on the information as on the date of the application. The municipality reserves the right to lodge their own investigation in order to ensure compliance with the criteria.

8.3.2. An approved application is valid for a period of twelve months.

8.3.3. If an applicants financial position changes and it is of a permanent nature the applicant must inform the Municipality of the change. If the change affect the household in such a manner that it no longer meet the criteria as set in section 6 the approval will automatically stop.

8.3.4. The onus rest with the applicant to inform the Municipality of any such changes.

[8] Recommended for amendment

8.3.5. The approval will stop automatically two months after the head of the household passed away. If the household left be hind is still financially in the same position the subsidy must be transferred to the new head of the household. The onus to apply is placed on the new head of the household.

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8.4. Disputes

Any dispute based on the administrative process or approval of an application will be dealt with by the Finance Committee. The Committee may call the applicant to put their dispute in words or ask the applicant to put it in writing. The Social and Welfare unit must be afforded to provide the committee with documentary proof of the process followed and or reasons for the decision made. The committee may not include in their decision any deviation of this policy.

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9. COMMENCEMENT DATE

This amended policy takes effect as from the 28 September 2011.



BUDGET VIREMENT POLICY

Date of implementation 01 July 2010

Reviewed by Council 31/05/2012
Council 15/06/2010

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1. Definitions

2. Abbreviations

3. Objective

4. Financial Responsibility

5. Transfer/ Virement Restrictions

7. Transfer / Virement Procedure

Annexure “A” Vote Classification

Annexure “B” Item Classification

1. Definitions

"Accounting officer'' The municipal manager of a municipality is the accounting officer of the municipality in terms of section 60 of the MFMA

''Approved budget'' means an annual budget approved by a municipal council.

"Budget-related policy'' means a policy of a municipality affecting or affected by the annual budget of the municipality as defined in the Budget Policy of the Council

''Chief financial officer'' means a person designated in terms of the MFMA who performs such budgeting, and other duties as may in terms of section 79 of the MFMA be delegated by the accounting officer to the chief financial officer.

"Deputy Chief financial officer''" Deputy Director: Finance[1]

"Capital Budget" This is the estimated amount for capital items in a given fiscal period. Capital items are fixed assets such as facilities and equipment, the cost of which is normally written off over a number of fiscal periods

''Council'' means the council of a municipality referred to in section 18 of the Municipal Structures Act.

"Financial year" means a 12-month year ending on 30 June.

"Line Item" an appropriation that is itemized on a separate line in a budget adopted with the idea of greater control over expenditures [See annexure "B" for current item structure]

"Operating Budget" The Town's financial plan, which outlines proposed expenditures for the coming financial year and estimates the revenues used to finance them.

"Ring Fenced" an exclusive combination of line items grouped for specific purposes for instance salaries and wages.

''Service delivery and budget implementation plan'' means a detailed plan approved by the mayor of a municipality in terms of section 53(1) (c) (ii) for implementing the municipality's delivery of municipal services and its annual budget.

"Virement" is the process of transferring an approved budget allocation from one vote to another, with the approval of the Municipal Manager. To enable budget managers to amend budgets in the light of experience or to reflect anticipated changes.

''Vote'' means one of the main segments into which a budget of a municipality is divided for the appropriation of funds for the different departments or functional areas of the municipality; and which specifies the total amount that is appropriated for the purposes of the department or functional area concerned. [See annexure "A" for current Vote structure]

"Budget transfer" means the transfer of an approved budget allocation from one operating or capital line item to another within a vote, with the approval of the relevant senior manager.

[1]Updated 31/05/2012 Council meeting

2. Abbreviations

2.1. CFO – Chief Financial Officer

2.2. Deputy CFO: Deputy Chief Financial Officer

2.3. IDP – Integrated Development Plan

2.4. MFMA – Municipal Finance Management Act No. 56 of 2003

2.5. SDBIP -Service delivery and budget implementation plan

2.6. CM – Council Minute/'s

3. Objective

To allow limited flexibility in the use of budgeted funds to enable management to act on occasions such as disasters, unforeseen expenditure or savings, etc. as they arise to accelerate service delivery in a financially responsible manner.

4. Financial Responsibilities

4.1 Strict budgetary control must be maintained throughout the financial year in order that potential overspends and / or income under-recovery within individual vote departments is identified at the earliest possible opportunity. (Section 100 MFMA)

4.2 The Chief Financial Officer has a statutory duty to ensure that adequate policies and procedures are in place to ensure an effective system of financial control. The budget virement process is one of these controls. (Section 27(4) MFMA)

4.3 It is the responsibility of each manager or head of a department or activity to which funds are allotted, to plan and conduct assigned operations so as not to expend more funds than budgeted. In addition, they have the responsibility to identify and report any irregular or fruitless and wasteful expenditure in terms of the MFMA sections 78 and 102.

5. Virement Restrictions

5.1 No funds may be viremented between votes without consent of both vote holders and the Municipal Manager.

5.2 Virements may not exceed a maximum annual limit of 5 % per vote from which the virement originates.

5.3 A virement may not create new policy, significantly vary current policy, or alter the approved outcomes / outputs as approved in the IDP for the current or subsequent years.

5.4 No virement may commit the Municipality to increase recurrent expenditure, which commits the Council's resources in the following financial year, without the prior approval of the Mayoral Committee.

5.5 No funds may be transferred between line items without approval of the vote holder authorization, in other words the senior Manager's approval.

5.6 Budget may not be transferred from Support service (interdepartmental) costs, Capital financing, Depreciation, Contributions, Grant Expenditure, Insurance and Income Foregone.

5.7 Budget may only be transferred from or to Salaries or employee related costs if approved by the CFO.

5.8 Transfers Virements in capital budget allocations are only permitted within specified action plans and not across funding sources without the written approval of the CFO and the Municipal Manager and must in addition have comparable asset lifespan classifications. [2]

5.9 No virements are permitted in the first three months or the final month of the financial year without the express agreement of the CFO or the Deputy CFO.

5.10 An approved virement/transfer does not give expenditure authority and all expenditure resulting from approved virements must still be subject to the supply chain management policy of Council as periodically reviewed.

5.11 Virements/transfers may not be made between Expenditure and Income.

5.12 No virements/transfers are allowed in terms of income line items.

5.13 No virement/transfers are allowed from capital budget to the operating budget

5.14 Virements/transfers should not result in new projects on the capital budget without the written approval of the CFO and the Municipal Manager[3]

5.15 Virements/transfers of conditional grant funds to a purpose outside than specified in the relevant conditional grant framework are not permitted.

5.16 Virements / Transfers to Travelling and Accommodation and Entertainment line items are only permitted with the approval of the CFO and Municipal Manager[4]

6. Virement Procedure

6.1 All virement/transfer proposals must be completed on the appropriate documentation and forwarded to the relevant Finance Officer for checking and implementation.

6.2 All virements must be signed by the Initiator, Vote Holder, Municipal Manager and the official responsible for budgets.

6.3 All transfers must be signed by the Initiator, Vote holder, the official responsible to process the proposals and a Line Manager within Finance.

6.4 The form must be completed for all Budget Transfers, virements as well as transfers.

[2]Updated 31/05/2012 Council meeting
[3]Updated 31/05/2012 Council meeting
[4]Updated 31/05/2012 Council meeting

6.5 Virements/transfers in excess of R 50,000 require the approval of the Deputy CFO and Virements / Transfers in excess of R 200,000 require the approval of the Chief Financial Officer[5]

6.6 All documentation must be in order and approved before any expenditure can be committed or incurred. (Section 79 MFMA)

6.7 The Municipal Manager will report to the Mayor on a quarterly basis on those virements that have taken place during that quarter.

APPENDIX A

WITZENBERGMUNICIPALITY

GFS CLASSIFICATION, COST CENTRE & VOTE STRUCTURE

GFS Classification	Cost centres	Municipal Votes	Vote Holder (Responsible Sec 57 Appointment)	Support Vote Holder (Responsible Line Manager)
Budget & Treasury Office	Property rates	Budget & Treasury Office	Director: Financial Services	Manager: Income
Budget & Treasury Office	Treasury: Administration	Budget & Treasury Office	Director: Financial Services	Manager: Financial Administration
Budget & Treasury Office	Treasury: Debtors	Budget & Treasury Office	Director: Financial Services	Manager: Income
Budget & Treasury Office	Treasury: Credit control	Budget & Treasury Office	Director: Financial Services	Manager: Income
Budget & Treasury Office	Treasury: Supply Chain	Budget & Treasury Office	Director: Financial Services	Manager: Supply Chain
Budget & Treasury Office	Treasury: Audit	Budget & Treasury Office	Director: Financial Services	Manager: Financial Administration
Community & Social Services	Cemeteries	Community & Social Services	Director: Community Services	Manager: Amenities & Environment
Community & Social Services	Library services	Community & Social Services	Director: Community Services	Manager: Amenities & Environment
Community & Social Services	Community Halls & Facilities	Community & Social Services	Director: Community Services	Manager: Amenities & Environment
Community & Social Services	Thusong Centre	Community & Social Services	Director: Community Services	Manager: Amenities & Environment
Community & Social Services	Social & Welfare services	Community & Social Services	Director: Community Services	Manager: Social and Economic services
Corporate Services	Control centre	Community & Social Services	Director: Community Services	Manager: Protection Services
Corporate Services	Property maintenance	Community & Social Services	Director: Community Services	Manager: Amenities & Environment
Corporate Services	Administration	Corporate Services	Director: Corporate Services	Manager: Administration
Corporate Services	Property administration	Corporate Services	Director: Corporate Services	Unknown
Corporate Services	Information Technology	Corporate Services	Director: Corporate Services	Manager: Administration
Corporate Services	Human resources	Corporate Services	Director: Corporate Services	Manager: Human Resources
Corporate Services	Tourism	Corporate Services	Director: Corporate Services	Manager: Communications
Corporate Services	Administration	Corporate Services	Director: Corporate Services	Manager: Administration
Corporate Services	Mechanical Workshop	Electro Technical Services	Director: Technical Services	Head: Electro Technical Services
Corporate Services	Marketing & Communications	Corporate Services	Director: Corporate Services	Manager: Communications
Electricity	Electricity: Administration	Electro Technical Services	Director: Technical Services	Head: Electro Technical Services
Electricity	Electricity: Client Services	Electro Technical Services	Director: Technical Services	Head: Electro Technical Services
Electricity	Electricity: Generation	Electro Technical Services	Director: Technical Services	Head: Electro Technical Services
Electricity	Electricity: Distribution	Electro Technical Services	Director: Technical Services	Head: Electro Technical Services
Environmental Protection	Environmental Protection	Community & Social Services	Director: Community Services	Manager: Amenities & Environment
Executive & Council	Municipal Manager	Executive & Council	Municipal Manager	Manager: IDP

[5]Updated 31/05/2012 Council meeting

APPENDIX A

WITZENBERGMUNICIPALITY

GFS CLASSIFICATION, COST CENTRE & VOTE STRUCTURE

GFS Classification	Cost centres	Municipal Votes	Vote Holder (Responsible Sec 57 Appointment)	Support Vote Holder (Responsible Line Manager)
Executive & Council	Council cost	Corporate Services	Director: Corporate Services	Manager: Administration
Executive & Council	Town secretary	Corporate Services	Director: Corporate Services	Manager: Administration
Executive & Council	Chief Executive's	Executive & Council	Municipal Manager	Manager: IDP
Housing	Housing: Administration	Housing	Director: Community Services	Manager: Housing
Housing	Housing: Construction	Housing	Director: Community Services	Manager: Housing
Housing	Housing: Maintenance	Housing	Director: Community Services	Manager: Housing
Planning & Development	Licensing & regulation	Community & Social Services	Director: Community Services	Manager: Amenities & Environment
Planning & Development	Local Economical Development	Community & Social Services	Director: Community Services	Manager: Social and Economical services
Planning & Development	Integrated Development Planning	Executive & Council	Municipal Manager	Manager: IDP
Planning & Development	Building Control	Planning	Director: Technical Services	Manager: Planning & Projects
Planning & Development	Town Planning	Planning	Director: Technical Services	Manager: Planning & Projects
Planning & Development	Project Management	Planning	Director: Technical Services	Manager: Planning & Projects
Planning & Development	Performance Management	Planning	Director: Technical Services	Manager: Planning & Projects
Public Safety	Electricity: Street Lights	Electro Technical Services	Director: Technical Services	Head: Electro Technical Services
Public Safety	Fire Protection	Public Safety	Director: Community Services	Manager: Protection Services
Public Safety	Police & Traffic	Public Safety	Director: Community Services	Manager: Protection Services
Public Safety	Disaster management	Public Safety	Director: Community Services	Manager: Protection Services
Road Transport	Vehicle Licensing & Testing	Public Safety	Director: Community Services	Manager: Protection Services
Road Transport	Roads	Civil services	Director: Technical Services	Manager: Roads & Storm water
Sport and Recreation	Pine forest: Administration	Sport & Recreation	Director: Community Services	Manager: Resorts & swimming pools
Sport and Recreation	Pine forest: Security services	Sport & Recreation	Director: Community Services	Manager: Resorts & swimming pools
Sport and Recreation	Pine forest: Semi permanent units	Sport & Recreation	Director: Community Services	Manager: Resorts & swimming pools
Sport and Recreation	Pine forest: Cleaning services	Sport & Recreation	Director: Community Services	Manager: Resorts & swimming pools
Sport and Recreation	Pine forest: Swimming pools	Sport & Recreation	Director: Community Services	Manager: Resorts & swimming pools
Sport and Recreation	Klipriver park: Administration	Sport & Recreation	Director: Community Services	Manager: Resorts & swimming pools
Sport and Recreation	Klipriver park: Cleaning services	Sport & Recreation	Director: Community Services	Manager: Resorts & swimming pools
Sport and Recreation	Klipriver park: Swimming pool	Sport & Recreation	Director: Community Services	Manager: Resorts & swimming pools
Sport and Recreation	Parks	Sport & Recreation	Director: Community Services	Manager: Amenities & Environment
Sport and Recreation	Sport grounds	Sport & Recreation	Director: Community Services	Manager: Amenities & Environment
Sport and Recreation	Swimming pools	Sport & Recreation	Director: Community Services	Manager: Resorts & swimming pools
Waste Management	Public Toilets	Civil services	Director: Technical Services	Manager: Solid Waste
Waste Management	Solid Waste - Dumping Site	Civil services	Director: Technical Services	Manager: Solid Waste
Waste Management	Solid Waste - Garden	Civil services	Director: Technical Services	Manager: Solid Waste
Waste Management	Solid Waste - Removal	Civil services	Director: Technical Services	Manager: Solid Waste
Waste Water Management	Sewerage	Civil services	Director: Technical Services	Manager: Water & Sewerage
Waste Water Management	Storm water Management	Civil services	Director: Technical Services	Manager: Roads & Storm water
Water	Water Storage	Civil services	Director: Technical Services	Manager: Water & Sewerage
Water	Water Distribution	Civil services	Director: Technical Services	Manager: Water & Sewerage

APPENDIX B
WITZENBERG MUNICIPALITY
ITEM CLASSIFICATION

Line Item number	NT code	Description	Classification	Comment	Transfer From	Transfer To
3001	3000	Salaries	Employee related costs - Salaries & Wages	Expenditure	Yes*	Yes*
3002	3000	Bonuses	Employee related costs - Salaries & Wages	Expenditure	Yes*	Yes*
3003	3000	Standby	Employee related costs - Salaries & Wages	Expenditure	Yes*	Yes*
3004	3000	Overtime	Employee related costs - Salaries & Wages	Expenditure	Yes*	Yes*
3005	3000	Housing Allowances	Employee related costs - Salaries & Wages	Expenditure	Yes*	Yes*
3006	3000	Housing Subsidies	Employee related costs - Salaries & Wages	Expenditure	Yes*	Yes*
3007	3000	Entertainment Allowances	Employee related costs - Salaries & Wages	Expenditure	Yes*	Yes*
3009	3000	Leave paid out	Employee related costs - Salaries & Wages	Expenditure	Yes*	Yes*
3010	3000	Transport Allowances	Employee related costs - Salaries & Wages	Expenditure	Yes*	Yes*
3011	3000	Resettlement Costs	Employee related costs - Salaries & Wages	Expenditure	Yes*	Yes*
3101	3100	Medical contributions	Employee related costs - Social contributions	Expenditure	Yes*	Yes*
3102	3100	Pension contributions	Employee related costs - Social contributions	Expenditure	Yes*	Yes*
3103	3100	UIF	Employee related costs - Social contributions	Expenditure	Yes*	Yes*
3104	3100	Group Life Insurance	Employee related costs - Social contributions	Expenditure	Yes*	Yes*
3105	3100	Bargaining Council Levies	Employee related costs - Social contributions	Expenditure	Yes*	Yes*
3106	3100	Employees Awards	Employee related costs - Social contributions	Expenditure	No	Yes*
3107	3100	Post-retirement benefits	Employee related costs - Social contributions	Expenditure	No	Yes*
3108	3100	Exgratia Pension	Employee related costs - Social contributions	Expenditure	No	Yes*
3109	3900	Finance Cost Medical	Interest Expense - External borrowings	Expenditure	No	No
3110	3900	Finance Cost Long service	Interest Expense - External borrowings	Expenditure	No	No
3111	3900	Finance Cost Exgratia	Interest Expense - External borrowings	Expenditure	No	No
3301	3300	Employee Cost Transferred	Less Employee Costs Allocated	Expenditure	No	No
3401	3400	Mayor	Remuneration of Councillors	Expenditure	No	No
3402	3400	Deputy Mayor	Remuneration of Councillors	Expenditure	No	No
3403	3400	Speaker	Remuneration of Councillors	Expenditure	No	No
3404	3400	Mayoral Committee Allowances	Remuneration of Councillors	Expenditure	No	No
3405	3400	Councillor Allowances	Remuneration of Councillors	Expenditure	No	No
3406	3400	Medical	Remuneration of Councillors	Expenditure	No	No
3407	3400	Pension	Remuneration of Councillors	Expenditure	No	No
3501	3500	Impairment of debtors	Bad Debts	Expenditure	No	No
3502	3500	Impairment of long-term debtors	Bad Debts	Expenditure	No	No
3503	3500	Impairment Debtors (Non-Exchange)	Debt impairment	Expenditure	No	No
3601	3600	Debt Collection Fees - Extern	Collection costs	Expenditure	Yes	Yes
3602	3600	Summonses & Legal Lawsuits	Collection costs	Expenditure	Yes	Yes
3603	3600	Debt Collection Fees - Intern	Collection costs	Expenditure	Yes	Yes
3701	3700	Depreciation	Depreciation and asset impairment	Expenditure	No	No
3702	3700	Depreciation for Rehabilitation	Depreciation and asset impairment	Expenditure	No	No
3704	3700	Impairment for Rehabilitation	Depreciation and asset impairment	Expenditure	No	No
3705	3700	Amortisation	Depreciation and asset impairment	Expenditure	No	No
3801	3800	Buildings	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3802	3800	Network	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes

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WITZENBERG MUNICIPALITY
ITEM CLASSIFICATION

Line Item number	NT code	Description	Classification	Comment	Transfer From	Transfer To
3803	3800	Network - Patchwork	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3805	3800	Network - Resealing	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3806	3800	Network - Main roads	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3807	3800	Network - Traffic signs	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3808	3800	Network - Storm water	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3809	3800	Network - Sidewalks	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3810	3800	Meter replacement	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3811	3800	Pump stations	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3812	3800	Efficient treatment works	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3813	3800	Site - works	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3814	3800	Furniture and Equipment	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3815	3800	Vehicles	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3816	4400	Maintenance: Swimming Pool	Other Expenditure	Expenditure	Yes	Yes
3817	4400	Repairs & Maintenance-Computer	Other Expenditure	Expenditure	Yes	Yes
3818	4400	Repairs & Maintenance- Plant & Equipment	Other Expenditure	Expenditure	Yes	Yes
3819	4400	Fire Fighting Equipment	Other Expenditure	Expenditure	Yes	Yes
3901	3900	Interest on Bank overdraft	Interest Expense - External borrowings	Expenditure	Yes	Yes
3902	3900	Interest on External Borrowing	Interest Expense - External borrowings	Expenditure	No	No
3903	3900	Unamortized Discount - Interest	Interest Expense - External borrowings	Expenditure	No	No
3904	3900	Interest Cost Employee Benefit	Interest Expense - External borrowings	Expenditure	No	No
3905	3900	Interest Rehabilitation	Interest Expense - External borrowings	Expenditure	No	No
3906	3900	Interest Paid	Interest Expense - External borrowings	Expenditure	No	No
4101	4100	Electricity purchases (KVA)	Bulk purchases	Expenditure	Yes	Yes
4102	4100	Electricity purchases (kWh)	Bulk purchases	Expenditure	Yes	Yes
4104	4100	Electricity purchases (Fixed charges)	Bulk purchases	Expenditure	Yes	Yes
4105	4100	Electricity (Variable charges)	Bulk purchases	Expenditure	Yes	Yes
4201	4400	Bank charges	General Expenses - other	Expenditure	Yes	Yes
4202	4200	Service supplier contracts	Contracted services	Expenditure	Yes	Yes
4203	4200	Rental of Compactor	Contracted services	Expenditure	Yes	Yes
4204	4200	Legal Costs	Contracted services	Expenditure	Yes	Yes
4205	4200	Town & Regional Planning	Contracted services	Expenditure	Yes	Yes
4206	4400	Insurance	General Expenses - other	Expenditure	Yes	Yes
4207	4200	Transport (Contractor)	Contracted services	Expenditure	Yes	Yes
4208	4200	Transport: Cash	Contracted services	Expenditure	Yes	Yes
4210	4200	Cleaning Contract	Contracted services	Expenditure	Yes	Yes
4212	4200	Cleaning Services	Contracted services	Expenditure	Yes	Yes
4213	4200	Upkeep of Valuation records	Contracted services	Expenditure	Yes	Yes
4214	4200	Toilet services	Contracted services	Expenditure	Yes	Yes
4215	4200	Service Supplier Contracts (Se	Contracted Services	Expenditure	Yes	Yes
4220	4200	Security	Contracted Services	Expenditure	Yes	Yes
4221	4200	Legal Cost (Labour)	Contracted Services	Expenditure	Yes	Yes

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Line Item number	NT code	Description	Classification	Comment	Transfer From	Transfer To
4301	4400	Subsidy National Government	General Expenses - other	Expenditure	Yes	Yes
4302	4400	Subsidy Provincial Government	General Expenses - other	Expenditure	Yes	Yes
4303	4400	District Municipality	General Expenses - other	Expenditure	Yes	Yes
4304	4400	Grant Other	General Expenses - other	Expenditure	Yes	Yes
4305	5000	Inform. Settl. without account - Refuse	Internal Charges (ACB)	Expenditure	No	No
4306	5000	Inform. Settl. without account - Sewerage	Internal Charges (ACB)	Expenditure	No	No
4307	5000	Inform. Settl. without account - Water	Internal Charges (ACB)	Expenditure	No	No
4308	4400	Grant Belgium - Federal Gov.	General Expenses - other	Expenditure	Yes	Yes
4309	4400	Grant Belgium - Flemish Gov.	General Expenses - other	Expenditure	Yes	Yes
4310	4400	MSIG Wyk 1	General Expenses - other	Expenditure	No	No
4311	4400	MSIG Ward 2	General Expenses - other	Expenditure	No	No
4312	4400	MSIG Ward 3	General Expenses - other	Expenditure	No	No
4313	4400	MSIG Ward 4	General Expenses - other	Expenditure	No	No
4314	4400	MSIG Ward 5	General Expenses - other	Expenditure	No	No
4315	4400	MSIG Ward 6	General Expenses - other	Expenditure	No	No
4316	4400	MSIG Ward 7	General Expenses - other	Expenditure	No	No
4317	4400	MSIG Ward 8	General Expenses - other	Expenditure	No	No
4318	4400	MSIG Ward 9	General Expenses - other	Expenditure	No	No
4319	4400	MSIG Ward 10	General Expenses - other	Expenditure	No	No
4320	4400	MSIG Ward 11	General Expenses - other	Expenditure	No	No
4321	4400	Indigent Electricity (Eskom)	General Expenses - other	Expenditure	No	No
4322	4400	Change of connections	General Expenses - other	Expenditure	No	No
4323	4400	Indigent Change/Transfer cost	General Expenses - other	Expenditure	No	No
4324	4300	Donations	Grants & Subsides Paid	Expenditure	No	No
4325	4400	Grant exp - Workshops	General Expenses - other	Expenditure	No	No
4326	4400	Grant exp - Development project	General Expenses - other	Expenditure	No	No
4327	4400	Grant exp - Stationary & print	General Expenses - other	Expenditure	No	No
4328	4400	Grant exp - Telephone	General Expenses - other	Expenditure	No	No
4329	4400	Grant exp - Traveling & subsistance	General Expenses - other	Expenditure	No	No
4332	4400	OPEX NAT.Grant Expenditure-FMG	General Expenses - other	Expenditure	No	No
4333	4400	OPEX NAT.Grant Expenditure-MSIG	General Expenses - other	Expenditure	No	No
4334	4400	OPEX NAT.Grant Expenditure-EPW	General Expenses - other	Expenditure	No	No
4335	4400	OPEX NAT.Grant Exp-Transformation	General Expenses - other	Expenditure	No	No
4336	4400	Opex NAT.Grant Exp- DWAF	General Expenses - other	Expenditure	No	No
4337	4400	Opex NAT.Grant Exp- MIG	General Expenses - other	Expenditure	No	No
4338	4400	Opex NAT.Grant Exp- RBIG	General Expenses - other	Expenditure	No	No
4339	4400	Opex NAT.Grant Exp- INEP	General Expenses - other	Expenditure	No	No

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ITEM CLASSIFICATION

Line Item number	NT code	Description	Classification	Comment	Transfer From	Transfer To
4340	4400	Opex Prov.Grant Exp- Library	General Expenses - other	Expenditure	No	No
4341	4400	Opex Prov.Grant Exp- CDW	General Expenses - other	Expenditure	No	No
4342	4400	Opex Prov Grant Exp- Main Road	General Expenses - other	Expenditure	No	No
4343	4400	Opex Prov Grant Exp- Wolseley	General Expenses - other	Expenditure	No	No
4344	4400	Opex Prov Grant Exp- Hand Craf	General Expenses - other	Expenditure	No	No
4345	4400	Opex Prov Grant Exp- Aqua Cult	General Expenses - other	Expenditure	No	No
4346	4400	Opex Prov Grant Exp- Planning	General Expenses - other	Expenditure	No	No
4347	4400	Opex Prov Grant Exp- Housing	General Expenses - other	Expenditure	No	No
4348	4400	Opex Prov Grant Exp- Sport	General Expenses - other	Expenditure	No	No
4349	4400	Opex Prov Grant Exp- PTIP	General Expenses - other	Expenditure	No	No
4350	4400	Opex Prov Grant Exp- Multi Pur	General Expenses - other	Expenditure	No	No
4351	4400	Opex Distr Grant Exp- Asset In	General Expenses - other	Expenditure	No	No
4352	4400	Opex Distr Grant Exp- Water In	General Expenses - other	Expenditure	No	No
4353	4400	Opex Distr Grant Exp- Housing	General Expenses - other	Expenditure	No	No
4354	4400	Opex Distr Grant Exp- Hawkers-	General Expenses - other	Expenditure	No	No
4355	4400	Opex Distr Grant Exp- Streets	General Expenses - other	Expenditure	No	No
4356	4400	Opex Distr Grant Exp- Solid Wa	General Expenses - other	Expenditure	No	No
4357	4400	Opex NAT Grant Exp - Housing	General Expenses - other	Expenditure	No	No
4358	4400	Opex NAT Grant Exp- Rural Dev	General Expenses - other	Expenditure	No	No
4402	4400	Advertising/Printing Stationery	General Expenses - other	Expenditure	Yes	Yes
4404	4400	Pauper Burials	General Expenses - other	Expenditure	Yes	Yes
4405	4400	Rewards	General Expenses - other	Expenditure	Yes	Yes
4406	4400	Fertilisers	General Expenses - other	Expenditure	Yes	Yes
4407	4400	Damages/Replacements	General Expenses - other	Expenditure	Yes	Yes
4409	4400	Chemicals	General Expenses - other	Expenditure	Yes	Yes
4410	4300	Donations	Grants & subsidies paid	Expenditure	No	No
4411	4400	Eskom Electricity	General Expenses - other	Expenditure	Yes	Yes
4412	4400	Advertising	General Expenses - other	Expenditure	Yes	Yes
4413	4400	Gas/Rental of gas bottle	General Expenses - other	Expenditure	Yes	Yes
4415	4400	Dog Expenses	General Expenses - other	Expenditure	Yes	Yes
4416	4400	Rental of Houses	General Expenses - other	Expenditure	Yes	Yes
4417	4400	Rental of Offices	General Expenses - other	Expenditure	Yes	Yes
4418	4400	Communication & Events	General Expenses - other	Expenditure	Yes	Yes
4419	4400	Inspection fees	General Expenses - other	Expenditure	Yes	Yes
4420	4400	Inventory - New	General Expenses - other	Expenditure	Yes	Yes
4421	4400	Koekedouw Dam	General Expenses - other	Expenditure	Yes	Yes
4422	4400	Commission on Recoveries	General Expenses - other	Expenditure	Yes	Yes
4424	4400	Membership fees	General Expenses - other	Expenditure	Yes	Yes
4425	4400	Licensing Radio's	General Expenses - other	Expenditure	Yes	Yes
4426	4400	Machine Rental	General Expenses - other	Expenditure	Yes	Yes
4428	5000	Municipal Services	Internal Charges (ACB)	Expenditure	No	No
4429	4400	Investigations	General Expenses - other	Expenditure	Yes	Yes
4430	4400	Entertainment Mayor	General Expenses - other	Expenditure	Yes	Yes

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WITZENBERG MUNICIPALITY
ITEM CLASSIFICATION

Line Item number	NT code	Description	Classification	Comment	Transfer From	Transfer To
4431	4400	Entertainment Speaker	General Expenses - other	Expenditure	Yes	Yes
4432	4400	Disinfectants	General Expenses - other	Expenditure	Yes	Yes
4433	4400	Public Drivers permit	General Expenses - other	Expenditure	Yes	Yes
4434	4400	Public Entertainment (Tea &Coffee)	General Expenses - other	Expenditure	Yes	Yes
4435	4400	Training	General Expenses - other	Expenditure	Yes	Yes
4436	4400	Auditing External	General Expenses - other	Expenditure	Yes	Yes
4437	4200	Auditing Internal	Contracted services	Expenditure	Yes	Yes
4438	4400	Plant & pest control (chemical)	General Expenses - other	Expenditure	Yes	Yes
4439	4400	Plant material & seeds	General Expenses - other	Expenditure	Yes	Yes
4440	4400	Post Evaluation Cost	General Expenses - other	Expenditure	Yes	Yes
4441	4400	Publicity/tourism	General Expenses - other	Expenditure	Yes	Yes
4442	4400	Rations	General Expenses - other	Expenditure	Yes	Yes
4443	4400	Travelling & Accommodation	General Expenses - other	Expenditure	Yes	Yes*
4445	4400	Sewerage analysis	General Expenses - other	Expenditure	Yes	Yes
4446	4400	Condolences	General Expenses - other	Expenditure	Yes	Yes
4447	4400	Security Services	General Expenses - other	Expenditure	Yes	Yes
4448	4400	Cleaning materials	General Expenses - other	Expenditure	Yes	Yes
4449	4200	Disconnection of services	Contracted services	Expenditure	Yes	Yes
4450	4400	Developing Projects	General Expenses - other	Expenditure	Yes	Yes
4451	5000	Street lighting	Internal Charges (ACB)	Expenditure	No	No
4454	4400	Study bursary	General Expenses - other	Expenditure	Yes	Yes
4455	4400	Telephone and Postage	General Expenses - other	Expenditure	Yes	Yes
4456	4400	Tourism	General Expenses - other	Expenditure	Yes	Yes
4458	4400	Translation services	General Expenses - other	Expenditure	Yes	Yes
4461	4400	TV Transponder	General Expenses - other	Expenditure	Yes	Yes
4462	4400	Pointing out of markers	General Expenses - other	Expenditure	Yes	Yes
4463	4400	Uniforms	General Expenses - other	Expenditure	Yes	Yes
4464	4400	Insurance Claims Expenses	General Expenses - other	Expenditure	No	No
4465	4400	Skills Development Levies	General Expenses - other	Expenditure	No	No
4466	4400	Trade Union costs	General Expenses - other	Expenditure	Yes	Yes
4467	4400	Consumable Items	General Expenses - other	Expenditure	Yes	Yes
4468	4400	Lost Books	General Expenses - other	Expenditure	Yes	Yes
4469	4400	Courier of Council Notifications	General Expenses - other	Expenditure	Yes	Yes
4470	4400	Vehicle Fleet Costs	General Expenses - other	Expenditure	Yes	Yes
4471	4400	Refuse bags	General Expenses - other	Expenditure	Yes	Yes
4472	4400	Valuation costs	General Expenses - other	Expenditure	Yes	Yes
4473	4400	Laundry expenses	General Expenses - other	Expenditure	Yes	Yes
4474	4400	Water sampling - Waste disposal site	General Expenses - other	Expenditure	Yes	Yes
4475	4400	Water research levy	General Expenses - other	Expenditure	Yes	Yes
4476	3100	Employees Awards	Employee related costs - Social contributions	Expenditure	Yes*	Yes*
4477	4400	Special Projects	General Expenses - other	Expenditure	Yes	Yes
4478	3100	Compensation Commissioner	Employee related costs - Social contributions	Expenditure	No	No

APPENDIX B
WITZENBERG MUNICIPALITY
ITEM CLASSIFICATION

Line Item number	NT code	Description	Classification	Comment	Transfer From	Transfer To
4479	4400	Water Levies	General Expenses - other	Expenditure	Yes	Yes
4480	4400	Water Rights Vredebes	General Expenses - other	Expenditure	Yes	Yes
4481	4400	Audit Committee	General Expenses - other	Expenditure	Yes	Yes
4482	4400	Festivals Contribution	General Expenses - other	Expenditure	Yes	Yes
4483	4400	Heating Fuel	General Expenses - other	Expenditure	Yes	Yes
4484	4400	Inauguration of Mayor	General Expenses - other	Expenditure	Yes	Yes
4485	4400	Awareness program	General Expenses - other	Expenditure	Yes	Yes
4486	4400	Removal of aliens	General Expenses - other	Expenditure	Yes	Yes
4487	4400	Special Projects- Old Age Function	General Expenses - other	Expenditure	Yes	Yes
4488	4400	Cleaning & disinfection material	General Expenses - other	Expenditure	Yes	Yes
4489	4400	TV Licences	General Expenses - other	Expenditure	Yes	Yes
4490	4400	Telephone	General Expenses - other	Expenditure	Yes	Yes
4491	4400	Cell phone	General Expenses - other	Expenditure	Yes	Yes
4492	4400	Data lines	General Expenses - other	Expenditure	Yes	Yes
4493	4400	Postage	General Expenses - other	Expenditure	Yes	Yes
4494	4400	Veldt Fire Roads	General Expenses - other	Expenditure	Yes	Yes
4495	4400	Pound of animals	General Expenses - other	Expenditure	Yes	Yes
4496	4400	Projects	General Expenses - other	Expenditure	Yes	Yes
4497	4400	Mayors Golf day	General Expenses - other	Expenditure	Yes	Yes
4498	4400	Ward Committees	General Expenses - other	Expenditure	Yes	Yes
4499	4400	Inventory - Replacements	General Expenses - other	Expenditure	Yes	Yes
4500	4400	Entertainment Director Finance	General Expenses - other	Expenditure	Yes	Yes*
4501	4400	Entertainment Director Corporate	General Expenses - other	Expenditure	Yes	Yes*
4502	4400	Entertainment Municipal Manager	General Expenses - other	Expenditure	Yes	Yes*
4503	4400	Strategic Partnership	General Expenses - other	Expenditure	Yes	Yes
4504	4400	Generator fuel	General Expenses - other	Expenditure	Yes	Yes
4505	4400	Housing plan & policy	General Expenses - other	Expenditure	Yes	Yes
4506	4400	Relief parcels	General Expenses - other	Expenditure	Yes	Yes
4507	4400	Samro licences	General Expenses - other	Expenditure	Yes	Yes
4508	4400	Courier services	General Expenses - other	Expenditure	Yes	Yes
4509	4400	Public participation	General Expenses - other	Expenditure	Yes	Yes
4510	4400	Steering committee & Forum	General Expenses - other	Expenditure	Yes	Yes
4511	4400	Review process cost	General Expenses - other	Expenditure	Yes	Yes
4512	4400	Vehicle Tracking Costs	General Expenses - other	Expenditure	Yes	Yes
4513	4400	International relationships	General Expenses - other	Expenditure	Yes	Yes
4514	4400	Entertainment Director Technical Services	General Expenses - other	Expenditure	Yes	Yes*
4515	4400	Entertainment Director Community Services	General Expenses - other	Expenditure	Yes	Yes*
4516	4400	Op die Berg Office	General Expenses - other	Expenditure	Yes	Yes
4517	4400	MEDICAL EXAMINATIONS	General Expenses - other	Expenditure	Yes	Yes
4518	4300	Donations	Grants & Subsides Paid	Expenditure	No	No
4519	4400	Refreshments - Disciplinary &	General Expenses - other	Expenditure	Yes	Yes

APPENDIX B
WITZENBERG MUNICIPALITY
ITEM CLASSIFICATION

Line Item number	NT code	Description	Classification	Comment	Transfer From	Transfer To
4520	4400	FIRE AMMUNITION	General Expenses - other	Expenditure	Yes	Yes
4521	4400	Fire Fighting Foam	General Expenses - other	Expenditure	Yes	Yes
4522	4400	Corporate Branding	General Expenses - other	Expenditure	Yes	Yes
4523	4400	Consultant Fees	General Expenses - other	Expenditure	Yes	Yes
4524	4400	In-service Training	General Expenses - other	Expenditure	Yes	Yes
4525	4400	Stock losses/write-off's	General Expenses - other	Expenditure	Yes	Yes
4526	4400	Actuarial Loss	General Expenses - other	Expenditure	Yes	Yes
4527	4400	Registrar of Deeds	General Expenses - other	Expenditure	Yes	Yes
4528	4400	Vehicle Cost Grant	General Expenses - other	Expenditure	Yes	Yes
4529	4400	Vehicle Repair Grant	General Expenses - other	Expenditure	Yes	Yes
4530	4400	Cleaning of Rivers	General Expenses - other	Expenditure	Yes	Yes
4531	4400	Festive Lights	General Expenses - other	Expenditure	Yes	Yes
4532	4400	Monitoring Alarm	General Expenses - other	Expenditure	Yes	Yes
4533	4400	Generator Repairs	General Expenses - other	Expenditure	Yes	Yes
4534	4400	Prepaid Electricity (Internal)	General Expenses - other	Expenditure	Yes	Yes
4535	4400	DRIVERS PDP'S & LICENSING	General Expenses - other	Expenditure	Yes	Yes
4536	4400	Towing Cost	General Expenses - other	Expenditure	Yes	Yes
4537	4400	Life Guards	General Expenses - other	Expenditure	Yes	Yes
4538	4400	PPP Investigations	General Expenses - other	Expenditure	Yes	Yes
4903	5000	Internal Recoveries (ABC)	Internal Charges (ACB)	Expenditure	No	No
5101	6210	Asset replacement reserve to	Contributions (from)/ to provisions	Nett Assets	No	No
5102	6280	Back dated Remuneration	Contributions (from)/ to provisions	Nett Assets	No	No
5103	6280	Redundant/ shortages of stock	Contributions (from)/ to provisions	Nett Assets	No	No
5104	6280	Valuation reserve to	Contributions (from)/ to provisions	Nett Assets	No	No
5105	4450	Provision Landfill rehabilitation	Contributions (from)/ to provisions	Expenditure	No	No
5202	6220	Housing account	Contributions (from)/ to provisions	Nett Assets	No	No
			Under special conditions as contained in the policy		Yes*	

NATIONAL TREASURY

MFMA Circular No. 93

Municipal Finance Management Act No. 56 of 2003

Municipal Budget Circular for the 2019/20 MTREF

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Introduction

This circular comes at a time where National Treasury needed to respond to a call by the President of the Republic of South Africa for a stimulus package and the implementation of the recovery plan in order to stimulate the economy. The stimulus package call responds to amongst others the recent technical recession, the high percentage of unemployment that sits at 27 per cent, slow economic growth, weakening of the currency amidst rising global interest rates and the strengthening of the US dollar affecting most developing countries.

Local government has a vital role to play in turning around the economy. In many areas of the country, municipal finances are under pressure. This is the result of the rising cost of delivering basic services and weak financial planning and controls, with poor management decisions leading to underinvestment in and insufficient maintenance of infrastructure. In some cases, corrupt practices have taken root in local administrations. Over the period ahead, national transfers to local government will continue to support the delivery of basic services, while incentivising improved performance and the turnaround of troubled municipalities.

In the local space, fiscal prudence cannot be overemphasised, renewed attitude towards revenue management, improvement of governance and financial management to support service delivery including the adoption of funded budgets and implementation of the municipal standard chart of accounts and the long awaited plan to infuse consequence management for maladministration must be the primary way to respond to a stimulus package plan by the President.

The purpose of the annual MFMA budget circular is to guide municipalities with their compilation of the 2019/20 Medium Term Revenue and Expenditure Framework (MTREF), in particular to ensure that funded budgets are adopted by municipal Councils. This means that expenditure must be contained within realistic revenue projections.

In 2010 National Treasury introduced the local government budget and financial reform agenda and since then several projects to further this agenda have been introduced. The current implementation of the Municipal Standard Chart of Accounts *(m*SCOA*)* and the accompanying "game changers" signals a smarter way forward to strengthening local government finances.

Among the objectives of this budget circular is to demonstrate how municipalities should undertake annual budget preparation in accordance with the budget and financial reform agenda and associated "game changers".

Municipalities are reminded to refer to the annual budget circulars of the previous years for guidance on budget preparation that is not covered in this circular.

1. The South African economy at a crossroads

South Africa finds itself at a crossroads. The Medium Term Budget Policy Statement (MTBPS) presented by the Minister of Finance, Mr Tito Mboweni highlights the difficult economic and fiscal choices confronting government over the next several years. In the 2018 MTBPS, the Minister of Finance stated that given *the current economic climate the country faces, the government is confronted by difficult economic and fiscal choices over the medium term.* The Minister further indicated that South Africa needs to choose a path that leads to faster and more inclusive economic growth and strengthens private and public sector investment. The path should also stabilise and reduce the national debt, as South Africa cannot afford to borrow at the rate we are currently borrowing at.

The 2018 Budget set out expectations of improved economic performance that proved premature. During the first half of this year, South Africa experienced a technical recession – that is, declining of the two consecutive quarters of Gross Domestic Product (GDP) – driven primarily by contractions in agriculture and mining.

A strengthening US dollar and rising global interest rates have triggered fiscal crises in several major developing countries. South Africa's inflation targeting regime, flexible exchange rate and prudent debt management strategy have protected the economy from some of the global fallout. However, these events have led to a sharp depreciation of the Rand and large increases in government bond yields. It is important to note that the 2018 projected GDP growth forecast has been revised down from 1.5 per cent to 0.7 per cent. Growth is expected to recover gradually to over 2 per cent in 2021 as confidence returns and investment gathers pace.

To promote a return to faster growth and job creation, the President announced an economic stimulus and recovery plan in September 2018. The initiative focuses on five interventions:

- Implementing growth-enhancing economic reforms;
- Reprioritising public spending to support economic growth and job creation;
- Establishing an infrastructure fund;
- Addressing urgent matters in education and health; and
- Investing in municipal social infrastructure improvement.

Increased investment in social and economic infrastructure will be a focus of economic recovery over the medium term. This requires an increased role for private sector and better implementation of government's existing plans.

Similar to the same period last year (2017), the country's tax collection targets have not been met, further reducing the funds available to allocate across the three spheres of government.

The following macro-economic forecasts must be considered when preparing the 2019/20 MTREF municipal budgets.

Table 1.1 Macroeconomic projections, 2017 – 2021

Calendar year	2017 Actual	2018 Estimate	2019 Forecast	2020 Forecast	2021 Forecast
Percentage change unless otherwise indicated					
Household consumption	2.2	1.6	1.9	2.3	2.6
Gross fixed-capital formation	0.4	0.9	1.5	2.1	2.9
Real GDP growth	**1.3**	**0.7**	**1.7**	**2.1**	**2.3**
GDP at current prices (R billion)	**4,651.8**	**4,949.1**	**5,317.2**	**5,724.1**	**6,167.2**
CPI inflation	5.3	4.9	5.6	5.4	5.4
Current account balance (% of GDP)	-2.4	-3.2	-3.2	-3.7	-3.9

Source: Reserve Bank and National Treasury

Note: the fiscal year referred to is the national fiscal year (April to March) which is more closely aligned to the municipal fiscal year (July to June) than the calendar year inflation.

2. Key focus areas for the 2019/20 budget process

2.1 Local government conditional grants and additional allocations

The proposed division of revenue continues to prioritise funding services for poor communities. Allocations to local government subsidise the cost of delivery of free basic services to low-income households, and the infrastructure needed to deliver those services.

The 2018 Medium Term Budget Policy Statement (MTBPS) indicates transfers to local government for the 2019 MTEF are R415.5 billion, of which R269.2 billion is in the form of unconditional allocations while the remainder is conditional grant funding. The allocations for local government over the medium term represent 8.9 per cent of non-interest expenditure and grows to 9.1 per cent during the same period, which constitutes an increase of 7.2 per cent. These are notable increases from 2018 MTEF, which require municipalities, despite the rising cost of providing basic services, find innovative, effective and efficient ways of making better use of the limited resources, given the current economic situation.

The equitable share and the allocation of the general fuel levy to local government constitute unconditional funding. Municipalities are reminded that this funding allocation is formula driven and designed to fund the provision of free basic services to disadvantaged communities.

Conditional grant funding must be utilised for the intended purpose within the stipulated timeframes, as specified in the annual Division of Revenue Act. Monies not spent must be returned to the fiscus and requests for roll-overs will only be considered where unforeseen and unavoidable circumstances led to underspending of conditional grants.

The annual Division of Revenue Bill will be tabled in February 2019 when the Minister of Finance delivers the budget speech. The grant allocations will be specified in this Bill and municipalities must reconcile their budgets to the numbers published therein.

Municipalities are advised to use the indicative numbers presented in the 2018 Division of Revenue Act to compile their 2019/20 MTREF. In terms of the outer year allocations (2021/22 financial year), it is proposed that municipalities conservatively limit funding allocations to the indicative numbers as proposed in the 2018 Division of Revenue Act for 2020/21. The DoRA is available at:

http://www.treasury.gov.za/documents/national%20budget/2018/default.aspx

Changes to local government allocations

- Over the MTEF period, R415.5 billion will be transferred to local government, including R146.3 billion in infrastructure conditional grants. The largest transfer to municipalities is the local government equitable share, which grows by 9.9 per cent in 2019/20, 9.7 per cent in 2020/21 and 8.6 per cent in 2021/22. These above-inflation increases are due to expected growth in household numbers, and higher bulk water and electricity costs.
- Government will strengthen municipal capacity to improve the use of these allocations. Although the rules have been changed to allow municipalities to use grant funds to refurbish infrastructure, develop water conservation projects and maintain roads if certain conditions are met – few municipalities have taken advantage of these provisions. The national departments that administer these grants are improving their capacity to support municipalities and to assess proposed projects.

- It should be emphasised that the widespread decline in the quality and performance of essential municipal infrastructure significantly constrains the potential for inclusive economic growth. Municipalities should prioritise the maintenance and where necessary the refurbishment of essential municipal infrastructure.

- In many areas of the country, municipal finances are under pressure. This is the result of the rising cost of delivering basic services and weak financial planning and controls, with poor management decisions leading to underinvestment in and insufficient maintenance of infrastructure. In some cases, corrupt practices have taken root in local administrations. Over the period ahead, national transfers to local government will continue to support the delivery of basic services, while incentivising improved performance and the turnaround of troubled municipalities.

- The Department of Cooperative Governance (DCoG) has managed the process to assess applications from municipalities to shift from the Municipal Infrastructure Grant to the new Integrated Urban Development Grant. This new grant has different planning requirements and incentives intended to more integrated developments and greater leveraging of non-grant finance. Several municipalities applied to join this grant during 2018 and the Department of Cooperative Governance (DCoG) will notify those municipalities that have qualified. All other non-metropolitan municipalities should continue to adhere to the Municipal Infrastructure Grant's project registration processes in preparation for 2019/20.

- More than 3.1 million South Africans live in informal settlements, over half of which are in metropolitan municipalities. Over the medium term, informal-settlement upgrading will intensify. On-site upgrading of settlements involves providing municipal services and security of tenure to households. This will encourage residents to improve their own dwellings. Public programmes and funding mechanisms will focus on allowing more flexible and differentiated improvements to settlements. Government will prioritise engagement with communities and their inclusion in upgrading, for example through helping to build and maintain infrastructure. New conditions and ring-fenced funding for upgrading will be included in the urban settlements development grant for metropolitan areas and the human settlements development grant for provinces in 2019/20. Following the pilot phase, government intends to introduce separate metropolitan and provincial grants for informal settlement upgrading. With most electrification backlogs in metros in informal settlements, it is also proposed that allocations for the integrated national electrification programme (municipal) grant be incorporated into the new grant mechanism in these cities.

Reforms to local government fiscal framework

Metropolitan areas and other large cities fund most of their operational budgets from revenues they raise themselves. There is ample scope for creditworthy municipalities with strong financial management to increase local capital investment by expanding municipal borrowing. In 2017/18, half of infrastructure spending by metros and large cities was still funded from transfers, primarily from national government. Reforms over the medium term will enhance the ability of municipalities to raise revenue to invest in their own development.

Government will introduce: Policy reforms to clarify the role of development finance institutions in municipal borrowing and to regulate municipal development charges are under way to broaden municipal access to private capital markets. Financing arrangements with development finance institutions and multilateral development institutions will include much needed technical assistance to improve project planning, preparation and implementation. Government is also updating the policy framework for municipal borrowing and financial emergencies.

The purpose is to establish a system which not only ensures stability and certainty in local government finances, but also seeks to implicitly create incentives and attract more players in the municipal debt market space, i.e. insurers, pension funds, fund managers and DFIs.

2.2 Tabling of funded budgets

The importance of tabling funded budgets is highlighted in MFMA Circular No. 74 and 89. Adopting a funded budget has become more critical now than before as it has direct bearing on the financial sustainability of the institution. It has been agreed that no municipality will adopt an unfunded budget in the future. There are cases that may warrant a plan as this may not be achievable over one year. As a result, such municipalities must, together with their 2019/20 MTREF budget, table a plan in a municipal council on how and by when the budget will improve from an unfunded to a funded position. This will be essential when the National and provincial treasuries are assessing the budget to determine its credibility. The assessment of the 2018/19 MTREF budgets have shown a deterioration with more budgets being unfunded. Plans and support will have to be re-evaluated to produce a positive outcome.

2.3 Addressing the growing financial crisis in municipalities

In 2018/19, 113 municipalities adopted unfunded budgets, compared to 83 in the prior year. In addition, municipalities owe more than R23 billion in arrears, including to Eskom and water boards. Although the primary responsibility to resolve these financial problems rests with municipalities themselves, the Constitution states that when a municipality is in financial crisis, the provincial government must intervene – and if the province is not able to, then national government must do so. However, few past interventions have succeeded in producing a sustained turnaround.

Over R2.5 billion has been allocated per year over the 2019/20 MTREF to enable National and provincial treasuries to better manage interventions. This will strengthen the National Treasury's Municipal Financial Recovery Service (MFRS) capacity to draft financial recovery plans for municipalities and that of provinces to implement these plans. These recovery plans set revenue and spending targets for the municipality and identify specific revenue-raising measures.

The new grant that government had proposed to help municipalities facing financial crisis will no longer be introduced. The funds set aside for this will instead be reprioritised for other initiatives that will assist the turnaround of municipalities. Ultimately, sustainable financial recovery will require improved governance within the affected municipalities following the intervention. And better use of grants, together with improved maintenance, will also reduce pollution from wastewater treatment works, which has become a more pressing concern in a number of municipalities.

Government also provides extensive support to build municipal capacity, including over R2.5 billion per year allocated for this purpose in the budget. The growing number of distressed municipalities indicates the need to make better use of these resources. The current system will be reviewed during 2019.

2.4 Municipal Standard Chart of Accounts (*m*SCOA)

Release of Version 6.3 of the Chart

On an annual basis, the *m*SCOA chart is reviewed to address implementation challenges and correct chart related errors. Towards this end, Version 6.3 is released with this circular (see Annexure A). Version 6.3 of the chart will be effective from 2019/20 and must be used to compile the 2019/20 MTREF and is available on the link below:

http://mfma.treasury.gov.za/RegulationsandGazettes/MunicipalRegulationsOnAStandardChartOfAccountsFinal/Pages/default.aspx

Amendments of adopted budget errors during the adjustments budget

During the 2018/19 budget verification process it was evident that municipalities are still not able to align *m*SCOA original budget data string to the original budget adopted by municipal council. The root cause for the discrepancies is that municipalities do not plan, test and generate the Schedules A1 directly from the financial systems but prepare the Schedules A1 manually on excel spreadsheets and then captured the tabled and original budgets on the system (or worse, the core system vendor does it for them) after these were tabled and adopted in Council.

Furthermore, some municipalities prepared their tabled budgets in the financial system but made changes to it during community consultation and council meeting(s). These changes were effected to the Schedule A that served before Council but never made on the financial system. Hence, the municipality started transacting against the tabled budget on the system instead of the adopted budget. In terms of the *m*SCOA Regulations, the budget must be approved and locked on the financial system prior to the municipality transacting against it on the financial system.

In terms of the MFMA and Municipal Budget and Reporting Regulations, errors in the budget can only be corrected during the adjustments budget process. Municipalities should therefore ensure that their adjusted budget data strings align to Schedule B adopted by municipal council. National and provincial treasuries will undertake a verification process on the adjusted budgets in relation to the data strings. Municipalities are advised to submit the draft adjusted budget data strings and Schedule B in advance for verification purposes to ensure that aligned documents are adopted by municipal council by 28 February 2019.

Changing of the Core Financial System

Municipalities must follow the required due diligence processes required in terms of MFMA Circular 80 and *m*SCOA Circulars No. 5 and 6 prior to changing their core financial systems. In terms of these circulars:

1. A municipality must conduct an ICT due diligence of all the existing ICT system(s).
2. Once this ICT Due Diligence has been completed, the municipality's *m*SCOA Project Steering Committee (chaired by the Accounting Officer) must:
    a) Assess whether the municipality's existing system(s) as a package, meets the systems comply with the functionality requirements for its category and 15 business processes required in terms of *m*SCOA. This should be the main consideration in the decision on whether a new financial system is required;
    b) Consider the cost of any additional functionality the municipality will have to procure from its existing package of service provider(s) and the affordability

thereof to the municipality considering its budget. Importantly, if a municipality did not budget to purchase or upgrade their core financial system or any component thereof in the budget adopted by Council, then the purchase will have to be deferred to the next financial year to avoid irregular expenditure;

c) Compare the total cost of its existing 'package of system(s)', including the cost for any additional functionality with the other available service offerings for its category; and

d) Consider the penalties and reasons for contract termination in any of its contracts with existing service providers.

3. The project steering committee must document its decision and recommendation(s) on the way forward (relating to the items listed above) for the municipality and its municipal entities (on the municipality's 'package of existing system(s)'), clearly setting-out its findings.

4. Once the municipality's *m*SCOA project steering committee has made its decision and recommendation(s), the municipality must solicit the comments of the National Treasury and Provincial Treasury. A detailed motivation on the need to change the core financial system should be provided to the National and Provincial Treasuries, the Municipal Manager and Council.

5. Once the municipality has received the comments of the National Treasury and the Provincial Treasuries, the *m*SCOA Project Steering Committee and Municipal Manager should consider such comments and prepare a recommendation to the Municipal Council in this regard.

6. The municipal manager must submit a copy of the municipal council's decision to the National Treasury and Provincial Treasury within five (5) working days after the meeting during which the Municipal Council has made the decision in this regard.

7. **The municipality should then follow its own tender processes to procure a financial system on the open market until such time that a new transversal tender for the procurement of integrated municipal financial and internal control systems are in place.** Thereafter, municipalities may request permission from National Treasury's Office of the Chief Procurement Officer to use the transversal tender to procure a financial system.

8. The municipality should ensure that the Service Level Agreement entered into with the system provider provides for specific and realistic milestones and include penalties and termination clauses for failing to meet milestones. In addition, municipalities should implement proper contract management and exercising tight control over contractual obligations by system providers.

The National Treasury has also secured funding to conduct independent audits on all municipal core financial systems to determine to what extend these systems comply with the functionality requirements and 15 business processes required in terms of *m*SCOA. These results will also inform the new transversal tender for the procurement of municipal financial and internal control systems in 2019. Until these audits have been concluded and the results have been released, municipalities should exercise caution when changing their financial system to avoid purchasing a system that do not comply with the necessary *m*SCOA functionality requirements.

Municipalities are advised to use their internal audit function to ensure that the correct process was followed. Internal audit must ensure that the municipality has complied with the requirements of *m*SCOA and the reports of internal audit must be tabled at audit committee and at municipal council for their consideration.

3. The revenue budget

The economic situation has not improved since the previous financial year. Therefore, municipalities are reminded as it was communicated in MFMA Circular No. 89 that weak economic growth has put stress on consumers' ability to pay for services, while transfers from national government are growing more slowly than in the past. Some municipalities have managed these challenges well, but others have fallen into financial distress and face liquidity problems. These include municipalities that are unable to meet their payment obligations to Eskom, water boards and other creditors. There is a need for municipalities to focus on collecting revenues owed to them, and eliminate wasteful and non-core spending. Municipal budgets will be scrutinised to ensure that municipalities adequately provide to service their debt obligations. Municipalities must ensure that expenditure is limited to the maximum revenue collected and not spend on money that they do not have.

National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the financial sustainability of the municipality. The Consumer Price Index (CPI) inflation is forecasted to be within the upper limit of the 3 to 6 per cent target band; therefore, municipalities are required to ***justify all increases in excess of the* projected inflation target for 2019/20** in their budget narratives, and pay careful attention to the differential incidence of tariff increases across all consumer groups. In addition, municipalities should include details of their revenue growth assumptions for the different service charges in the budget narrative.

3.1 Maximising the revenue generation of the municipal revenue base

Municipalities must comply with Section 18 of the MFMA and ensure that they fund their 2019/20 MTREF budgets from realistically anticipated revenues to be collected. Subsequently, municipalities are cautioned against assuming collection rates that are unrealistic and unattainable as this has been identified as a fundamental reason for municipalities in financial distress.

It is critical to compare the valuation roll data to that of the billing system to ensure that revenue anticipated from property rates are realistic. The list of exceptions derived from this reconciliation will provide an indication of where the municipality may be compromising its revenue generation in respect of property rates. A further test would be to reconcile this with the deeds office registry. This reconciliation should be undertaken quarterly. Towards this end, municipalities are requested to submit the following information to the National Treasury:

1. A copy of the approved current General Valuation Roll of the municipality;
2. A copy of the approved Supplementary Valuation Roll of the municipality;
3. An extract from the financial system showing the property rates information (preferably in excel);
4. The detail of the reconciliation between the GVR and the financial system illustrating the variances; and
5. The proposed process to rectify the variances.

In addition, the format below (excel) is required that captures a high level summary of the exercise.

	Approved General Valuation Roll		*Financial System*			
Rates Category	*Number of Properties*	*Consolidated Value of Properties*	*Number of Properties*	*Consolidated Value of Properties*	*Variance*	*Comments*

The above information must be submitted on a CD or USB to the LGBA, for attention:

For couriered documents	*For posted documents*
Ms Linda Kruger	Ms Linda Kruger
National Treasury	National Treasury
40 Church Square	Private Bag X115
Pretoria, 0002	Pretoria, 0001

In addition, municipalities that maintain an indigent register and not utilise a targeted approach, are requested to periodically review the indigent register to verify that beneficiaries are still legible for the subsidy that they obtain. Municipalities are also encouraged to revise their Local Economic Development strategies to have a targeted approach to alleviate the situation of the indigents as part of poverty alleviation.

3.2 Eskom bulk tariff increases

The National Energy Regulator of South Africa (NERSA) develops the municipal tariff guideline increase based on Eskom's approved bulk price increase of electricity to municipalities and the increase on the municipalities' cost structures. Eskom has made a revenue application for the 2019/20 financial year, but NERSA has yet to make a decision on the application. Municipalities should refer to www.nersa.org.za for updates on the outcome of this process. Municipal bulk tariff increases will depend on the outcome of that process.

Municipalities are also urged to examine the cost structure of providing electricity services and to apply to NERSA for electricity tariff increases that reflect the total cost of providing the service so that they work towards achieving fully cost-reflective tariffs that will help them achieve financial sustainability. Municipalities in arrears with Eskom should ensure that their payment arrangements are effected in their 2019/20 MTREF budget.

3.3 Water tariff increases

Drought conditions makes it difficult for some municipalities to improve revenue generation from this service. It is now more important to improve demand management, infrastructure maintenance, loss management, meter reading and tariff setting in respect of water services.

Municipalities must ensure that the tariffs charged are able to cover for the cost of bulk purchases, ongoing operations as well as provision for future infrastructure. There are municipalities that are struggling to pay water boards due to a number of issues, one of which is poor financial sustainability and cost recovery. All municipalities in arrears with bulk suppliers must ensure that their payment arrangements are effected in their 2019/20 MTREF budget.

Accounting officers should take note that failure to undertake proper due diligence in terms of the affordability of payment arrangements and making the necessary provision in the municipality's budget will be considered as an act of financial misconduct and the necessary action in terms of chapter 15 of the MFMA read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014, will have to be taken.

4. Funding choices and budgeting issues

As a result of the economic landscape and weak tariff setting, municipalities are under pressure to generate additional revenue. The ability of customers to pay for services continues to decline, leading to limited revenue collection. Therefore, municipalities must consider the following when compiling their 2019/20 MTREF budgets:

- improving the effectiveness of revenue management processes and procedures;

- paying special attention to cost containment measures by, amongst other things, controlling unnecessary spending on nice-to-have items and non-essential activities as was highlighted in MFMA Circular No. 82;
- ensuring value for money through the procurement process;
- the affordability of providing free basic services to all households; and
- curbing consumption of water and electricity by the indigents to ensure that they do not exceed their allocation.

Accounting officers are reminded of their responsibility in terms of Section 62(1)(a) of the MFMA to use the resources of the municipality effectively, efficiently and economically. Failure to do this will result in the accounting officer committing an act of financial misconduct which will trigger the application of Chapter 15 of the MFMA read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.

4.1 Employee related costs

The *Salary and Wage Collective Agreement* for the period 01 July 2018 to 30 June 2021 dated 15 August 2018 through the South African Local Government Bargaining Council Circular No. 6 of 2018 should be used when budgeting for employee related costs for the 2019 MTREF. Municipalities are encouraged to perform an annual head count and payroll verification process by undertaking a once a year manual salary disbursement, in order to root out ghost employees.

4.2 Remuneration of councilors

Municipalities are advised to budget for the actual costs approved in accordance with the Government Gazette No. 20 of 1998 on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published annually between December and January by the Department of Cooperative Governance (DCoG). Any overpayment to councilors contrary to the upper limits as published by the Minister of Cooperative Governance and Traditional Affairs will be irregular expenditure in terms of Section 167 of the MFMA and must be recovered from the councilor(s) concerned.

4.3 Budgeting for Trade Payables on Table SA3

Municipalities raised concerns about the calculation used for determining the creditors' payment period ratio. As a result, an analysis was undertaken of the note in the Annual Financial Statements relating to Trade Payables from Exchange Transactions as it is disclosed on the face of the Statement of Financial Position. The analysis revealed that this liability includes creditors which do not have a direct impact on the ratio, such as payments received in advance, funds administered on behalf of third parties, retention, accrued staff leave, license fees etc.

The inclusion of such liabilities as "Trade and Other-Payables from Exchange Transactions" under "Working Capital – Creditors due" on Table A8 has an impact on the funding assessment as they are considered when determining whether the budget is funded as per the Municipal Budget and Reporting Regulations schedules. Table A8 is separated into three disclosures which are:

- Unspent Grants – linked by a formula from Table SA3;
- Working Capital – Creditors due - linked by a formula from Table SA3 that currently includes all Trade and Other-Payables from Exchange Transactions as explained above; and

- Statutory Requirements – This refers to VAT and taxation and is not linked by a formula to any table as it may include VAT and taxation receivable included under Other Debtors in Table A6 and/or VAT and taxation payable included in Table SA3.

The disclosure above may be adequate in terms of the requirements to determine the funding of the budget on Table A8, but it does not assist with disclosing Trade Payables ("true trade creditors") for the purpose of calculating the expenditure management efficiency ratio "Creditors Payment Period (Trade Creditors)" in terms of the National Treasury Circular No. 71.

Accordingly, Table SA3 has been amended to separate Trade and Other Creditors into two separate lines. The revised disclosure will be as follows:

- Trade payables - (should be "true creditors" only);
- Other creditors – (should include all the above liabilities, except VAT that is disclosed separately);
- Unspent conditional transfers; and
- VAT.

"Trade Payables" and "Other Creditors" will be added together for the purpose of calculating "Creditors Due" in row 31 under the working capital calculation on Table A8.

4.4 Budgeting for Inventory: Water

Bulk water purchases meet the criteria of the definition of inventory as per GRAP 12, paragraph .07. Therefore, water bulk purchases should be treated as inventory and should be budgeted and accounted for accordingly. National Treasury issued guidance on the treatment of non-revenue water and electricity in Annexure B to the MFMA Circular No. 70 for the 2014/15 MTREF. However, since the issue of that circular, National Treasury has allowed municipalities to either budget for water bulk purchases as a direct expense in the Statement of Financial Performance as an interim measure or to account for water under inventory. The *m*SCOA chart also makes provision for such. However, to ensure compliance to GRAP 12 the necessary amendments must be effected to the Schedule A tables and the chart.

National Treasury considered the impact that the changes to the Schedule A tables will have on municipalities, as a result it was resolved that they are significant and should not be implemented in the 2019/20 MTREF. This entails a change in approach where water bulk purchases will be processed as a cash transaction in the Statement of Financial Position – Acquisition of Inventory (Table A6). The system input volume (acquisitions) of water stock includes the following:

- Bulk purchases - Supply from bulk or other water service providers recognised by the amount paid;
- Water purified - Potable supply from Water Treatment Works. Value is to be determined by calculating primary and secondary cost components; and
- Natural sources - Supply from boreholes, springs, fountains if not supplied through the water treatment plant. Value is to be determined by calculating primary and secondary cost components.

It is therefore evident that the total input volume of water as it relates to water purified and water from natural sources should include both primary and secondary cost components. The allocation of secondary cost to the input volume of water will necessitate the utilisation of the Costing Segment of the *m*SCOA chart.

Municipalities are cautioned that the Schedule A for the 2020/21 MTREF will be amended in line with the prescripts of GRAP12 and *m*SCOA in relation to the treatment of water bulk purchases as inventory. Therefore, municipalities will be required to budget accordingly and should now in advance consider the requirements necessary to facilitate this conversion and to ensure accurate configuration of their financial systems as it is a *m*SCOA requirement that the schedules must be extracted directly from the system. Municipalities are urged to refer to the *m*SCOA chart on the definitions and the detail of what constitutes water inventory consumed (cost of sales). Furthermore, reference should be made to the Department of Water and Sanitation (DWS) Municipal Water Balance Guideline for guiding principles which is accessible on the link below:

Department of Water and Sanitation (DWS) Municipal Water Balance Guideline

5. Conditional Grant transfers to Municipalities

5.1 Summary of changes in the Division of Revenue Amendment Bill, 2018

An adjustments budget provides for unforeseen and unavoidable expenditure; appropriation of monies already announced during the tabling of the annual budget (but not allocated at that stage); the shifting of funds between and within votes where a function is transferred; the utilisation of savings; and the roll-over of unspent funds from the preceding financial year. If the adjustments budget effects changes to the division of revenue as contained in the Division of Revenue Act for the relevant year, the Minister of Finance must table a Division of Revenue Amendment Bill with the revised framework. There are amendments to the 2018 Budget that affect the Division of Revenue Act, 2018 which will be effected through the Division of Revenue Amendment Act, 2018, once enacted. The amendments as they impact on provinces and municipalities are discussed below.

Funding for drought relief

The Minister of Finance announced during the 2018 Budget Speech that, "a provisional allocation of R6 billion has been set aside in 2018/19 for several purposes, including drought relief and to augment public infrastructure investment." National Treasury managed a process to determine the allocation of drought relief funds that included two windows for applications. All applications were reviewed together with inputs from sector departments and the National Disaster Management Centre. A total of R3.4 billion in drought response funding has been allocated to all three spheres of government, including several direct and indirect grant allocations, which are included in this Bill.

A total of R1.98 billion is added to direct conditional grants for drought relief. These amounts have already been gazetted on 4 October 2018, after the Minister of Finance approved that the funds could be spent in terms of Section 6(1) of the Appropriation Act, 2018, (Act No. 4 of 2018). This section provides for the Minister of Finance to approve expenditure before an adjustment appropriation bill is enacted if that expenditure cannot reasonably be delayed without negatively affecting service delivery and such expenditure was announced during the tabling of the 2018/19 national annual budget. The following amounts have been added to direct conditional grants to municipalities:

- R288.1 million for the water services infrastructure grant to local government. This allocation will fund a variety of water supply augmentation projects for drought affected municipalities, including drilling and equipping boreholes to access groundwater and implementing water conservation measures where the reduction of water losses will improve the sustainability of supply.

- R1.03 billion for the municipal disaster recovery grant to local government. Funds allocated through this grant will be transferred to three metropolitan municipalities that have been severely impacted by the drought: Cape Town, Nelson Mandela Bay and Mangaung. The funds will subsidise the costs of water augmentation projects, including groundwater development and water conservation measures where the reduction of water losses will improve the sustainability of supply. All of these cities are also expected to contribute funds from their own revenue base to their water augmentation projects.

The following amounts have been added to indirect conditional grants that benefit local government:

- R1.01 billion for the indirect water services infrastructure grant. This allocation will fund a variety of water supply augmentation projects for drought affected municipalities, including drilling and equipping boreholes to access groundwater and implementing water conservation measures where the reduction of water losses will improve the sustainability of supply.
- R6 million for the indirect regional bulk infrastructure grant. This allocation will fund a water supply augmentation project in Ndlambe Local Municipality affected by drought. The municipality is already receiving an allocation managed through this indirect grant in the 2018/19 financial year.

Additional changes to local government allocations

- *Additional allocations to support disaster recovery*

  R143.3 million is added to the municipal disaster recovery grant for post disaster repair and rehabilitation projects in a number of municipalities in KwaZulu-Natal and Western Cape. The municipalities in KwaZulu-Natal are allocated a total of R138.7 million for the repair and rehabilitation of roads, storm water and sanitation infrastructure and community facilities that were damaged by floods. R4.6 million is allocated for the repair and rehabilitation of water and electricity infrastructure in the Bitou Local Municipality in Western Cape.

- *Additional allocation for the public transport network grant*

  R33 million is added to the public transport network grant for the City of Cape Town to begin detailed design on a new phase of the MyCiti public transport network approved through the Budget Facility for Infrastructure.

- *Conversion of the municipal systems improvement grant from Schedule 6, Part B (indirect) to Schedule 5, Part B (direct)*

  R23.2 million of the municipal systems improvement grant will be converted from Schedule 6, Part B (indirect) to Schedule 5, Part B (direct) for 22 municipalities affected by major boundary changes that took effect after the 2016 local government elections. This amount was made available in the indirect municipal systems improvement grant in 2018/19, to assist with the completion of transitional work in the affected municipalities, following the end of the municipal demarcation transition grant (Schedule 5, Part B (direct)) at the end of the 2017/18 financial year.

These municipalities have been implementing the institutional and administrative changes that were required as a result of the boundary changes, including with funding from the former municipal demarcation transition grant. This conversion supports these 22 municipalities to complete the implementation of these transitional matters.

5.2 Conditional grant monitoring support and Non-compliance of in year monitoring

National Treasury has through its in-year Division of Revenue Act monitoring observed that certain departments that administer municipal grants have not fully complied with the provisions of the Act. Notably the national departments of Transport and Water Services have not fully transferred some of the transfers that were due to the municipalities. Stringent measures are being put in place to ensure compliance to the Division of Revenue Act, 2018 (Act No 1 of 2018) in that regard.

Furthermore, National Treasury has facilitated an adjustment gazette in terms of the Division of Revenue Act in terms of distressed municipalities that could not safeguard the transfers bestowed to them but also to reallocate some of these grants to the respective district municipalities in support of their distressed locals. Government gazette No. 42067 of 28 November 2018 provides for the following in this regard:

Municipal Infrastructure Grant (MIG)

National Treasury in consultation with the Department of Cooperative Governance (DCoG), concluded that municipalities reflecting significant uncommitted underspending would have their funds stopped within four provinces, namely: Eastern Cape, Free State, Northern Cape and North West, and be re-allocated to the respective District Municipalities for delivery on behalf of their locals.

The Municipal Emergency Housing Grant (MEHG)

The Department of Human Settlements (DHS) recommended to National Treasury that an allocation of an amount of R3.9 million is allocated through MEHG following a fire disaster that damaged most of the informal settlements within the Bitou LM in the Western Cape in order to fund the relocation costs and Transitional Residential Area units.

The Neighbourhood Development Partnership Grant (NDPG)

Based on Msunduzi Local Municipality's (LM) request, R27.4 million is stopped from Msunduzi's 2018/19 allocation and re-allocated to West Rand District Municipality (DM) in Gauteng province and City of Matlosana LM in North West province. West Rand DM will receive R20 million, while City of Matlosana LM will be allocated R7.4 million of the R27.4 million stopped from Msunduzi LM.

5.3 Support afforded to municipalities reflecting significant underspending

The municipalities that are affected by the stopping process due to governance and financial challenges will continue to receive support from National Treasury, DCoG and the relevant stakeholders on the MIG cost reimbursement and invoice verification which has been ongoing in the current financial year.

5.4 2017/18 Unspent conditional grant process

National Treasury has concluded the assessment of the 2017/18 conditional grant rollovers and the verification of the unspent conditional grants. This is a process that is governed by Section 22 of the 2017 Division of Revenue Act.

National Treasury through this process undertakes to travel to all provinces on a roadshow and set-up a combined session with all provincial treasuries and all sector departments responsible for administering conditional grants. In these sessions, rollover requests from municipalities are assessed in accordance to the division of revenue act and the guiding MFMA Circular. It is a process that begins on 31 August 2018 and ends 03 December 2018.

Municipalities with unspent conditional grants that were not approved for rollover, are afforded an opportunity to refund the portion of the unspent funds to the National Revenue Fund (NRF). In instances wherein the unspent funds are not refunded to the NRF, National Treasury in accordance to Section 22 of the Division of Revenue Act, offsets these funds against the equitable share allocations.

6. Preparation of Municipal Budgets for 2019/20 MTREF

6.1 Schedule A1 version to be used for the 2019/20 MTREF

National Treasury has released Version 6.3 of the Schedule A1 (the Excel Formats) which is aligned to Version 6.3 of the *m*SCOA classification framework and must be used when compiling the 2019/20 MTREF budget. Refer to Annexure B for the changes to this version of the Schedule A1.

ALL municipalities **MUST** use this version for the preparation of their 2019/20 MTREF budget.

It is imperative that all municipalities prepare their 2019/20 MTREF budgets in their financial systems and that the Schedule A1 be produced directly from their financial system. Vendors have recently demonstrated their budget modules to the National Treasury and provincial treasuries. All financial systems have this functionality to assist and prepare budgets and to generate the prescribed Schedule A1 directly from the financial system. Municipalities **must** start early enough to capture their tabled budget (and later the adopted budget) in the budget module provided and **must** ensure that they produce their Schedule A1 directly out of the budget module.

To promote this approach, from the **2020/21 MTREF** the National Treasury will only accept a Schedule A1 in PDF format, containing ALL sheets as prescribed and with each worksheet displaying an embedded system stamp to certify that it has been produced directly from the system. For purposes of collecting additional data which we previously did using the Schedule A1 in Excel, a prescribed data string containing the data must be populated and uploaded by each municipality (refer to the attachment to MFMA Budget Circular No 93 on the website).

http://mfma.treasury.gov.za/Circulars/Pages/default.aspx

Special attention must be given to the supporting schedules in the prescribed Schedule A1. Where detailed data is lying in a sub-system e.g. human resource data for SA22 to SA24, this data must be pulled from the sub-system into the applicable supporting sheet and must form part of the complete endorsed Schedule A1.

Version 6.3 of Schedule A1 is available on the following link:

The Municipal Budget and Reporting Regulations, formats and associated guides are available on National Treasury's website at:

http://mfma.treasury.gov.za/RegulationsandGazettes/Pages/default.aspx

6.2 Assistance with the compilation of budgets

If municipalities require advice with the compilation of their respective budgets, specifically the budget documents or Schedule A1, they should direct their enquiries to their respective provincial treasuries or to the following National Treasury officials:

Province	Responsible NT officials	Tel. No.	Email
Eastern Cape	Bernard Mokgabodi Matjatji Mashoeshoe	012-315 5936 012-315 5553	Bernard.Mokgabodi@treasury.gov.za Matjatji.Mashoeshoe@treasury.gov.za
Free State	Jordan Maja Cethekile Moshane	012-315 5663 012-315 5079	Jordan.Maja@treasury.gov.za Cethekile.moshane@treasury.gov.za
Gauteng	Kgomotso Baloyi	012-315 5866	Kgomotso.Baloyi@treasury.gov.za
KwaZulu-Natal	Bernard Mokgabodi Johan Botha	012-315 5936 012-315 5171	Bernard.Mokgabodi@treasury.gov.za Johan.Botha@treasury.gov.za
Limpopo	Una Rautenbach Sifiso Mabaso	012-315 5700 012-315 5952	Una.Rautenbach@treasury.gov.za Sifiso.Mabaso@treasury.gov.za
Mpumalanga	Willem Voigt Mandla Gilimani	012-315 5830 012-315 5807	WillemCordes.Voigt@treasury.gov.za Mandla.Gilimani@treasury.gov.za
Northern Cape	Jordan Maja Anthony Moseki	012-315 5663 012-315 5174	Jordan.Maja@treasury.gov.za Anthony.Moseki@treasury.gov.za
North West	Willem Voigt Makgabo Mabotja	012-315 5830 012-315 5156	WillemCordes.Voigt@treasury.gov.za Makgabo.Mabotja@treasury.gov.za
Western Cape	Kgomotso Baloyi Kevin Bell	012-315 5866 012-315 5725	Kgomotso.Baloyi@treasury.gov.za Kevin.Bell@treasury.gov.za
Technical issues with Excel formats	Elsabe Rossouw	012-315 5534	lgdataqueries@treasury.gov.za

National and provincial treasuries, will undertake a compliance check and, where municipalities have not provided complete budget information, the municipal budgets will be returned to the mayors and municipal managers of the affected municipalities for the necessary corrections. Municipal managers are reminded that the annual budget must be accompanied by a quality certificate and council resolution in accordance with the format specified in item 31 of Schedule A of the Municipal Budget and Reporting Regulations.

The National Treasury would like to emphasise that where municipalities have not adhered to the Municipal Budget and Reporting Regulations, ***they will be required to go back to the municipal Council and table a complete budget document aligned to the requirement of the Municipal Budget and Reporting Regulations. In addition, where municipalities have adopted an unfunded budget, they will be required to correct the budget to ensure they adopt and implement a funded budget. However, where there are challenges the process indicated in paragraph 2.2 above will be applied***.

Municipalities with municipal entities are once again reminded to prepare consolidated budgets and in-year monitoring reports for both the parent municipality and its entity or entities. The following must be compiled:

- An annual budget, adjustments budget and monthly financial reports for the parent municipality in the relevant formats;
- An annual budget, adjustments budget and monthly financial reports for the entity in the relevant formats; and
- A consolidated annual budget, adjustments budget and monthly financial reports for the parent municipality and all its municipal entities in the relevant formats.

The A Schedule that the municipality submits to National Treasury must be a consolidated budget for the municipality (including entities) and the budget of the parent municipality. D schedules must be submitted for each entity.

7. Budget process and submissions for the 2019/20 MTREF

7.1 Submitting budget documentation and schedules for 2019/20 MTREF

To facilitate oversight of compliance with the Municipal Budget and Reporting Regulations, accounting officers are reminded that:

- Section 22(b)(i) of the MFMA requires that, ***immediately*** after an annual budget is tabled in a municipal council, it must be submitted to the National Treasury and the relevant provincial treasury in both printed and electronic formats. If the annual budget is tabled to council on 29 March 2019, the final date of submission of the electronic budget documents and corresponding electronic returns is **Monday, 01 April 2019**. The deadline for submission of hard copies including council resolution is **Friday, 05 April 2019**.
- Section 24(3) of the MFMA, read together with regulation 20(1) of the Municipal Budget and Reporting Regulations, requires that the approved annual budget must be submitted to both National Treasury and the relevant provincial treasury ***within ten working days*** after the council has approved the annual budget. E.g. if the council approves the annual budget on 31 May 2019, the final date for such a submission is Friday, 14 June 2019.

The municipal manager must submit:

- the budget documentation as set out in Schedule A (version 6.3) of the Municipal Budget and Reporting Regulations, including the main Tables (A1 - A10) and ALL the supporting tables (SA1 – SA38) in PDF format with stamp that will confirm production directly out of the financial system;
- the draft service delivery and budget implementation plan in both printed and electronic format;
- the draft integrated development plan;
- the council resolution;
- signed Quality Certificate as prescribed in the Municipal Budget and Reporting Regulations; and
- schedules D specific for the entities.

Budget related documents and schedules must be uploaded by approved registered users using the LG Upload Portal at:

https://lguploadportal.treasury.gov.za/

Please note that the LG Upload Portal does not have size restrictions to the documents but requires all documents to:

1. be in PDF format; and
2. each PDF file must NOT contain multiple document e.g. council resolution and quality certificate within the budget document.

Municipalities may still send electronic versions of documents and the Schedule A1 to lgdocuments@treasury.gov.za but only when experiencing problems with the LG Upload Portal. Any problems experienced in this regard can be addressed with Elsabe Rossouw at Elsabe.Rossouw@treasury.gov.za.

Note: lgbigfiles@gmail.com is no longer available.

Municipalities are required to send printed submissions of their budget documents and council resolution to:

For couriered documents	***For posted documents***
Ms Linda Kruger	Ms Linda Kruger
National Treasury	National Treasury
40 Church Square	Private Bag X115
Pretoria, 0002	Pretoria, 0001

In addition to the above-mentioned budget documentation, metropolitan municipalities must submit the draft Built Environment Performance Plan (BEPP) tabled in council by 29 March 2019 to Yasmin.coovadia@treasury.gov.za. If the BEPP documents are too large to be sent via email (exceeds 4MB) please submit to yasmin.coovadia@gmail.com or send to Yasmin Coovadia via Dropbox; any problems experienced in this regard can be addressed with Yasmin.Coovadia@treasury.gov.za. Hard copies of the BEPP may be sent to Yasmin Coovadia, National Treasury, 3rd floor 40 Church Square, Pretoria, 0002 or Private Bag X115, Pretoria, 0001.

7.2 Retirement of the Budget reform returns (Appendix B)

From 2019/20 onwards, municipalities will no longer be required to continue with the use of the Budget Reform Returns to upload budget and monthly expenditure to the National Treasury Local Government Database for publication purposes. The National Treasury will use only the *m*SCOA data strings required for submission as prescribed and all publications will use the data collected from the *m*SCOA data strings.

This places the responsibility on each municipality to ensure that:

1. Budgets are accurately locked into the financial system;
2. Each transaction is accurately recorded on a daily base;
3. Data collected from sub-systems is accurately represented in the General Ledger (GL);
4. At the end of the reporting period, all reconciliations are done, sub-systems are in balance and the Municipal Manager and CFO agrees with the figures as presented in the Schedule C and other management reports or dashboards;
5. The reporting period is **CLOSED** for further transactions; and
6. The data string for the period is produced directly out of the financial system and uploaded using the LG Upload Portal.

While the National Treasury will still share control reports and Schedule C as produced from the data uploaded by municipalities, the verification process before each quarterly Section 71 publication will fall away as the responsibility now lies with the municipality **BEFORE** submitting the data strings to ensure that the data is an accurate reflection of the state of municipal finances.

The tabled and adopted budget data strings submitted to the Local Government Database and Reporting system should also be consolidated figures.

NOTE: Municipalities must conclude all reporting for 2018/19 up to restated audit outcomes on the Appendix B (old electronic returns) to lgdatabase@treasury.gov.za before we can retire the returns.

7.3 Budget verification process

Annually during the budget verification process, it is noted that municipalities have challenges to align the audited years, which results in amendments to the Schedule A. Municipalities must ensure that the audited figures and adjusted budget figures captured on the Schedule A aligns to the annual financial statements and Schedule B respectively.

7.4 Publication of budgets on municipal websites

In terms of section 75 of the MFMA, all municipalities are required to publish their tabled budgets, adopted budgets, annual reports (containing audited annual financial statements) and other relevant information on the municipality's website. This will aid in promoting public accountability and good governance.

All relevant documents mentioned in this circular are available on the National Treasury website, http://mfma.treasury.gov.za/Pages/Default.aspx . Municipalities are encouraged to visit it regularly as documents are regularly added / updated on the website.

Contact

national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Post	Private Bag X115, Pretoria 0001
Phone	012 315 5009
Fax	012 395 6553
Website	http://www.treasury.gov.za/default.aspx

JH Hattingh
Chief Director: Local Government Budget Analysis
07 December 2018

Annexure A – Changes to *m*SCOA Version 6.3

No.	Segment	Amendment
1	Item Revenue: National transfers and subsidies	Included all national transfers and subsidies as per MTBPS and allowed for the split between operating and capital as per the grant frameworks
2	Item Revenue: Provincial transfers and subsidies	Allowed provincial transfers and subsidies to be breakdown required where municipalities will specify the names of the grants
3	Item Revenue: Property rates	Included the new property categories as per section 8 of the Municipal Property Rates Act (MPRA)
4	Item Revenue: Sale of goods: Agricultural products	Added a separate line for fresh produce
5	Item Revenue	Added availability charges under non-exchange revenue
6	Item Expenditure: Operational costs	Included breakdown for Speaker under entertainment
7	Item Expenditure: Depreciation	Retired sport and recreation facilities as an asset category as it is included in community assets as per CIDMS
8	Item Expenditure	Changed the spelling for Eskom
9	Item gains and losses	Aligned the high level structure for impairment and reversal of impairment to depreciation and amortisation
10	Item gains and losses and Item assets	Added a line for impairment of construction work in progress assets as per GRAP 21
11	Item assets	Retired libraries as an asset category as it is included in community assets as per CIDMS
12	Item assets: Construction Work in Progress	Added a line to transfer assets from construction work in progress to completed assets
13	Item assets	Changed the definition for general plant to align to the ASB guideline
14	Function	Retired the line item for Budget and Treasury Office as it is part of Finance
15	Function	Retired public forces, traffic and street parking control from Road Transport and included it as Public Safety
16	Region	Included ward / township breakdown as requested by municipalities
17	Region	Retired decommissioned municipalities due to demarcation
18	Region	Swopped municipalities included under DC 36 and DC 30
19	Region	Retired duplicated municipality

Annexure B – Changes to Schedule A1 – the 'Excel formats'

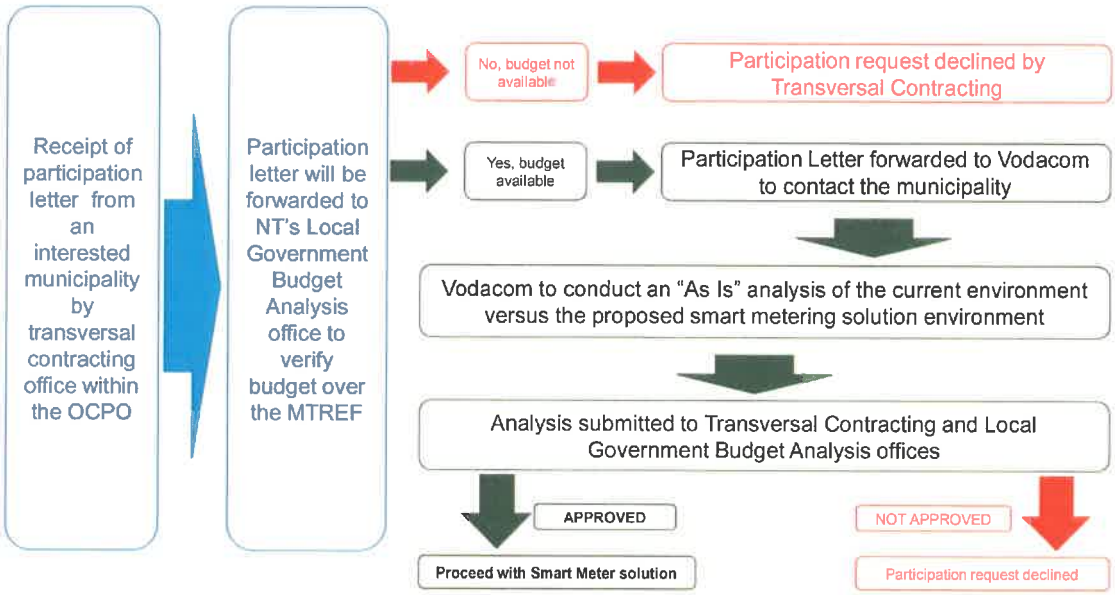
As noted above, National Treasury has released Version 6.3 of Schedule A1 (the Excel Formats). It incorporates the following changes:

No.	Sheet	Amendment	Reason
1	A2A	Budget and Treasury office has been removed	It is a duplication of Finance
2	A4	Line 10 Service charges – other is no longer available	Not available on the *m*SCOA chart
3	A6	Line 20 Agriculture is no longer available	Not available on the *m*SCOA chart
2	A6	Formula link change on line 32 Trade and other payables	Adjustments made on SA3
4	A8	Formula link change on line 31 Creditors due	Adjustments made on SA3
5	A9	Adjustments made to lines 134 to 165 Asset Register Summary – PPE (WDV)	Only high level summary required
6	SA3	Line 35 and 36 – split Trade payables and Other creditors	To refine calculation of creditors days ratio
8	SA8	Note: Formula in line 23 now only take into account Trade payables	Due to change made on SA3
9	SA25	Line 10 Service charges – other is no longer available	Not available on the *m*SCOA chart
11	SA30	Line 10 Service charges – other is no longer available	Not available on the *m*SCOA chart

Annexure C – Participation in RT15-2016 Vodacom transversal contract

Participation in RT15-2016 Vodacom transversal contract for the supply and delivery of mobile communication services to the state

It has become apparent that an increasing number of municipalities are intending to embrace smart technology to augment their operations. One such opportunity is through the RT15-2016 transversal contract that provides the option for an account management service offering in respect of smart meters. The pre-requisite, however, is that the municipality intending to participate must demonstrate evidence of adequate operating budget provision over the MTREF. The following process is applicable for the approval to participate.



In this regard the municipality should engage the Office of the Chief Procurement Officer (OCPO) in the National Treasury as the first point of contact. Kindly contact Ms. Kwanele Mtembu, Tel: (012) 406 9188 or email: Kwanele.Mtembu@treasury.gov.za for guidance.

Annexure D – MFMA Circular No. 71 aligned *m*SCOA Dashboard

The objective of the attached excel spreadsheet is to assist municipalities and system vendors to populate the indicators contained in MFMA Circular No. 71 automatically. Secondly, all system vendor dashboards should host as a minimum these indicators. It will assist the Accounting Officer to understand the overall financial management position of the municipality before submitting the regulated Budget and Reporting Schedules and *m*SCOA data strings to the Local Government Database and Reporting System (LGDRS).

NATIONAL TREASURY

MFMA Circular No. 94

Municipal Finance Management Act No. 56 of 2003

Municipal Budget Circular for the 2019/20 MTREF

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Introduction

This budget circular is a follow-up to the one issued on 07 December 2018 and it complements the many other circulars that have been issued previously. It guides municipalities with their preparation of the 2019/20 Medium Term Revenue and Expenditure Framework (MTREF) and, as with previous annual budget circulars it should be read within this context. Among the objectives of this Circular, is to support municipalities with giving effect to National Treasury's Municipal Budget and Reporting Regulations (MBRR) within the current economic climate. The key focus of this Circular is the grant allocations per the 2019 Budget Review and the 2019 Division of Revenue Bill.

1. The South African economy and inflation targets

The economic and revenue outlook has deteriorated since the October 2018 Medium Term Budget Policy Statement (MTBPS). Funding pressures from state-owned companies have increased and require government financial support. Given these developments, the 2019 Budget proposes large-scale expenditure reprioritisation and tax measures that narrow the deficit from 4.5 per cent of GDP in 2019/20 to 4 per cent by 2021/22.

The 2018 MTBPS noted that weak economic performance and revenue shortfalls had contributed to some slippage in fiscal projections. Since then, economic growth has remained subdued and the domestic GDP outlook has been revised down. In the current year, tax revenue will be R15.4 billion below the 2018 MTBPS estimate. Funding pressures from Eskom and other financially distressed state-owned companies have increased, with several requesting state support to continue operating. In this context, the 2019 Budget proposes a series of tax and expenditure measures aimed at narrowing the deficit and stabilising the debt-to-GDP ratio. Additions to spending amount to R75.3 billion over the medium term, consisting mainly of transfers to support the reconfiguration of Eskom. These additions are partially offset by reductions to expenditure baselines and proposed savings from compensation adjustments totalling R50.3 billion. Tax measures raise an additional R15 billion in 2019/20 and R10 billion in 2020/21.

In combination, these measures are expected to narrow the consolidated budget deficit from a projected 4.5 per cent of GDP in 2019/20 to 4 per cent of GDP in 2021/22. Gross national debt is projected to stabilize at 60.2 per cent of GDP in 2023/24. Net loan debt (gross loan debt excluding government's cash balances) stabilises at 57.3 per cent of GDP in 2024/25.

The GDP growth rate is forecasted at 1.5 per cent in 2019, 1.7 per cent in 2020 and 2.1 per cent in 2021. The revisions take into account weaker investment outcomes in 2018, a more fragile recovery in household income and slower export demand than expected due to moderating global growth. Consumer inflation has also been revised down due to lower oil prices and food inflation than previously assumed.

The main risks to the economic outlook are continued policy uncertainty and deterioration in the finances of state-owned entities. These factors, alongside continued high unemployment and slow growth will continue to exert pressure on municipal revenue generation and collection levels hence a conservative approach is advised for municipal revenue projections. Municipalities affected by the drought should also consider its impact on revenue generation. In this context, municipalities will have to improve their efforts to limit non-priority spending and to implement stringent cost-containment measures.

The following macro-economic forecasts must be considered when preparing the 2019/20 MTREF municipal budgets.

Table 1: Macroeconomic performance and projections 2018 -2021

Fiscal Year	2018/19 Estimates	2019/20	2020/21 Forecast	2021/22
Consumer Price Inflation (CPI)	4.7%	5.2%	5.4%	5.4%
Real GDP Growth	0.7%	1.5%	1.7%	2.1%

Source: 2019 Budget Review.

Note: the fiscal year referred to is the national fiscal year (April to March) which is more closely aligned to the municipal fiscal year (July to June) than the calendar year inflation.

2. Key focus areas for the 2019/20 municipal budget process

Over the medium-term expenditure framework (MTEF) period, after budgeting for national government's debt-service costs, the contingency reserve and provisional allocations, 47.9 per cent of nationally raised funds are allocated to national government, 43 per cent to provinces and 9.1 per cent to local government.

Local government receives the smallest share of the division of nationally raised revenue because it has significant own revenue-raising powers. These revenue raising powers must be exercised more than ever before in the current dispensation. Local government raises about 70 per cent of its own revenue, but would be able to raise more if municipalities improved municipal revenue policies, billing and collection practices. In 2017/18, almost half of all municipalities collected less than 80 per cent of their billed revenue.

Spending outcomes for 2017/18 varied across the 257 municipalities. Many municipalities continue to adopt unrealistic spending plans. As a result, 217 municipalities underspent their operating budgets and 220 municipalities underspent their capital budgets. Of the R30 billion in conditional grants transferred to municipalities in 2017/18, R28 billion (93 per cent) was spent – an improvement from 86.8 per cent in 2016/17.

2.1 Local government grants and municipal revenue strength

Since the 2018 Medium Term Budget Policy Statement (MTBPS) reprioritisation and reductions undertaken have affected planned spending for 2018/19. Over the next three years there is strong growth in allocations to the local government equitable share, while growth in conditional grants recovers following significant reductions made in the 2018 MTEF. Total direct allocations to local government will now grow at an annual average rate of 7.6 per cent over the MTEF period.

Over the 2019 MTEF period, R414.7 billion will be transferred directly to local government and a further R22.5 billion has been allocated to local government through indirect grants. Direct transfers to local government over the medium term account for 9 per cent of national government's non-interest expenditure. When indirect transfers are added to this, total spending on local government increases to 9.4 per cent of national non-interest expenditure.

While there are some reductions in some grant programmes, they do not affect all conditional grants and not all grants were reduced by the same percentage. The infrastructure conditional grants, particularly the larger ones, were mainly affected as this was considered the most practical approach. However strong growth is realized in the local government equitable share with an average annual rate of 9.4 per cent over the MTEF period, while the conditional transfers see slower growth at an annual average rate of 7.6 per cent.

Conditional grant funding targets delivery of national government's service delivery priorities. It is imperative that municipalities understand and comply with the conditions stipulated in the Division of Revenue Act (DoRA) in order to access this funding. The equitable share and the sharing of the general fuel levy constitute unconditional funding, of which the equitable share is designed to fund the provision of free basic services to disadvantaged communities.

Government has repeatedly emphasised the importance of municipalities focussing on growing their own revenue base in order to expand resources available for local service delivery. Municipalities with significant revenue bases are expected to invest more of their own resources, offsetting some of the impact of reductions to infrastructure grants, while building partnerships with the private sector for infrastructure delivery over the period ahead.

Legislation governing local planning and budgeting emphasises community participation in decision-making. The partnership between municipalities and communities relies on households and businesses recognising the value of, and paying for, municipal services. While government subsidises municipal services for low-income households, these services are only sustainable if people who can afford them – and use larger quantities – pay their bills. Therefore, the sustainability of municipalities depends on how they collect and spend their own revenues.

Municipalities are reminded that all allocations included in their budgets must correspond to the allocations listed in the Division of Revenue Bill. All the budget documentation can be accessed from the National Treasury website by clicking on the link below:
http://www.treasury.gov.za/documents/national%20budget/2019/

2.1.1 Changes to local government allocations

2.1.1.1 Unconditional grants

In the process of determining the baseline for the outer year (2021/22) of the 2019 MTEF period, the local government equitable share allocation has grown by 8.6 per cent of the baseline. This will cover the anticipated increase in the costs of providing free basic services to a growing number of households, and takes account of likely above-inflation increases in the costs of bulk water and electricity. It will also allow for above-inflation increases in the allocations to poorer and rural municipalities through the redistributive components of the equitable share formula.

2.1.1.2 Conditional grants

- A total of R295.9 million has been cut from direct local government conditional grant allocations for the MTEF period ahead to fund other government priorities. Indirect grants to local government have been reduced by an additional R600 million.

- An amount of R60.7 million is shifted from the incentive component of the integrated urban development grant in 2019/20 and added to the municipal disaster recovery grant to fund the repair of roads damaged by floods in Joe Gqabi District Municipality in the Eastern Cape.

- A total of R2.8 billion is added to the public transport network grant for the construction of a new public transport corridor on the MyCiti bus network in Cape Town. This corridor, connecting Mitchells Plain and Khayelitsha to the city, was approved through the Budget Facility for Infrastructure and will be implemented over a nine-year period.

2.2 Technical adjustment and continued funding of Drought disaster relief

The following technical adjustments were made to grant programmes:

- R2.9 billion over the MTEF period from the municipal infrastructure grant to a new integrated urban development grant.

- R814.5 million over the MTEF period from the integrated national electrification programme (municipal) grant to the urban settlements development grant, as electrification projects in municipal licenced areas in metropolitan municipalities will now be funded as part of this integrated grant.

- R3 billion in 2020/21 and R4.4 billion in 2021/22 from the urban settlements development grant to create a new informal settlements upgrading partnership grant for municipalities.

2.2.1 Funding for Disaster Relief

After the initial response to a disaster has been addressed, including funding from the municipal disaster relief grant discussed below, the repair of damaged municipal infrastructure is funded through the municipal disaster recovery grant.

The municipal disaster relief grant is administered by the National Disaster Management Centre in the Department of Cooperative Governance as an unallocated grant to local government. The centre is able to disburse disaster-response funds immediately, without the need for the transfers to be gazetted first. The grant supplements the resources local government would have already used in responding to disasters. To ensure that sufficient funds are available in the event of disasters, section 21 of the Division of Revenue Bill allows for funds allocated to the provincial disaster relief grant to be transferred to municipalities if funds in the municipal grant have already been exhausted, and vice versa. Over the MTEF period, R1 billion is available for disbursement through this grant. To ensure that sufficient funds are available for disaster relief, clause 20(6) of the Division of Revenue Act allows funds from other conditional grants to be reallocated for this purpose, subject to the National Treasury's approval.

2.3 Response to the Finance and Fiscal Commission (FFC)'s recommendations

Government continues to provide responses to the FFC's recommendations on an annual basis. These annual recommendations by the FFC are required in terms of section 9 of the Intergovernmental Fiscal Relations Act. The FFC, amongst other recommendations, indicated that government should develop and strengthen control measures on the financial transfers in order to ensure compliance and that these funds be properly spent for their intended purposes, typically of improving service delivery and related specific priority outcomes.

The commission further highlighted that control measures should be underpinned by tighter monitoring of and reporting by sub-national governments on the use of grant funding and associated outcomes of such spending, and that National Treasury should ensure that decisive action, such as withholding of funds, is taken by national sector departments as soon as cases where inefficient, ineffective, wasteful or irregular spending of these funds are detected.

National Treasury in its response indicated that in terms of the annual Division of Revenue Act, the transferring officer of the grant (the department administering a conditional grant) is responsible for monitoring performance and withholding funds where necessary. However, the National Treasury is also empowered by section 216(2) of the Constitution to stop the transfer of funds to any organ of state that commits a serious or persistent breach of the

measures prescribed to promote transparency, accountability and the effective financial management of the economy, debt and the public sector. A legislative framework and related policies, including guidelines and circulars, already exists to assist with early detection of issues that warrant withholding funds (by transferring officers or the National Treasury). Chapter 6 of the Budget Review describes complementary efforts to build municipal capacity. National Treasury will strengthen this role in the 2019/20 financial year in support of the recommendation by FFC.

2.4 Borrowing for capital infrastructure

The Circular also provides clarity and updates the December 2017 MFMA Circular No. 89 specifically with regards to long-term borrowing.

National Treasury has taken the position that municipalities may not incur long-term debt to replenish internally generated funds which were spent in prior financial years, even if such spending was for capital expenditure. Borrowing to replace municipal funds previously spent is inconsistent with section 46 of the MFMA, which provides that a municipality can only incur long-term debt for the purpose of capital expenditure on property, plant, and equipment to be used for lawful purposes, and in certain circumstances, for refinancing existing long-term debt. Borrowing proceeds must be used to fund current and future capital expenditure, and may not be attributed to expenditures in previous years.

PLEASE NOTE that the sentence contained on MFMA Circular No. 89 stating that *"The incurring of the expenditure against a different source of finance that was approved will be regarded as unauthorised expenditure" has been revoked.*

3. The revenue budget

National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the financial sustainability of the municipality. The Consumer Price Index (CPI) inflation is forecasted to be within the upper limit of the 3 to 6 per cent target band; therefore, municipalities are required to ***justify all increases in excess of the*** **projected inflation target for 2019/20** in their budget narratives, and pay careful attention to the differential incidence of tariff increases across all consumer groups. In addition, municipalities should include details of their revenue growth assumptions for the different service charges in the budget narrative.

Local government also confronts tough fiscal choices in the face of financial and institutional problems that result in service-delivery breakdowns and unpaid bills. Municipalities can offset these trends by improving own revenue collection, working more efficiently and implementing cost containment measures. Addressing bloated organizational structures that have been observed to contribute towards this problem warrants decisive action across all municipalities.

3.1 Eskom bulk tariff increases

The National Energy Regulator of South Africa (NERSA) published their new multi-year price determination for the period from 2019/20 to 2021/22 on 7 March 2019.

NERSA will shortly publish their "Municipal Tariff Guideline Increase, Benchmarks and Proposed Timelines for Municipal Tariff Approval Process for the 2019/20 financial year". Municipalities are encouraged to download the full guideline document when it becomes available (at www.nersa.org.za) and study it carefully. The guideline includes an update to the average cost structure used to determine the municipal tariff increase. It will set out proposed timeframes for the approval of municipal tariffs.

Municipalities are urged to examine the cost structure of providing electricity services and to apply to NERSA for electricity tariff increases that reflect the total cost of providing the service so that they work towards achieving fully cost-reflective tariffs that will help them achieve financial sustainability. Municipalities in arrears with Eskom should ensure that their payment arrangements are effected in their 2019/20 MTREF budget.

The 2019 Budget Review notes that, the NERSA tariff increases would be announced after the equitable share allocations had been calculated and tabled in the Division of Revenue Bill. In the absence of approved tariff increases for the period ahead, the equitable share formula allocations were calculated using the previously approved Multi-Year Price Determination of an 8 per cent annual bulk price increase for electricity in its calculations. If the approved tariff increases are higher than this, the equitable share allocations will not be increased in 2019/20. The Budget Review then explains that municipalities are expected to offset the increased cost of providing free basic services against above cost increases that they have received in the past. In recent years, municipalities have benefited from equitable share funding that has grown faster than actual increases in electricity costs (in 2017/18 the formula calculation used a bulk electricity price increase of 8 per cent, but NERSA only approved a bulk price increase of 0.3 per cent for the municipal financial year, and in 2018/19 a bulk increase of 8 per cent was used in the formula, but the actual increase was only 7.3 per cent). Municipalities have also benefited from increased allocations that were provided to cover household growth projections that were higher than the revised estimates in the 2017 General Household Survey. To provide for the possibility of larger cost increases in future, amounts of R1 billion in 2020/21 and R1.1 billion in 2021/22 remain unallocated in the equitable share.

4. Conditional Grant Transfers to Municipalities

This section provides guidance to municipalities with regard to the preparation for the 2018/19 unspent conditional grant and roll-over process and should be referenced against previous annual budget circulars.

4.1 Criteria for the rollover of conditional grant funds

Section 22 of the 2018 Division of Revenue Act (DoRA) requires that any conditional grants which are not spent at the end of the municipal financial year must revert to the National Revenue Fund, unless the receiving officer, provincial treasury and transferring national officer proves to the satisfaction of National Treasury that the unspent allocation is committed to identifiable projects, in which case the funds may be rolled over.

When applying to retain unspent conditional allocations committed to identifiable projects or requesting a rollover in terms of section 22(2) of the DoRA, municipalities must include the following information with their submission to National Treasury:

1. A formal letter, signed by the accounting officer must be addressed to the **National Treasury** requesting the rollover of unspent conditional grants in terms of section 22(2) of the 2018 DoRA;
2. A list of all the projects that are linked to the unspent conditional grants and a breakdown of how much was allocated and spent per project;
3. The following evidence indicating that work on each of the projects has commenced, as applicable to the specific rollover(s):

    a) Proof that the project tender was published and the period for tender submissions closed before 31 March;
    b) Proof that a contractor or service provider was appointed for delivery of the project before 31 March; or

c) Proof of a project tender, appointment of contractor or service provider for delivery of service before 30 June in cases where additional funding was allocated during the course of the final year of the project;
d) Incorporation of the Appropriation Statement;
e) Evidence that all projects linked to an allocation will be fully utilised by 30 June 2019 (attach cash flow projection for the applicable grant).

4. A progress report (also in percentages) on the status of each project's implementation that includes an attached, legible **implementation plan**);
5. The value of the committed project funding, and the conditional allocation from the funding source;
6. Reasons why the grants were not fully spent during the year of original allocation per the DoRA;
7. Municipalities must not include previous year's unspent conditional grants as a rollover request. Rollover of rollovers will not be considered;
8. An indication of the time-period within which the funds are to be spent if the roll over is approved; and
9. Proof that the Municipal Manager and Chief Financial Officer are permanently appointed.

No rollover requests will be considered for municipalities with vacant or acting Chief Financial Officers and Municipal Managers for a period exceeding 6 months from the date of vacancy.

If any of the above information is not provided or the application is received by National Treasury (Intergovernmental Relations Division) after 31 August 2019, the application will be declined.

In addition, National Treasury will also consider the following information when assessing rollover applications; and reserves the right to decline an application should there be non-performance by the municipality in any of these areas:

1. Compliance with the in-year reporting requirements in terms of sections 71 and 72 of the MFMA and section 12 of the 2018 DoRA, **including the municipal manager and chief financial officer signing-off on the information** sent to National Treasury;
2. Submission of the pre-audited Annual Financial Statements information to National Treasury by 31 August 2019;
3. Accurate disclosure of grant performance in the 2018/19 pre-audited Annual Financial Statements, (i.e. correct disclosure of grant receipts and spending in the notes to the AFS);
4. Cash available in the bank (net position including short term investments) as at 30 June 2019 is in line with the cash flow statements to finance the roll-over request. If the full amount that is requested for roll over is not entirely cash backed, such a roll over will not be approved. National Treasury will not approve portions of roll over requests.

It should be noted that under no circumstances will the National Treasury consider requests to roll-over:

1. The entirety of any allocation to the municipality, as there should be a minimum spend of 50 per cent of the allocation per programme;
2. Funding from the same grant for the third consecutive time;
3. Funding for projects constituted through Regulation 32 of the Municipal Supply Chain Management Regulations (Gazette No.27636). Projects linked to additional funding and disasters are exempted; and
4. Funding where there is evidence that the roll over application is linked to invoices that were issued within the last 30 days of the municipal financial year end.

4.2 Unspent conditional grant funds for 2018/19

The process to ensure the return of unspent conditional grants for the 2018/19 financial year will be managed in accordance with section 22 of the DoRA. In addition to the previous MFMA Circulars, the following practical arrangements will apply:

Step 1: Municipalities must submit their June 2019 conditional grant expenditure reports according to section 71 of the MFMA reflecting all accrued expenditure on conditional grants and further ensure that expenditure reported to both National Treasury and national transferring officers reconcile.

Step 2: When preparing the Annual Financial Statements, a municipality must determine the portion of each national conditional grant allocation that remained unspent as at 30 June 2019. These amounts MUST exclude all interest earned on conditional grants, retentions and VAT related to conditional grant spending that has been reclaimed from SARS, which must be disclosed separately.

Step 3: If the receiving officer wants to motivate in terms of section 22(2) of the 2018 DoRA that the unspent funds are committed to identifiable projects, the roll over application pack must be submitted to National Treasury by 31 August 2019.

National Treasury will not consider any rollover requests that are incomplete or received after this deadline.

Step 4: National Treasury will confirm in writing whether or not the municipality may retain any of the unspent funds as a rollover based on criteria outlined above by 22 October 2019 or whether it will agree to any alternative payment arrangement or schedules.

Step 5: National Treasury will communicate the unspent conditional grants amount by 05 November 2019. A municipality must return the remaining unspent conditional grant funds that are not subject to a specific repayment arrangement to the National Revenue Fund by 18 November 2019.

Step 6: Any unspent conditional grant funds that should have, but has not been repaid to the National Revenue Fund by 18 November 2019, and for which a municipality has not requested a repayment arrangement, will be offset against the municipality's 02 December 2019 equitable share allocation.

All other issues pertaining to Appropriation Statement and reporting on approved roll overs are addressed in the Annexure to MFMA Circular No. 86.

5. The Municipal Budget and Reporting Regulations

5.1 Tabling of budget documents

The slow spending of capital budgets by most municipalities is a national concern as it has a negative impact on service delivery. In most cases the hockey stick phenomenon that exists (i.e. spending increases in the last six months of the year) is a direct result of poor planning by municipalities. Going forward and to address weak planning process, all municipalities will be required to table the following supporting documents to Council, as part of the budget pack, when they table their budgets by 29 March 2019:

1) Service Delivery and Budget Implementation Plan (SDBIP); and
2) Procurement Plan.

This is also in terms of the requirements and spirit of the MFMA and its Municipal Budget and Reporting Regulations.

5.2 The impact of VAT on tariffs

VAT remains at 15 per cent, which was an increase from 1 April 2018 in the previous year. To mitigate the effects of this increase on low income households, the MTBPS announced various zero rated items, wherein the VAT would be charged at 0 per cent.

Whether the additional amount is recoverable from the customer or not, the supplier must account for VAT on any supplies made on or after 1 April 2018 at the increased VAT rate. (See MFMA Circular No. 91 on the relevant supporting documentation regarding the VAT guides).

5.3 Schedule A - version to be used for the 2019/20 MTREF

National Treasury has released Version 6.3 of the Schedule A1 (the Excel Formats) which is aligned to Version 6.3 of the *m*SCOA classification framework and must be used when compiling the 2019/20 MTREF budget.

ALL municipalities **MUST** use this version for the preparation of their 2019/20 MTREF budget.

It is imperative that all municipalities prepare their 2019/20 MTREF budgets in their financial systems and that the Schedule A1 be produced directly from their financial system. Vendors have recently demonstrated their budget modules to the National Treasury and provincial treasuries. All financial systems have this functionality to assist and prepare budgets and to generate the prescribed Schedule A1 directly from the financial system. Municipalities **must** start early enough to capture their tabled budget (and later the adopted budget) in the budget module provided and **must** ensure that they produce their Schedule A1 directly out of the budget module.

To promote this approach, from the **2020/21 MTREF** the National Treasury will only accept a Schedule A1 in PDF format, containing ALL sheets as prescribed and with each worksheet displaying an embedded system stamp to certify that it has been produced directly from the system. For purposes of collecting additional data which we previously did using the Schedule A1 in Excel, a prescribed data string containing the data must be populated and uploaded by each municipality (refer to the attachment to MFMA Budget Circular No 93 on the NT Website).

http://mfma.treasury.gov.za/Circulars/Pages/default.aspx

Special attention must be given to the supporting schedules in the prescribed Schedule A1. Where detailed data is lying in a sub-system e.g. human resource data for SA22 to SA24, this data must be pulled from the sub-system into the applicable supporting sheet and must form part of the complete endorsed Schedule A1.

The following supporting tables will be included for perusal and sign-off during the verification process of the 2019 MTREF: SA11, SA12a, SA13a, SA14, SA22, SA23, SA24, SA25, SA27, SA36, SA37 and SA38.

It is therefore important to focus on the additional supporting data as well as the financial data submitted on A1 to A10 during the verification process undertaken with National Treasury, the provincial treasuries and all municipalities.

Download Version 6.3 of Schedule A1 by clicking HERE

The Municipal Budget and Reporting Regulations, formats and associated guides are available on National Treasury's website at:
http://mfma.treasury.gov.za/RegulationsandGazettes/Pages/default.aspx

5.4 Assistance with the compilation of budgets

In cases where the municipality requires advice with the compilation of their respective budgets, specifically the budget documents or Schedule A1, they should direct their enquiries to their respective provincial treasuries or to the following National Treasury officials:

Province	Responsible NT officials	Tel. No.	Email
Eastern Cape	Bernard Mokgabodi Matjatji Mashoeshoe	012-315 5936 012-315 5553	Bernard.Mokgabodi@treasury.gov.za Matjatji.Mashoeshoe@treasury.gov.za
Free State	Jordan Maja Cethekile Moshane	012-315 5663 012-315 5079	Jordan.Maja@treasury.gov.za Cethekile.moshane@treasury.gov.za
Gauteng	Kgomotso Baloyi	012-315 5866	Kgomotso.Baloyi@treasury.gov.za
KwaZulu-Natal	Bernard Mokgabodi Johan Botha	012-315 5936 012-315 5171	Bernard.Mokgabodi@treasury.gov.za Johan.Botha@treasury.gov.za
Limpopo	Una Rautenbach Sifiso Mabaso	012-315 5700 012-315 5952	Una.Rautenbach@treasury.gov.za Sifiso.Mabaso@treasury.gov.za
Mpumalanga	Willem Voigt Mandla Gilimani	012-315 5830 012-315 5807	Willem.Voigt@treasury.gov.za Mandla.Gilimani@treasury.gov.za
Northern Cape	Jordan Maja	012-315 5663	Jordan.Maja@treasury.gov.za
North West	Willem Voigt Makgabo Mabotja	012-315 5830 012-315 5156	Willem.Voigt@treasury.gov.za Makgabo.Mabotja@treasury.gov.za
Western Cape	Vuyo Mbunge Kevin Bell	012-315 5661 012-315 5725	Vuyo.Mbunge@treasury.gov.za Kevin.Bell@treasury.gov.za
Technical issues with Excel formats	Elsabe Rossouw	012-315 5534	lgdataqueries@treasury.gov.za

National Treasury, together with the provincial treasuries, will undertake a compliance check and, where municipalities have not provided complete budget information, the municipal budgets will be returned to the mayors and municipal managers of the affected municipalities for the necessary corrections. Municipal managers are reminded that the annual budget must be accompanied by a quality certificate and council resolution in accordance with the format specified in item 31 of Schedule A of the Municipal Budget and Reporting Regulations. In addition to the above compliance check, the *m*SCOA data strings will be assessed to determine whether the municipalities are compliant.

The National Treasury herewith emphasises that where municipalities have not adhered to the Municipal Budget and Reporting Regulations, ***they will be required to return to the municipal council and table a complete budget document aligned to the requirement of the Municipal Budget and Reporting Regulations***.

Municipalities with municipal entities are once again reminded to prepare consolidated budgets and in-year monitoring reports for both the parent municipality and its entity or entities. The following must be compiled:

- An annual budget, adjustments budget and monthly financial reports for the parent municipality in the relevant formats;
- An annual budget, adjustments budget and monthly financial reports for the entity in the relevant formats; and
- A consolidated annual budget, adjustments budget and monthly financial reports for the parent municipality and all its municipal entities in the relevant formats.

The Schedule A that the municipality submits to National Treasury must be a consolidated budget for the municipality (plus entities) and the budget of the parent municipality. Schedules D must be submitted for each entity.

6. Municipal Chart of Accounts (*m*SCOA)

6.1 Virement in an *m*SCOA environment

The MFMA and the Municipal Budget and Reporting Regulations, 2009, allow for the shifting of funds between items, projects, programmes and votes in the budget in line with a Council approved virement policy. MFMA Circulars No. 12, 51 and 88 provide the principles municipalities must consider when doing a virement.

With the promulgation of the *m*SCOA Regulation in 2014, municipalities should have aligned their virement policies to *m*SCOA. *m*SCOA provides a uniform and standardised financial transaction classification framework for municipalities and their entities to transact in and record its transactions using seven (7) segments. Six of these *m*SCOA segments are compulsory[1].

6.2 *m*SCOA training

The National Treasury has developed *m*SCOA training materials on the fundamentals and reporting requirements of *m*SCOA. Officials from National and Provincial Treasuries and the Preferred Trainers on *m*SCOA from the Chartered Institute of Government Finance, Auditors and Risk Officers (CIGFARO) have been trained to provide training in this regard.

While the CIGFARO Preferred Trainers have been issued with certificates of competence to provide training on the "On the fundamentals and reporting requirements of *m*SCOA", it should be emphasized that this training is **unaccredited**. There is currently not any accredited training available on *m*SCOA that has been endorsed by the National Treasury. Therefore, municipalities and other role-players that require training on *m*SCOA should not request for accredited training or trainers in their adverts.

The contact details of the CIGFARO Preferred Trainers is available on the CIGFARO website, www.CIGFARO.co.za.

7. Budget process and submissions for the 2019/20 MTREF

7.1 Budgeting for the audited years on Schedule A (*m*SCOA)

According to international learning practices, it is appropriate to reclassify historical information in accordance with the changes that occur in the Standard Chart of Accounts. Municipalities must capture the reclassified audit outcomes for 2015/16 to 2017/18 in version 6.3 of the Schedule A when compiling 2019/20 MTREF budgets.

[1] Refer to Municipal SCOA Circular No 1. An introduction to the seven (7) segments.

7.2 Submitting budget documentation and schedules for 2019/20 MTREF

To facilitate oversight of compliance with the Municipal Budget and Reporting Regulations, accounting officers are reminded that:

- Section 22(b)(i) of the MFMA requires that, ***immediately*** after an annual budget is tabled in the municipal council, it must be submitted to the National Treasury and the relevant provincial treasury in both printed and electronic formats. If the annual budget is tabled to council on 29 March 2019, the final date of submission of the electronic budget documents and corresponding data strings is **Wednesday, 03 April 2019**. The deadline for submission of hard copies including council resolution is **Friday, 05 April 2019**.
- Section 24(3) of the MFMA, read together with regulation 20(1), requires that the approved annual budget must be submitted to both National Treasury and the relevant provincial treasury ***within ten working days*** after the council has approved the annual budget. If the council only approves the annual budget on 30 June 2019, the final date for such a submission is **Friday, 12 July 2019**, otherwise an earlier date applies.

The municipal manager must submit:

- the budget documentation as set out in Schedule A (version 6.3) of the Municipal Budget and Reporting Regulations, including the main Tables (A1 - A10) and ALL the supporting tables (SA1 – SA38) in both printed and electronic formats;
- the draft Service Delivery and Budget Implementation Plan (SDBIP) in both printed and electronic format;
- the draft Integrated Development Plan (IDP);
- Procurement Plan;
- the council resolution;
- signed Quality Certificate as prescribed in the Municipal Budget and Reporting Regulations;
- the budget locking certificate; and
- schedules D specific for the entities.

Municipalities are required to send electronic versions of documents and the A1 schedule to lgdocuments@treasury.gov.za. Any problems experienced in this regard can be addressed with Elsabe Rossouw at Elsabe.Rossouw@treasury.gov.za. Budget related documents and schedules may also be uploaded using the LG Upload Portal at

https://lguploadportal.treasury.gov.za/sites/lguploadportal/SitePages/Home.aspx

Municipalities are required to send printed submissions of their budget documents and council resolution to:

For couriered documents	***For posted documents***
Ms Linda Kruger	Ms Linda Kruger
National Treasury	National Treasury
40 Church Square	Private Bag X115
Pretoria, 0002	Pretoria, 0001

In addition to the above-mentioned budget documentation, metropolitan municipalities must submit the draft Built Environment Performance Plan (BEPP) tabled in council by 29 March 2019 to yasmin.coovadia@treasury.gov.za. If the BEPP documents are too large to be sent via email (exceeds 4MB) please submit to yasmin.coovadia@gmail.com or send to Yasmin Coovadia via Dropbox; any problems experienced in this regard can be addressed with yasmin.coovadia@treasury.gov.za. Hard copies of the BEPP may be sent to Yasmin

Coovadia, National Treasury, 3rd floor 40 Church Square, Pretoria, 0002 or Private Bag X115, Pretoria, 0001.

7.3 Retirement of the Budget reform returns (Appendix B)

From 2019/20 onwards, municipalities will no longer be required to continue with the use of the Budget Reform Returns to upload budget and monthly expenditure to the National Treasury Local Government Database for publication purposes. The National Treasury will use only the *m*SCOA data strings required for submission as prescribed and all publications will use the data collected from the *m*SCOA data strings.

This places the responsibility on each municipality to ensure that:

1. Budgets are accurately locked into the financial system;
2. Each transaction is accurately recorded on a daily base;
3. Data collected from sub-systems is accurately represented in the General Ledger (GL);
4. At the end of the reporting period, all reconciliations are done, sub-systems are in balance and the Municipal Manager and CFO agrees with the figures as presented in the Schedule C and other management reports or dashboards;
5. The reporting period is **CLOSED** for further transactions; and
6. The data string for the period is produced directly out of the financial system and uploaded using the LG Upload Portal.

While the National Treasury will still share control reports and Schedule C as produced from the data uploaded by municipalities, the verification process before each quarterly Section 71 publication will fall away as the responsibility now lies with the municipality **BEFORE** submitting the data strings to ensure that the data is an accurate reflection of the state of municipal finances.

The tabled and adopted budget data strings submitted to the Local Government Database and Reporting system should also be consolidated figures.

NOTE: Municipalities must conclude all reporting for 2018/19 up to restated audit outcomes on the Appendix B (old electronic returns) to lgdatabase@treasury.gov.za before we can retire the returns.

7.4 Upload of the *m*SCOA budget data strings to the LG upload portal

Municipalities must upload the *m*SCOA data strings for the tabled (**TABB**) and adopted (**ORGB**) budget to the upload portal. The budget data strings must be accompanied by the IDP project details data strings (**PRTA** and **PROR**). The deadlines for submission of the MBRR documents are also applicable to the *m*SCOA data strings. Refer to paragraph 7.2 above.

7.5 Publication of budgets on municipal websites

In terms of section 75 of the MFMA, all municipalities are required to publish their tabled budgets, adopted budgets, annual reports (including the audited annual financial statements) and other relevant information on the municipality's website. This will aid in promoting transparency and good governance.

All relevant documents mentioned in this circular are available on the National Treasury website, http://mfma.treasury.gov.za/Documents/Forms/AllItems.aspx. Municipalities are encouraged to visit it regularly as documents are regularly added / updated on the website.

7.6 The process to be followed to issue version 6.4 of the *m*SCOA chart

Municipalities have raised concerns that National Treasury issue the *m*SCOA chart changes late in the budget process. Therefore, to address this challenge, the FAQ database will be closed on 31 August 2019 for logging new queries. As a result, the new version of the chart will be issued by 31 October 2019.

Contact

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TREASURY CIRCULAR MUN NO. 7/2019

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THE MAYOR, OVERBERG DISTRICT MUNICIPALITY: MR A FRANKEN
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THE MAYOR, SWELLENDAM MUNICIPALITY: MR NG MYBURGH
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THE MAYOR, HESSEQUA MUNICIPALITY: MR G RIDDLES
THE MAYOR, MOSSEL BAY MUNICIPALITY: MR HJ LEVENDAL
THE MAYOR, GEORGE MUNICIPALITY: MR MG NAIK
THE MAYOR, OUDTSHOORN MUNICIPALITY: MR CF SYLVESTER
THE MAYOR, BITOU MUNICIPALITY: MR MP LOBESE
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MUNICIPAL BUDGET CIRCULAR FOR THE 2019/20 MTREF AND ASSOCIATED SIME: 2019 LG MTEC PROCESSES

1. PURPOSE

This Circular supplements Circular 38 of 2018 issued on 21 December 2018. The Circular aims to:

- guide municipalities with their finalisation of the 2019/20 Medium Term Revenue and Expenditure Framework (MTREF) Budgets and accompanied budget documentation; and
- brief municipalities on the 2019 Strategic Integrated Local Government Medium Term Expenditure Committee Process (i.e. LG MTEC) and related matters.

2. LEGISLATIVE CONTEXT

The Western Cape Provincial Government (WCG) has institutionalised the LG MTEC Engagements process in fulfilment of its obligations under –

- Sections 5, 22 and 23 of the Local Government: Municipal Finance Management Act (MFMA), Act No. 56 of 2003; and
- Chapter 5 of the Local Government: Municipal Systems Act (Act No. 32 of 2000) [MSA].

The 2019 process aims to strengthen the alignment between municipal and provincial planning and budgeting and the continuity of the theme of ***Consolidation for Maximum Citizen Impact*** for the current 4th Generation Integrated Development Planning Cycle and the ensuing 2020 - 2024 Provincial Strategic Plan.

3. AN INTEGRATED APPROACH TO PLANNING AND BUDGETING

The WCG's Provincial Strategic Plan promotes an integrated management approach to better align provincial and local government policy, planning, budgeting and implementation, while supporting the spatial and local context. This alignment is formalised through a structured Integrated Work plan which specifically gives effect to the concept of *partnerships*, a prominent feature of Provincial Strategic Goal 5 which synchronises key processes within the WCG by strengthening joint planning, co-ordination, collaboration and coherence across sector departments, municipalities and national organs of state.

The Integrated Workplan aims to strengthen integration by focussing on the governance, economic and financial elements associated with sustainability. Practical effect is given to this envisaged outcome by the establishment of three platforms for role-players across the spheres of government to engage one another. These are in short:

- Strategic Integrated Municipal Engagements (SIME): SIME considers municipalities' mission, vision and strategic direction for the year ahead. These engagements usually take place in October.
- Technical Governance and Integrated Municipal Engagements (TIME): Held annually in February, the TIME considers performance challenges associated with the day-to-day functioning of municipalities. Importantly, the TIME sessions assess the extent to which operational functions align to the strategic vision outlined at the SIME.

- *Local Government Medium Term Expenditure Committee Engagements (extended SIME):* LG MTEC engagements take place in April and May, preceding the adoption of municipal budgets. The LG MTEC process provides Provincial Government the opportunity to assess the municipality's planning efforts for the upcoming budget year – LG MTEC serves as a holistic process that measures the extent to which strategic planning and budgeting is credible, sustainable and responsive.

These platforms create opportunities for a continued link and feedback mechanism for areas of collaboration as well as for concerns raised. In particular, the LG MTEC provides the opportunity to reflect on the outcomes from previous engagements and test whether the issues raised have been incorporated into provincial and municipal budgets and strategic plans. It also gives Provincial Government the opportunity to review and provide feedback on practicalising its commitments within the partnerships.

Ensuring stability and certainty in the integrated planning and budgeting process during the formulation of the 2019/20 MTREF budgets will guarantee continued focus on expenditure control within budget limits, while embedding the fiscal and budget policy principles of allocative efficiency, fiscal consolidation, fiscal sustainability and fiscal discipline. This is key for government to ensure maximum citizen impact by focusing on more efficient and effective use of resources.

Mainstreaming the Whole of Society Approach (WoSA) to improve governance for delivery and implementation drives maximum citizen impact and public value. Considering the common objectives and principles of Integrated Management and WoSA, presents an opportunity to strengthen collaboration through an integrated approach which drives joint delivery through strengthening governance for delivery in areas where value can be added.

The 2019 LG MTEC will reflect on the following: local government's strategic direction as identified in the IDPs and associated plans; budgetary alignment to social and economic development priorities; prioritisation of spending for maximum service delivery and citizen impact; and credibility and sustainability of the budget.

4. PURPOSE, OBJECTIVES AND STRATEGIC FOCUS OF THE SIME: 2019/20 LG MTEC

Although the different spheres of government have distinct and sometimes overlapping service delivery mandates the country is collectively confronted with the same challenges which amongst others include current economic pressures as well as resource, capacity and governance constraints which impacts upon the ability of government to provide basic services and to improve the overall quality of life of its citizens.

Service delivery challenges is most visible at a municipal level which is commonly regarded as the service delivery arm of government as it is the closest sphere of government to the citizens.

The theme ***Consolidation for Maximum Citizen Impact*** aims to promote the concept of working in unison as different spheres of government to uplift communities both economically and socially.

The LG MTEC process which is entrenched in legislation and in practice and emanates from Provincial Government's oversight responsibilities, presents opportunities to, through its interactions and discussions with municipalities, make a meaningful impact within the local government space. In addition, it presents an opportunity to deepen and strengthen existing partnerships, as well as identify new areas for collaboration.

A key focus of the 2019/20 LG MTEC process will be on local governments responsiveness to its socio-economic environment and the related impact for its citizens. This will also reveal potential opportunities and gaps for collaboration or partnerships with Province or other stakeholders.

The overall objectives of the 2019/20 LG MTEC process and the key messages therefore emphasises:

- Aligning strategic intent as encapsulated within Integrated Development Plans (IDP) and municipal budgets to create public value based on the community needs/ priorities identified through the public participation processes;
- Safeguarding of municipal sustainability by ensuring that municipalities table funded budgets and the strengthening of municipal financial management;
- Ensure optimal citizen impact and targeted service delivery through strategic spatial planning and alignment;
- Deepening of an integrated approach to service delivery with the intention of creating synergies through the consolidation/concentration of resources, also across different spheres of government;
- Identification of areas for support, training as well as opportunities for collaboration and partnerships.

Municipalities are formulating their 2019/20 MTREF budgets in a volatile, uncertain, complex and ambiguous (VUCA) world, which includes a general election which takes place just over a month after the budget and IDP tabling. It is therefore anticipated that the local government IDP and budget preparation process takes place during a period of heightened political uncertainty, which plays itself out within the local government space. Ensuring maximum service delivery and citizen impact is critical notwithstanding the challenging political, economic, fiscal, environmental and service delivery environments and risks.

Despite municipalities making significant progress to address such challenges, there is an increased acknowledgement that true service delivery excellence can only be achieved through integrated development planning, considered decision-making and appropriate policy responses by all spheres of government.

- The discussions at the engagements will be pitched at a strategic level. Hence, the representation at the LG MTEC engagements between the Province and municipalities will be as follows:
    - The Provincial Government - senior officials from the Provincial Treasury, Department of Local Government, Department of Environmental Affairs and Development Planning, the Department of the Premier and the Economic Development Partnership and relevant provincial departments.
    - Municipalities - Municipal Manager, section 56 Managers, Budget and Treasury officials, IDP Manager/officials and Planning officials.
- The LG MTEC engagements have been confirmed and is scheduled to take place from 23 April 2019 to 6 May 2019. The schedule of the LG MTEC engagements is attached as Appendix A.

5. HIGHLIGHTS OF THE 2019/20 PROVINCIAL BUDGET

The 2019 Provincial Budget, which was tabled by the Minister for Finance, Dr Ivan Meyer on 5v March 2019, was formulated in an environment of slow economic growth and constrained fiscal environment. The prolonged effect of the drought weighed heavily on the province's economic growth; it is estimated that the provincial economy have contracted by 0.1 per cent in 2018, mainly due to a huge slump in the agriculture, forestry and fishing sector. Despite the improved dam levels

and expected recovery in the agricultural, forestry and fishing sector in 2019 prospects of a full scale economic recovery will be constrained by the current energy crisis as investment and business confidence wane.

Guided by the Western Cape Fiscal Strategy and budget and policy principles, the 2019 Budget draws on the collective insight of the Western Cape Government in response to the identified risks and gives effect to the strategic policy priorities as set out the 2014 - 2019 Provincial Strategic Plan. The 2019 Budget presents a credible, sustainable and responsive allocation of resources in support of improved service delivery and maximum impact.

The 2019 Provincial Budget is premised on the theme: Consolidation for Maximum Citizen Impact. The Provincial Budget aims to provide opportunities for **youth**; supports the creation of **safe and secure environmen**t for the citizens of the Western Cape; provides and enabling environment for **job creation and skills development**; builds and maintain **economic and social infrastructure**; and applies **good governance** standards.

The Provincial Budget amounts to R67.148 billion in 2019/20, R70.368 billion in 2020/21 and R74.611 billion in 2021/22.

6. NATIONAL TREASURY AND PROVINCIAL TREASURY GUIDELINES

6.1 Context

- Municipalities are advised to consult the latest Budget Circular, MFMA Circular 94 released on 8 March 2019, which is a follow up circular on MFMA Circular 93 issued on 7 December 2018.
- Municipalities must include the National and Provincial Treasury Budget Circulars as part of the source documents consulted in the preparation of the 2019/20 MTREF Budget documents and to table it as part of the budget documentation in the Municipal Council.

6.2 Municipal Tariffs and Charges Increases

- Municipalities are urged to maintain tariff and charges increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring sustainability of the municipality.
- Consumer Price Index (CPI) inflation is forecasted to be within the upper limit of the 3 to 6 per cent target band; thus municipalities are required to justify all increases in excess of the projected inflation target of ***5.2 per cent*** for 2019/20, ***5.4 per cent*** of 2020/21 and ***5.4 per cent*** for 2021/22 in their budget narratives, and pay careful attention to the differential incidence of tariff increases across all consumer groups.
- Municipalities should include details of their revenue growth assumptions for the different service charges in their budget narrative.

6.2.1 Electricity Supply and Tariffs

- The National Energy Regulator of South Africa (NERSA) published their new multi-year price determination for the period from 2019/20 to 2021/22 on 7 March 2019. The new effective tariff increases are ***13.8 per cent*** more for electricity in 2019/20, ***12.5 per cent*** for 2020/21 and ***9.6 per cent*** for 2021/22.
- Based on the above, Provincial Treasury estimates the weighted average electricity increase to be 11.75 per cent in 2019/20.

- NERSA must still publish their "Municipal Tariff Guidelines Increases, Benchmarks and Proposed Timelines for Municipal Tariff Approval Process for the 2019/20 financial year". It is unlikely that this document will be published before 31 March 2019. As such, municipalities therefore should use above stated price determination as a guide. **Municipalities should also include a disclaimer in the Budget documentation and Tariff List** which states that the electricity tariffs are still subject to change due to the non-availability of the NERSA Tariff Guidelines for municipalities. Provincial Treasury has already written to NERSA to expedite this process.

- Municipalities are urged to examine the cost structure of providing electricity services and to apply to NERSA for electricity tariff increases that reflect the total cost of providing the services so that they work towards archiving fully cost-reflective tariffs that will help them achieve financial sustainability. Municipalities that are in arrears with Eskom must ensure that their payment arrangements are effected in their 2019/20 MTREF budget.

- NERSA is planning a workshop regarding the 2019/20 2019/20 Municipality Tariff Guideline Consultation Paper with all Electricity Distribution Licensees on 8 April in Midrand, Gauteng. Municipalities are requested to confirm their availability to Dr Nleya at email: ndodana.nleya@westerncape.gov.za by 25 March, in order for NERSA to finalise the logistics.

- Given the current energy crisis and global trends to move **away from fossil-based energy towards cleaner and more renewable forms of energy** municipalities are advised to:

    - Consider the development of a legal framework for Small-scale Embedded Generation (SSEG/Solar PV) and feed-in tariffs (if not done already);
    - Investigate the development and implementation of a wheeling framework;
    - Investigate the advantages of implementing the Property Assessed Clean Energy (PACE) model;
    - Prepare for the purchase of power from IPPs – the IPP Office has already designed a procurement process;
    - Explore the financial feasibility of energy storage; and
    - Explore the financial feasibility of installing solar PV at its own buildings or building a renewable energy generation facility.

- Municipalities that require more information on the subject of green and sustainable energy practices can contact Dr Hildegarde Fast, Lead: Energy Security Game Changer whom made a presentation on the subject matter at the recent Municipal Chief Financial Forum and Premier Coordinating Forum at: hildegarde.fast@westerncape.gov.za.

6.2.2 Water and sanitation Tariffs

- Although dam levels have improved, large parts of the Western Cape are still at risk of experiencing water shortages due to effects of the prolonged drought. It is now more crucial than ever before to adopt a holistic approach to secure water sustainability through improved demand management, infrastructure maintenance, loss management, meter reading and tariff setting in accordance with a pricing strategy to ensure full cost recovery of water services.

- Municipalities in arrears with water boards should ensure that their payment arrangements are effected in their 2019/20 MTREF Budgets.

- In order to balance water demand, water provision and revenue, municipalities must include a comprehensive set of water tariffs which makes provision for various levels of water scarcity/availability with the approval of the 2019/20 MTREF budget. This should be reflected in the municipal tariff policies and by-laws.

- Alternative measures should be considered to curb water consumption to address the water shortage by reducing the amount of water to its users and regulate the availability of water during certain time periods.

- Municipalities are urged to develop a Drought Management Plan/Policy that would indicate the actions municipalities should take if water resources fall to and below predetermined levels. The Provincial Disaster Management Centre and the Department of Water and Sanitation are willing to assist municipalities to develop these plans/policies. Municipalities that need assistance can contact the Director: Disaster Recovery Operations: Ms J Pandaram on **021-937 6306.**

6.3 Approval of capital projects

- Municipalities are advised to consult sections 19 and 33 of the MFMA and regulation 13 of the MBRR dealing with the approval of capital projects above specific thresholds.

- Section 19 of the MFMA regulates budgetary matters in relation to capital projects. In terms of section 19(1)(b), a municipality may not spend any money on a capital project unless the council has approved the specific project including the total cost. Adding to this provision, section 19(3) indicates that capital projects below a prescribed value may be approved either individually or as part of a consolidated capital programme.

- Regulation 13 of the MBRR further elaborates by stating that the following capital projects may be approved by council either individually or as part of a consolidated capital programme as contemplated in section 19(3) of the MFMA:

    - capital projects of which the total projected costs is below 5 per cent of the municipality's revenue, in the case of a municipality with approved total revenue in its current annual budget not exceeding R250 million.

    - capital projects of which the total projected costs is below 8 per cent of the municipality's revenue, in the case of a municipality with approved total revenue in its current annual budget greater than R250 million but not exceeding R500 million.

    - capital projects of which the total projected costs is below R50 million, in the case of a municipality with approved total revenue in its current annual budget greater than R500 million.

- Municipality's mostly comply with these provisions by adopting capital projects as part of the capital works plan included in the annual budget. However, a footnote to regulation 13 states that capital projects of which the total projected cost is above the values detailed above must be approved individually by the council in terms of section 19(1)(b) of the MFMA.

For ease of reference and interpretation, regulation 13(2) is summarised as follows:

MBRR		Approved total revenue range	Total projected cost of capital project (%)	Total projected cost of capital project (Maximum value)
13(2)(a)	Capital projects of which the total projected costs is below 5 per cent of the municpality's revenue, in the case of a municipality with approved total revenue in its current annual budget not exceeding R250 million.	≤ R250.0 million	5%	R12.5 million
13(2)(b)	Capital projects of which the total projected costs is below 8% of the municpality's revenue, in the case of a municipality with approved total revenue in its current annual budget greater than R250 million but not exceeding R500 million.	R251.0 million - R500.0 million	8%	R21.1 million
13(2)(c)	Capital projects of which the total projected costs is below R50 million, in the case of a municipality with approved total revenue in its current annual budget greater than R500 million.	> R500.0 million	-	Above R50.0 million

- Municipalities with total approved revenue within the ranges specified in above table, must approve all capital projects that exceed the values detailed in the furthest right-hand column, individually, as per the requirements of regulation 13 of the MBRR.

- Provincial Treasury recommends that the annual budget specifically makes reference to this provision and the identified projects and that all such projects be listed in a separate report to the tabled together main budget document. Note that this report should list all of the required information as prescribed within section 19 of the MFMA. It is further advised that a one-page (preferably) project description plan be developed for each project and subsequently included in the main budget document. A specific council resolution should be adopted for this report.

6.4 The Municipal Budget and Reporting Regulations

6.4.1 Schedule A- version to be used for the 2019/20 MTREF

- National Treasury has released Version 6.3 of Schedule A1 (the excel formats) which is aligned to Version 6.3 of mSCOA. **ALL** municipalities **MUST** use this version with updates to "Service Charges - Other Revenue" on Table A4 and "Public contributions & donations" on Table A5 in preparation of their 2019/20 MTREF Budget, published on the National Treasury website (file name: "A1 Schedule - mSCOA vs 6.3 - 30 Jan 2019") with the following link:

  http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Documents/Forms/AllItems.aspx?RootFolder=http%3a%2f%2fmfma%2etreasury%2egov%2eza%2fRegulationsandGazettes%2fMunicipal%20Budget%20and%20Reporting%20Regulations%2fDocuments%2f2019-20&FolderCTID=0x0120001860D4A2BD7AD042BF8427FC3BB59F67

- Municipalities must prepare their 2019/20 MTREF budgets in their financial systems. Schedule A1 must be produced directly from their financial system.

- National and Provincial Treasury will conduct compliance checks to ascertain if municipalities have complied with the Municipal Budget and Reporting Regulations (MBRR). In cases where municipalities have not adhered to the MBRR they will be required to return to the municipal council and table a complete budget documents aligned to the requirements of the MBRR.

- Municipalities with municipal entities must prepare consolidated budgets for both the municipality and its entity(ies). The Schedule A that the municipality must submit to National and Provincial Treasury must be the consolidated budget for both the municipality as well as the plus entity(ies). Schedule D must be submitted for each entity.

6.4.2 Tabling of funded budgets

- The importance of tabling funded budgets is highlighted in MFMA Circulars No. 74, 89 and 93. Municipalities are required to adopt funded budgets. There are cases that may warrant a plan as the approval of a funded budget may not be achievable over one year. As a result, such municipalities must, together with their 2019/20 MTREF budget, table a plan in a municipal council on how and by when the budget will improve from an unfunded to a funded position. This will be essential when the National and provincial treasuries are assessing the budget to determine its credibility.

6.4.3 Tabling of budget documents

- The slow spending of the capital budget by municipalities is a challenge as it has direct impact on service delivery. This is a direct result of poor planning by municipalities. To address this weak planning process, all municipalities are required to table the following supporting documents to council when they table their draft budgets:
    - Service Delivery and Budget implementation plan (SDBIP) and
    - Procurement Plan.

7. MUNICIPAL BUDGET PROCESS

7.1 Non-compliance with the provisions of Chapter 4 of the MFMA

- As per section 27 of the MFMA, the mayor of a municipality must inform the MEC for Finance in writing of any impending non-compliance with the provisions of the MFMA or any other legislation pertaining to the tabling or approval of an annual budget or compulsory consultation processes.
- If the impending non-compliance pertains to a time provision, except section 16(1) of the MFMA, the mayor should have applied to the MEC for Finance for an extension, in writing by **15 March 2019** in accordance with Schedule G of the Municipal Budget and Reporting Regulations. It is recorded that no such applications were submitted to the MEC for Finance by the regulated date.

7.2 Municipal Budget Day

According to sections 16(2) and 17(3)(d) of the MFMA, the Mayor of a municipality must table the annual budget at a council meeting at least 90 days (i.e. by 29 March for this year) before the start of the budget year.

It is important to note there is no explicit requirement for council to endorse or approve the tabled budget or reviewed or amended IDP tabled by the mayor for public participation. The municipal council only has the legal authority to consider a tabled budget and reviewed/amended IDP after the completion of one or more public participation processes undertaken pursuant to section 22, read with section 23 of the MFMA. Council will only consider for approval "*the product of an inclusive budget preparation and consultative process*" when the proposed annual budget (as amended, if applicable) is placed before council in terms of section 24(1) of the MFMA.

Given that the preparation, consultation, adoption and implementation of a municipality's annual budget is inextricably linked to, and must be substantially aligned to and informed by the contents of that municipality's IDP, it would be procedurally flawed by the mayor to proceed with the tabling of the proposed annual budget (and commence with public participation process required in terms of section 22 of the MFMA) at a time when the annual review and/or revision of the municipality's IDP has not been completed.

If a municipality has failed to complete the relevant processes applicable to review and revision of the annual budget and IDP in time for the deadline applicable to the tabling of the proposed annual budget (i.e. 31 March), the mayor should submit an application for an extension of the said deadline to MEC for Finance as outlined in paragraph 7.1 above.

Municipalities are kindly requested to indicate any changes to the confirmed tabling dates as per **Appendix B** with the Provincial Treasury as it is crucial for the collection of the budget documentation and the assessment process leading up to the LG MTEC engagements. Municipalities are requested to indicate any changes to the confirmed tabling dates to Tania.Bosser@westerncape.gov.za by **25 March 2019**.

7.3 Submitting budget documentation and schedules for 2019/20 MTREF

- Section 22 (b)(i) of the MFMA requires that, immediately after an annual budget is tabled in municipal council, it must be submitted to the National Treasury and the relevant provincial treasury in both printed and electronic format.
- If the annual budget is tabled in council on **29 March 2019**, the final date of submission of the electronic budget documents and corresponding data strings is **Wednesday, 3 April 2019.** The deadline for submission of hard copies including council resolution is **Friday, 5 April 2019.**
- It is important to note that although National Treasury has granted municipalities from 3 to 5 April 2019 to submit the electronic and hard copies of the budget documentation, the Western Cape Provincial Treasury requires these documents on the tabling date to fulfil its responsibilities in terms of section 5 of the MFMA.
- In order to facilitate this, the Provincial Treasury will deploy officials to attend the budget tabling proceedings and collect the tabled budget documentation (inclusive of budget, IDP, SDF, budget related policies and draft SDBIP). It is important for the CFO's office to liaise with the relevant departments for the submission of documents (eg. IDP, SDFs, relevant sector plans) which is not the responsibility of the Finance Directorate.
- A designated municipal official should ensure that a set of these documents is prepared in both hard (where required) and electronic copy, except for the budget policies which are only required in electronic copy.
- The municipal manager must submit –
    - the budget documentation as set out in Schedule A (version 6.3) of the Municipal Budget and Reporting Regulations, including the main Tables (A1 - A10) and ALL the supporting tables (SA1 - SA38) in both printed (signed and stamped) and electronic formats;
    - the draft Service Delivery and Budget Implementation Plan (SDBIP) in both printed and electronic format;
    - the draft Integrated Development Plan (IDP) (as amended/reviewed);
    - Procurement Plan;
    - the council resolution;
    - signed Quality Certificate as prescribed in the Municipal Budget and Reporting Regulations;
    - the budget locking certificate; and
    - schedules D specific for the entities.

- The designated official needs to co-sign the accompanying checklist (see **Appendix C**) as confirmation that the set of budget documents have been submitted.

7.4 Electronic and Hard copy submissions

Municipalities must follow the process of ensuring that their Information and Communication Technology Infrastructure can accommodate official email addresses.

For the purpose of the implementation of mSCOA the Local Government Database requires municipalities to update their contact details and provide official email addresses instead of private accounts.

NT electronic documents should be submitted to: lgdocuments@treasury.gov.za or if the budget documentation are too large (exceeds 4 MB) via lgbigfiles@gmail.com.

PT electronic documents should be submitted to: MFMA.MFMA@westerncape.gov.za or if too large (exceeds 3 MB) must be submitted via the lift server function (http://lift.pgwc.gov.za/).

How to lift:

1. Go to the website: http://lift.pgwc.gov.za/
2. Type in the email address: MFMA.MFMA@westerncape.gov.za
3. Browse to correct file for uploading
4. Press: Submit

Municipalities are required to submit the signed hard copies of their budget documents and council resolutions to the following addresses:

National Treasury	**Provincial Treasury**
Ms Linda Kruger	Mr Paul Pienaar
40 Church Square	7 Wale Street, Room 3-50
Pretoria, 0002	Cape Town, 8000

Metropolitan municipalities should submit the BEPP to Yasmin.coovadia@treasury.gov.za or if it exceeds 4 MB to Yasmin.coovadia@gmail.com. Hardcopies of the BEPP may be sent to Yasmin Coovadia, National Treasury, 3rd Floor, 40 Church Square, Pretoria, 0002 or Private Bag X115, Pretoria, 0001. The BEPP should also be submitted to Provincial Treasury together with the budget documentation.

7.5 Publication of budgets on municipal website

In terms of section 75 of the MFMA, all municipalities are required to publish their tabled budgets, adopted budgets, annual reports (containing audited annual financial statements) and other relevant information on the municipality's website. This will aid in promoting public accountability and good governance.

8. CONCLUSION

The Provincial Government wishes you well with the preparation of your Annual Budget, IDP, SDBIP and related documents and look forward to the Strategic LG MTEC engagement with your Municipality.

Please direct any queries regarding this circular to Malcolm Booysen at Malcolm.Booysen@westerncape.gov.za.



H MALILA
DEPUTY DIRECTOR-GENERAL: FISCAL AND ECONOMIC SERVICES
DATE: 22 MARCH 2019

Appendix A

GROUP 1

REGION	MUNICIPALITY	DAY OF VISIT	TIME
CoCT	CITY OF CAPE TOWN	23 April 2019, Tuesday	09h00 - 12h00
GRD	MOSSEL BAY	24 April 2019, Wednesday	08h30 - 11h30
GRD	GARDEN ROUTE DISTRICT	24 April 2019, Wednesday	13h30 - 16h30
GRD	BITOU	25 April 2019, Thursday	09h00 - 12h00
GRD	KNYSNA	25 April 2019, Thursday	14h00 - 17h00
GRD	GEORGE	26 April 2019, Friday	08h30 - 11h30
GRD	HESSEQUA	26 April 2019, Friday	14h00 - 17h00
	FREEDOM DAY	27 April 2019, Saturday	
		28 April 2019, Sunday	
WCD	SALDANHA BAY	29 April 2019, Monday	09h00 - 12h00
WCD	SWARTLAND	29 April 2019, Monday	14h00 - 17h00
CWD	STELLENBOSCH	30 April 2019, Tuesday	09h00 - 12h00
	NO SCHEDULED ENGAGEMENTS	30 April 2019, Tuesday	
	WORKERS DAY	01 May 2019, Wednesday	
	NO SCHEDULED ENGAGEMENTS	02 May 2019, Thursday	
CWD	DRAKENSTEIN	02 May 2019, Thursday	14h00 - 17h00
OD	CAPE AGULHAS	03 May 2019, Friday	09h00 - 12h00
OD	OVERBERG DISTRICT	03 May 2019, Friday	13h00 -16h00
		04 May 2019, Saturday	
		05 May 2019, Sunday	
OD	OVERSTRAND	06 May 2019, Monday	09h00 - 12h00
OD	THEEWATERSKLOOF	06 May 2019, Monday	14h00 - 17h00

GROUP 2

REGION	MUNICIPALITY	DAY OF VISIT	TIME
	NO SCHEDULED ENGAGEMENTS	23 April 2019, Tuesday	
GRD	KANNALAND	24 April 2019, Wednesday	09h00 - 12h00
GRD	OUDTSHOORN	24 April 2019, Wednesday	14h00 -17h00
CKD	BEAUFORT WEST	25 April 2019, Thursday	09h00 - 12h00
CKD	CENTRAL KAROO DISTRICT	25 April 2019, Thursday	13h30 - 16h30
CKD	PRINCE ALBERT	26 April 2019, Friday	08h30 - 11h30
CKD	LAINGSBURG	26 April 2019, Friday	14h00 - 17h00
	FREEDOM DAY	27 April 2019, Saturday	
		28 April 2019, Sunday	
WCD	BERGRIVIER	29 April 2019, Monday	08h30 - 11h30
WCD	MATZIKAMA	29 April 2019, Monday	14h00 - 17h00
WCD	CEDERBERG	30 April 2019, Tuesday	08h30 - 11h30
WCD	WEST COAST DISTRICT	30 April 2019, Tuesday	14h00 - 17h00
	WORKERS DAY	01 May 2019, Wednesday	
CWD	LANGEBERG	02 May 2019, Thursday	09h00 - 12h00
CWD	BREEDE VALLEY	02 May 2019, Thursday	14h00 - 17h00
CWD	WITZENBERG	03 May 2019, Friday	09h00 - 12h00
CWD	CAPE WINELANDS DISTRICT	03 May 2019, Friday	14h00 -17h00
		04 May 2019, Saturday	
		05 May 2019, Sunday	
OD	SWELLENDAM	06 May 2019, Monday	09h30 - 12h30

Western Cape Government
Provincial Treasury

APPENDIX B

CONFIRMED 2019 BUDGET TABLING DATES

Municipality	Confirmed date
Cape Town	Thursday, 28 March 2019
Matzikama	Tuesday, 26 March 2019
Cederberg	Friday, 29 March 2019
Bergrivier	Tuesday, 26 March 2019
Saldanha Bay	Thursday, 28 March 2019
Swartland	Thursday, 28 March 2019
West Coast District Municipality	Wednesday, 27 March 2019
Witzenberg	Tuesday, 26 March 2019
Drakenstein	Wednesday, 27 March 2019
Stellenbosch	Wednesday, 27 March 2019
Breede Valley	Tuesday, 26 March 2019
Langeberg	Thursday, 28 March 2019
Cape Winelands District Municipality	Thursday, 28 March 2019
Theewaterskloof	Wednesday, 27 March 2019
Overstrand	Wednesday, 27 March 2019
Cape Agulhas	Thursday, 28 March 2019
Swellendam	Thursday, 28 March 2019
Overberg District Municipality	Monday, 25 March 2019
Kannaland	Tuesday, 26 March 2019
Hessequa	Thursday, 28 March 2019
Mossel Bay	Thursday, 29 March 2019
George	Thursday, 28 March 2019
Oudtshoorn	Thursday, 28 March 2019
Bitou	Friday, 29 March 2019
Knysna	Friday, 29 March 2019
Garden Route District Municipality	Wednesday, 27 March 2019
Laingsburg	Friday, 29 March 2019
Prince Albert	Friday, 29 March 2019
Beaufort West	Thursday, 28 March 2019
Central Karoo District Municipality	Tuesday, 26 March 2019

APPENDIX C

LG MTEC INTEGRATED PLANNING AND BUDGETING: 2019/20 CHECKLIST SUBMISSION OF TABLED BUDGET DOCUMENTATION

MUNICIPALITY: _____

In completing and signing the budget documentation checklist below, the municipality confirms that Schedule A1 **complies with the Municipal Budget and Reporting Regulations (MBRR)** and that the main tables (A1 - A10) and the supporting tables (SA1 - SA38) are completed in ***version 6.3*** of Schedule A1 (the Excel formats) and **drawn directly from the municipal financial system**.

Please ensure that (as per MFMA Circular 72) **each page of the hard copy of the budget documentation** as set out in Schedule A of the Municipal Budget and Reporting Regulations, including the main Tables (A1 - A10) and all the supporting tables (SA1 - SA38) and prescribed minimum narrative information that is submitted to Provincial Treasury (and National Treasury) **has been stamped and signed** by the secretariat responsible for ensuring accurate records of council decisions.

The IDP Document as set out in Section 26, 32 and 34 of the Local Government: Municipal Systems Act, No 32 of 2000 and Regulations (MSA) and Section 21 of the Local Government Municipal Finance Management Act 56 of 2003 (MFMA).

The Spatial Development Framework, Disaster Management Framework and additional documents must be submitted as required in terms of budget circulars.

Budget Documentation	Hard Copy			Soft Copy (correlates with hard copy)		
	Yes	No	N/A	Yes	No	N/A
Council Resolution in terms of the Budget						
Draft Service Delivery and Budget Implementation Plan						
Draft Service Level Standards						
Signed Quality Certificate as prescribed in the MBRR						
Prescribed Minimum Budget Narrative Information	**Stamped and Signed Hard Copy Budget Narrative**			**Soft Copy (correlates with hard copy)**		
Budget Narrative						
Municipal Budget Tables: Tables A1 to A10	**Stamped and Signed Hard Copy A1 – A10**			**Soft Copy (correlates with hard copy)**		
Table A1: Budget Summary						
Table A2: Budgeted Financial Performance (revenue and expenditure by standard classification)						
Table A2A: Budgeted Financial Performance (revenue and expenditure by standard classification)						
Table A3: Budgeted Financial Performance (revenue and expenditure by municipal vote)						
Table A3A: Budgeted Financial Performance (revenue and expenditure by municipal vote)						
Table A4: Budgeted Financial Performance (revenue and expenditure)						
Table A5: Budgeted Capital Expenditure (by vote, standard classification & funding source)						
Table A5A: Budgeted Capital Expenditure (by vote, standard classification & funding source)						
Table A6: Budgeted Financial Position						
Table A7: Budgeted Cash Flow						
Table A8: Cash Backed Reserves/Accumulated Surplus Reconciliation						
Table A9: Asset Management						
Table A10: Basic Service Delivery Measurement						

Budget Documentation	Hard Copy			Soft Copy (correlates with hard copy)		
	Yes	No	N/A	Yes	No	N/A
Municipal Budget Supporting Tables: Supporting Tables SA1 to SA38	**Stamped and Signed Hard Copy SA1 – SA38**			**Soft Copy (correlates with hard copy)**		
SA1: Supporting Detail to Budgeted Financial Performance						
SA2: Matrix Financial Performance Budget (revenue source/expenditure type and department)						
SA3: Supporting Detail to Budgeted Financial Position						
SA4: Reconciliation of IDP Strategic Objectives and Budget (revenue)						
SA5: Reconciliation of IDP Strategic Objectives and Budget (operating expenditure)						
SA6: Reconciliation of IDP Strategic Objectives and Budget (capital expenditure)						
SA7: Measurable Performance Objectives						
SA8: Performance Indicators and Benchmarks						
SA9: Social, Economic and Demographic Statistics and Assumptions						
SA10: Funding Measurement						
SA11: Property Rates Summary						
SA12a: Property Rates by Category (current year)						
SA12b: Property Rates by Category (budget year)						
SA13a: Service Tariffs by Category						
SA13b: Service Tariffs by Category (explanatory)						
SA 14: Household Bills						
SA15: Investment Particulars by Type						
SA16: Investment Particulars by Type						
SA17: Borrowing						
SA18: Transfers and Grant Receipts						
SA19: Expenditure on Transfers and Grant Programme						
SA20: Reconciliation of Transfers, Grant Receipts and Unspent Funds						
SA21: Transfers and Grants made by the Municipality						
SA22: Summary Councillor and Staff Benefits						
SA23: Salaries, Allowances and Benefits (political office bearers/councillors/senior managers)						

Budget Documentation	Hard Copy			Soft Copy (correlates with hard copy)		
	Yes	No	N/A	Yes	No	N/A
Municipal Budget Supporting Tables: Supporting Tables SA1 to SA38	**Stamped and Signed Hard Copy SA1 – SA38**			**Soft Copy (correlates with hard copy)**		
SA24: Summary of Personnel Numbers						
SA25: Budgeted Monthly Revenue and Expenditure						
SA26: Budgeted Monthly Revenue and Expenditure (municipal vote)						
SA27: Budgeted Monthly Revenue and Expenditure (standard classification)						
SA28: Budgeted Monthly Capital Expenditure (municipal vote)						
SA29: Budgeted Monthly Capital Expenditure (standard classification)						
SA30: Budgeted Monthly Cash Flow						
SA31: Aggregated Entity Budget (where applicable)						
SA32: List of External Mechanisms						
SA33: Contracts having Future Budgetary Implications						
SA34a: Capital Expenditure on New Assets by Asset Class						
SA34b: Capital Expenditure on the Renewal of Existing Assets by Asset Class						
SA34c: Repairs and Maintenance Expenditure by Asset Class						
SA34d: Depreciation by Asset Class						
SA34e: Upgrading of Existing Infrastructure						
SA35: Future Financial Implications of the Capital Budget						
SA36: Detail Capital Budget						
SA37: Projects Delayed from Previous Financial Years						
SA38: Consolidated Detail Operational Projects						
Budget Related Policies	**Hard copies**			**Soft Copy (correlates with hard copy)**		
Information on any amendments to budget related policies						
Suite of budget related policies	*Soft copies only*					

Budget Documentation	Hard Copy			Soft Copy (correlates with hard copy)		
	Yes	No	N/A	Yes	No	N/A
IDP and Related Documentation	**Hard copies**			**Soft Copy (correlates with hard copy)**		
Council Resolution in terms of the IDP						
Draft Integrated Development Plan						
Process Plan/Time schedule according to Section 29) of the MSA read in conjunction with Section 21 (b) of the MFMA						
Spatial Development Framework	*Soft copies only*					
Council Resolution in terms of the adoption of the *Spatial Development Framework*						
Applicable Disaster Management Plan						
Council Resolution in terms of the adoption of the *Disaster Management Framework*						
Integrated Waste Management Plan						
Air Quality Management Plan						
Coastal Management Plan *(Coastal Municipalities only)*						
Human Settlement Plan						
Local Economic Development Strategy						
Water Services Development Plan						
Storm Water Master Plan						
Integrated Transport Plan						
Electricity Master Plan						
Infrastructure Growth Plan						
Workplace Skills Plan						

MUNICIPAL REPRESENTATIVE

Name: _____

Signature: _____

Date: _____

PROVINCIAL REPRESENTATIVE

Name: _____

Signature: _____

Date: _____

Western Cape Government

WITZENBERG MUNICIPALITY

LG MTEC INTEGRATED PLANNING AND BUDGETING ASSESSMENT: ANALYSIS OF MUNICIPAL IDP, SDF AND BUDGET

Western Cape Government

APRIL 2019

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LIST OF ACRONYMS

AQMP	Air Quality Management Plan
BESP	Built Environment Support Programme
CBA	Critical Biodiversity Area
CBD	Central Business District
CMLs	Coastal Management Lines
CMP	Coastal Management Plan
CMP	Coastal Management Programme
CPP	Coastal Private Property
CSIR	Council for Scientific and Industrial Research
DCAS	Department of Cultural Affairs and Sport
DEA&DP	Department of Environmental Affairs and Development Planning
DHS/DOHS	Department of Human Settlements
DLG	Department of Local Government
DM	District Municipality
DWA	Department of Water Affairs
EFZ	Estuary Functional Zone
EIAs	Environmental Impact Assessments
EO	Environmental Officer
EPWP	Expanded Public Works Programme
FBE	Free Basic Electricity
HSP	Human Settlement Plan
ICM Act	Integrated Coastal Management Act
IDP	Integrated Development Plan
IGP	Infrastructure Growth Plan
IIAMP	Integrated Infrastructure Asset Management Plan
IIF	Infrastructure Investment Framework
IPSS	Integrated Performance Support System
IPWIS	Integrated Pollutant and Waste Information System
ISDF	Integrated Strategic Development Framework
ITP	Integrated Transport Plan
IWMP	Integrated Waste Management Plan
IYM	In-year Monitoring

JOC	Joint Operations Centre
kl	kilolitre
KPA	Key Performance Area
KPI	Key Performance Indicator
kWh	kilowatt hour (1000 watt hours)
LED	Local Economic Development
LUPO	Land Use Planning Ordinance
MBRR	Municipal Budget and Reporting Regulations
MDG	Millennium Development Goal
MI	Municipal Infrastructure
MIG	Municipal Infrastructure Grant
MIP	Municipal Infrastructure Plan
MMP	Maintenance Management Plan
MVA	Megavolt Amperes (1 Million volt amperes)
MWh	Megawatt hour (1 Million watt hours)
NDHS	National Department of Human Settlements
NEM: AQA	National Environmental Management: Air Quality Act
NEMP	National Estuarine Management Protocol
NRW	Non-revenue Water
O&M	Operations and Maintenance
PMS	Performance Management Systems
RMAs	Responsible Management Authorities
RMP	Road Management Plan
SDBIP	Service Delivery Budget Implementation Plan
SDF	Spatial Development Framework
SOP	Standard Operating Procedure
SWMP	Stormwater Management Plan
WC	Water Conservation
WDFs	Waste Disposal Facilities
WDM	Water Demand Management
WSDP	Water Service Development Plan
WTW	Water Treatment Works
WWTW	Wastewater Treatment Works

SECTION 1: INTRODUCTION

The annual assessment of municipal integrated development plans and budgets presents an opportunity to deepen and strengthen existing partnerships, as well as identify new areas for collaboration to further demonstrate *'Consolidation for Maximum Citizen Impact'*. The importance of this assessment is stipulated in Chapter 5 of the Local Government Municipal Systems Act 32 of 2000 (MSA), the MSA Regulations and the Local Government Municipal Finance Management Act 56 of 2003 (MFMA). Provincial assessments afford the provincial sphere of government an opportunity to exercise its monitoring and support role to municipalities as stipulated by the Constitution. In addition, the assessments provide an indication of the ability and readiness of municipalities to deliver on their legislative and constitutional mandates.

This report encapsulates comments by the Western Cape Provincial Government on the draft 2019/20 MTREF Budget, 2019/20 reviewed Integrated Development Plan (IDP) and Spatial Development Framework (SDF).

The assessment covers the following key areas:

- Conformance with the MFMA, MSA & Municipal Budget and Reporting Regulations (MBRR);
- Responsiveness of draft budget, IDP and SDF; and
- Credibility and sustainability of the Budget.

The MBRR A-Schedules, budget documentation, IDP and SDF submitted by the Municipality are the primary sources for the analysis. The quality of this assessment report therefore depends on the credibility of the information contained in the documents submitted by the Municipality.

The Provincial Government plans to meet the executives of your Municipality on **03 May 2019**, where the key findings and recommendations of this report will be presented and deliberated upon. The planned engagement will contextualise the Municipality's challenges and responses as taken up in the draft budget, IDP, LED, SDF and various other strategies and plans.

All the information related to the assessment and analysis of the annual budget, IDP and SDF are found in the report below.

SECTION 2: PUBLIC VALUE CREATION

2.1 INTRODUCTION

Public Value is defined as putting the public at the centre of service delivery to continuously improve the quality of life for all within the focus of the mandate of the institution.

This section seeks to provide an overview of the current socio-economic reality of the municipal area, assesses the alignment of the budget to the Municipality's Integrated Development Plan's Strategic Objectives as well as provide an environmental analysis of the Municipality and how it collectively contributes to achieving maximum public value and citizen impact.

2.2 SOCIO-ECONOMIC CONTEXT AND IMPLICATIONS

Table 1: Socio-Economic Context and Implications

Key Socio-Economic Indicators	NDP Goals	Local Context	Implications
Demographics	0.5% - 1% per annum by 2030 (Nationally)	2.2% per annum from 2018 to 2024 (estimate) (SEP-LG 2018)	Relatively high growth rates contribute to capacity issues as it places continued strain on municipal resources and has an impact on its ability to deliver services to its citizens.
Unemployment	14% by 2020	6.7% (2017 estimate) SEP-LG 2018	Direct impact on household income and its ability to afford basic services. Unemployment constrains municipal resources as more households therefore register as indigent households and qualify for provision of free basic services.
Education	A learner retention ratio of 90 per cent	Learner retention ratio – 63.4% (SEP-LG 2018)	Lower learner retention or a high drop-out rate (36.6 per cent) contributes to lower future earning potential as youth are under-skilled, struggle to find employment and place more pressure on public resources. There are also concerns around the social implications of leaving school early, such as teenage pregnancies, social evils such as alcohol and drug abuse and associated crimes.
Health	Maternal mortality to fall from 500 to 100 per 100 000 live births	Maternal Mortality was 0.0 per 100 000 live births in 2017/18. (SEP-LG 2018)	Whilst the maternal mortality rate remained constant over the past few years, overall, several health indicators have also improved in the municipal area. The one concern is related to the delivery rate to women under 20 years old which has increased sharply in the past year and is much higher than the district average. Early childbearing does have long term economic costs to the individual and to society.

Key Socio-Economic Indicators	NDP Goals	Local Context	Implications
Poverty	For zero households to be below the poverty line	Approximately 8 460 households below the poverty line (Municipal Budget Schedules, SA9, 2019/20)	Income inequality in the municipal area is apparent, a high number of households earning below the poverty line translates into greater reliance on social support structures.
Safety and Security	For all citizens to feel safe and free of the fear of crime	36 murders per 100 000 people (SEP-LG 2018)	Crime hampers growth, discourages investment and capital accumulation and has a negative impact on the economy.
Economic Growth	Average annual growth of 5.4 per cent over the period 2010-2030	3.7 per cent average annual growth rate over the period 2006 - 2016 (MERO 2018)	Albeit coming from a relatively small base, Witzenberg's economy has been growing fast when compared to the rest of the district. Nationally however, slow economic growth as a result of low business confidence, political uncertainty, high unemployment rates, amongst other factors has had an effect on economic growth. This also affects the ability of consumers to pay for services and financial sustainability of the Municipality.

Source: SEP-LG 2018, MERO 2018 and A-Schedules

2.3 INTEGRATED PLANNING ANALYSIS

An Integrated Development Plan (IDP) is the principal strategic planning instrument which guides and informs all planning and development, and all decisions with regard to planning, management and development in a municipality. An IDP provides the strategic direction for all the activities of a municipality over five years linked to the council term of office.

Each municipal council must annually review and may amend the IDP of the Municipality. Should the review process determine that an amendment is required, municipalities are to follow the process as stipulated in Regulation 3 of the Local Government: Municipal Planning and Performance Management Regulations of 2001.

The 2019/20 IDP review of Witzenberg Municipality is the second review of the 2017 - 2022 IDP. The 2019/20 IDP review approach takes into consideration the assessment of its performance measurements and to the extent that changing circumstances so demand and subsequently amended its 2017 - 2022 IDP.

The **attached detailed IDP report (Appendix A)** encapsulates comments by various sector departments including the Departments of Agriculture; Economic Development and Tourism; Cultural Affairs and Sport; Community Safety; Health; Human Settlements; Local Government, Social Development; Water and Sanitation; and Western Cape Education Department.

2.4 MUNICIPAL BUDGET ALLOCATIONS TO IDP STRATEGIC OBJECTIVES

The 2019/20 MTREF budget breakdown in terms of the strategic objectives is indicated in the table below. Witzenberg Municipality budgeted for a total operating expenditure of R644.178 million and a total capital budget of R71.453 million for the 2019/20 financial year.

Table 2: Strategic Objectives for the 2019/20 Medium Term Revenue & Expenditure Framework

Witzenberg Supporting Table SA5 & SA6 Reconciliation of IDP Strategic Objectives and Budget (Operating and Capital Expenditure)								
Key Performance Area	2019/20 Medium Term Revenue & Expenditure Framework OPEX				2019/20 Medium Term Revenue & Expenditure Framework CAPEX			
R thousand	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22	Average Annual Growth	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22	Average Annual Growth
Essential Services	379 353	412 771	445 326	8.3%	50 609	52 066	56 328	5.5%
Governance	128 926	135 459	142 409	5.1%	2 576	790	–	-100.0%
Communal Services	99 019	98 159	103 097	2.0%	18 267	9 302	12 145	-18.5%
Socio-Economic Support Services	36 880	9 675	28 463	-12.1%	–	–	–	0.0%
Total Expenditure	**644 178**	**656 063**	**719 295**	**5.7%**	**71 453**	**62 158**	**68 473**	**-2.1%**

Source: A-Schedules Supporting Tables SA5 and SA6

Findings:

- The Municipality has indicated the alignment of its Strategic Objectives in its 2019/20 IDP Review to the National Strategic Outcomes, National Development Plan, Western Cape Provincial Strategic Plan and the Cape Winelands District Municipality's Strategic Objectives. Overall the horizontal alignment of the municipalities Strategic Objectives are soundly demonstrated in its 2019/20 IDP Review.

- The majority of the Municipality's 2019/20 capital budget (70.8 per cent) is allocated to Key Performance Area (KPA): Essential Services inclusive of Strategic Objectives 1.1 and 1.2 related to the provision and maintenance of basic services infrastructure and the upgrading of informal settlements (R50.609 million for 2019/20). This highlights the Municipality's commitment to infrastructure maintenance and development. The bulk of the capital budget allocation is to water supply projects, specifically the phase 3 construction of the Tulbagh Dam, followed by roads infrastructure.

- The second largest capital allocation of R18.267 million in 2019/20 is allocated to the KPA: Communal Services which includes the Strategic Objective 3.1 related to the provision and maintenance of services which make citizens feel at home. The largest portion of this allocation is for the upgrade of sports facilities mainly in Ceres as well as in Tulbagh and Wolseley (R10.435 million; R1.261 million and R1.245 million respectively in 2019/20).

- Whilst there are always competing priorities for limited resources, the Municipality has made a concerted effort through the strategic allocation of its budget to focus on the development and maintenance of infrastructure projects with the intention of providing bulk and other economic and social infrastructure to address the needs of its citizens. Opportunity costs of large allocations to social infrastructure should be weighed up given the current political and economic environment.

2.5 ENVIRONMENTAL ANALYSIS

Most of the municipal owned land is covered by alien vegetation, especially in mountain catchments, river riparian zones, wetlands and nature reserves. It is therefore crucial that an Alien Clearing Management Plan be developed and implemented. The eradication of alien vegetation will be an investment in a current drought affected area and ensure longer term existence of scarce water resources.

In Witzenberg we have also seen a major increase in the number of instream dam applications. All linked to future water security during times of drought but as per previous municipalities the potential cumulative impacts are worrying. The potential renewable energy development proposed in the Zuurvlak area is of concern as this area is a seepage wetland area and is of high conservation importance. High levels of poverty are evident and there is pressure for low-cost housing around some of the towns (Prince Alfred Hamlet, Tulbagh and Ceres). There have also been applications for upmarket developments such as a retirement village near Tulbagh).

It is further encouraging that the Biodiversity Spatial Plan be utilised to pro-actively determine suitable sites for development and avoiding sensitive biodiversity areas. This will save the Municipality costs in terms of acquiring specialist studies as well as time due to longer EIA processes and various approvals that needs to be obtained in order to get an Environmental Authorisation for development. The DEA&DP in conjunction with CapeNature are more than happy to assist and guide the Municipality in this regard.

Further Alignment between the IDP and SDF is encouraged. Alien clearing plans should be budgeted for and included in the IDP. Where (location) and period of clearing must also be reflected in the SDF. Areas with low biodiversity importance (as indicated in the Biodiversity Spatial Plan) earmarked for future development must be identified and indicated in the SDF, as well as areas with high conservation value, to be earmarked for conservation. The Municipality is applauded for taking initiative to appoint Aurecon to draft the Witzenberg Municipality Invasive Alien Species Monitoring and Control Plan. Finalisation and actual Implementation of this plan is crucial based on the threats that alien vegetation holds to mountain catchments, river riparian zones, wetlands, nature reserves, critical biodiversity areas and water resources within the municipal area.

The Municipality has a designated a Waste Management Officer. The Municipality has not yet developed its 3rd generation IWMP. Once developed the IWMP, it has to be submitted to the Department for assessment. If it meets the Departments assessment requirements and is endorsed, it must then be submitted to council for approval. Reporting on the implementation of the IWMP must be included in their Annual reports. All the waste facilities are registered on IPWIS for their relevant waste activities and they are Fully Compliant in terms of reporting requirements.

Tulbagh landfill is the main receiver of household general waste. Fires have been prevalent in recent years and the Municipality has been addressing this. Some end tipping is of concern, but the Municipality has recently improved cover, slopes and operations in general and the Department is monitoring progress. The Tulbagh WML is being reviewed as well. Waste Disposal Facilities must be run according to licence/permit conditions. Proper decommissioning of the relevant facilities must be initiated promptly, or they will remain an environmental risk indefinitely. Sufficient provisions for the public to dispose of hazardous waste must be made.

The IDP needs to be updated based on the recommendations outlined in the Assessment of the Municipal Integrated Waste Management Infrastructure: Witzenberg Report to include:

- The rehabilitation compliance cost for the Witzenberg local municipality (R24 428 700);
- The operational compliance cost for the Witzenberg local municipality (R9 003 800);
- The cost of integrated infrastructure for the Witzenberg local municipality to achieve 20 per cent Diversion by 2019 (R3 748 000); and

- The cost of integrated infrastructure for the Witzenberg local municipality to remain compliant up to 2030 (R23 216 500).

The cost-effectiveness of recycling is still problematic as Witzenberg has low populations with limited volumes of waste generated. To increase the cost-effectiveness of the business, private companies have engaged with commercial farmers and the agri-industry to collect waste to increase volumes. The 2018-2019 IDP draft review needs more detail and information on what was achieved and information on current year events needs to be inserted, including expenditure. Currently the review document speaks only to what is planned, i.e. MRF and 4 drop offs. Planning needs to be started to accommodate the possibility of disposing waste at the regional waste disposal facility planned for development in Worcester.

Climate change is generally increasing the risk profiles of Western Cape municipalities associated with increased likelihood of drought and ongoing water scarcity, flash floods, heat waves and extreme temperatures and increased fire risk leading to run away and uncontrollable fires. For more information on your location -specific changing risk profiles, please refer to your District's Climate Change Response Strategy/Framework, the Climate Change Advisory sent to your municipality by DEA&DP in 2016, the Disaster Management Risk Profile for your municipality (which will include climate change risks) as well as the Provincial Risk Profile which will be released by WCG in 2020.

From a mitigation perspective, municipalities have a role to play in reducing emissions in their own operations and encouraging their residents to move to a low carbon future. A particular action that municipalities can support is allowing small-scale embedded generation (SSEG)and putting in place appropriate tariffs that support residential, commercial and industrial consumers to invest in renewable energy, which the Municipality currently allows although the tariffs and policies are still being developed.

In terms of the National Environmental Management: Air Quality Act (NEM: AQA), measures in respect of dust, noise and offensive odour is a Local Government responsibility. A By-law has been developed and needs to be adopted to ensure compliance to air quality management. As per Section 14(3) of the NEM: AQA, each municipality must designate an air quality officer from its administration. As per Section 15(2) of the NEM: AQA, each municipality must include in its IDP an Air Quality Management Plan (AQMP). The Witzenberg Municipality is compliant with regards to the designated AQO and the adopted AQMP.

An AQMP budget allocation needs to be secured in the IDP. Funds should ideally cover the following: air quality monitoring (passive or continuous monitoring of air pollutants), staff training and implementing air quality intervention strategies.

According to Section 45 of the Land Use Planning Act (2015) (LUPA), it is the responsibility of a municipality to refer a land use application relating to certain aspects as listed in Section 45 (a) to (f) for written provincial comment to DEA&DP once the application is complete in accordance with the requirements of the Municipality and Section 42. To our knowledge, no such referrals were received from the Witzenberg Municipality to date. From a Provincial point of view, this is necessary in order for the Province to provide an oversight function of supporting and strengthening the capacity of the municipalities. The support available from the Provincial Government can support the service delivery provided by the Municipality and assist with various land use issues that will build on continues positive working relationships with the Municipality.

2.5.1 Current Work Undertaken

WCG is also in the process of reviewing the Western Cape Climate Change Response Strategy and inputs from municipalities will be important in the revision. We are also working with sector departments on development specific sector plans and how these sectors need to respond to climate change. By mainstreaming climate change into sector functions, it will filter down to municipal decision-making and planning through the municipal support efforts provided by the various WCG sector departments. The Directorate: AQM provides a supportive and oversight role to municipalities with respect to air quality management. The D: AQM hosts Quarterly Air Quality Officer's Forums and Air Quality Management Plan Working Groups 1 - 3; to serve as platform for Air Quality Officers to share their achievements and challenges with regards to noise, dust and offensive odour management in their jurisdictional areas. It is imperative for the Municipal Air Quality Officer to attend these Forums in order to successfully implement the mandates of air quality management, as assigned by the NEM: AQA.

Key Findings, Risks/Recommendations

- An Alien Clearing Management Plan be developed and implemented.
- Due to a major increase in the number of instream dam applications. The Municipality needs to monitor these applications in due consideration of future water security efforts.
- The Municipality is encouraged to utilise the Biodiversity Spatial Plan be to pro-actively determine suitable sites for development and avoiding sensitive biodiversity areas.
- Waste Disposal Facilities must be run according to licence/permit conditions. Proper decommissioning of the relevant facilities must be initiated promptly, or they will remain an environmental risk indefinitely. Sufficient provisions for the public to dispose of hazardous waste must be made.
- The IDP needs to be updated based on the recommendations outlined in the Assessment of the Municipal Integrated Waste Management Infrastructure
- According to Section 45 of the Land Use Planning Act (2015) (LUPA), it is the responsibility of a municipality to refer a land use application relating to certain aspects as listed in Section 45(a) to (f) for written provincial comment to DEA&DP once the application is complete in accordance with the requirements of the Municipality and Section 42.

SECTION 3: ECONOMIC SUSTAINABILITY

3.1 INTRODUCTION

This section examines if the tabled 2019/20 MTREF Budget and Spatial Development Framework is responsive from an economic and socio-economic perspective and the Municipality's ability to meet the legitimate expectations of the community for services from its limited resources in order to effect inclusive growth and contribute towards achieving maximum citizen impact.

3.2 ECONOMIC GROWTH AND DEVELOPMENT

3.2.1 Promoting Inclusive Economic Growth

The investment in socio-economic infrastructure is crucial in improving economic growth and development, while the management of the budget and subsequent spending efficiency by the Province as well as municipalities is an important consideration when assessing the allocation of the budget and its intended socio-economic outcomes.

(1) Provincial and Municipal Capital Budget Expenditure 2019/20

Table 3: Provincial and estimated Witzenberg Municipal Infrastructure Expenditure: 2019/20 (R'000)

Type	2019/20		
	Provincial Infrastructure Spend	Municipal Infrastructure Spend	Total
Economic Infrastructure	**26 000**	**13 282**	**39 282**
Road Transport and Public Works	***26 000***	*13 282*	*39 282*
CapeNature	-		
Social Infrastructure	**53 250**	**17 072**	**70 322**
Education	***17 000***		*17 000*
Health	***7 250***		*7 250*
Social Development	-	*17 072*	*17 072*
Housing	***29 000***		*29 000*
Trading Services	-	**38 523**	**38 523**
Electricity	-	*8 700*	*8 700*
Water	-	*21 581*	*21 581*
Waste Water Management	-	*7 241*	*7 241*
Waste Management	-	*1 000*	*1 000*
Other	-	*2 576*	*2 576*
Total Infrastructure Spend	**79 250**	**71 453**	**150 703**

Source: 2019 Western Cape EPRE (Provincial spend), National Treasury Database (Municipal spend)

The WCG and the Witzenberg Municipality will spend R150.703 million collectively in 2019/20 on infrastructure developments within Witzenberg Municipality's geographical boundaries. It usually holds true that provincial government will invest more in infrastructure development than local or district municipalities considering that the overall provincial government budget is significantly larger than that of their local counterparts however, in the case of Witzenberg, the Municipality's infrastructure budget is almost on par with that of the Province.

The WCG will invest R318.355 million in the Witzenberg municipal area over the 2019 MTEF. Provincial infrastructure spends towards economic infrastructure within Witzenberg Municipality amounts to R79.250 million in 2019/20. Most of the allocation will be spent on the refurbishment and rehabilitation of roads including the resealing of the Ceres-Tulbagh road and tarring of the Gouda-Kleinbergrivier road. The Municipality will also invest R13.282 million to road transport investments for 2019/20. The largest of this allocation is towards the upgrade of roads in Tulbagh.

The Department of Human Settlements will spend R97.130 million on IRDP developments in areas such as Tulbagh, Wolseley and Ceres whilst the Western Cape Education Department is planning to spend R74.500 million on upgrading of high and primary schools and building a new secondary school over the 2019 MTEF.

The largest portion of the of the Municipality's 2019/20 capital spend is allocated towards trading services (53.9 per cent). The priority project being the Phase 3 construction of Tulbagh Dam (R16.931 million), new storm water infrastructure and new electrical infrastructure for the housing development at Vredebes.

Witzenberg Municipality is also facing a critical challenge with regards to its landfill space running out. While there are no major capital budget allocations for 2019/20 for the rehabilitation, there are large allocations for 2020/21 and 2021/22 reflected in the budget. The costs of the rehabilitation of current landfill sites are placing pressure on the current budget and there are challenges regarding funding for the future rehabilitation of its landfill sites due to the vast amount of finance required.

(2) Potential/Expected Impact of resource allocations

The WCG and the Witzenberg Municipality will spend R150.703 million collectively in 2019/20 on infrastructure developments within Witzenberg Municipality's geographical boundaries. It usually holds true that provincial government will invest more in infrastructure development than local or district municipalities considering that the overall provincial government budget is significantly larger than that of their local counterparts however, in the case of Witzenberg, the Municipality's infrastructure budget is almost on par with that of the Province.

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3.2.2 Increasing Employment Opportunities

(1) Budget allocations and Implications

One of South Africa's biggest challenges remains its high unemployment rate. For the period 2007 - 2017, Witzenberg's unemployment rate has grown steadily from 3.7 per cent to 6.7 per cent. In 2016, half (50.2 per cent) of the labour force were low-skilled workers.

The agriculture, forestry and fishing sector contributed the most jobs in the Witzenberg municipal area in 2016 (19 509 or 32.2 per cent), followed by wholesale and retail trade, catering and accommodation sector (11 293 or 18.6 per cent). The sector in which the most net job losses was recorded in 2016 and 2017 was the agriculture, forestry and fishing sector. This is attributed to the drought however, employment opportunities in this sector is very often not only seasonal, but also low skilled and low income.

As per the draft IDP Review 2019/20, the Municipality intended to review its Local Economic Development (LED) Strategy in 2017/18. It is key that the new LED strategy framework is include in the final adopted IDP 2019/20 in order to ascertain the new vision for LED within the municipal area.

The Municipality is directly involved in job creation through the Expanded Public Works Programme (EPWP). EPWP funding increased from the R1.780 million in 2018/19 financial year to R2.299 million in the 2019/20 budget year. As per the draft SDBIP that has been included with the budget documentation, the Municipality plans to create 400 jobs in terms of the EPWP programme by 30 June 2020.

(2) Potential/Expected Impact of resource allocations

The investment in LED and thorough implementation of the municipalities LED strategies will have positive externalities for the local economy as well as for the region. Collaboration through partnerships between the public and private sector as well as academia could enhance the effectiveness of the strategies employed and have a greater collective impact on the outcome of the strategies and maximise benefits to society.

The creation of the job opportunities through EPWP and LED will provide poverty relief by bringing much needed income to households particularly if those jobs could be translated into permanent employment opportunities. This may in turn reduce the number of indigent households within the area and consequently reduce the number of households reliant on the Municipality for free basic services.

The provision of employment opportunities also provides those involved with work experience and related skills and making candidates more employable and attractive to future employers and thereby addressing the issue of unemployment.

3.2.3 Creating Public Value through Basic Services Provision

(1) Budget allocations and Implications

Access to basic services levels continues to improve in the Witzenberg municipal area. As per the Community Survey Data (2016), the lowest access levels were for refuse removal mainly due to farms and privately-owned land which the Municipality does have access to. All the other basic service access levels for water, sanitation and electricity are close to 100 per cent access levels and there are currently no backlogs when it comes to basic services provision in the municipal area.

The main challenge in respect of backlogs in the Witzenberg municipal area are with regards to access to housing. According to the municipalities 2017/18 Annual Report, there are 9 568 applicants on the Municipality's housing waiting list. While the need for housing far outweighs the availability of current resources, there are housing projects currently in progress, namely the Vredebes social housing project which aims to develop 2 900 housing units as well as various other housing developments in the housing pipeline.

The Municipality provides poverty relief by intending to provide approximately 4 500 households with no or low levels of income with free basic services as per the draft SDBIP submitted. Households with a monthly income of less than R3 000 per month will receive 50 units of free electricity, 6 kilolitres of free water, free refuse removal services and free sanitation per month. The number of beneficiaries is not reflected on Table A10 and no costing is provided for free sanitation and refuse removal services. The total cost of free basic services provided totals R7.410 million in 2019/20 as per the A10 budget schedule (which is clearly an error). The Municipality should accurately complete the A10 scheduled in its adopted 2019/20 budget.

(2) Potential/Expected Impact of resource allocations

The need for housing has been identified in the Municipality's IDP as the top priority in almost every ward in the municipal area. The current housing allocation and those in the pipeline is expected to increase access to housing, it is still not sufficient to meet the demand for housing within the municipal area. This speaks to the urgent need to prioritise interventions that will unlock opportunities for further housing developments as resources allows. Land tenure has the potential to redress the inequalities of the past and serve as a financial tool to improve the economic status of the landowner whilst contributing to the local economy.

Free basic service allocations will bring much need poverty relief to indigent households within the municipal area. Although per capita income in the Witzenberg municipal area has increased, so too has the Gini-coefficient which indicates growing inequality in the area. Given that the Municipality has committed to providing free basic services to 4 500 households each year over the next 3 years, it should take cognisance of the cost of providing free basic services.

3.3 UTILISING PROCUREMENT AS A LEVER TO IMPROVE PLANNING, BUDGETING AND PROCUREMENT STRATEGIES

The purpose of this analysis is to provide a current status of the implementation of a demand management system by illustrating the potential influences procurement planning has on the local economy by ensuring an alignment between the IDP, budget, SDBIPS and procurement plans.

The alignment between the budgeting and procurement planning process has become increasingly important based on recent statistics within municipalities in terms of the optimal and effective utilisation of their budgets. For this reason, the compilation of a demand plan and procurement plan needs to complement the Integrated Development Plan (IDP), municipal SDBIP, linked to the budget to ensure that funding for the acquisition of goods and services are available.

Procurement planning is becoming a national concern, hence National Treasury issued MFMA Circular 94 requiring the Accounting Officer to submit the procurement plan together with the Budget, Service Delivery and Budget Implementation Plan (SDBIP) in an effort to address the weak planning processes, as slow spending of capital budgets has a negative impact on service delivery.

By developing a procurement plan that takes into account environmental and social aspects in addition to traditional economic or financial considerations in conjunction with the demand plan to source items of a strategic nature and where possible source alternate suppliers or alternate commodities.

The purpose of this analysis is to provide a current status of the implementation of a demand management system by illustrating the potential influences procurement planning has on the local economy and citizens by ensuring an alignment between the IDP, budget, SDBIPS and procurement plans and ensuring service delivery objectives are met. Furthermore, to ensure that key socio-economic status indicators are influenced by the procurement planning activities within the Municipality.

In order to ensure maximum citizen impact key projects identified on the procurement plan needs to be prioritised as an effort to improve the delivery of municipal services and impact on the economic status from a citizen focus perspective.

It must be noted that the Municipality has in terms of its procurement planning process, committed a large portion of its budget to capital expenditure, of which 51.9 per cent has been spent up until the end of February 2019 versus what the Municipality planned to spend 60 per cent at the end of March 2019.

This is indicative that Witzenberg Municipality has committed to optimising their capital and operational deliverables in order to ensure service delivery.

It must be noted that the Witzenberg Municipality has a challenge in the following area as it relates to the procurement planning process, i.e.:

- Adhering to committed timeframes as captured in the procurement plan from the user-department side.

Going forward the Municipality should ensure that timeframes are adhered to in terms of planned procurement dates in order to prioritise projects based on the current environmental and socio-economic status within the Municipality, ensuring maximum citizen impact.

Procurement Planning should be utilised as a strategic tool to drive local economic development (LED) with key linkages and partnerships within the Municipality that draws a nexus between its IDP, budget planning processes that are associated with procurement initiatives. Utilising procurement as a strategic enabler seeks to create an opportunity for role-players to not only engage on the key socio-economic challenges, but more importantly to

share experiences which contribute to all stakeholders working together to uplift and grow our communities and grow the local economy.

In view of the above the Provincial Treasury is in the process of putting together a procurement planning toolkit to assist municipalities in the procurement planning process that is aligned to its budget and IDP. From the perspective of the Municipality it is therefore imminent that the Municipality puts in place a stakeholder engagement plan to facilitate such engagements with its Programme and sub-Programme managers. Key linkages with its LED component must also be established to support the procurement planning and an economically sustainable delivery model.

3.4 SPATIAL ALIGNMENT, RESPONSIVENESS AND PERFORMANCE

It is understood that the review of the Witzenberg SDF is in its initial phase. It is hoped that the SDF will meet content and process requirements set out in SPLUMA and LUPA. It is important that the SDF include a Capital Expenditure Framework (CEF) which will enable efficient municipal resource allocation, synchronised with all planned government expenditure. As a start, it is hoped that the CEF has included the various relevant sector plans such as the IGP, ITP, HSP, IWMP, and LTFP and tries to integrate and align these plans with the reviewed SDF in order to further the collective efforts of Provincial Government and Witzenberg Municipality.

The CEF will assist with the realisation of the SPLUMA principle of efficiency whereby land development optimises the use of existing resources and infrastructure; and whereby decision-making procedures are designed to minimise negative financial, social, economic and environmental impacts.

Witzenberg shows the fastest population growth rate of all municipalities in the Cape Winelands District. It is acknowledged that this is from a relatively low base to begin with, compared to other municipalities in the District. However, the impact on Witzenberg municipality as a result of this population growth cannot be underestimated, particularly since the growth is predominantly amongst low income communities. Communities who require services and facilities but who in many instances are not able to pay rates. This issue is not something that Witzenberg Municipality can deal with on its own, it requires the support of all spheres of government and numerous sectors within government.

3.5 RESPONSIVENESS: MAIN POINTS AND RISKS/FINDINGS

- Feasibility studies or a cost-benefit exercise could benefit the Municipality in determining whether the development of a new landfill site or collaboration on a regional landfill site project would be most beneficial to the Municipality and the needs of the citizens in order to enable the Municipality to most efficiently and cost effectively deliver its waste management service.

- As per the draft IDP Review 2019/20, the Municipality intended to review its Local Economic Development (LED) Strategy in 2017/18. It is key that the new LED strategy framework is include in the final adopted IDP 2019/20 in order to ascertain the new vision for LED within the municipal area.

- Free basic service allocations will bring much need poverty relief to indigent households within the municipal area. Although per capita income in the Witzenberg municipal area has increased, so too has the Gini-coefficient which indicates growing inequality in the area. Given that the Municipality has committed to providing free basic services to

4 500 households each year over the next 3 years, it should take cognisance of the cost of providing free basic services and reflect it accurately in its A10 budget schedule.

- On review of the Witzenberg SDF the Municipality must adhere to the content and process requirements set out in PLUMA and LUPA and at the very least start a Capital Investment Framework on an incremental basis.

SECTION 4: FINANCIAL SUSTAINABILITY

4.1 REVIEW OF THE PREVIOUS YEAR'S BUDGET

Part 4.1(1): The Financial Health and Performance – year ended 30 June 2018

The assessment of the financial health and performance is an integrated process involving a review of the Municipality's audited annual financial statements and audit report using selected financial ratios/norms. The results of the financial ratios/norms are used to support financial decisions and to identify factors which may influence the financial stability of the Municipality. It is also to enable timely corrective actions where service delivery may be at risk. The assessment is according to the selected key financial ratios/norms as per National Treasury MFMA Circular No. 71, as submitted by the Municipality.

The Financial Performance as per the Audited Annual Financial Statements

Table 4: Financial ratios and norms

Financial ratios		Norms	2016 Audited	2017 Audited	2018 Audited	Comments
Asset Management						
1.	Repairs and Maintenance as a % of Property, Plant and Equipment, Investment Property (Carrying Value)	**8%**	**2.7%**	**6.0%**	**5.4%**	The ratio results fluctuate over the period. They remain below the NT norm. Insufficient expenditure on asset maintenance could affect the useful lives of assets.
Debtors Management						
2.	Bad Debts Written-off as % of Provision for Bad Debt	**100%**	**29.3%**	**0.0%**	**44.4%**	The ratio is significantly below the norm, which requires debt provided for to be written-off. The ratio results reflect an inconsistent application of the debt write-off policy and the Municipality is urged to align the policy to the norm and ensure application thereof.
3.	Net debtor's days	**≤ 30 days**	**31 days**	**54 days**	**54 days**	The ratio is outside the NT norm of 30 days. The collection period has deteriorated and the Municipality should enforce its credit policy to manage the collection days.

Liability Management						
4.	Capital Cost (Interest Paid and Redemption) as a % of Total Operating Expenditure	**6-8%**	**2.7%**	**2.3%**	**0.9%**	The ratio indicates that the Municipality has the capability to service additional debt within the NT norm.
5.	Debt (Total Borrowings)/Revenue	**<45%**	**4.5%**	**2.0%**	**1.7%**	The ratio indicates that the Municipality has the ability to assume additional debt. Given the results of the ratio above, as well as the strong liquidity position, the Municipality should consider taking on additional debt. Gearing could assist in accelerated delivery of infrastructure projects for the Municipality.
Efficiency Management						
6.	Net Operating Surplus Margin	**≥ 0%**	**12.1%**	**14.0%**	**7.4%**	The ratio reflects a reducing trend and this should be monitored to ensure the decline is addressed.
7.	Net Surplus/Deficit Electricity	**0 - 15%**	**8.7%**	**6.6%**	**3.0%**	The declining trend is observed and the Municipality is urged to address this trend in its budget.
8.	Net Surplus/Deficit Refuse	**≥ 0%**	**-84.7%**	**-101.3%**	**-44.9%**	The negative results are cause for concern and the Municipality should ensure that services are fully costed to ensure full cost recovery.
9.	Net Surplus/Deficit Sanitation and Waste Water	**≥ 0%**	**-26.5%**	**-65.6%**	**13.0%**	The ratio result has significantly improved.
Revenue Management						
10.	Revenue Growth (%) - Excluding capital grants	**= CPI** CPI	**7.8%** 6.4%	**10.2%** 5.3%	**5.4%** 4.7%	The ratio results have fluctuated over the three-year period. The 2018 ratio result exceeds the CPI rate, and is indicative of real growth.

Expenditure Management						
11.	Creditors Payment Period (Trade Creditors)	**30 days**	**63 days**	**55 days**	**53 days**	The ratio indicates an improvement in the Municipality's repayment of its creditors, however, it remains below the NT norm, which is legislated. The Municipality is urged to comply with the legislated norm.
12.	Contracted Services % of Total Operating Expenditure	**2-5%**	**3.5%**	**6.0%**	**6.9%**	The ratio results have deteriorated over the period. The Municipality should analyse the expenses and attempt to achieve the NT norm.
Grant Dependency						
13.	Own funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure	**N/A**	**30.5%**	**38.4%**	**40.3%**	Own capital funding has increased over the period. Furthermore, the Municipality's reliance on borrowings to fund capital expenditure is virtually non-existent and the Municipality is encouraged to explore a combination of debt and own funding for capital expenditure.
14.	Own Source Revenue to Total Operating Revenue (Including Agency Revenue)	**N/A**	**74.8%**	**67.1%**	**77.2%**	The ratio has increase and reflects the decrease in reliance on grant funding for operations.
Budget Implementation						
15.	Operating Expenditure Budget Implementation Indicator	**95-100%**	**97.4%**	**97.7%**	**84.7%**	The decline in the ratio must be analysed as a significant underspend vs the budget is evident. The underlying causes must be factored into the budget.

Source: Audited Annual Financial Statements 2016/17 - 2017/18

Findings and recommendations

- The Municipality is not investing sufficiently to ensure assets are repaired and maintained, which means that service delivery imperatives might be adversely affected should assets deteriorate as a consequence of this.
- Debtors management can be improved upon and any improvement would have a direct impact on the cash resources.

- The Liability Management Strategy of the Municipality appears to be that of an aversion to taking on borrowings according to its ratio results. Its Capital Cost and Debt ratios are extremely low and the Municipality is able to take on additional borrowings should it be required. The Municipality is encouraged to explore an optimum gearing that could assist in accelerated capital expenditure, given the healthy financial position that the Municipality is in.

- The Municipality's Efficiency Management strategy is positive with the exception of Refuse, which is reflecting a trading loss. The Municipality is urged to address this going forward.

- The Municipality's Expenditure Management strategy could be improved, with reference to the creditors payment period which indicates that the Municipality is taking longer to pay its creditors than the legislated norm.

- The Municipality manages its Budget Implementation strategy adequately, except for Operating Expenditure where a significant underspend was observed. The Municipality is urged to factor the underlying causes into the budget.

4.2 REVIEW OF THE NEW (2019/20) MTREF

4.2.1 Expected Outcome for Current Financial Year

Purpose

To assess municipal's current year budget implementation, past revenue streams and spending trends to measure and determine the impact on future budget implications.

Table 5: Budgeted Performance against the Audited Performance

R thousands	Adjusted Budget	Audited Outcome	Diff	Diff %	Adjusted Budget	Audited Outcome	Diff	Diff %	Adjusted Budget	Audited Outcome	Diff	Diff %
Description	**2015/16**	**2015/16**	**2015/16**	**2015/16**	**2016/17**	**2016/17**	**2016/17**	**2016/17**	**2017/18**	**2017/18**	**2017/18**	**2017/18**
Financial Performance												
Property rates	56 176	55 604	(572)	-1.0%	61 405	59 649	(1 756)	-2.9%	64 827	63 712	(1 115)	-1.7%
Service charges	271 802	279 424	7 623	2.8%	295 516	286 564	(8 952)	-3.0%	302 714	306 170	3 455	1.1%
Investment revenue	7 880	6 772	(1 107)	-14.1%	9 954	8 512	(1 443)	-14.5%	4 569	8 122	3 553	77.8%
Transfers recognised - operational	77 869	71 441	(6 428)	-8.3%	103 604	101 429	(2 176)	-2.1%	99 019	94 263	(4 756)	-4.8%
Other own revenue	33 494	44 654	11 160	33.3%	31 568	60 380	28 813	91.3%	48 806	57 662	8 856	18.1%
Total Revenue (excl. capital transfers and contributions)	**447 220**	**457 895**	**10 676**	**2.4%**	**502 047**	**516 534**	**14 487**	**2.9%**	**519 934**	**529 928**	**9 993**	**1.9%**
Employee costs	131 378	120 893	(10 484)	-8.0%	140 887	133 332	(7 555)	-5.4%	162 126	155 415	(6 711)	-4.1%
Remuneration of councillors	8 949	8 662	(288)	-3.2%	8 926	8 780	(146)	-1.6%	10 083	9 170	(913)	-9.1%
Depreciation & asset impairment	37 754	27 237	(10 517)	-27.9%	38 980	26 280	(12 700)	-32.6%	46 045	28 699	(17 347)	-37.7%
Finance charges	13 265	17 903	4 638	35.0%	11 707	17 573	5 866	50.1%	3 666	8 675	5 009	136.6%
Materials and bulk purchases	162 744	160 425	(2 319)	-1.4%	179 221	179 203	(18)	0.0%	202 134	194 879	(7 255)	-3.6%
Transfers and grants	859	969	110	12.8%	887	941	54	6.1%	17 064	13 920	(3 144)	-18.4%
Other expenditure	117 994	114 045	(3 949)	-3.3%	150 609	146 821	(3 788)	-2.5%	118 177	105 459	(12 717)	-10.8%
Total Expenditure	**472 944**	**450 134**	**(22 809)**	**-4.8%**	**531 218**	**512 929**	**(18 289)**	**-3.4%**	**559 295**	**516 217**	**(43 078)**	**-7.7%**
Surplus/(Deficit)	**(25 724)**	**7 761**	**33 485**	**-130.2%**	(29 171)	**3 605**	**32 775**	**-112.4%**	**(39 361)**	**13 711**	**53 072**	**-134.8%**
Transfers recognised - capital	55 170	55 447	276	0.5%	38 867	38 768	(99)	-0.3%	35 284	34 481	(802)	-2.3%
Contributions recognised - capital & contributed assets	–	–	–		–	54 943	54 943		–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	**29 447**	**65 403**	**35 956**	**122.1%**	**9 696**	**97 316**	**87 619**	**903.6%**	**(4 077)**	**48 192**	**52 269**	**-1281.9%**
Share of surplus/ (deficit) of associate	–	–	–		–	–	–		–	–	–	
Surplus/(Deficit) for the year	**29 447**	**65 403**	**35 956**	**122.1%**	**9 696**	**97 316**	**87 619**	**903.6%**	**(4 077)**	**48 192**	**52 269**	**-1281.9%**
Capital expenditure	**76 502**	**78 266**	**1 764**	**2.3%**	**62 389**	**115 242**	**52 853**	**84.7%**	**64 067**	**63 800**	**(266)**	**-0.4%**
Transfers recognised - capital	55 170	57 164	1 993	3.6%	27 049	92 684	65 635	242.7%	34 670	34 183	(486)	-1.4%
Public contributions & donations	–	–	–	–	189	–	(189)	-100.0%	–	–	–	–
Borrowing	2 991	1 176	(1 815)	-60.7%	–	–	–	–	3 526	3 528	2	0.0%
Internally generated funds	18 340	19 926	1 586	8.6%	35 151	22 558	(12 593)	-35.8%	25 871	26 089	219	0.8%
Total sources of capital funds	**76 502**	**78 266**	**1 764**	**2.3%**	**62 389**	**115 242**	**52 853**	**84.7%**	**64 067**	**63 800**	**(266)**	**-0.4%**

Source: Audited AFS and the Annual Budget Schedules

Findings and Recommendations

It is noted that the Audited outcomes in the above table do not reconcile to the Audited Annual Financial Statements information. The Municipality is advised to rectify the audited outcome figures to be in line with the Audited Annual Financial Statements and take cognisance of the past performance trends and current year performance as a base for 2019/20 budget planning.

Spending on capital projects as at 28 February 2019 stood at R45.33 million or 52 per cent of the adjusted budget of R86.79 million, a possible underspending is foreseen if no stringent control measures are implemented.

4.2.2 Expected Outcome for the NEW MTREF Budget

The Municipality tabled surplus budgets for the 2018/19 MTREF indicating non-cash items like depreciation and asset are provided for in the revenue framework which put the Municipality in the position to build a capital replacement reserve for replacement, upgrading and renewal of existing infrastructure. The application of sound financial management principles in the compilation and implementation of the budget linked to the IDP will ***maximize citizen impact*** and is essential in ensuring that Witzenberg Municipality remains financially viable and sustainable, economic and equitable municipal services aimed at improving the quality of life, wellness and safety for all people within the Witzenberg Municipality to foster ***Whole of Society Approach (WOSA)*** are provided to all communities.

4.2.3 Review of the Budget Assumptions

Purpose

To establish whether the budget documents provide minimum information/narratives/ explanations to inform/motivate budgetary provisions.

Table 6: Budget Assumptions

No.	Description of the Budget Assumptions	
1.	Salaries and Allowances	The Municipality budgeted for 6.5 per cent increase in salaries plus an additional 2.5 per cent notch increase.
2.	General Expenditure	It is assumed that costs for services will increase in line with the CPIX.
3.	Repairs and Maintenance	Municipal infrastructure and assets will be maintained as per previous years.
4.	Capital costs	It is assumed that Interest rates will be stable during the financial year, but the provision for capital has not been decreased.
5.	Bulk Purchases	It is assumed that electricity tariffs of Eskom will increase by 13.81 per cent as from 1 July 2019.
6.	Households	It is assumed that the total number of households in the municipal area will stay stable.
7.	Collection rate for municipal services	It is assumed that the collection rate for the financial year will be the same as the current payment rate and adequate provision is made for non-recovery.
8.	Grants	It is assumed that the National and Provincial grants as per the Division of Revenue Bill (DORA) which has been included will be received during the 2019/20 financial year.
9.	Indigents	It is assumed that the indigents will increase during to an estimated 4 000 during the financial year due to the proposed adjustments to the indigent policy.

Source: Summary of budget assumptions – Tabled budget

Findings and Recommendations

The Municipality has complied with Regulation 16 of the Municipal Budget and Reporting Regulations for Schedule A by including the budget assumptions on page 23 and 24 of the budget report. The overall budget assumptions are credible, reasonable and aligned to National Treasury however the credit rating information which was not provided in the budget report; the Municipality is advised to include it when the final budget is tabled in council for approval.

4.2.4 Adequacy of Revenue Management Framework

Table 7: Budgeted Financial Performance (Revenue)

R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	YTD Actual (Feb 2019)	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	2018/19-2019/20 (YOY)	2019/20-2020/21 (YOY)	2020/21-2021/2022 (YOY)	2018/19 - 2021/22 (AVE)
Revenue By Source													
Property rates	55 604	59 649	63 712	70 002	70 002	56 897	71 883	81 097	85 001	2.7%	12.8%	4.8%	6.8%
Service charges - electricity revenue	198 426	215 351	210 359	235 714	235 714	125 384	263 974	283 485	297 959	12.0%	7.4%	5.1%	8.2%
Service charges - water revenue	39 174	33 438	45 429	41 882	41 882	(4 958)	35 550	37 346	39 799	-15.1%	5.1%	6.6%	-1.2%
Service charges - sanitation revenue	20 990	18 008	26 997	17 387	17 387	(1 633)	21 991	23 263	24 609	26.5%	5.8%	5.8%	12.7%
Service charges - refuse revenue	20 834	19 767	23 384	21 424	21 424	1 072	21 678	22 824	24 025	1.2%	5.3%	5.3%	3.9%
Rental of facilities and equipment	8 169	8 177	5 990	10 198	10 198	3 608	7 567	7 945	8 342	-25.8%	5.0%	5.0%	-5.3%
Interest earned - external investments	6 772	8 512	8 122	8 202	8 202	5 525	8 695	9 129	9 586	6.0%	5.0%	5.0%	5.3%
Interest earned - outstanding debtors	9 828	7 816	11 044	7 425	7 425	6 207	7 870	8 264	8 677	6.0%	5.0%	5.0%	5.3%
Dividends received	-	-	-	4	4	-	4	4	5	6.0%	5.0%	5.0%	0.0%
Fines, penalties and forfeits	9 994	20 695	22 002	18 904	18 904	859	19 482	20 456	21 479	3.1%	5.0%	5.0%	4.4%
Licences and permits	171	145	4 751	3 655	3 655	3 208	1 915	2 010	2 111	-47.6%	5.0%	5.0%	0.0%
Agency services	4 237	4 352	-	4 878	4 878	-	3 670	3 854	4 046	-24.8%	5.0%	5.0%	-4.9%
Transfers and subsidies	71 441	101 429	94 263	135 381	138 987	65 673	137 993	115 148	144 299	-0.7%	-16.6%	25.3%	2.7%
Other revenue	12 259	18 963	13 876	9 126	9 126	6 172	9 984	10 650	10 920	9.4%	6.7%	2.5%	6.2%
Gains on disposal of PPE	(4)	232	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	457 895	516 534	529 928	584 181	587 787	268 181	612 255	625 476	680 859	4.2%	2.2%	8.9%	5.1%

Source: Annual Budget Schedules A4

Findings and Recommendations

The financial sustainability of municipal resources is under threat and there is a need for the budget to be funded from realistically anticipated revenues to be collected.

Property rates

The property rates are anticipated to increase by 2.7 per cent from the 2018/19 adjustment budget whilst the tariff increase is estimated to increase by 6.0 per cent for the 2019/20 budgeted year. The accuracy of the projected rates to be levied is a concern due to the discrepancy noted between SA1 and SA12b. The collection rate outlined on SA12b is not consistent with the projected collection rate of 95 per cent. The Municipality is requested to align the information on these supporting tables when the final budget is tabled in council.

Service charges – electricity

It is noted that this revenue source will be increasing by 12 per cent in 2019/20 budget year, whilst, NERSA has not confirmed the tariff increase for municipalities. This is the major revenue source for the Municipality and the above inflation tariff increase might be unaffordable to households which may cause the revenue collection rate to deteriorate. The Municipality is

encouraged to maintain tariff increases that reflect an appropriate balance of affordability to all households whilst ensuring the financial sustainability of the Municipality.

Service charges - water

The water revenue is decreasing by 15.1 per cent from the 2018/19 adjustment budget which is negative real growth. Consumer debtors from this revenue source is the largest contributor to the total outstanding debt of the Municipality and year-on-year reflects a decrease of 19.3 per cent as at the end of February 2019. Although water losses decreased to 18 per cent as reported in the annual report they are still above the norm of 14 - 16 per cent and remains a concern due to drought conditions that exacerbate the sustainability of this revenue source. The Municipality is advised to complete the indicators for water losses on SA8.

Service charges - sanitation

Sanitation tariff will increase by 6 per cent, whilst the growth in revenue is projected to increase by 26.5 in the 2019/20 budget year. In terms of the tariff policy the billing of sanitation is not linked to the quantity of water used. The Municipality is requested to provide reasons for the significant growth increase for this revenue source.

Rental of facilities and equipment

The rentals of facilities and equipment is decreasing by 25.8 per cent to 2019/20 budget and this is an indication that the Municipality raises minimal economic benefits for this line item. The Municipality should consider introducing of rental or selling of municipal land/buildings to enhance the revenue collection on this line item. The revenue collection may not be that material, however, if this is properly planned it can boost revenue collection.

Fines

Fines are anticipated to increase by 3.1 per cent of the 2018/19 adjusted budget amount. The projected amount of R19.48 million for fines might be overstated due to the past trends which are reflecting challenges with the collection of traffic fines. The Municipality is advised to devise a strategy to ensure that fines issued are collected.

Agency services, licences and permits

Agency services, licences and permits line items are projected to decrease significantly by 47.6 per cent and 24.8 per cent respectively in the 2019/20 budget year and no motivation was provided in the budget document to substantiate the decrease. The Municipality is requested to provide reasons for the negative variances and rectify them when the final budget is tabled in council for approval.

Transfers and subsidies

The credibility and reliability of Transfers and subsidies amount is compromised by SA18 that is not in line with the national and provincial transfers as per the Division of Revenue Bill and the Extra-Ordinary Provincial Gazette. The Municipality is advised to align supporting Table SA18 to published gazettes and include the Service Level Agreement between Table Mountain Fund and the Municipality with the final budget.

4.2.5 Cost reflectiveness of Trading Service

Table 8: Trading Services

WITZENBERG MUNICIPALITY	Operating Revenue (SA1)			Operating Expenditure (A2)			Net Results (Surplus or Deficit)		
R thousand	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Trading services	367 799	393 344	414 357	355 874	388 043	419 324	11 925	5 301	(4 966)
Energy sources	267 122	286 703	301 397	254 048	281 452	307 208	13 075	5 252	(5 811)
Water management	39 811	42 175	44 679	28 438	30 114	31 691	11 373	12 061	12 987
Waste water management	31 616	33 465	35 424	31 880	31 733	33 375	(264)	1 732	2 049
Waste management	29 250	31 001	32 857	41 508	44 744	47 049	(12 258)	(13 743)	(14 192)

Source: Annual Budget Schedules SA1 and A2

Findings and Recommendations

The table above indicates that the Waste Water Management and Waste Management will generate a deficit for the 2019/20 budget year despite the above inflation tariff increases which suggest that tariffs might not be fully cost-reflective. The waste management is the economic service where revenue is supposed to break-even with the expenditure, the main cost drivers in respect of delivering this service are the labour cost and fuel which usually increase above the CPIX increases. The budget document did not provide plans on phasing out the deficit for the refuse removal considering that itis not improving throughout the MTREF period.

4.2.6 Adequacy of Expenditure Management Framework

Table 9: Operating Expenditure

R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	YTD Actual (Feb 2019)	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	2018/19-2019/20 (YOY)	2019/20-2020/21 (YOY)	2020/21-2021/2022 (YOY)	2018/19 - 2021/22 (AVE)
Expenditure By Type													
Employee related costs	120 893	133 332	155 415	179 864	177 846	119 314	192 462	199 581	209 726	8.2%	3.7%	5.1%	5.7%
Remuneration of councillors	8 662	8 780	9 170	10 709	10 709	6 283	11 459	12 032	12 633	7.0%	5.0%	5.0%	5.7%
Debt impairment	34 542	37 713	1 108	22 203	22 203	3 539	33 169	31 806	33 555	49.4%	-4.1%	5.5%	16.9%
Depreciation & asset impairment	27 237	26 280	28 699	43 032	43 032	12 532	45 590	48 932	51 643	5.9%	7.3%	5.5%	6.3%
Finance charges	17 903	17 573	8 675	3 671	3 685	392	8 840	9 282	9 747	139.9%	5.0%	5.0%	50.0%
Bulk purchases	160 425	179 203	179 705	197 541	197 541	101 574	225 196	253 346	277 667	14.0%	12.5%	9.6%	12.0%
Other materials	–	–	15 173	21 062	19 054	9 742	16 869	17 634	18 516	-11.5%	4.5%	5.0%	0.0%
Contracted services	16 204	42 642	36 101	45 931	47 850	22 267	38 815	37 751	39 534	-18.9%	-2.7%	4.7%	0.0%
Transfers and grants	969	941	13 920	14 407	14 718	1 078	30 962	3 062	21 518	110.4%	-90.1%	602.8%	0.0%
Other expenditure	63 299	66 465	68 250	43 924	45 906	32 021	40 816	42 637	44 757	-11.1%	4.5%	5.0%	-0.6%
Loss on disposal of PPE	–	–	–	–	–	–	–	–	–	–	–	–	#DIV/0!
Total Expenditure	450 134	512 929	516 217	582 344	582 543	308 741	644 178	656 063	719 295	10.6%	1.8%	9.6%	7.4%

Source: Annual Budget Schedules A4

Findings and Recommendations

Operating expenditure is anticipated to increase by 10.6 per cent when compared to the current year budget and municipalities are required to justify all increases in excess of the projected inflation target for 2019/20 financial year.

Debt impairment

Debt impairment is projected to significantly increase by 49.4 per cent from the adjustment budget and when the increase has been compared to the consumer debtors a decreasing trend has been noted which suggest that though consumer debtors are decreasing half of those debtors are budgeted as the provision of doubtful debtors. Concerns are expressed over the non-disclosure of the provision for debt impairment in the Table SA3 whilst the Table A4 shows a budget for this line item, this is the indication that Table A6 is excluding provision for debt impairment.

Finance charges

Finance charges are projected to significantly increase by 139.9 per cent from the adjustment budget. The Municipality did not provide any reasons for the substantial increase in finance charges and there is no indication of any new borrowings that were budgeted for. The Municipality is requested to provide reasons for the high increase in finance charges when the final budget is tabled to council for approval.

Contracted services

Contracted services constitute 6.0 per cent of the total operating expenditure budget, which is above the National Treasury norm of 2 - 5 per cent. A ratio in excess of the norm could indicate that many functions are being outsourced. The Municipality should weight the cost benefit of building capacity in-house versus the increasing budget allocation to the outsourcing of certain functions to contractors when reviewing the employee strategy in the long term financial plan. A significant decrease has been noted from the 2018/19 adjustment budget and Provincial Treasury takes note of the fact that mSCOA has caused re-classifications between other expenditure and contracted services line items.

Transfers and grants

inconsistencies are noted with the projected budgets for this line item which raises concerns as no reasons were provided in the municipal budget report. The contributing factor to the huge increase, is the cash transfers to households. The Municipality is requested to provide reasons to the increase when the final budget is tabled to council.

Other expenditure

Other expenditure is projected to decrease by 11.1 per cent in the 2019/20 budget year, which is due to planned savings and efficiencies of operational cost. The bulk of other expenditure is lumped together under operational cost on SA1. The Municipality is requested to provide a breakdown of operational costs when the final budget is tabled in council.

4.2.7 Adequacy of Capital Budget

Table 10: Capital Expenditure

Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework			% Growth rates: MTREF Budget			
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	YTD Actual (Feb 2019)	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	2018/19-2019/20 (YOY)	2019/20-2020/21 (YOY)	2020/21-2021/2022 (YOY)	2018/19 - 2021/22 (AVE)
Capital Expenditure - Standard														
Governance and administration		1 968	816	1 683	1 340	2 551	359	2 550	770	-	0.0%	-69.8%	-100.0%	-56.6%
Executive and council		-	-	279	250	1 462	94	150	50	-	-89.7%	-66.7%	-100.0%	-85.5%
Finance and administration		1 968	816	1 404	1 090	1 089	142	2 400	720	-	120.4%	-70.0%	-100.0%	-16.5%
Internal audit		-	-	-	-	-	123	-	-	-	-	-	-	-
Community and public safety		4 653	8 170	3 568	3 402	4 358	157	17 072	6 872	12 145	291.7%	-59.7%	76.7%	102.9%
Community and social services		2 189	1 218	646	1 000	1 054	9	2 850	5 857	12 145	170.4%	105.5%	107.4%	127.8%
Sport and recreation		470	2 218	2 014	2 402	3 304	148	13 501	1 016	-	308.6%	-92.5%	-100.0%	38.7%
Public safety		1 994	4 734	549	-	-	-	722	-	-	-	-100.0%	-	-100.0%
Housing		-	-	359	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		40 285	60 270	11 560	29 788	35 295	22 916	13 308	28 411	19 013	-62.3%	113.5%	-33.1%	6.0%
Planning and development		-	-	31	20	531	109	26	20	-	-95.1%	-23.3%	-100.0%	-72.8%
Road transport		39 912	60 270	11 529	28 268	33 264	22 774	13 282	26 706	19 013	-60.1%	101.1%	-28.8%	4.1%
Environmental protection		372	-	-	1 500	1 500	33	0	1 685	-	-100.0%	168539999900%	-100.0%	-
Trading services		31 360	45 986	49 522	46 791	44 588	21 900	38 523	26 105	37 315	-13.6%	-32.2%	42.9%	-1.0%
Electricity		5 607	31 644	7 162	11 654	11 063	4 858	8 700	8 715	7 848	-21.4%	0.2%	-10.0%	-10.4%
Water		10 528	25 370	22 269	14 746	9 420	5 590	21 581	5 039	6 489	129.1%	-76.7%	28.8%	27.1%
Waste water management		-	-	16 820	19 219	22 934	10 444	7 241	6 878	6 478	-68.4%	-5.0%	-5.8%	-26.4%
Waste management		15 225	(11 028)	3 272	1 171	1 171	1 008	1 000	5 472	16 500	-14.6%	447.2%	201.5%	211.4%
Other		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	3	78 266	115 242	66 333	81 321	86 793	45 333	71 453	62 158	68 473	-17.7%	-13.0%	10.2%	-5.8%

Source: Annual Budget Schedules A5

Findings and Recommendations

The capital budget for 2019/20 is projected to decrease by 17.7 per cent from the 2018/19 adjustment budget and there are inconsistencies in the projected budget for some of the functions. The largest capital investment relates to trading services and more specifically water management infrastructure will receive a high level of priority with the percentage share allocation of 30.2 per cent of the total capital budget, which is an indication of the impact the prevailing drought has on the Municipality.

The current performance as at 28 February 2019 is at 53 per cent of the adjusted budget, possible under spending is foreseen if the Municipality does not closely monitor the capital performance. The Municipality is requested to focus on project implementation plans from the project managers and in consultation with supply chain demand management plans, that will also assist in capital performance management and ensuring capital budget is spent within National Treasury Norms of at least 95 per cent of the Capital Budget as per MFMA circular 71.

Funding mix

Table 11: Sources of capital funding

Vote Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework			% Growth rates: MTREF Budget			
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	YTD Actual (Feb 2019)	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	2018/19-2019/20 (YOY)	2019/20-2020/21 (YOY)	2020/21-2021/2022 (YOY)	2018/19 - 2021/22 (AVE)
Funded by:													
National Government	23 446	26 846	20 014	33 070	23 505	16 129	41 984	26 677	25 543	79%	-36%	-4%	13%
Provincial Government	32 099	11 824	14 170	19 869	28 667	12 500	1 694	9 565	14 030	-94%	465%	47%	0%
District Municipality	–	–	-	–	500	457	2 000	–	3 000	300%	-100%	–	0%
Other transfers and grants	1 619	54 014	-	–	–	-	–	–	-	–	–	–	0%
Transfers recognised - capital	**57 164**	**92 684**	**34 183**	**52 938**	**52 672**	**29 086**	**45 678**	**36 243**	**42 573**	-13%	-21%	17%	-5%
Public contributions & donations	–	–	-	–	–	-	–	–	-	–	–	–	0%
Borrowing	1 176	–	3 528	1 550	1 550	1 485	0	–	-	-100%	-100%	–	0%
Internally generated funds	19 926	22 558	26 089	26 833	32 570	14 763	25 775	25 916	25 900	-21%	1%	0%	-7%
Total Capital Funding	**78 266**	**115 242**	**63 800**	**81 321**	**86 793**	**45 333**	**71 453**	**62 158**	**68 473**	-18%	-13%	10%	-7%

Source: Annual Budget Schedules A5

Findings and recommendations

The credibility and reliability of the capital budget is compromised by the non-alignment of National Government transfers in Table A5 to those disclosed in Table SA18 as published in the 2018 Division of Revenue Bill. The capital assets amount on A7 is incorrect in the 2019/20 budget year. The Municipality should take note of the total capital expenditure on A5 that should equal to the total capital assets amount on A7.

4.3 ESTABLISH THE LEVEL OF FUNDING THE BUDGET

Surplus/Deficit

Purpose

To assess the overall credibility of the budget in terms of surplus/deficit.

Table 12: Surplus/Deficit

R thousand	Audit Outcome 2017/18	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget 2018/19	Adjustment Budget 2018/19	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Total Revenue (excl. capital transfers and contributions)	529 928	584 181	587 787	612 255	625 476	680 859
Total Operating Expenditure	516 217	582 344	582 543	644 178	656 063	719 295
Surplus/(Deficit)	**13 711**	**1 837**	**5 244**	**(31 923)**	**(30 587)**	**(38 435)**
Total Capital Expenditure	66 333	81 321	86 793	71 453	62 158	68 473
Non Cash Items	**29 807**	**65 234**	**65 234**	**78 758**	**80 737**	**85 198**
Debt impairment	1 108	22 203	22 203	33 169	31 806	33 555
Depreciation & asset impairment	28 699	43 032	43 032	45 590	48 932	51 643
Total Restated Result	**43 518**	**67 072**	**70 478**	**46 835**	**50 151**	**46 763**
Total Budget	582 550	663 665	669 336	715 631	718 221	787 768

Source: PT generated based on Annual Budget Schedules -A1

Findings

The Municipality has tabled deficit operating budgets over the MTREF period which is attributed to non-cash items, however, when the non-cash items are excluded from the calculation the Municipality has surpluses over the MTREF and the overall outcome shows R13.74 million (2019/20), R43.95 million (2020/21) and R4.39 million (2021/22) surpluses when capital transfers which are committed to capital projects are included.

4.3.1 Table A6 – Financial Position

Purpose

To undertake an assessment of the overall credibility of the budget funding (Table A6) and to establish the working capital requirements.

The table below depicts Ratio Analysis with Trends over the MTREF.

Table 13: Ratio Analysis with Trends over the MTREF

Financial ratio	2017	2018	2019	2020	2021	2022
Cash/Cost Coverage Ratio (Excl. Unspent Conditional Grants)	2 months	2 months	1 month	1 month	1 month	1 month
Current Ratio	2.03	2.24	3.37	2.14	1.93	1.88
Capital Cost (Interest Paid and Redemption) as a % of Total Operating Expenditure	2%	1%	1%	2%	2%	1%
Debt (Total Borrowings)/Revenue	2%	2%	1%	1%	0.1%	0.1%

Source: PT generated based on A6 - Budget Schedules

Financial Position:

The analysis of Table A6 and Table A8 of the A-Schedules indicates that the Municipality has reported favourable working capital in 2019/20 which demonstrates that it has enough funds to meet its short-term liabilities, however concerns are raised on the unfavourable working capital in 2020/21 and 2021/22 financial year years. The favourable working capital implies that the Municipality outstanding debtors exceeds the creditors, whereas the unfavourable implies that the creditors exceed the debtors. It has been noted that the Municipality has reported debtors that shows a decline over the MTREF period whereas in the prior years the majority of the debtors were 90 days and older. It is then evident that the Municipality has challenges in recovering the long outstanding debtors. Therefore, the Municipality must reconsider the reported figures disclosed on Table A 6 and on Table A8 to calculate the working capital.

Cash and cash Equivalents

The Municipality reported a positive cash and cash equivalents of R68.09 million; R104.48 million and R113.28 million for 2019/20, 2020/21 and 2021/22 throughout the MTREF financial years. The Municipality shows an increase of its cash and cash equivalents over the MTREF budget. The year on year increases on the cash and cash equivalents over the MTREF budget depicts that the Municipality has a durable financial position that is sustainable. However, concerns are noted that the Municipality has budgeted for a deficit over the MTREF period when comparing the operating revenue and expenditure and at the same time showing an increasing cash and cash equivalents over the MTREF period, also the cash flow statement on Table A7 reflects

a net decrease on cash held. Of a particular concern is the misalignment between the increasing cash and cash equivalents and the budgeted deficit over the MTREF period. The Municipality should reconsider the budgeted cash and cash equivalents reported on the A schedules over the MTREF period, also considering the challenges faced by the Municipality in collecting debtors older than 90 days.

Cash Cover Ratio

The cost coverage ratio is reported to be within the NT Norm of between 1-3 months. The Municipality reflects a budgeted cost coverage that is equivalent to 1 month over the MTREF period. This indicates that the Municipality has sufficient cash resources to meet at least its monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue, during that month, however this poses some great concerns and can easily lead to cash flow challenges and it is not sustainable over longer period.

Current Ratio

The Municipality has budgeted current ratio that shows a decrease performance which is still within the National Treasury Norm of 1.5 to 2.1. The budgeted current ratio is reported to be 2.14:1, 1.93:1 and 1.88:1 for the 2019/20, 2020/21 and 2021/22 years respectively. This ratio depicts that the Municipality has adequate financial resources to settle its short-term debts. This is also implying the Municipality is not exposed to any liquidity risk, however concerns are expressed on the declining ratio results as well as the misalignment of cash and cash equivalents as raised above.

4.3.2 Capital Cost (Interest Paid and Redemption/Total Operating Expenditure)

The Municipality is operating within the cost capital cost of 2 per cent in both 2019/20 and 2020/21 and 1 per cent in 2021/22 which are in line with the National Treasury Norm of 6 - 8 per cent over the MTREF period. Therefore, the Municipality has the capacity to take on additional financing from borrowings to invest in infrastructure projects. However, the Municipality does not have adequate cash resources to afford to take on additional borrowings and as stated above the Municipality has budgeted for a deficit over the MTREF period and any additional borrowings will put pressure on its revenue collection.

Debt (Total Borrowings) to total Operating Revenue

The ratio shows a performance from 1 per cent in the 2019/20 financial year to less than 1 per cent in the 2020/21 and 2021/22 financial year, respectively which indicates that the Municipality has the capacity to take increase funding from borrowings. However, the above financial ratios are already indicating that the Municipality cannot afford to take on additional borrowings and the cost of capital will put pressure on the revenue collection hence the Municipality is still struggling to recover debt older than 90 days. The Municipality is advised not take on borrowings.

Table A7 – Cash

Purpose

To undertake an assessment of the overall credibility of the budget funding (Table A7) and of the projected cash and cash equivalents over the MTREF.

Table 14: Funding measurement

WC022 Witzenberg Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
High Level Outcome of Funding Compliance												
Total Operating Revenue			457 895	516 534	529 928	584 181	587 787	587 787	587 787	612 255	625 476	680 869
Total Operating Expenditure			450 134	512 929	516 217	582 344	582 543	582 543	582 543	644 178	656 063	719 295
Surplus/(Deficit) Budgeted Operating Statement			7 761	3 605	13 711	1 837	5 244	5 244	5 244	(31 923)	(30 587)	(38 435)
Surplus/(Deficit) Considering Reserves and Cash Backing			85 540	88 876	104 380	20 363	123 793	123 793	123 793	91 602	104 087	108 476
MTREF Funded (1) / Unfunded (0)		15	1	1	1	1	1	1	1	1	1	1
MTREF Funded ✓ / Unfunded ×		15	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Source: A-Schedule - Table SA10

Findings and recommendations

The Municipality reported a positive budgeted cash and cash equivalent over the MTREF period as reflected in Table A7, of R68.09 million; R104.48 million and R113.28 million for 2019/20, 2020/21 and 2021/22 respectively. This depicts that the Municipality has maintained a sound financial health and liquidity position, however concerns on cash and cash equivalents have been raised above.

The analysis of Table A8 and SA10 indicates that the Municipality has tabled a **funded budget** and reported a surplus of R91.60 million, R104.08 million and R108.47 million in 2019/20; 2020/21 and 2021/22 respectively, despite the concerns raised about cash and cash equivalents. The Municipality has shown that it will realise a deficit of R31.92 million for 2019/20; R30.58 million for 2020/21 and R38.44 million for 2021/22, when comparing the operating revenue and expenditure on the A4 before capital transfers. However, when considering the reserves and cash backing it will realise a surplus as stated in the above Table SA10, therefore, the Municipality remains funded.

- The Municipality's working capital will increase over the MTREF.
- The current, liquidity and cash cover ratios are above the NT norm.
- The Municipality has the ability to meet its short-term obligations with the anticipated financial position.

4.3.3 Table A8 – Application of Cash and Investments

Purpose

To assess the Municipality's application of available cash and investments (reference to Circular 42 & Table A8).

Table 14: Table A8 Application of Cash and Investments

WC022 Witzenberg - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Cash and investments available											
Cash/cash equivalents at the year end	1	97 040	76 333	97 506	93 458	80 055	80 055	80 055	68 090	104 483	113 289
Other current investments > 90 days		(0)	(0)	0	(10 282)	47	47	47	47	47	47
Non current assets - Investments	1	–	–	–	4	4	4	4	4	4	4
Cash and investments available:		**97 040**	**76 333**	**97 506**	**83 180**	**80 105**	**80 105**	**80 105**	**68 141**	**104 534**	**113 340**
Application of cash and investments											
Unspent conditional transfers		11 630	4 665	–	–	–	–	–	–	–	–
Unspent borrowing		–	–	–	–	–	–		–	–	–
Statutory requirements	2										
Other working capital requirements	3	(130)	(17 209)	(6 875)	62 817	(43 688)	(43 688)	(43 688)	(23 461)	447	4 863
Other provisions											
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		**11 500**	**(12 543)**	**(6 875)**	**62 817**	**(43 688)**	**(43 688)**	**(43 688)**	**(23 461)**	**447**	**4 863**
Surplus(shortfall)		**85 540**	**88 876**	**104 380**	**20 363**	**123 793**	**123 793**	**123 793**	**91 602**	**104 087**	**108 476**

Source: Annual Budget Schedules A8

The Municipality has not taken into consideration all the required applications to be reported against cash and cash equivalents as reflected above. The Municipality has shown that in the previous years the conditional grants were never fully spent and they were reflected as R5.7 million in 2017/18 and R2.6 million in 2016/17. The Municipality recorded provisions related to employee benefits such as ex-gratia pension, post-retirement benefits and long services awards that were not included as part of the provisions on Table A8 to be set off against the cash and cash equivalents as cash back applications and they are reflected as R19.7 million in 2017/18 and R17.4 million in 2016/17. These applications have an influence on the calculation of whether the budget is funded or not and therefore the Municipality should consider the inclusion of all the applications against the cash and cash equivalents to determine whether its budget is funded or not. The outcomes after taking cognisance the above-mentioned applications the Municipality's budget is deemed to be funded, however not sustainable for a longer period. Although the Municipality's budget is funded it should be noted that its reserves are not cash funded and there are no contributions made towards the cash back reserves over the MTREF period.

4.4 SUSTAINABILITY OVER 2019/20 MTREF

4.4.1 Service Delivery, Financial and Operational Sustainability and Asset Management

Table 15: Supporting Table SA10 Funding Measurement

Description	MFMA section	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Funding measures								
Cash/cash equivalents at the year end - R'000	18(1)b	93 458	80 055	80 055	80 055	68 090	104 483	113 289
Cash + investments at the yr end less applications - R'000	18(1)b	20 363	123 793	123 793	123 793	91 602	104 087	108 476
Cash year end/monthly employee/supplier payments	18(1)b	2.2	1.9	1.9	1.9	1.5	2.2	2.2
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	33 372	36 779	36 779	36 779	13 735	43 953	4 390
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	(1.5%)	(6.0%)	(6.0%)	(6.0%)	1.4%	1.9%	(0.8%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	84.1%	88.4%	88.4%	88.4%	91.3%	90.4%	90.4%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	5.7%	5.7%	5.7%	5.7%	8.0%	7.1%	7.1%
Capital payments % of capital expenditure	18(1)c;19	102.4%	98.6%	98.6%	98.6%	104.2%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	12.3%	10.3%	10.3%	10.3%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a					0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	(127.0%)	(458.8%)	0.0%	0.0%	(0.4%)	11.6%	11.0%
Long term receivables % change - incr(decr)	18(1)a	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	50.2%	2.1%	2.1%	1.8%	1.8%	2.0%	2.2%
Asset renewal % of capital budget	20(1)(vi)	17.0%	18.3%	18.3%	0.0%	16.7%	18.5%	13.1%

Source: Tables SA10 of A-Schedule

Findings and recommendations

The Municipality reported a positive budgeted cash and cash equivalent over the MTREF period as reflected in Table A7, of R68.09 million; R 104.48 million and R113.28 million for 2019/20, 2020/21 and 2021/22 respectively. This depicts that the Municipality has maintained a sound financial health and liquidity position, however concerns on cash and cash equivalents have been raised above.

Grants as a percentage of gazetted allocations

The Municipality did not fully complete Table SA10 hence the 0 per cent over the MTREF for grants revenue as a percentage of Government grants available. A percentage that is less than 100 per cent is an indication that DoRA and provincial transfers have not been budgeted for, which is incorrect given full completion of Tables A4, A5 and SA18. The Municipality should review and accurately complete supporting Table SA10 and related tables before the approval of the budget in council.

Repairs and Maintenance as a percentage of PPE

The budgeted repairs and maintenance of 1.8 per cent of Property, Plant and Equipment and asset renewal percentage at 16.7 per cent of Capital Budget are below the National Treasury norms of 8 and 40 per cent respectively. The Municipality is urged to review the amounts budgeted on these items and align with long-term financial strategy of the Municipality.

The repairs and maintenance constitute 1.8 per cent of Property, Plant and Equipment, which is below the National Treasury norms of 8 per cent. It is also noted that the repairs and maintenance percentages in the budget document and SA10 (A1-Schedules electronic) do not reconcile. The Municipality should strive to secure the health of the revenue generating assets by increasing spending on repairs and maintenance.

Asset Renewal as a percentage of capital budget

Asset renewal constitute16.7 per cent of the capital budget which is below the National Treasury norm of 40 per cent and no reasons were provided in the budget document. It is also noted that the figures in the budget document and SA10 (A1-Schedules electronic) do not reconcile. Renewal of existing infrastructure must be prioritised. Municipality is advised to prioritise renewal of infrastructure and provide detailed motivations in the budget document when allocations do not meet the required benchmarks as per MFMA Circular 55.

Forecasting and Multi-Year Budgeting

The analysis of Tables SA25 – SA29 shows that the Municipality has used forecasting method(s), in determining the monthly projections. The Municipality need to ensure that the applied method(s) take into account past and future trends based on assumptions applied. The purpose of monthly projections seeks to improve cash flow and performance management and the Municipality must reflect realistic projections when they adopt the budget.

SECTION 5: KEY FINDINGS, RISKS AND RECOMMENDATIONS

This section outlines the main points and risks/recommendations based on the LG MTEC Assessment.

Responsiveness of the municipal budget

- On review of the Witzenberg SDF the Municipality must adhere to the content and process requirements set out in PLUMA and LUPA and at the very least start a Capital Investment Framework on an incremental basis.

- Feasibility studies or a cost-benefit exercise could benefit the Municipality in determining whether the development of a new landfill site or collaboration on a regional landfill site project would be most beneficial to the Municipality and the needs of the citizens in order to enable the Municipality to most efficiently and cost effectively deliver its waste management service.

- As per the draft IDP Review 2019/20, the Municipality intended to review its Local Economic Development (LED) Strategy in 2017/18. It is key that the new LED strategy framework is include in the final adopted IDP 2019/20 in order to ascertain the new vision for LED within the municipal area.

- Free basic service allocations will bring much need poverty relief to indigent households within the municipal area. Although per capita income in the Witzenberg municipal area has increased, so too has the Gini-coefficient which indicates growing inequality in the area. Given that the Municipality has committed to providing free basic services to 4 500 households each year over the next 3 years, it should take cognisance of the cost of providing free basic services and reflect it accurately in its A10 budget schedule.

- The Municipality should strengthen the monitoring capacity of the SCM staff in order to provide consistent oversight to the end-user departments;

- Institutionalised demand and procurement planning within the senior management's key performance indicator (KPI) to measure the performance of each departments' projects/contracts. This will ensure accountability across the entire municipality; and

- The Municipality must ensure that key linkages with its LED component is established to support the procurement planning and an economically sustainable delivery model.

Credibility and sustainability of the 2019/20 MTREF Budget

The municipal budget is assumed to be **credible, sustainable and funded although there are inconsistencies** with the figures in the budget document and the electronic A-Schedules.
The Municipality needs to note though that Local government is at the forefront of service delivery. It plays a vital role in stimulating and promoting economic growth through fiscal prudence in budgetary planning and implementation, as well as improving governance and financial management. To this end, applying the principles of ***Integrated Management*** continues to shape the **Whole of Government Approach** between the Western Cape Government and Western Cape Municipalities to strengthen joint planning and **maximise citizen impact**.

External pressures such as lower than anticipated national tax collection; an increasing public sector wage bill and an increasing debt to GDP ratio will lead to projected larger fiscal deficits and higher government debt, amid the slower growth, a weaker rand and higher inflation. In addition, municipal risks include the rising cost of delivering services, impact of the economy on revenue raising capabilities, the prevailing drought, fire and climate change, the extent of crime and risks to infrastructure delivery. It is therefore imperative that these economic, service delivery and budgetary risk forms an integral part of planning and also budgetary projections made by the Municipality.

The current economic climate continuously exerting pressure on the consumers and it is important that the levels of government **partner to ensure maximum citizen**. Through this initiative decision should be considered to lessen the burden on consumers while still safeguarding municipal sustainability. It is against this backdrop that the Municipality should review increasing tariffs outside the parameters of inflation versus the needs of infrastructure and cost of bulk purchases.

Fiscal discipline is imperative in our current economic climate and therefore the Municipality should continue to exercise sound financial management. The Municipality is commended for building reserves and for continuously finding a balance between needs and available resources resulting in a funded budget over the MTREF amid the persistent fiscal constraints.

The recommendations and risks below which were identified in the assessment should be taken into consideration when the final budget is tabled in council for approval.

- The Municipality is requested to rectify the audited outcome figures to be in line with the Audited Annual Financial Statements in order to take cognisance of the past performance trends between the budget and actuals as a baseline for budgeting.
- Ensure all budgeted National and Provincial allocations in SA18 reconciles with the capital and operational budgets.
- The Municipality is requested to correct the capital assets payments on Table A7 to reconcile to Table A5 in the 2019/20 budget year.
- The Municipality is advised to monitor capital performance and ensure the capital budget is spent within National Treasury Norms of at least 95 per cent of the Capital Budget as per MFMA Circular 71.
- The Municipality is required to provide explanations where material or substantial growth trends and variances exist to embrace transparency of the budget.
- The Municipality is requested to complete in full the necessary tables as highlighted in the assessment.
- The Municipality is expected to reconcile the information in the A1-Schedules electronic to the budget document information tabled in council.
- Municipality must provide a detailed explanation and assurance that the budgeted repairs and maintenance amount is adequate to secure the ongoing health of infrastructure and it must be supported by reference to the municipal asset management plan.

- The current ratio, liquidity ratio and cash cover ratio are within the NT Norm, which indicates that the Municipality has the capability to meet its short – term obligations over the MTREF period.

- The Municipality has the cost of capital that is below the NT norm of 6 – 8 per cent and the debt ratio are within the NT norm of 45 per cent, implying that the Municipality has the capacity to take on borrowings, however the financial ratio indicates that the Municipality cannot afford to take on additional borrowings as it does not have adequate cash resources and has budgeted for a deficit over the MTREF period.

- The Municipality indicates an increase of its cash and cash equivalents over the MTREF period. However, concerns are noted that the Municipality has budgeted for a deficit over the MTREF period and at the same time showing an increasing cash and cash equivalents over the MTREF period, also the cash flow statement on Table A7 reflects a net decrease on cash held. The Municipality should reconsider the budgeted cash and cash equivalents and take into cognisance the realistically anticipated revenue to have an increasing cash and cash equivalents.

- The Municipality to improve its working capital is budgeted to be favourable in 2019/20 period, however there is a great concern in 2020/21 and 2021/22 period when the Municipality budget for an unfavourable working capital which implies that the creditors are exceeding the debtors. The Municipality must reconsider its working capital for sustainability.

- To improve on its cash coverage ratio over MTREF period to maintain its sustainability throughout the MTREF and beyond for long term sustainability.

- The Municipality must consider making contributions to the cash back reserve to finance its future capital needs and put more efforts in recovering the long outstanding debt to have adequate cash back reserves to fund the budgeted operating deficit that are reflected on Table SA 10.

- The Municipality is requested to populate the budgeted amounts for the unspent conditional grants on Table A6 and A8 since the prior year's show that the Municipality did not fully spent the conditional grants, unless the Municipality have absolute assurance that it will fully spend over MTREF period.

The Municipality must reconsider the other provisions and statutory requirements on Table A8 in the final budget over the MTREF period.

Western Cape Government

APPENDIX A

WITZENBERG MUNICIPALITY

LG MTEC INTEGRATED PLANNING ASSESSMENT: ANALYSIS OF MUNICIPAL INTEGRATED DEVELOPMENT PLAN

Department of Local Government

APRIL 2019

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LIST OF ACRONYMS

DOCS	Department of Community Safety
DHS	Department of Human Settlements
NDMC	National Disaster Management Centre
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework
WCDMC	Western Cape Disaster Management Centre

SECTION 1: INTRODUCTION

An Integrated Development Plan (IDP) is the principal strategic planning instrument which guides and informs all planning and development, and all decisions with regard to planning, management and development in a municipality. An IDP provides the strategic direction for all the activities of a municipality over five years linked to the council term of office.

Each municipal council must annually review and may amend the IDP of the Municipality. Should the review process determine that an amendment is required, municipalities are to follow the process as stipulated in Regulation 3 of the Local Government: Municipal Planning and Performance Management Regulations of 2001.

The 2019/20 IDP review of the Witzenberg Municipality (the Municipality) is the second review of the 2017 - 2022 IDP. The 2019/20 IDP review takes into consideration the assessment of its performance measurements and to the extent that changing circumstances so demand.

This report encapsulates comments by various sector departments including the Departments of Agriculture; Economic Development and Tourism; Cultural Affairs and Sport; Community Safety; Health; Human Settlements; Local Government, Social Development; Water and Sanitation; and Western Cape Education Department.

SECTION 2: INTEGRATED PLANNING ANALYSIS

2.1 IDP OVERVIEW

The Witzenberg Municipality has indicated that it is undertaking a review process for the 2019/20 IDP, in accordance with Section 34 of the Local Government Municipal Systems Act (MSA) 32 of 2000. The Municipality adopted a Council approved process plan in August 2018.

The municipal area consists mainly of rural towns where the agricultural sector contributed the most jobs in the Municipality and as such, the Municipality will need to continue to explore mechanisms such as agri-processing to further strengthen its economy and create jobs. The Municipal Economic Review Outlook (MERO) notes that agri-processing will also have significant implications for Municipality's socio-economic development.

The MERO indicates that the Municipality provides the second least number of jobs in comparison to other local municipalities in the Cape Winelands District. The SEP-LG further highlights that the high learner dropout rates are influenced by various factors, including unemployment. Given the low levels of employment and poverty, the provision of basic services might soon become unaffordable for most communities in the municipal area.

The Strategic Integrated Municipal Engagement (SIME) for the Cape Winelands District prioritised three emerging themes which include, planning for urban and rural development, water and climate change and waste management. The SIME priorities are aligned to the Key Performance Areas and Pre-Determined Objectives of the 2019/20 Draft Reviewed IDP. The 2019/20 Draft IDP also highlights the various housing and water infrastructure projects that the Municipality has planned for the Medium-Term Revenue and Expenditure Framework.

Although the 2019/20 Draft Reviewed IDP has conformed with the requirements in terms of Section 26 of the MSA, some aspects of the core components of the IDP were not adequately addressed in the 2018/19 Final Reviewed IDP and the Municipality should prioritise an indication of communities without access to basic services in the 2019/20 Final Adopted IDP.

2.2 MUNICIPAL INFRASTRUCTURE

2.2.1 Basic Service Provision

The 2019/20 Draft Reviewed IDP indicates that the Municipality provides all households with access to services such as water, sanitation, electricity and waste removal. The Municipality also provides access to free basic services to the indigent of the Municipality.

The 2019/20 Draft Reviewed IDP indicates that the Municipality also provides basic services to informal settlements however, no basic service provision information is indicated for wards four, nine and 10. The 2019/20 Draft Reviewed IDP does not indicate any budget planned towards the Municipality's Strategic Objective 1.2 which speaks to providing for the needs of informal settlements through improved services.

The Municipality indicates that it only provides basic services to areas within its urban edge which excludes the rural areas and farm residents. The 2019/20 Draft Reviewed IDP indicates that farm owners provide sanitation and water services while ESKOM provides bulk electricity provision to most farm communities.

The 2019/20 Draft Reviewed IDP indicates that the only basic service provision that is provided to rural areas are the emptying of septic tanks. The Municipality can facilitate the provision of basic services to rural areas by ensuring that private land owners provide such services to those communities through drafting by-laws.

2.2.2 Municipal Infrastructure Planning

The 2019/20 Draft Reviewed IDP highlights that the Municipality's water resources are insufficient and it is awaiting project approval from the Department of Water and Sanitation for the construction of a new dam. The Municipality reflects that the area which experienced the hardest impact in terms of the drought was Tulbagh where insufficient water storage capacity resulted in the implementation of water restrictions.

The 2019/20 Draft Reviewed IDP indicates that the Municipality experiences challenges in the provision of services to backyard dwellers as they put pressure on the sewer network. However, it plans to develop new storm water master plans for areas that still have backlogs. The Municipality's capital budget for the 2018/19 financial year reflected a budget towards the Municipality's Strategic Objective 1.1 which speaks to the sustainable provision and maintenance of bulk infrastructure.

The 2019/20 Draft Reviewed IDP indicates that the Municipality has an adopted Water Service Development Plan.

2.2.3 Energy

The Western Cape Government and City of Cape Town conducted an assessment of the likelihood of load shedding for the remainder of 2019 and beyond. This assessment was based on the input of various experts and energy documents.

The factors that will influence whether load shedding takes place include the ability of existing power plants to produce power, insufficient diesel for diesel-fired power plants, Eskom's financial situation, Eskom's generating capacity, the supply and availability of coal and a growth in demand should the economy grow.

In assessing each of these factors and weighing them up as a whole, the Western Cape Government is of the view that during 2019, its residents and businesses should prepare for stages 1 - 2 of load shedding during the winter season. This could increase to stages 3 - 4 if there are one or more unplanned events (such as an unplanned outage at one or more plants or labour disruptions). There is a lower likelihood of load shedding in the summer season, but it can still occur as a significant portion of the fleet is removed for planned maintenance.

Whether the risk of load shedding continues into the year 2020 depends on what happens with the various factors outlined above. The expectation is that due to Eskom's aging infrastructure and decommissioning of coal-fired plants, load shedding will continue for the next 3 - 5 years.

It is recommended that:

In line with the resolutions of the Premier's Coordinating Forum held on 25 February 2019, all municipalities should ensure that Municipal Emergency Preparedness Teams are put in place and that the Pre-Incident, Incident and Post-Incident Plan are developed. Furthermore, all municipalities are encouraged to commence with the development of necessary regulatory frameworks that would facilitate them deriving value from the opportunities posed by the current energy crisis.

2.2.4 Transport and Roads

The Municipality has adopted an Integrated Transport Plan (ITP) 2016 - 2021 that is aligned to the District ITP 2016 - 2021. The 2019/20 Draft Reviewed IDP also has a Pavement Management System that is aimed at determining the road and pavement maintenance needs in the municipal area. The 2019/20 Draft Reviewed IDP reflects on the different transport modes which range between, taxis, trains and non-motorised transport. Due to the increasing unemployment, as indicated in the MERO, most people in the municipal area make use of non-motorised transport as they cannot afford the taxi fares.

The 2019/20 Draft Reviewed IDP further indicates that the largest portion of infrastructure spend will come from the Department of Transport, Roads and Public works, as such, the budget will assist with transport and roads projects, linked to the Vredebes Low Cost Housing Development.

2.3 HUMAN SETTLEMENTS

The 2019/20 Draft Reviewed IDP includes a housing pipeline, however, it needs to be updated to align to the Department of Human Settlement's Business Plan. The 2019/20 Draft Reviewed IDP reflects the challenge of an increase in informal settlements and backyard dwellers and the shortfalls in the provision of housing as at 2018.

The 2019/20 Draft Reviewed IDP highlights challenges impacting new housing developments which include limited municipal land and insufficient bulk infrastructure for basic services.

The 2019/20 Draft Reviewed IDP provides a map highlighting the various nodes and corridors of the Municipality. The Municipality is encouraged to highlight the specific issues impacting on the implementation of housing projects.

2.4 DISASTER MANAGEMENT

2.4.1 Institutional Capacity

The Chief: Fire Rescue and Disaster Management has been appointed as the designated disaster risk official for the Municipality. The 2019/20 Draft Reviewed IDP indicates that the Municipality and makes use of the District Disaster Management Advisory Committee.

2.4.2 Risk Reduction Planning

The 2019/20 Draft Reviewed IDP reflects a list of priority risks emanating from the Hazard, Risk and Vulnerability Assessment process, however it has to be noted that the risk assessment is outdated as it has been more than ten years since its review.

It is recommended that:

The Municipality consider reviewing and conducting a thorough disaster risk assessment that is inclusive of a community based risk assessment for the entire municipal area in future reviews of the 2017 - 2022 IDP.

2.4.3 Preparedness

The 2019/20 Draft reviewed IDP notes that the Municipality has an approved Disaster Management Plan (DMP) in place and works in close collaboration with the Cape Winelands District Disaster Management Centre which is well functional and equipped to assisting the Municipality to handle disasters, however, the DMP is due for review as the latest version was last reviewed in 2013.

It is recommended that:

The municipality to review its DMP and align the information in future reviews of the 2017 - 2022 IDP.

2.4.4 Recovery

Funding sources towards firefighting are included in the 2019/20 Draft Reviewed IDP through the capital budget, however, there is no indication of a budget allocated towards reducing, preparing and responding to disasters.

It is recommended that:

The Municipality consider including a percentage budget allocation as a contingency to contribute towards the reconstruction and rehabilitation of damaged infrastructure in the municipal area.

2.5 AGRICULTURE

The 2019/20 Draft Reviewed IDP reflects an overview of agricultural activities in the municipal area. Agriculture, forestry and fishing is one of the highest performing sectors towards the Municipality's Gross Domestic Product, due to its fruit and wine grape production.

The 2019/20 Draft Reviewed IDP includes maps that provide a spatial representation of the agricultural infrastructure as well as the top 10 crops in the municipal area. The 2019/20 Draft Reviewed IDP indicates that the Municipality explores agri-processing through the production of agricultural products such as grains and olives.

The 2019/20 Draft Reviewed IDP notes seasonal agriculture based labour as a threat to the Municipality's revenue base and further reflects on the socio-economic conditions of the residents within the region, especially given the recent job losses in the agricultural sector which were a result of the drought, as reflected in the MERO. It however, does not make any reference to the socio-economic conditions of the farmworkers within the municipal area.

It is recommended that:

The Municipality include information on the socio-economic conditions of the agri-workers on farms within the municipal area in future reviews of the 2017 - 2022 IDP.

2.6 SOCIAL SERVICES AND RELATED PROGRAMMES

2.6.1 Health

The SEP-LG highlights an increase in unhealthy lifestyles within the municipal area such as, malnourished babies; drug and alcohol abuse; HIV/AIDS; teenage pregnancy and interpersonal violence which in turn result in social ills.

The 2019/20 Draft Reviewed IDP reflects on the different types of health facilities in the Municipality which include mobile clinics, public healthcare clinics as well as a hospital within the municipal area. The Municipality provides emergency medical service vehicles to communities residing in rural areas, as such, the 2019/20 Draft Reviewed IDP reflects that the Municipality has two emergency medical service vehicles available to service the municipal area, per 10 000 people.

2.6.2 Education

The SEP LG indicates that learner enrolment in the Municipality has decreased which could have been influenced by a number of factors including demographics and socio-economic context. However, a concern also raised in the SEP-LG is the increase in dropout rates, the 2019/20 Draft Reviewed IDP relates this to economic factors such as poverty which lead to parents being unable to pay their children's school fees.

The rise in the Municipality's dropout rates also leads to youth unemployment which fundamentally contributes to an increase in the Municipality's unemployment rate. Notwithstanding the statistics, the 2019/20 Draft Reviewed IDP indicates that the Municipality's matric outcomes have since increased which could improve learners' access to higher education which will in turn broaden their employment opportunities.

2.6.3 Thusong Programme

The Bella Vista Thusong Service Centre has been providing services to the local community together with anchor departments however, the community has indicated the need for electricity sales point at the Centre. DLG will be implementing a Thusong Outreach in Tulbagh and Wolseley in the 3rd quarter of the 2019/2020 financial year, to assist citizens with access to services. The MERO indicates that unemployment in the Municipality has continued to rise, as such, programmes such as Thusong are important to assist with increased access to government services, opportunities and information.

It is recommended that:

The Municipality expand the basket of services to include economic and social development programmes at Thusong Centres and include the information in future reviews of the 2017 - 2022 IDP.

2.7 INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

2.7.1 Organisational Structure

The 2019/20 Draft Reviewed IDP indicates that the Municipality has an approved organisational structure that is reviewed annually. The approved organisational structure makes provision for 865 positions of which 581 positions have been budgeted for. Of the aforementioned budgeted positions 65 are vacant which translates to a vacancy rate of 11.2 per cent of budgeted posts. The 2019/20 Draft Reviewed IDP indicates its low vacancy rate as a strength as it is well within the acceptable industry norms.

The Municipality's macro structure consists of five senior management posts, the posts Director Community Services and Finance are vacant. The Municipality is encouraged to prioritise the filling of the vacant post in an attempt to gain capacity towards addressing the disaster management and budget needs respectively.

2.8 PUBLIC PARTICIPATION

The Municipality intends to include communities in choosing accountable ward committees by involving them in the ward committee election processes. The 2019/20 draft Reviewed IDP highlights that involving the youth in public consultation processes, allows them to give their inputs on topical issues and also provide contributions on issues that directly affect the youth.

The Municipality's SWOT analysis highlights active ward committees as an opportunity to communicate and advance community needs. The 2019/20 Draft Reviewed IDP reflects a needs analysis from the recent ward committee sessions where community needs from the previous year were revised and prioritised. The priorities ranged from inter alia, local economic development, land for small farmers, housing and upgrades to community facilities.

SECTION 3: CONCLUSION

The 2019/20 Draft Reviewed IDP indicates that apart from sanitation services through the emptying of septic tanks the Municipality does not provide basic services in rural areas. The Municipality can facilitate the provision of basic services to rural areas by ensuring that private land owners provide such services to those communities through drafting by-laws.

The 2019/20 Draft Reviewed IDP highlights the provision of housing as a disaster mitigation project as it involves the reduction of informal structures. However, the Municipality should consider focusing on updating its DMP as well as conducting a more recent disaster risk assessment and allocating a budget towards the reconstruction and rehabilitation of damaged infrastructure. The filling of the Director Community Services post is an important catalyst in ensuring that the aforementioned is achieved.

The 2019/20 Draft Reviewed IDP reflects a public needs analysis which identifies community needs, among others, local economic development, housing and upgrades to community facilities. The 2019/20 Draft Reviewed IDP indicates that community needs are planned and budgeted for through the capital budget which reflects projects with budget projections, per ward, over the MTREF.

WITZENBERG

Municipality • Munisipaliteit • U Masipala Wasa

STRATEGIC INTEGRATED MUNICIPAL ENGAGEMENT:
LG MTEC 2019
Witzenberg Municipality

3 May 2019

Key Responses i.r.o. Main Findings 2019/20

Integrated Development Planning

- How does the socio-economic reality inform the IDP?
  - The municipality has identified the following strategic objectives that relates directly to the socio-economic reality: Provide for the needs of informal settlements through improved services, Support the poor & vulnerable through programmes/policies and to Create an enabling environment to attract investment & support local economy.
  - For each of the objectives, indicators has been developed to measure the implementing & performance of programmes/projects as identified in the IDP.
  - Witzenberg relates poor to the rest of the District in terms of certain social statistics such as health (HIV/TB), school drop-outs, teenage pregnancies, drug related crimes (SEP-LG). Collaboration with sector departments are required to determine action plans/programmes implemented to address as these issues does have a significant negative influence on the overall social- and economic landscape of Witzenberg.

The 2019/20 Draft Reviewed IDP indicates that apart from sanitation services through the emptying of septic tanks the Municipality does not provide basic services in rural areas. The Municipality can facilitate the provision of basic services to rural areas by ensuring that private land owners provide such services to those communities through drafting by-laws.	Will investigate the implementation of service delivery agreements with rural land owners.

Integrated Development Planning

The 2019/20 Draft Reviewed IDP highlights the provision of housing as a disaster mitigation project as it involves the reduction of informal structures. However, the Municipality should consider focusing on updating its DMP as well as conducting a more recent disaster risk assessment and allocating a budget towards the reconstruction and rehabilitation of damaged infrastructure. The filling of the Director Community Services post is an important catalyst in ensuring that the aforementioned is achieved.	Will review DMP in near future after appointment of Director.
As per the draft IDP Review 2019/20, the Municipality intended to review its Local Economic Development (LED) Strategy in 2017/18. It is key that the new LED strategy framework is include in the final adopted IDP 2019/20 in order to ascertain the new vision for LED within the municipal area.	Draft LED as been work shopped with management and will be tabled to Council.

Spatial Planning & Development Analysis

- How does the socio-economic reality inform Spatial Planning?
  - Being addressed in policy documents like SDF, LED and Socio Economic strategic plans

On review of the Witzenberg SDF the Municipality must adhere to the content and process requirements set out in PLUMA and LUPA and at the very least start a Capital Investment Framework on an incremental basis	We have appointed a service provider to review the Witzenberg SDF and the scope of work provides for the content and process requirements as set out in PLUMA and LUPA and a Capital Investment Framework will also be part of the updated SDF
According to Section 45 of the Land Use Planning Act (2015) (LUPA), it is the responsibility of a municipality to refer a land use application relating to certain aspects as listed in Section 45(a) to (f) for written provincial comment to DEA&DP once the application is complete in accordance with the requirements of the Municipality and Section 42	Municipality complies with this section when applicable.

Environmental Analysis

How does the socio-economic reality inform the environment?

- In certain areas the socio economic reality is a major risk and impact negatively on the environment
- Municipality requires assistance of various stakeholders to address reality (Tulbagh, Wolseley)

The 2018-2019 IDP draft review needs more detail and information on what was achieved and information on current year events needs to be inserted, including expenditure. Currently the review document speaks only to what is planned, i.e. MRF and 4 drop offs. Planning needs to be started to accommodate the possibility of disposing waste at the regional waste disposal facility planned for development in Worcester.	Worcester is long term planning as it is far from completion. Application for MIG funding for MRF and drop off points has been submitted. Municipality part of District initiative to upgrade third generation IWMP. A Feasibility study was done re the Worcester regional landfill, which indicated that R5,5M is needed to purchase a 30ton horse and trailer with skips, cost to operate landfill at Worcester regional at R1,7M and the initial construction cost of R7,7m. This cost of R14,9M is not affordable for our residents. We therefore has to ensure that a landfill site within the Witzenberg area of jurisdiction are operational and licensed.

Environmental Analysis

An Alien Clearing Management Plan be developed and implemented	Existing plan covers Ceres Nature Reserve & Wolseley commonage areas, expect completion of management plans for the rest by end of June.
The IDP needs to be updated based on the recommendations outlined in the Assessment of the Municipal Integrated Waste Management Infrastructure	Waste Management plan is included as an annexure to the IDP and all information is included in the plan.
In Witzenberg we have also seen a major increase in the number of instream dam applications. All linked to future water security during times of drought but as per previous municipalities the potential cumulative impacts are worrying.	We scrutinise all instream dam applications, to ensure it does not affect future water security. Water affairs is the relevant authority.
Waste Disposal Facilities must be run according to licence/permit conditions	external audits are done to ensure this
Proper decommissioning of the relevant facilities must be initiated promptly, or they will remain an environmental risk indefinitely	The funding to close the landfill site will be appreciated in this regard
Sufficient provisions for the public to dispose of hazardous waste must be made	Our WML does not allow hazardous waste, we do however have a skip for hazardous waste at the Tulbagh landfill, which are carted to Vissershok once full.

Budget Responsiveness: Economic Sustainability

- How does the socio-economic reality inform economic sustainability?
  - Housing plans developed according to sustainability factors
  - Infrastructure upgrades of Industrial development to increase accessibility of job seekers and investors.

The number of beneficiaries is not reflected on Table A10 and no costing is provided for free sanitation and refuse removal services. The total cost of free basic services provided totals R7.410 million in 2019/20 as per the A10 budget schedule (which is clearly an error). The Municipality should accurately complete the A10 scheduled in its adopted 2019/20 budget	A10 will be corrected
Witzenberg shows the fastest population growth rate of all municipalities in the Cape Winelands District. It is acknowledged that this is from a relatively low base to begin with, compared to other municipalities in the District. However, the impact on Witzenberg municipality as a result of this population growth cannot be underestimated, particularly since the growth is predominantly amongst low income communities	Assistance has been requested for a number of years.

Credibility and Sustainability

How does the socio-economic reality inform credibility and sustainability?

– Through budget related policies that strives to achieve a better life for citizens.

The accuracy of the projected rates to be levied is a concern due to the discrepancy noted between SA1 and SA12b	The requirements of SA1 and SA 12b is different. SA12b request the inclusion of value greater then MPRA minimum that is included in SA1
The collection rate outlined on SA12b is not consistent with the projected collection rate of 95 per cent.	Projected collection rate is on average 95%, and not 95% per service
The Municipality is advised to complete the indicators for water losses on SA8 – Water losses	Noted and will be completed
The Municipality is requested to provide reasons for the significant growth increase for this revenue source - Sanitation	Based adjusted for increase as actual and projected actual (2017/18, 2018/19) was higher than budget base for forecasting.
Rental of facilities and equipment, Agency Services and licences and permits decrease	Selling of municipal land and building will not affect line item rental and facilities as recommended. Corrected revenue base by a Linear regression adjustment methodology between Agency services, and licence and permits which indicates collective an increase as well as Rental and facilities and Goods and services which collectively indicates an increase.

Credibility and Sustainability

The projected amount of R19.48 million for fines might be overstated due to the past trends which are reflecting challenges with the collection of traffic fines. The Municipality is advised to devise a strategy to ensure that fines issued are collected.	Actuals 2016/17 R20.6 million, 2017/18 R22.0 million. How can R19 million be overstated. Accrual budgeting and Accrual Accounting. Please consider IGRAP 1. Income collection strategy fruitless as it a behavioural issue, strategy more public safety than income.
The Municipality is advised to align supporting Table SA18 to published gazettes and include the Service Level Agreement between Table Mountain Fund and the Municipality with the final budget.	Need to adjust MIG, RSEP and construction of transport, as it did not pull through correctly to SA18
The table above indicates that the Waste Water Management and Waste Management will generate a deficit for the 2019/20 budget year despite the above inflation tariff increases which suggest that tariffs might not be fully cost-reflective.	Policy adjusted to address these concerns identified by municipality, by include cost recovery from additional dwellings on erf for both services. The increase in population is also having an impact on cost recovery as they are a huge number on non-contributors to income. We have to transport refuse to Tulbagh that has a significant cost impact. Also instituted a tariff for greywater usage. Certain cost are included under waste category, where it should be under Property Rates.

Credibility and Sustainability

Debt impairment is projected to significantly increase by 49.4 per cent from the adjustment budget and when the increase has been compared to the consumer debtors a decreasing trend has been noted which suggest that though consumer debtors are decreasing half of those debtors are budgeted as the provision of doubtful debtors	Debt impairment also includes impairment of fines debtors. Therefor an analysis on debt impairment cannot be done just on consumer debtors, have to be looked at in totality. Write of debt was also not considered, therefore interest portion also has to be accounted for.
Concerns are expressed over the non-disclosure of the provision for debt impairment in the Table SA3 whilst the Table A4 shows a budget for this line item, this is the indication that Table A6 is excluding provision for debt impairment.	Net amount is reflected meaning after impairment deducted. Will split the amount. Therefore A6 reflects correct amount.
The Municipality is requested to provide reasons for the high increase in finance charges when the final budget is tabled to council for approval.	Up winding of interest for Landfill sites
Contracted services constitute 6.0 per cent of the total operating expenditure budget, which is above the National Treasury norm of 2 - 5 per cent. A ratio in excess of the norm could indicate that many functions are being outsourced	Contracted services also include cost for repairs and maintenance services. How can we be requested to keep employee cost to operating expenditure budget low, contracted services low and increase repair and maintenance cost. It is impossible.

Credibility and Sustainability

inconsistencies are noted with the projected budgets for this line item which raises concerns as no reasons were provided in the municipal budget report. The contributing factor to the huge increase, is the cash transfers to households. The Municipality is requested to provide reasons to the increase when the final budget is tabled to council.	There is no inconsistencies, as this is a transfers to organisation (ASLA) on behalf of household approved subsidies received from DHS. Meaning top structure payments which is an operational expense.
The credibility and reliability of the capital budget is compromised by the non-alignment of National Government transfers in Table A5 to those disclosed in Table SA18 as published in the 2018 Division of Revenue Bill.	There is no compromise with regard to the reliability and creditability of the capital budget as SA 36 (list of projects), balance to A5 and balances to the A5 funding. A7 includes a cancelled project of R3 million which will be corrected in final budget.A7 has no measurability to Capital budget but mere reflection of cash. SA18 in its self is compromised by the Division of Revenue Bill/Act which includes payment for goods and services, e.g. Library grants, possibly also housing etc.

Credibility and Sustainability

However, concerns are noted that the Municipality has budgeted for a deficit over the MTREF period when comparing the operating revenue and expenditure and at the same time showing an increasing cash and cash equivalents over the MTREF period, also the cash flow statement on Table A7 reflects a net decrease on cash held	The report provide conflicting information and therefore needs a proper Quality review before being release. Non-cash items causes this effect. Working capital also have an effect. Increase is in the outer two years not 2019/20.
The Municipality did not fully complete Table SA10 hence the 0 per cent over the MTREF for grants revenue as a percentage of Government grants available	Will complete the grant section of SA10, as it is the only section not completed
Ratio analysis	We agree with the trends, but there is a strategy to reverse. Therefore policy adjustments was made, expenditure was cut, tariff study needs to be done for electricity, sanitation and refuse. Cut on own funding to capital. We have started with financial and tariff trend analysis with other municipalities on sanitation and refuse.
The Municipality reported a positive budgeted cash and cash equivalent over the MTREF period as reflected in Table A7, of R68.09 million; R 104.48 million and R113.28 million for 2019/20, 2020/21 and 2021/22 respectively. This depicts that the Municipality has maintained a sound financial health and liquidity position, however concerns on cash and cash equivalents have been raised above	A7 clearly indicates that we are using surplus to fund the budget. But realisation of policy implementation and funding prioritisation, we foresee cash and cash equivalent growth.
Table A5, A6, A7, A8, SA10	We will re-look at these tables

Key Areas of Collaboration and maximising existing IGR vehicles

Areas of Collaboration and Maximizing Existing IGR Vehicles

- Clarity on grants where service is rendered – impact revenue and vat
- Clarifying accounting issues – Provincial fines as it will affect impairment and debtors
- Tariff study funding – impact on revenue
- If municipalities withdraw from the initiative of Regional waste site, the cost will be higher for participating municipalities. Therefor additional funding will be required to ensure that it is affordable for municipalities.
- Population Growth – Department of Home affairs, etc
- Use arrear debt as a bargaining strategy
- Guidance on AARTO impact - Impact on income, debtors and impairment

Risk and opportunities towards strategic priorities

Risk and Opportunities towards Strategic Priorities

Strategic Objectives	Risks	Opportunities
Sustainable provision & maintenance of basic infrastructure	Inability of Eskom to increase supply due to incapacity of bulk infrastructure.	Vredebes housing project – bulk water & sanitation infrastructure completed.
	Insufficient maintenance of infrastructure	
	Growth in informal settlements – existing infrastructure insufficient resulting in breakages & pollution	Vredebes – accommodate households from Nduli informal settlements
	Continuous DWS funding for Tulbagh storage dam	DWS funding received for 2018/19.
	Landfill facility – insufficient storage capacity & increased maintenance costs	Regional waste site if affordable
Provide for the needs of informal settlements through improved services	Growth in informal settlements & land invasions	Vredebes – accommodate households from Nduli informal settlements
	Insufficient land to accommodate - Tulbagh	

Risk and Opportunities towards Strategic Priorities

Strategic Objectives	Risks	Opportunities
Support Institutional Transformation & Development	Outstanding appointments of vacant Senior Management positions	
	Office space	
Ensure Financial Viability	NERSA threat to change municipal electricity license.	Large agri-industries
	Poor growth in revenue base – subsidised housing projects	

Risk and Opportunities towards Strategic Priorities

Strategic Objectives	Risks	Opportunities
Support the poor & vulnerable	Increased number of indigent applications	
	High number of housing applications on waiting list – will not be able to accommodate with resources	
	Poor statistics on health (HIV/TB), school drop-outs, teenage pregnancies, drug related crimes	New clinics at Wolseley & Hamlet. Planned new secondary school.
Create an enabling environment to attract investment & support local economy.	Inability of Eskom to increase supply due to incapacity of bulk infrastructure – no industrial development	Investment from Rural Development in upgrading of road infrastructure in Skoonvlei Industry (AgriPark) – attract investment – job creation

Conclusion and way forward

Conclusion and way forward

- Committed to the regional approach of Provincial Treasury.
- Commitment to a vision to improve local government with stakeholders
- Strategy on handling AGSA and effect of Amendment to Public Audit Act

DORPSTRAAT
STELLENBOSCH

15 Maart 2019

Die Munisipale Bestuurder
Witzenberg Munisipaliteit

Per e-pos: David@witzenberg.gov.za

Vir aandag: Mnr. David Nasson

Geagte mnr. Nasson

INSAKE: DORPSTRAAT ONTWIKKELINGSGELEENTHEID IN CERES

Weereens dankie vir die tyd en geleentheid wat u en u kollegas ons verlede week gegun het om ons voorlegging te doen. Dit was uit die staanspoor vir ons duidelik dat u die behoeftes van u gemeenskap op die hart dra en dat volhoubare groei tot voordeel van die dorp en omgewing u prioriteit is. Dit is ook Dorpstraat se beleggingsfilosofie en ons is opgewonde oor 'n moontlike geleentheid om saam met u en u span te werk.

Ons sou baie graag saam met u die voorlegging aan die stadsraad wou maak op 20 Maart, maar dit gaan ongelukkig nie moontlik wees vir my, Etienne of enige van ons kollegas om die vergadering by te woon nie. Ons het almal bestaande verpligtinge wat ons nie kon skuif nie.

Indien u voel dat die voorlegging steeds moet voortgaan op 20 Maart, sal ons dit waardeer as u dit sonder ons doen. Ons sal enige tyd beskikbaar wees om 'n opvolg voorlegging aan die stadsraad te doen indien nodig. Indien u voel dat die voorlegging moet oorstaan na 'n volgende geleentheid sal ons dit ook so aanvaar.

Addisionele informasie (op 'n hoe vlak) wat nie duidelik in ons voorlegging uiteengesit word nie, maar wat vir die Stadsraad van belang mag wees:

- Grootte van die ontwikkeling: Tussen 6 000 en 7 500 vkm
- Kapitaalinvestering: R120m tot R130m
- Geleentheid om nuwe kleinhandelaars na die dorp te trek, eerder as 'n blote hersirkulering van bestaande winkels in die dorp.
- Geleentheid om die bestaande rugby en krieket geriewe op te gradeer

- Geleentheid om met die opbrengs uit die grondtransakie die Landbougenootskap te versterk en te help om nuwe konferensiegeriewe te skep.
- Tydelike werksgeleenthede gedurende konstruksie vir plaaslike arbeid en vakmanne as subkontrakteurs, asook toegang tot opleiding en verbetering van kennis en vaardighede.
- Permanente werksgeleenthede na voltooiing van die projek in, onder andere:
    - Kleinhandel
    - Sekuriteit
    - Onderhoud, skoonmaakdienste en herstelwerk

Skakel gerus met my indien u enige verdere inligting benodig.

Die uwe
Jaco Fourie – Dorpstraat

DORPSTRAAT
STELLENBOSCH

AN INTRODUCTION TO THE DORPSTRAAT PROPERTY GROUP

WHAT WE DO

- Shopping centre development, including
  - Securing land
  - Design, layout and tenant mix
  - Cost and budget control
  - Finance raising
  - Leasing
- Asset management
  - We manage a portfolio of shopping centers on behalf of investors
  - Aim is to maximize value through hands on management, with a focus on growing the net income in a sustainable way.
- Property Investment
  - We take long term equity stakes in all of our projects through one of our property investment vehicles.
  - We have aligned ourselves with a number of investors and JV partners in order to facilitate these investments, including:
    - Nedbank Property Partners
    - Grindrod Bank
    - Hoskens Consoldated Int (HCI)
    - Redefine
    - Ashburton
    - The Moolman Group
    - POD Property Fund
    - ABSA AAM
    - Daleglen Properties
    - Egan Property Group

WHO WE ARE

Our history – Retail Africa

- Dorpstraat was founded in January 2014 by Jannie Kruger, Hannes Pickard, Etienne Eygenberger and Jaco Fourie, all former directors of Retail Africa.
- Jannie, Hannes and Etienne co-founded Retail Africa (with Angus Mackay) in 1999. Jaco joined the team in 2006 as financial manager and later as financial director.

- Between 1999 and 2013 they grew Retail Africa into one of the leading development management and leasing businesses in the country, with an exclusive focus on retail properties.
- During this time, they developed more than 50 shopping centres across South Africa, ranging from small neigbourhood centres to super regional malls.
- Some of the successful developments undertaking during this period includes:
    - Mountain Mill Centre – Worcester
    - Glengarry Village – Eversdal
    - Steenberg Village – Tokai
    - Weskus Mall – Vredenburg
    - Goldfields Mall – Welkom
    - Irene Village Mall – Pretoria
    - Kalahari Mall - Upington
    - Rapfund – this is a portfolio of some 15 convenience shopping centres situated in Cape Town, Johannesburg and Pretoria

Our history – Dorpstraat

- During 2013, the directors of Retail Africa made a strategic decision to unbundle Retail Africa which resulted in the establishment of 3 new property businesses, each independently owned and managed, namely:
    - Retail Africa Johannesburg – a leasing brokerage based in Melrose Arch and owned by our former leasing brokers
    - Retail Africa Cape Town – a development business based in Cape Town and owned by Angus Mackay, with a specific development focus in Africa.
    - Retail Africa Stellenbosch, which was rebranded to Dorpstraat, owned by Jannie, Hannes, Etienne and Jaco.
- Since its inception on 1 Januray 2014, Dorpstraat has developed (or re-developed) 16 new shopping centres with another 3 centres under construction.
- We have also expanded our investment business as long term owners of our centres.

OUR TEAM

Directors

- Jannie Kruger: Holds B.Comm and LLB degrees and started his property development career in the Woolworths property department. Left Woolworths to start Retail Africa in 1999. Strong business acumen and solutions driven, Jannie is actively involved across all our businesses, including leasing, design, asset managemnt and finance raising.

- Hannes Pickard: Holds a marketing degree and started his property career as a commercial leasing broker. Co-founded Retail Africa in 1999. Hannes has a special interest in art and design, and plays a critical part in creating the special look and feel that sets Dorpstraat properties apart.
- Etienne Eygenberger: Qualified town planner who was intergral to the Woolworths Foods roll out plan before leaving Woolworths to join Retail Africa in 2002. Etienne is a development expert who has overseen many of our successful developments over the years.
- Jaco Fourie: Chartered Accountant who joined Retail Africa from private practice in 2006. As group financial director Jaco provides financial support across all aspects of the business, with focus on financial modeling, cost controls and compliance.
- Sam Kelbrick: Quantity surveyor with industry experience as both a QS and a retailer as the former CEO of Safari & Outdoor. Sam joined Dorpstraat in 2015 as head of Asset Management where he oversees the ongoing management of our centres post completion.

Financial / portfolio managers: Line Knoetze and Mariska Laubscher
Asset managers: Johan Venter, Carina Steyn and Natasha vd Merwe
Leasing brokers: Michelle Engelbrecht (W. Cape), Vanessa Baruffol (Jhb) and Debbie Joubert (Pretoria)
Accountants: Janine Lucas and Tanita Talke
Office manager / PA: Wanda Meyer

WHY DORPSTRAAT?
Long term owners

- We take equity stakes in all our developments. Our development decisions are made with long term ownership in mind, therefore we ensure:
    - Quality workmanship
    - Functional and aesthetically pleasing design
    - Correct tenant mix to serve the needs of the community and to provide sustainable income and growth over time.
    - A product that the community will embrace and support as their own.

In-deph knowledge and experience

- Our directors have more than a combined 100 years of industry experience and have successfully developed in excess of 65 shopping centres as a team.
- Our team has a diverse and complimentary skills set.
- Intimate knowledge of retail principles and ongoing research to ensure we stay at the cutting edge of retail trends.

Industry relationships

- We have build up long lasting business relationships with all the major South African retailers, banks and industry professionals.

Cradle to grave involvement

- We manage every aspect of the project, from inception, securing the land, design, layouts and leasing, as well as capital raising and subsequent management of the centre post completion.

CURRENT PORTFOLIO

Please see annexure A – current portfolio for a list of buildings co-owned and managed by the Dorpstraat team.

ANNEXURE A

DORPSTRAAT GROUP

SHOPPING CENTRE PORTFOLIO - CURRENTLY UNDER MANAGEMENT

NAME	LOCATION	SIZE (sqm)	ANCHOR TENANTS	CAPITAL COST (AT TIME OF DEVELOPMENT)	FUND
Jean Crossing	Centurian	10,500	Pick 'n Pay, Woolworths	R150m	Directs
Cresta Crossing	Cresta, Jhb	5,000	Woolworths	R80m	Directs
Stellenbosch Lab	Stellenbosch	1,900	Mediclinic	R12m	Directs
Babcock Middelburg	Middelburg	10,000	Volvo / Babcock	R80m	Directs
Glengarry Village	Eversdal	10,000	Pick 'n Pay, Woolworths	R160m	Directs
Platinum Square	Rustenburg	32,000	Checkers Hyper, FLM	R350m	Directs
Whale Coast Mall	Hermanus	30,000	Checkers, Woolworths, FLM	R750m	Dorpstraat Property Fund
Kyalami Corner	Kyalami, Jhb	25,000	Checkers, Woolworths	R560m	Dorpstraat Property Fund
Laborie Sentrum	Paarl	4,000	Woolworths	R125m	Dorpstraat Property Fund
Stellenbosch Square	Stellenbosch	10,500	Pick "n Pay, Woolworths	R130m	Dorpstraat Property Fund
Northcliff Square	Linden, Jhb	5,000	Pick 'n Pay	R80m	Dorpstraat Property Fund
Rynfield Square	Benoni	5,000	Woolworths	R120m	Dorpstraat Property Fund
Canterbury Crossing	Randburg	5,000	Woolworths	R100m	Dorpstraat Property Fund
Douglasdale Square	Fourways, Jhb	5,000	Woolworths	R90m	Dorpstraat Property Fund
Eagle's Landing	Randpark, Jhb	4,000	Fruit & Veg	R41m	Dorpstraat Property Fund
Queenswood Quarter	Queenswood, Pretoria	12,000	Checkers, Woolworths, Dischem	R230m	DPI
Flamingo Square	Tableview, CT	5,000	Woolworths, Kwikspar	R75m	DRP
Eastdale Pavillion	Pretoria	4,000	Pick 'n Pay	R56m	DRP
Kalahari Mall	Upington	33,000	Checkers, Woolworths, Dischem, Superspar	R380m	HCI
Lynnridge Mall	Lynwood, Pretoria	16,000	Pick 'n Pay, Cyclelab	R280m	HCI
Olympus Village	Pretoria	7,500	Checkers	R135m	HCI
CURRENTLY UNDER DEVELOPMENT					
Haasendal Gables	Kuilsrivier	10,000	Superspar, Dischem	R195m	DCGF
Roberston Circle	Robertson	6,500	Checkers	R108m	DPI
Linden the Works	Linden, Jhb	3,000	Woolworths	R60m	Directs

16/2/R
/00/MM

WITZENBERG DEELNEMINGS TRUST
POSBUS 452
CERES
6835

DIE UITVOERENDE BURGEMEESTER
WITZENBERG MUNISIPALITEIT
CERES

DIE MUNISIPALE BESTUURDER
WITZENBERG MUNISIPALITEIT
CERES



Geagte Menere

I.S.: AANSOEK OM LANDBOUWATER ALLOKASIE 15HEKTAAR VREDEBES PLAAS

Ons vorige skrywes aan u aangaande bogenoemde het betrekking.

Graag doen ons weer hiermee navraag aangaande ons aansoek vir die 15hektaar landbouwater van Vredebes.

Soos vantevore aan u meegedeel is Witzenberg Deelnemingstrust 'n 100% swarteienaarskap landbou onderneming wat sy ontstaan het uit 'n toekenning van die Departement Landbou se grondhervormings insisiatief bekend as die LRAD projek.

Witzenberg Deelnemingstrust het tans net 10hektaar somerwater uit die Koekedouw skema en kon ons met die hulp van die Jobsfund projek daarin slaag om gedurende 2018 5hektaar nuwe Forelle pere aan te plant.

Ons is reeds voorlopig goedgekeur vir die aanplant van 'n verdere 5hektaar in hierdie jaar, maar sal die finale goedkeuring afhang van die beskibaarheid van water. In die lig daarvan is ons nou weer genoodsaak om by u en u Raad te pleit om die 15hektaar landbou water van Vredebes aan ons toe te ken.

Ons het die Stuurkommittee van die Jobsfund ook ingelig van ons aansoek by u en moet ons eersdaags aan hul verslag doen of ons aansoek suksesvol is.

Verder is die plantseisoen binne kort op hande en wil ons graag vroegtydig begin beplan, maar sal ons sukses en volhoubaarheid afhang van ons water beskikbaarheid.

C.M. Du Pl

Ons vertrou dat ons aansoek in die lig van bostaande u spoedige en goedgunstige oorweging sal geniet.

Met dank

.....

CYRIL DU PLESSIS (namens Witzenberg Deelnemingstrust)
076 350 5695

.....

25 Februarie 2019

.....

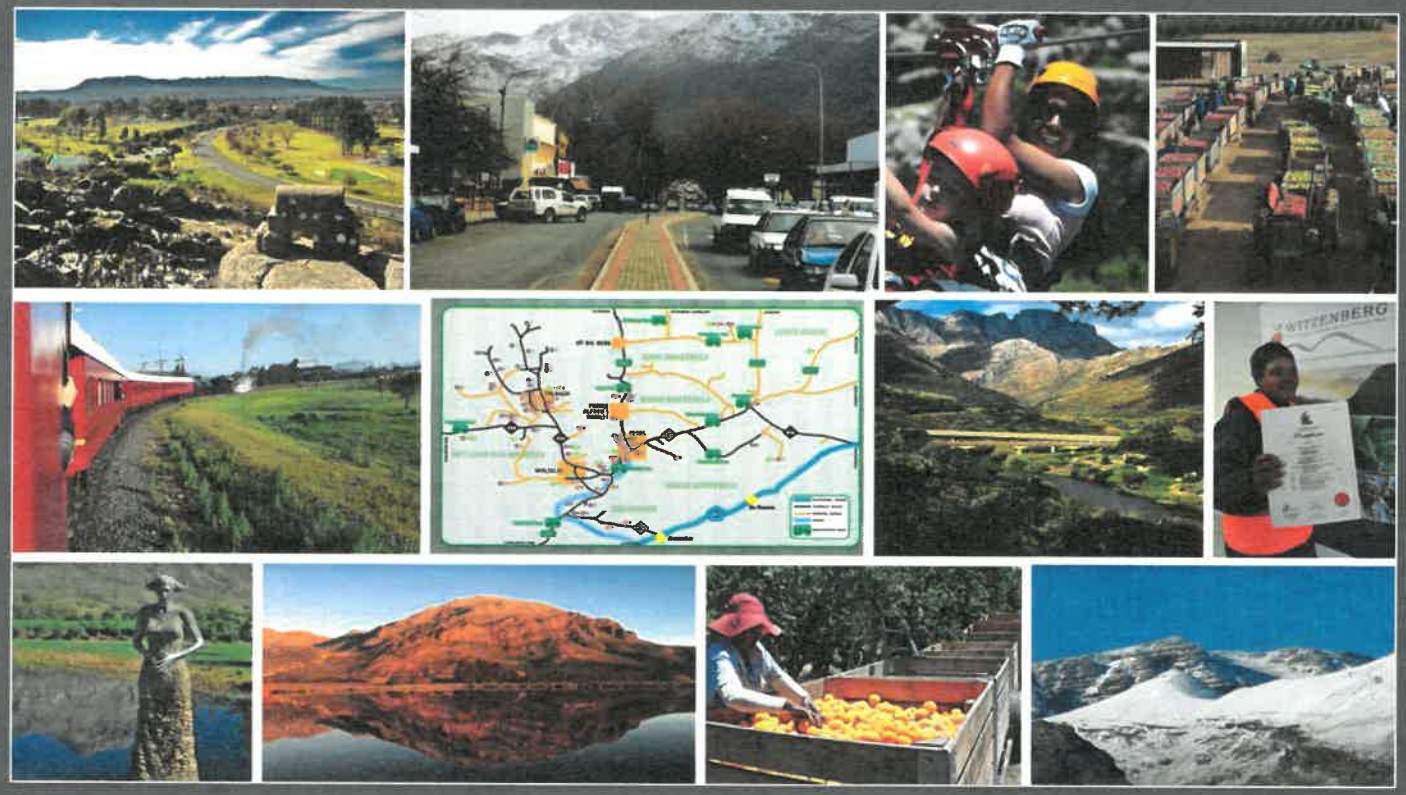
ONTVANG

WITZENBERG MUNICIPALITY

SPATIAL DEVELOPMENT FRAMEWORK

WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

INCEPTION REPORT – MARCH 2019



Prepared by: Built Environment Partnership

Prepared for: Witzenberg Municipality

BUILT ENVIRONMENT PARTNERSHIP

CLIENT CONTACT

Wtizenberg Municipality

Mr H Taljaard

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Tel

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Office

Witzenberg Municipal Offices

c/o Lyell Street and Voortrekker Street

Stellenbosch

Project No: 08/2/16/27

PROFESSIONAL TEAM CONTACT

BUILT ENVIRONMENT PARTNERSHIP

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SENIOR STRATEGIC SPATIAL PLANNER

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Project No: W2019_002

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Abbreviations:

IDP – Integrated Development Plan

PMT – Project Management Team

RAP – Rural Area Plan

SDF – Spatial Development Framework

SPLUMA – Spatial Planning and Land Use Management Act

TOR – Terms of Reference

UDS – Urban Development Strategy

VAT – Value Added Tax

WM – Witzenberg Municipality

WCG – Western Cape Government

Appendices:

Appendix A: Project Programme

1. INTRODUCTION AND BACKGROUND

On the 12 February 2019, the Witzenberg Municipality (WM) appointed Built Environment Partnership (BEP) as the service provider to execute the review of the Witzenberg Spatial Development Framework (WMSDF). These actions and works undertaken to compile and complete the WMSDF, will be completed through the use of the Spatial Planning and Land Use Management Act (SPLUMA) and associated relevant regulations, including the Municipal Systems Act, Act 32 of 2000 and its regulations, and the Land Use Planning Act (Act 3 of 2014).

This appointment had followed BEPs response to the invitation to tender by Witzenberg Municipality. As per this response to the invitation, BEP will be the contracting party with the Witzenberg Municipality (WM) and will perform the roles of project leader, spatial planner and project manager. As a Cape Town based business, BEP's Observatory office will remain as the primary project office for the assignment.

2. PURPOSE

Spatial Development Frameworks (SDFs) provide spatial vision and plans that seek to influence the overall spatial distribution of current and future land use within a municipality or other described regions to give effect to the vision, goals and objectives of the municipal Integrated Development Plan (IDP) or related business plans of government. In the case of Witzenberg Municipality, the SDF must respond to the following:

- "How are the towns in Witzenberg Municipality going to develop over the next five, ten to thirty years? What kind of development will take place, where will it take place, and who will be responsible for what aspect of the development?".
- Align with the development priorities for Witzenberg Municipality, the emerging opportunities present and the Municipal budget considerations.
- Meet the requirements of the Municipal Systems Act, 2000 (MSA), the Spatial Planning and Land Use Management Act, 2013 (SPLUMA) and the Western Cape Land Use Planning Act, 2014 (LUPA).
- Align and give prescient to priority infrastructure needs for current and future capital investment, and to ensure that priority infrastructure needs are met.

This document serves as the Inception Report, outlining key aspects of the tasks to be undertaken in attending to the brief. The Inception Report incorporates the:

- detailed Terms of Reference and general objectives of the project;
- detailed work breakdown and program; and
- composition and remuneration of the professional team.

3. PROJECT BRIEF

The WM have appointed BEP as the service provider to review the WMSDF as approved in September 2012. The new WMSDF should address the Municipality's 5-year cycle in making Witzenberg Municipality a municipality that cares for its community and creates growth and opportunities.

The WMSDF will be aligned with relevant national, provincial and regional SDFs, and comply with the requirements for SDFs specified in the:

- MSA (Act 32 of 2000);
- SPLUMA (Act 16 of 2013);
- LUPA (Act 3 of 2014); and
- And where applicable, as well as from the, SDF Guideline of the Department of Rural Development and Land Reform.

This list is not exhaustive, as the professional team will make additional recommendations when further studies are made.

We understand that the work should be informed by:

- The current Witzenberg Spatial Development Framework (SDF) and other national and provincial plans and frameworks related to common direction for growth and development, including the National Development Plan, and OneCape 2040.
- The Western Cape Provincial Spatial Development Framework (2014), and supporting studies related to the growth potential of towns, the financial sustainability of existing growth patterns, heritage and scenic resources, and so on.
- The WM Integrated Development Plan (IDP) and its various sector plans and strategies (including infrastructure master and sector plans, local economic development strategies/ plans, transport, and human settlement plans).
- The SPLUMA Compliance Assessment.
- The existing SDFs of adjoining municipalities.
- The Cape Winelands SDF.
- Various national, provincial and district-based biodiversity and ecosystem and coastal management frameworks, including the Review of Biodiversity Mainstreaming in SDFs framework.
- All other spatial and sectoral policy documents as prescribed by WM.

Apart from the normal requirements of SDFs, the analysis and proposals will specifically address:

- infrastructure (for each settlement) and capacity of engineering services;
- economics;
- housing market and community facility needs;
- environmental opportunities and constraints;
- heritage and biodiversity matters;
- settlement reconstruction to addresses urban and rural problems;
- integration;
- capital investment;
- current land use;
- land availability;
- growth potential;
- agricultural resources; and
- existing and anticipated private and public development.

Analysis and proposals should differentiate between the needs and potentials of the municipal area as a whole, as well as different settlements and rural areas.

BEP as the service provider will be responsible for managing all facets of the project deliverables, including:

- The drafting and, circulation and presentation of invitations, agendas, minutes, materials, maps, and reports to enable and conclude the process of developing the WMSDF (following directives of the WM and as contained in the tender document).
- Engagement with the relevant officials of the WM, other municipalities, national and provincial departments, and special purpose bodies in support of the project.
- Active participation in and support for the work of a Project Management Team (PMT), including making presentations and progress reports.
  A public participation process as per legislative requirements of SPLUMA, LUPA and NEMA.



4. PROJECT DELIVERABLES

A broad identification of key deliverables for this appointment is as follows in table 1 below. It is important to note that while the periods have been identified per a phase, these phases are not exclusive of one another.

Throughout the completion of the SDF, the status quo will be adapted as information is received. However, while working on Phase 4 (Status Quo Synthesis) attention will be granted to Phase 5 (the Spatial Concept and Strategy). Phase 4 and Phase 5 take place as co-relating phases in completing the SDF. Similarly, the tasks required for the completion of Phase 6 (Draft SDF with Capital Expenditure Framework and Implementation Plan), will require prior thinking and ground work to be done in Phase 5 (Spatial Concept and Strategy). As such Phase 6 and Phase 5 are co-related in completing and compiling the SDF.

The phases below are key to understanding the deliverables needed to complete the project. As such, the required consultation with the client will take place at the end of each phase. This will take place after the municipality and associated departments have had time to review and approve work completed at that particular phase.

Public participation will be required and are scheduled at the end of phase 5 (Spatial Concept and Strategy) and again at the end of phase 6 (Draft SDF and Implementation). Before these pieces of work are made available to the public, the WM and associated Departments will be able to review and provide comments for amendments, where applicable and/or needed.

Table 1: Project deliverables

DELIVERABLE	ACTIVITIES	PERIOD
Phase 1: Project Inception (Inception Report)	• Project kick-off meeting. • Collection of base information. • Stakeholder Engagement. • Establish Project Management Team. • Project Inception Report.	**April 2019**
Phase 2: Legislative Policy Review	• Distill legislative and policy context. • Review of existing IDP and sector plans. • Discussions with sector departments on relevant sector plans.	**May 2019**
Phase 3: Principles and Draft Vision	• Formulation of core principles directing the work. • Development of a draft spatial vision for the municipal area. • **WM and Associated Departments to Review and Approve Principles and Draft Vision.**	**May 2019**
Phase 4: Status Quo Synthesis ***(SDF Status Quo)***	• This phase will take place take place during the same time as Phase 3 and Phase 5. • Review of the existing IDP and sector plans (in terms of spatial implications). • Analysis of biophysical environment. • Analysis of socio-economic environment. • Analysis of built environment. • Analysis of institutional/ resource context. • Preparation of draft status quo report (including a synthesis of challenges and opportunities). • **WM and Associated Departments to Review and Approve Status Quo**	**June 2019**
Phase 5: Spatial Concept and Strategy ***(Public Participation Report)***	• Formulation of a conceptual framework based on the synthesis of challenges and opportunities identified. • Updating of the draft vision. • Development of spatial strategies in support of concept/ vision, mitigating challenges and unlocking opportunities. • **WM and Associated Departments to Review and Approve Spatial Concept and Strategy.** • Public participation on concept and strategy (including five area-based meetings).	**June 2019**
Phase 6: Draft SDF with Capital Expenditure Framework and	• Development of more detailed proposals for the overall municipality and its parts, including composite and area focused.	**Jan 2020**

Implementation Plan ***(Draft SDF)***	plans (presented in the form of drawn plans and writing). • Development of policies in support of MSDF implementation. • Development of guidelines in support of MSDF implementation. • Development of a capital investment framework that identifies and prioritises initiatives. • Definition of the sectoral/ service area requirements required for implementation. • Identification of necessary amendments to the land use management system/ scheme. • Specification of implementation targets and key indicators. • Specifications of institutional arrangements and partnerships required in the implementation process. • Align the SDF with the Witzenberg Long term Financial Plan and IDP 2019-2020. • **WM and Associated Departments to Review and Approve draft SDF.** • Public participation related to the draft SDF with Capital Expenditure Framework and Implementation Framework. • Preparation of spatial input for the draft IDP.	
Phase 7: Final SDF ***(Approved SDF)***	• Refinement, updating and finalization of the draft SDF (and implementation framework) based on stakeholder engagement/ inputs. • Preparation of summary brochures, pamphlets or posters of relevant spatial concepts, principles, and proposals. • Submission of final SDF report to local municipal officials/ Council for approval.	**April 2020**

5. WORK PROGRAMME

The Witzenberg Spatial Development Framework Project's Scope of Work has been split into eight separate project phases and forms the core focus areas of the work phase methodology. With an additional last phase included for administrative purposes. These phases were drawn up to compartmentalize how the project team will go about completing the SDF, and through this provision for key aspects of the SDF. These proposed work phases are shown in the table below.

Table 2: High-level programme

WBS	TASK NAME	DURATION	START	FINISH
0	**Witzenberg SDF Draft Programme**	**352 days**	**Thu 10/25/18**	**Tue 4/21/20**
1	**Tender Submission and Award**	**66 days**	**Thu 10/25/18**	**Tue 2/12/19**
2	**PHASE 1: PROJECT INCEPTION**	**37 days**	**Wed 2/13/19**	**Thu 4/4/19**
3	**PHASE 2: LEGISLATIVE AND POLICY REVIEW**	**32 days**	**Tue 2/26/19**	**Wed 4/10/19**
4	**PHASE 3: PRINCIPLES AND DRAFT VISION**	**31 days**	**Thu 4/4/19**	**Wed 5/22/19**
5	**PHASE 4: STATUS QUO SYNTHESIS**	**49 days**	**Wed 3/27/19**	**Fri 6/7/19**
6	**PHASE 5: SPATIAL CONCEPT AND STRATEGY**	**45 days**	**Mon 6/3/19**	**Mon 8/5/19**
7	**PHASE 6: DRAFT SDF WITH CAPITALEXPENDITURE FRAMEWORK AND IMPLEMENTATION FRAMEWORK**	**110 days**	**Thu 8/8/19**	**Fri 1/31/20**
8	**PHASE 7: FINAL SDF**	**45 days**	**Mon 2/3/20**	**Fri 4/3/20**
9	**PHASE 8: RECONCILIATION AND CLOSE OUT**	**10 days**	**Mon 4/6/20**	**Tue 4/21/20**

6. CONSULTATION PLAN

The meetings below are in accordance with SPLUMA and section 4(b) of the Witzenberg Land Use Planning By-Law. These meetings will be held with the PMT, as decided upon by the municipalities. These dates have been estimated provisionally in the section below. They will take place post the reviews of progress made at that stage. This progress will be sent to the municipalities as per the project deliverables in section 4 of this report, and detailed program as per Appendix A. As per the municipalities request invitations will be sent out to the respective parties.

Table 3: Estimated Dates for Consultation Meetings

MEETING	DISCUSSION POINTS	EST. DATES
1st PMT	Discuss and Review Principles and Draft Vision	End May 2019
2nd PMT	Discuss and Review Status Quo	Beginning June 2019
3rd PMT	Discuss and Review Spatial Concept and Strategy	End July 2019
4th PMT	Discuss and Review Draft SDF with capital expenditure framework and implementation plan	End September 2019
5th PMT	Discuss and Review disputes or changes resulting after public participation process	February 2020

7. PROJECT PLAN

The detailed project plan is attached as Appendix A.

8. ROLES AND RESPONSIBILITIES

7.1. Service provider responsibility

In terms of the roles and responsibilities of BEP, the below have been identified and will be adhered to:

- Full management of the project and its deliverables, including any sub-deliverables.
- Full engagement with the Town Planning and Building Control Manager at WM, as well as other departments, at all stages of the project and as required.
- Preparing the draft invitation and agenda to all meetings.
- The taking and drafting of minutes of all meetings.
- Consultations/engagements to be had with the following:
    - Project Management Team;
    - Relevant government Departments; and
    - WM, and associate Departments.
- An appropriate public participation as per the legislative requirements of SPULMA and LUPA.
- Presenting detailed monthly project progress reports at PMT meetings.
- Presenting progress and substantive reports on different aspects of the WMSDF at the PMT meetings.
- Invoice must accompany the submission of each progress report. The invoice for each phase as well as the total project cost must include VAT, all professional fees, disbursements and special inputs.

7.2. Client responsibility

In general terms, the WM will be responsible for:

- Contractual and financial control.
- Project leadership and management of critical path aspects.
- Sharing GIS, and both municipal and supporting documentation
- Inputs and acceptance of all project deliverables.
- Comment, technical assessment and vetting of all draft products.
- Assisting the service provider with the organization of all structured meetings.
- Assisting the service provider with logistical arrangements including invitations, booking of venues and communication of timeslots.
- Assisting the service provider with the coping of documents as may be necessary prior to and after meetings and any workshops.

Any aspect that may arise during the execution of the project and agreed upon by both parties.

9. PROJECT INSTITUTIONAL ARRANGEMENTS

Project institutional arrangements comprise:

- The service provider to report to the WM Town Planning and Building control manager.
- Establishment of a Project Management Team (PMT) between the municipality, the service provider and any other stakeholders that these parties deem relevant.
- The WM Town Planning and Building control manager will chair and facilitate PMT meetings.
- The PMT will monitor the progress of the project and be a forum for the discussion of issues, debating proposals, and directing the project.
- The PMT will meet on a monthly basis (or as otherwise mutually agreed) to discuss administrative matters to ensure effective service delivery and adherence to contractually agreed project timelines and deliverables.
- The service provider will be responsible for presenting detailed monthly project progress reports at PMT meetings (if no PMT is held, the service provider will still be required to submit the monthly project progress report to the WM Town Planning and Building Control.
- The WM Town Planning and Building Control Manager will chair and facilitate PMT meetings.
- The PMT, comprising of relevant service representatives of WM, Directorates of WM relevant departments, planning representatives from adjacent Municipalities and other relevant parties, will support the planning process.
- The PMT will enhance programs and project co-ordination between WCG, municipalities and other stakeholders.
- The PMT will meet on a quarterly basis (or as otherwise mutually agreed to) to discuss policy issues and the alignment of planning, budgeting and implementation.
- The service provider will be responsible for presenting progress and different aspects of the WMSDF at the PMT meetings.
- The WM Town Planning and Building Control Manager will enable and facilitate meetings and ad-hoc presentations to other consultative structures and stakeholders as and when required.
- PMT meetings will be held at the Witzenberg Municipal offices (with venues and catering to be arranged by the Town Planning and Building Control Manager).
- The service provider will be responsible for preparing the draft Invitation and agenda to all meetings, while the WM Town Planning and Building Control Manager will be responsible for issuing the invitations to participants to attend to relevant meetings and the distribution of the minutes.
- The WM will be responsible for any publications/advertisements and associated costs related to the WMSDF. Publications/advertisements are to be compliant with the prescripts of SPLUMA and LUPA.

10. TECHNICAL REQUIREMENTS

The technical submission specifications of the final Spatial Development Framework comprise:

- Five (5) A3/A4 hard colour copy reports with explanatory maps and diagrams, tables, figures, graphs in easy printable format (MS-Word/Excel).
- One (1) electronic copy of the report with explanatory maps and diagrams, tables figures, graphs in MS Word and PDF format on CD/DVD.
- Compatible GIS database.

- Maps diagrams, tables, figures, graphs and geographical Information system requirements:
    - All data must be provided in the MS Word, document should be in the applicable format (ie. diagrams, tables, figures, graphs etc.);
    - Capture spatial data of different sectors on different layers in GIS; and
    - Integrate and convey all information spatially on maps; and
    - Link additional data to the GIS.

Further:

- The service provider must submit a project plan (detailed work breakdown structure), indicating major phases, work activities and deliverables to be undertaken, including the estimated time required for each task and a detailed cost breakdown structure of the project.
- Monthly progress reports must be submitted in writing and electronic format to the WM until completion of the project.

11. FINANCIAL PROPOSAL

11.1 Summary cost of pricing schedule

The summary of the cost per deliverable as aligned to the tender specifications is below.

Table 4: Cost Pricing Schedule

ITEM	DESCRIPTION	%	PRICE (INCL VAT)
1	Inception Report/Process Plan	15%	R134, 069.43
2	SDF Status Quo	15%	R134, 069.43
3	Public Participation Report	20%	R178, 759.25
4	Draft SDF submitted	25%	R223, 449.06
5	Adoption of SDF	25%	R223, 449.06
Total Price (incl VAT)		**100%**	**R893, 796.23**

11.2 Cash flow projections

The estimated cash flow projection (including disbursements) per quarter is given in the table below. The cash flow projections will be updated on a quarterly basis. With the programme on a monthly basis where and if needed. These will be complemented with a monthly progress report, with updates for the month.

Table 5: Cash Flow Projections

Item	Description	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2020 Q1	Total
1	Inception Report	116 582,12	-	-	-	-	116 582,12
2	SDF Status Quo	-	116 582,12	-	-	-	116 582,12
3	Public Participation Report	-	-	155 442,82	-	-	155 442,82
4	Draft SDF Submitted	-	-	-	194 303,53	-	194 303,53
5	Adoption of Final SDF	-	-	-	-	194 303,53	194 303,53
	Subtotal (VAT Excl)	**116 582,12**	**116 582,12**	**155442,82**	**194 303,53**	**194 303,53**	**777 214,12**
	Cumulative (VAT Excl)	**116 582,12**	**233 164,24**	**388 607,06**	**582 910,59**	**777 214,12**	**777 214,12**
	Subtotal (VAT Incl)	**134 069,43**	**134 069,43**	**178 759,25**	**223 449,06**	**223 449,06**	**893 796,23**
	Cumulative (VAT Incl)	**134 069,43**	**268 138,86**	**446 898,11**	**670 347,17**	**893 796,23**	**893 796,23**

11.3 Pricing Assumptions

This proposal is prepared with the following pricing assumptions:

General assumptions

- Scope changes will be subject to negotiation and agreement between all parties concerned. No additional tasks or activities will be conducted prior to written approval of the WM.
- All existing information and reports will be provided to BEP upon appointment (electronic copies would be preferred).

- Aerial photography and layout plans will be provided to BEP upon appointment (Electronic copies would be preferred).
- All project documents will be provided by BEP in electronic Microsoft Word and PDF format. The hard copy project documents will be in the format of good industry practice and ring bound.

Project management assumptions

- Regular on-time client and other meetings will be held as agreed to and scheduled in the project programme.
- The client and the relevant role-players will provide all requested information within five business days of such a request.
- Consultation Meetings will be communicated ahead of the time, to provide all relevant parties an opportunity to review the work completed at that phase.
- The client will provide comments and approvals to documents submitted by BEP in accordance with the project programme, or where no duration is indicated, within five business days. If no formal written response or approval (by email or otherwise) is received within five business days, it will be assumed that the client accepts that BEP may continue with the next task and that there are no changes required to the completed work.

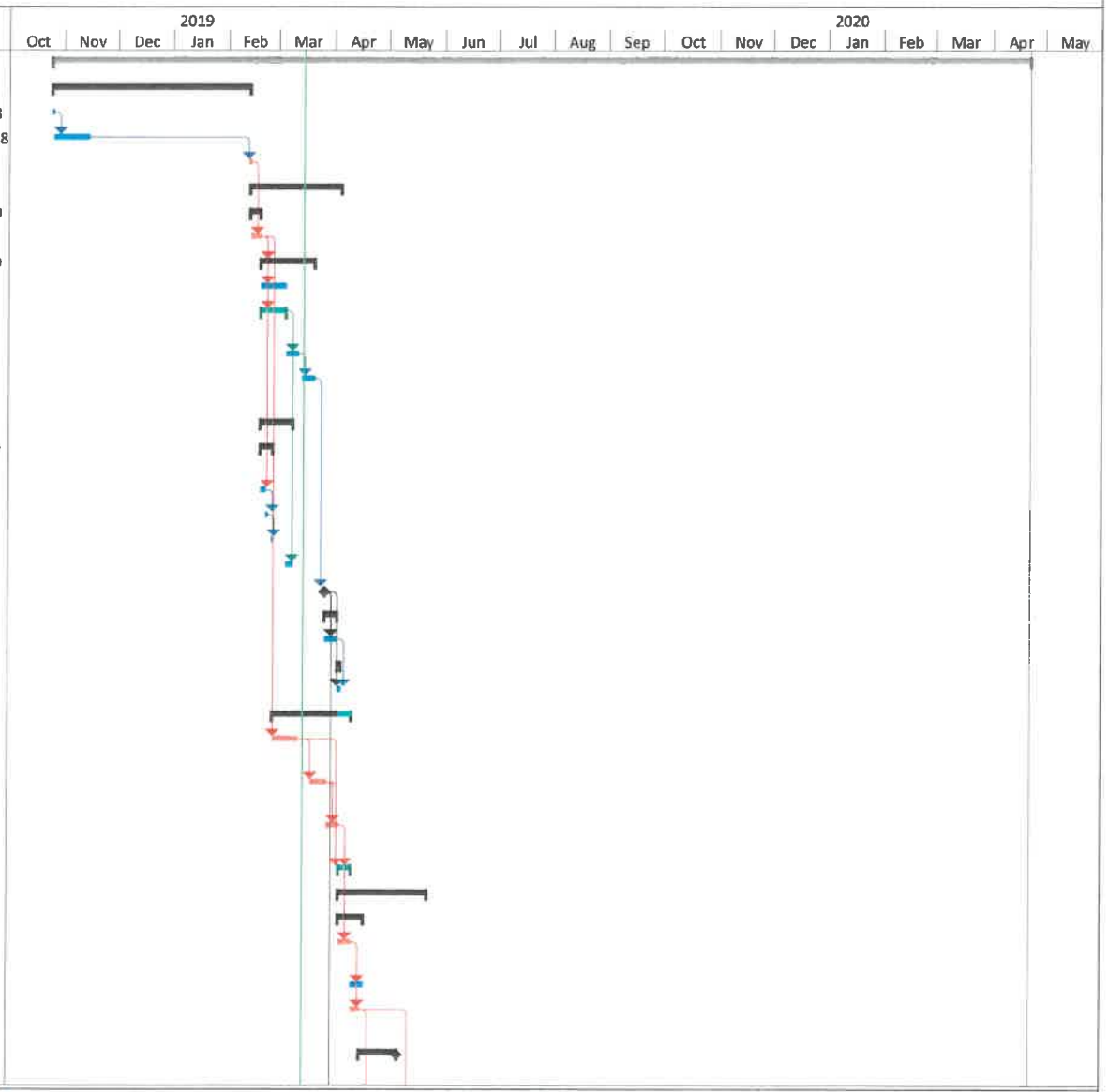
Specific pricing and payment assumptions

- It is understood that the client will avail venues for all stakeholder engagements and that BEP would not be expected to pay for any venue hire, transport, accommodation and refreshments for those attending.
- The pricing is based on the proposed project programme. It is assumed that the implication of any amendments to the programme or significant delays will be assessed and addressed.
- The pricing is based on the known requirements and resource to provide the deliverables.

APPENDIX A: PROJECT PROGRAMME

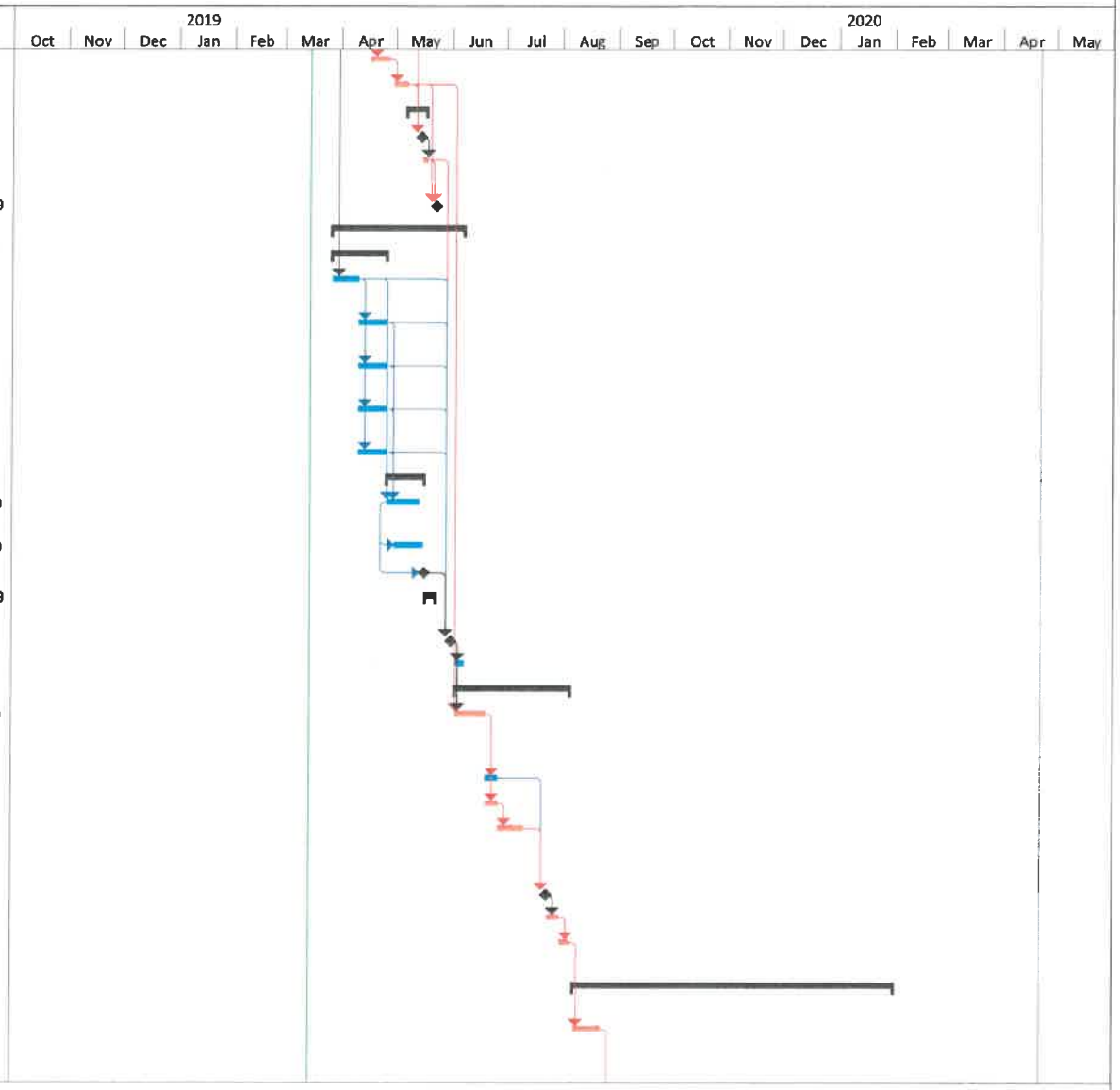
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ID	WBS	Task Name	Duration	Start	Finish
0	0	**Witzenberg SDF Draft Programme**	**352 days**	**Thu 10/25/18**	**Tue 4/21/20**
1	1	**Tender Submission and Award**	**66 days**	**Thu 10/25/18**	**Tue 2/12/19**
2	1.1	Submission of Tender	1 day	Thu 10/25/18	Thu 10/25/18
3	1.2	Adjudication and Award	14 days	Fri 10/26/18	Wed 11/14/18
4	1.3	Appointment	1 day	Tue 2/12/19	Tue 2/12/19
5	2	**PHASE 1: PROJECT INCEPTION**	**37 days**	**Wed 2/13/19**	**Thu 4/4/19**
6	2.1	**Inception Report**	**4 days**	**Wed 2/13/19**	**Mon 2/18/19**
7	2.1.1	Project Kick-off Meeting	4 days	Wed 2/13/19	Mon 2/18/19
8	2.2	**Drafting and submission of Inception Report**	**22 days**	**Tue 2/19/19**	**Wed 3/20/19**
9	2.2.1	Establish project institutional arrangements	10 days	Tue 2/19/19	Mon 3/4/19
10	2.2.2	Compile base interested and affected list of internal and external stakeholders	10 days	Tue 2/19/19	Mon 3/4/19
11	2.2.3	Prepare Stakeholder Engagement Plan	5 days	Tue 3/5/19	Mon 3/11/19
12	2.2.4	Prepare Project Plan - deliverables, meetings and workshops	5 days	Thu 3/14/19	Wed 3/20/19
13	2.3	**Base Information**	**14 days**	**Tue 2/19/19**	**Fri 3/8/19**
14	2.3.1	**Project Information Warehouse Specifications and Protocols**	**5 days**	**Tue 2/19/19**	**Mon 2/25/19**
15	2.3.1	Collection of GIS Data	3 days	Tue 2/19/19	Thu 2/21/19
16	2.3.1	Compatibility of GIS Database	1 day	Fri 2/22/19	Fri 2/22/19
17	2.3.1	Linking additional data to GIS	1 day	Mon 2/25/19	Mon 2/25/19
18	2.3.2	Set-up of Base Maps	4 days	Tue 3/5/19	Fri 3/8/19
19	2.4	Project Inception Meeting and sign-off	1 day	Tue 3/26/19	Tue 3/26/19
20	2.5	**Stakeholder Engagement**	**5 days**	**Wed 3/27/19**	**Tue 4/2/19**
21	2.5.1	Register relevant stakeholders to engage on SDF	5 days	Wed 3/27/19	Tue 4/2/19
22	2.6	**Project Committee**	**2 days**	**Wed 4/3/19**	**Thu 4/4/19**
23	2.6.1	Establish Project Committee	2 days	Wed 4/3/19	Thu 4/4/19
24	3	**PHASE 2: LEGISLATIVE AND POLICY REVIEW**	**32 days**	**Tue 2/26/19**	**Wed 4/10/19**
25	3.1	Distill legislative and policy context (incl. existing spatial initiatives	10 days	Tue 2/26/19	Mon 3/11/19
26	3.2	Discussions with sector departments on relevant sector plans/ policies	7 days	Tue 3/19/19	Wed 3/27/19
27	3.3	Framing spatial directives and identifying catalytic/strategic projects	5 days	Thu 3/28/19	Wed 4/3/19
28	3.4	WM Review and approval	5 days	Thu 4/4/19	Wed 4/10/19
29	4	**PHASE 3: PRINCIPLES AND DRAFT VISION**	**31 days**	**Thu 4/4/19**	**Wed 5/22/19**
30	4.1	**Formulation of core principles directing the work**	**10 days**	**Thu 4/4/19**	**Wed 4/17/19**
31	4.1.1	Interpretation of the implications of SPLUMA, IUDF, WM IDP and SDF principles	5 days	Thu 4/4/19	Wed 4/10/19
32	4.1.2	An agreed set of principles to guide the SDF	5 days	Thu 4/11/19	Wed 4/17/19
33	4.1.3	Role and position of WM within Regional, Provincial, National and International context	3 days	Thu 4/11/19	Mon 4/15/19
34	4.2	**Development of a draft spatial vision for the municipal area**	**12 days**	**Tue 4/16/19**	**Mon 5/6/19**



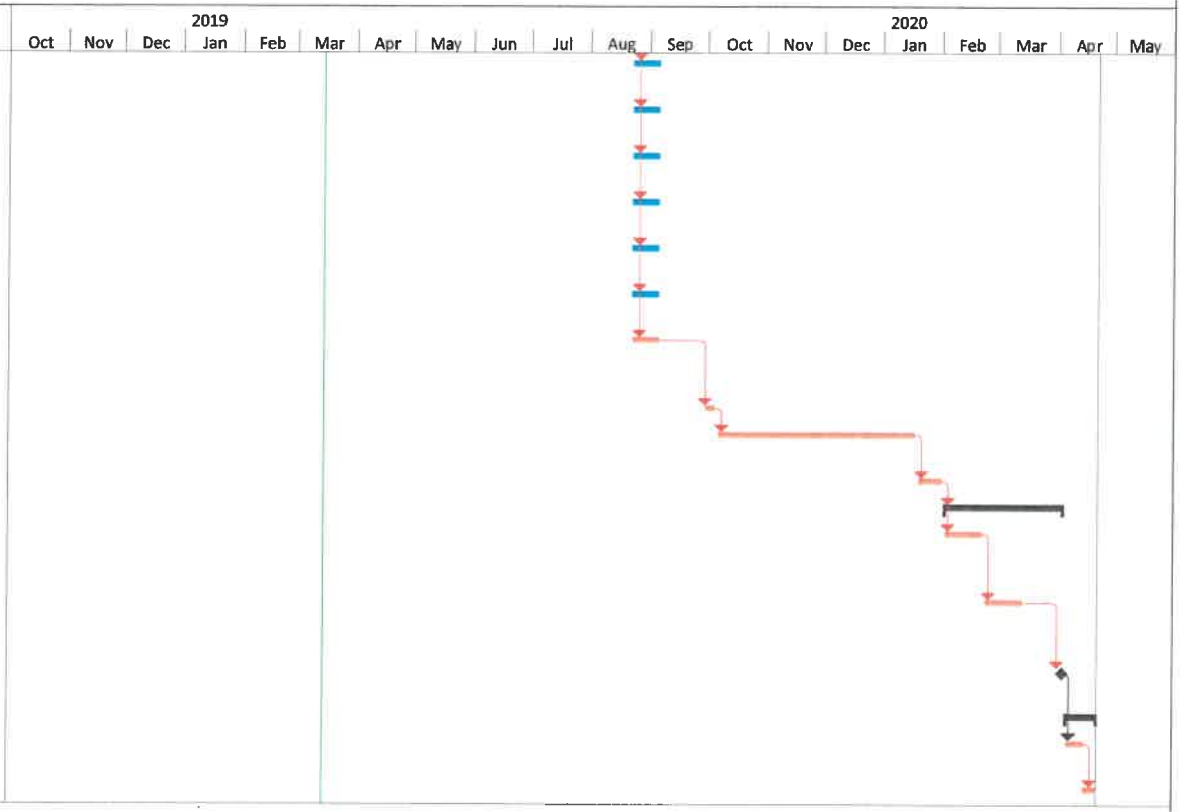
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External Milestone
Inactive Task
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Inactive Summary
Deadline

ID	WBS	Task Name	Duration	Start	Finish
35	4.2.1	Preparation of draft spatial vision	7 days	Tue 4/16/19	Fri 4/26/19
36	4.2.2	Diagramatic illustration of draft spatial vision	5 days	Mon 4/29/19	Mon 5/6/19
37	**4.3**	**WM Review and approval**	**8 days**	**Tue 5/7/19**	**Fri 5/17/19**
38	4.3.1	Presentation of findings to Project Committee	5 days	Tue 5/7/19	Tue 5/14/19
39	4.3.2	Incorporate PC/Stakeholder input into WM SDF Draft Vision	3 days	Wed 5/15/19	Fri 5/17/19
40	4.4	WM Review and approval	3 days	Mon 5/20/19	Wed 5/22/19
41	**5**	**PHASE 4: STATUS QUO SYNTHESIS**	**49 days**	**Wed 3/27/19**	**Fri 6/7/19**
42	**5.1**	**Synopsis of Status Quo**	**20 days**	**Wed 3/27/19**	**Thu 4/25/19**
43	5.1.1	Review of the existing IDP and sector plans (in terms of spatial implications).	10 days	Wed 3/27/19	Tue 4/9/19
44	5.1.2	Review of existing environmental documentation and reports	10 days	Wed 4/10/19	Thu 4/25/19
45	5.1.3	Review of existing socio-economic reports and documentation	10 days	Wed 4/10/19	Thu 4/25/19
46	5.1.4	Review of exising built environment policies (IZS, Overlay Zones, Heritage etc.)	10 days	Wed 4/10/19	Thu 4/25/19
47	5.1.5	Review of existing institutional/ resource context	10 days	Wed 4/10/19	Thu 4/25/19
48	**5.2**	**Spatial Reflection**	**13 days**	**Fri 4/26/19**	**Thu 5/16/19**
49	5.2.1	Spatial representation and mapping of status quo findings	10 days	Fri 4/26/19	Mon 5/13/19
50	5.2.2	Spatial reflection of infrastructure projects	10 days	Tue 4/30/19	Wed 5/15/19
51	5.2.3	Spatial reflection of Capital Grant Funding	10 days	Thu 5/2/19	Thu 5/16/19
52	**5.3**	**Gap analysis - review of spatial data and updating of layers**	**4 days**	**Fri 5/17/19**	**Wed 5/22/19**
64	5.4	Draft and Submit Status Quo Synopsis	10 days	Mon 5/20/19	Fri 5/31/19
65	5.5	WM Review and approval	5 days	Mon 6/3/19	Fri 6/7/19
66	**6**	**PHASE 5: SPATIAL CONCEPT AND STRATEGY**	**45 days**	**Mon 6/3/19**	**Mon 8/5/19**
67	6.1	Formulation of a conceptual framework based on the synthesis of challenges and opportunities identified	12 days	Mon 6/3/19	Wed 6/19/19
68	6.2	Consolidation of Mapping	5 days	Thu 6/20/19	Wed 6/26/19
69	6.3	Updating of Draft Vision	5 days	Thu 6/20/19	Wed 6/26/19
70	6.4	Development of spatial strategies in support of concept/ vision, mitigating challenges and unlocking opportunities	10 days	Thu 6/27/19	Wed 7/10/19
71	6.5	Draft and Submit SDF Concept Report	9 days	Thu 7/11/19	Tue 7/23/19
72	6.6	WM Review and approval	5 days	Wed 7/24/19	Tue 7/30/19
73	6.7	Public Participation (5 Focus Groups/Registered Stakeholders) on concept and strategy	4 days	Wed 7/31/19	Mon 8/5/19
74	**7**	**PHASE 6: DRAFT SDF WITH CAPITAL EXPENDITURE FRAMEWORK AND IMPLEMENTATION FRAMEWORK**	**110 days**	**Thu 8/8/19**	**Fri 1/31/20**
75	7.1	Development of more detailed proposals for the overall municipality and its parts, including composite and area focused plans	10 days	Thu 8/8/19	Thu 8/22/19



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Deadline

ID	WBS	Task Name	Duration	Start	Finish
76	7.2	Development of policies in support of WMSDF implementation	10 days	Fri 8/23/19	Thu 9/5/19
77	7.3	Development of guidelines in support of WMSDF implementation	10 days	Fri 8/23/19	Thu 9/5/19
78	7.4	Development of a capital investment framework that identifies and prioritises initiatives	10 days	Fri 8/23/19	Thu 9/5/19
79	7.5	Definition of the sectoral/ service area requirements required for implementation	10 days	Fri 8/23/19	Thu 9/5/19
80	7.6	Identification of necessary amendments to the land use management system/ scheme	10 days	Fri 8/23/19	Thu 9/5/19
81	7.7	Specification of implementation targets and key indicators	10 days	Fri 8/23/19	Thu 9/5/19
82	7.8	Specification of institutional arrangements and partnerships required in the implementation process	10 days	Fri 8/23/19	Thu 9/5/19
83	7.9	WM Review and approval of Draft SDF	5 days	Mon 9/30/19	Fri 10/4/19
84	7.10	Public Submit Written Representations as per SPLUMA	60 days	Mon 10/7/19	Fri 1/17/20
85	7.11	Preparation of spatial input for the draft IDP	10 days	Mon 1/20/20	Fri 1/31/20
86	8	**PHASE 7: FINAL SDF**	**45 days**	**Mon 2/3/20**	**Fri 4/3/20**
87	8.1	Refinement, updating and finalisation of the draft SDF (and implementation framework) based on stakeholder engagement/ inputs	15 days	Mon 2/3/20	Fri 2/21/20
88	8.2	Preparation of summary brochures, pamphlets or posters of relevant spatial concepts, principles, and proposals	15 days	Mon 2/24/20	Fri 3/13/20
89	8.3	Submission of final SDF report to local municipal officials/ Council for approval	15 days	Mon 3/16/20	Fri 4/3/20
90	9	**PHASE 8: RECONCILIATION AND CLOSE OUT**	**10 days**	**Mon 4/6/20**	**Tue 4/21/20**
91	9.1	Preperation of submission of final report and information	5 days	Mon 4/6/20	Tue 4/14/20
92	9.2	Project closeout	5 days	Wed 4/15/20	Tue 4/21/20



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PROVINCIAL NOTICE

WITZENBERG MUNICIPALITY: ZONING SCHEME BY-LAW

P. N. xxx../201x (*insert date* 2019)

The Witzenberg Municipality makes the Zoning Scheme By-law set out in the Schedule in terms of section 12 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)

SCHEDULE

ZONING SCHEME BY-LAW

To regulate and control municipal land use zoning.

ARRANGEMENT OF SECTIONS AND SCHEDULES

CHAPTER 1

INTERPRETATION

Sections

1. Definitions

CHAPTER 2

ZONING SCHEME, USE ZONES AND USES

2. Application of zoning scheme
3. Purpose of zoning scheme
4. Components of zoning scheme
5. Use zones
6. Zoning scheme map
7. Transition to new use zones and savings
8. Rectification of errors on zoning scheme map
9. Zoning scheme register
10. Primary uses
11. Consent uses
12. Temporary departures
13. Non-conforming uses
14. Deemed zoning of closed public places

CHAPTER 3

OVERLAY ZONES

15. Purpose of overlay zones

16. Procedures for establishing, reviewing or amending overlay zones

CHAPTER 4

DISTANCES, LEVELS AND BOUNDARIES

17. Measuring distances and levels
18. Determining boundaries of use zones

CHAPTER 5

ENFORCEMENT

19. Offences, penalties and enforcement of By-law

CHAPTER 6

DEVELOPMENT OF LAND

20. Development parameters applicable to use rights

CHAPTER 7

GENERAL PROVISIONS

21. Encroachment of building lines
22. Building plan schedule
23. Site development plans
24. Hazardous substances
25. Screening
26. Earth banks and retaining structures
27. Boundary walls
28. Maintenance of property
29. Parking of vehicles in residential zones
30. Mobile homes and caravans
31. Rooftop base telecommunication stations and satellite dish antenna systems
32. Geysers and solar panels or similar infrastructure affixed to roofs of buildings
33. Equipment on top of building
34. Parapet walls
35. Chimneys
36. Telecommunication and electrical transmission lines
37. Utilisation of outbuildings
38. Determination of natural ground level
39. Animals kept for commercial purposes
40. Hobbies in single and general residential zones

CHAPTER 8

PARKING AND LOADING

41. Off-street parking requirements
42. Alternative parking supply
43. Combined parking requirements
44. Site access and exits
45. Parking layout requirements

46. Parking for physically disabled
47. Motorcycle and bicycle parking spaces
48. Loading requirements

CHAPTER 9

REFUSE ROOMS AND SERVICE YARDS

49. Refuse rooms
50. Service yards

SCHEDULE 1

USE ZONES TABLE

SCHEDULE 2

LAND USE DESCRIPTIONS AND DEVELOPMENT PARAMETERS

SCHEDULE 3

OVERLAY ZONES APPROVED IN TERMS OF SECTION 16

1. Subdivisional area overlay zone
2. Special planning area overlay zone
3. Conservation area overlay zone

SCHEDULE 4

ZONING TRANSITION TABLE

CHAPTER 1
INTERPRETATION

Definitions

1. In this By-law, unless the context indicates otherwise, the following words shall have the meaning assigned to them below:

"ancillary" means a land use, purpose, building, structure or activity which is directly related to, and subservient to, the lawful dominant use of the property;

"antenna" means any system of wires, poles, rods, reflective surfaces or similar devices, used to transmit or receive electronic communication signals or electro-magnetic waves;

"applicant" means a person who makes application in terms of the Planning By-Law;

"atrium" means a covered courtyard that—
(a) comprises a void within a building that extends for one or more floors in height that contains a floor and roof or ceiling; and
(b) does not contain floors that penetrate into the void;

"balcony" means a floor projecting outside a building at a level higher than that of the ground floor, enclosed only by low walls or railings or by containing walls of rooms abutting the projecting floor, and may include a roof over the projecting floor and pillars supporting the roof;

"bar" refer to definition of pub;

"base zone" means the zone that determines the lawful land use and development parameters for a land unit in terms of this zoning scheme, before the application of any overlay zone;

"basement" means that portion of a building with a ceiling level which does not protrude more than one metre at any point above natural ground level excluding excavations required for access purposes;

"boundary" in relation to a land unit means one or more of the cadastral lines separating the land unit from another land unit or from a road reserve;

"boundary wall" means any wall, fence or enclosing structure erected on or directly next to a cadastral property boundary, including entrance gates and doors;

"braai room" means a room that is part of the main dwelling or outbuildings and that is used primarily for entertainment purposes and where food and drinks may be prepared, but excludes a kitchen;

"building" without in any way limiting its ordinary meaning, includes—
(a) a roofed structure;
(b) an external stair, step or landing of a building and any gallery, canopy, balcony, stoep, verandah, terrace, porch or similar feature of a building;
(c) a wall or railing enclosing any feature referred to in paragraph *(b)*; and
(d) any other portion of a building;

"building line" means an imaginary line on a land unit, which defines a distance from a specified boundary, within which the erection of buildings or structures are completely or partially prohibited;

"cadastral line" means a line representing the official boundary of a land unit as recorded on a diagram or general plan approved by the Surveyor-General and registered in the Deeds Office;

"canopy" means a cantilevered or suspended roof, slab or covering projecting from the wall of a building, excluding the floor of a balcony;

"CapeNature" means the Western Cape Nature Conservation Board established in terms of the Western Cape Nature Conservation Board Act, 1998 (Act 15 of 1998);

"caravan" means a vehicle that has been equipped or converted for recreational living and sleeping purposes and that can readily be moved;

"carport" means a structure for the storage of one or more vehicles that is covered by a roof, provided that not more than two sides may be permanently enclosed;

"carriageway crossing", in relation to a motor vehicle carriageway crossing, means an entrance or exit way, or a combined entrance and exit way, from a land unit to a road;

"commercial", in relation to a use right, means a use right for the express purpose of making a profit with no or limited social or charitable objectives;

"common boundary", in relation to a property, means a boundary common with the adjoining property other than a street boundary;

"Council" means the municipal council of the Witzenberg Municipality;

"coverage" means the area of a land unit that is covered by buildings, expressed as a percentage of the total erf area of the land unit, and includes—

(a) stairs, steps, landings, except entrance landings and steps, galleries, passages and similar features, whether internal or external; and

(b) canopies, verandahs, porches, balconies, terraces and similar features provided that the following portions of buildings must be disregarded in the calculation of coverage, namely—

(i) stoeps less than 1,5m above natural ground level, entrance steps and landings;

(ii) cornices, chimney breasts, pergolas, flower boxes, water pipes, drain pipes and minor decorative features not projecting more than 500 millimetres from the wall of the building;

(iii) eaves not projecting more than 1,0 metres from the wall of the building; and

(iv) a basement, provided that the basement ceiling does not project above the ground level;

"deemed zoning" means the zoning of a land unit which the Municipality deems it to have in circumstances where no formal zoning determination or rezoning was previously done;

"dominant use" means the predominant or major lawful use of a property, and may consist of primary uses, consent uses or other lawful uses permitted on the property;

"dwelling unit" means a self-contained group of rooms for human habitation including not more than one kitchen –

(a) used only for residential purposes and the housing of a single family, or no more than five (5) unrelated persons; and

(b) includes such outbuildings as are ordinarily used with a dwelling unit;

"eave" means a portion of a roof projecting beyond the face of a building, including any gutters;

"earth bank" means land that is shaped to hold back earth or loose rock;

"ecosystem" means a self-sustaining and self-regulating community of organisms and the interaction between the organisms with one another and with their environment;

"encroachment agreement" means an agreement between an owner and the Municipality relating to the projection of portions of a building or structure from the owner's property onto or over the Municipality's property;

"entrance steps and landings" means steps and landings to a building, including any low walls and railings, if the steps and landings are not within the main containing walls of the building;

"environmental management plan" means a plan that documents the management of site preparation, construction or operations affecting an environmental resource or an environmentally significant place, its environmental values or management requirements, or both;

"erection" in relation to a building or structure includes—

(a) the construction of a new building or structure;

(b) the alteration or conversion of, or addition to, a building or structure; and

(c) the re-construction of a building or structure which has completely or partially been demolished;

"family" means—

(a) one or more individuals occupying a dwelling who are related through marriage or common law, blood relationship, legal adoption, or legal guardianship and no more than 3 unrelated people; or

(b) a group of not more than 5 unrelated persons, including domestic workers or boarders;

"floor" means the inner, lower surface of a room, garage or basement, and includes a terrace or atrium to which the occupants of a building have access;

"floor factor" means the factor, expressed as a proportion of 1, which is prescribed for the calculation of the maximum floor space of a building or buildings permissible on a land unit; being the maximum floor space as a proportion of the total erf area;

"floor space", in relation to any building, means the area of a floor which is covered by a slab, roof or projection; provided that—

(a) any area, including a basement, which is reserved solely for parking or loading of vehicles is excluded;

(b) external entrance steps and landings, a canopy, a stoep and an area required for external fire escapes are excluded;

(c) a projection, including a projection of eaves, and a projection which acts as a sunscreen or an architectural feature, which projection does not exceed 1 metre beyond the exterior wall or similar support, is excluded;

(d) any uncovered internal courtyard, light well or other uncovered shaft which has an area in excess of 10 m² is excluded;

(e) any covered paved area outside and immediately adjoining a building at or below the ground floor level, where such paved area is part of a forecourt, yard, external courtyard, pedestrian walkway, parking area or vehicular access, and which is permanently open to the elements on at least the front or long side, is excluded;

(f) any covered balcony, verandah or terrace which, apart from protective railings, is permanently open to the elements on at least the front or long side, and which does not exceed 2,5 metres in width, is excluded;

(g) subject to paragraph *(h)*, any stairs, stairwells and atriums that are covered by a roof are included;

(h) in the case of multi-level buildings, any stairwells, lift wells, light wells or other wells, and any atrium, are only counted once; and provided further that—

(i) floor space is measured from the outer face of the exterior walls or similar supports of the multi-level building; and

(ii) the total floor space is the sum of the floor space of all the levels of the multi-level building, including that of any basement;

"footprint" means the total surface area of the land use activity including buildings and outside areas connected therewith**;**

"garage" means a building for the storage of one or more motor vehicles, but does not include a motor repair garage or service station;

"GLA" means gross leasable area being the total floor space designed for, or capable of, occupancy or control by tenants, measured from the centre line of the joint partitions to the inside finished surface of the outside walls, but excludes public toilets, internal walkways, lift shafts, service ducts, interior parking and loading bays;

"greenhouse" means a structure with the sides primarily made of a transparent material such as glass, perspex or plastic for the purpose of growing of plants or hastening growth of plants under controlled environmental conditions;

"gross density" means a measure of the number of dwelling units in a specified area, and is calculated as follows:

$$\text{Gross dwelling density (units per hectare)} = \frac{\text{Total number of dwelling units in a specified area}}{\text{Extent of specified area in hectares;}}$$

"group housing site" means one or more land units on which a group housing scheme or retirement resort may be erected;

"hazardous substance" has the same meaning as "grouped hazardous substance" as defined in section 1 of the Hazardous Substances Act, 1973 (Act 15 of 1973);

"height" of a structure means a vertical dimension of the structure from the natural ground level to the wall plate or, in the case of a pitched roof, the ridge of the roof or the highest point of a building, measured in metres, provided that—

(a) the height of a structure does not include chimneys, flues, masts or antennae;

(b) elevator motor rooms, satellite dishes, ventilation shafts, water tanks, air conditioning plant and equipment on top of a building are included when determining the height of a structure,; and

(c) the general provisions regarding these aspects in this By-law also apply;

"kitchen" means a room or part of a room equipped for preparing and cooking meals-

(a) includes a kitchenette or similar; and

(b) excludes a braai room and bar area connected with an entertainment area;

"Land Use Planning Act" means the Western Cape Land Use Planning Act, 2014 (Act 3 of 2014);

"landscaping" means the placement of plants, contoured features, water features, paving, street furniture and other soft and hard elements for the purposes of enhancing the aesthetic appeal, environmental management, amenity and value of a property;

"limited payout machine" means a gambling or slot machine in respect of the playing of which the stakes and prizes are limited as prescribed by regulations;

"loading bay" means an area which is clearly demarcated for the loading and off-loading of goods from commercial vehicles, and which has vehicular access to a public street to the satisfaction of the Municipality;

"lodger" means a person who utilises lodging services;

"lodging" means the provision of bedroom accommodation or, in the case of a backpackers' lodge, bed accommodation that is made available on payment of a charge or fee, and includes the services ordinarily related to such accommodation;

"maximum floor space" means the greatest total floor space that is allowed for a building or buildings on a land unit, and is calculated by multiplying the floor factor by the area of the land unit or that portion of the land unit that is situated within a particular zone; provided that, where the land unit is situated within two or more zones to which different floor factors apply, the maximum floor space for the whole land unit is the total of the maximum floor space for each zoned portion of the land unit;

"mineral" means a substance, whether in solid, liquid or gaseous form, occurring naturally in or on the earth or under water and which was formed by or subjected to a geological process, and includes sand, stone, rock, gravel, clay, soil and any material occurring in residue stockpiles or in residue deposits, but excludes—

(a) water, other than water taken from land or sea for the extraction of any mineral from such water;
(b) petroleum; and
(c) peat;

"motor vehicle" means a wheeled vehicle designed or used for propulsion by means of an internal combustion or electrical engine, and includes a motor cycle, trailer or caravan, but excludes a vehicle moving exclusively on rails;

"Municipality" means the Municipality of Witzenberg established by Establishment Notice No. 487/2000 of 22 September 2000 issued in terms of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998), and where the context so requires, includes—

(a) the Council;
(b) another political structure or a political office bearer of the Municipality, authorised or delegated to perform a function or exercise a power in terms of this By-law;
(c) the Municipal Planning Tribunal, authorised or delegated to perform a function or exercise a power in terms of this By-law;
(d) the Municipal Manager; and
(e) any employee of the Municipality acting in terms of delegated or sub-delegated authority of the Municipality;

"National Building Regulations" means the National Building Regulations and Building Standards Act, 1977 (Act 103 of 1977);

"natural ground level" means—

(a) the level of the land in its unmodified state; or
(b) when altered with the municipality's approval for the purpose of development, the municipality may approve such altered ground level as the natural ground level, subject to Section 38;

"non-conforming use" means an existing land use that was lawful in terms of previous zoning scheme but that does not comply with this zoning scheme;

"occupant" means any person who occupies a land unit;

"occupational health and safety law" means the Occupational Health and Safety Act, 1993 (Act 85 of 1993), or municipal by-laws governing occupational health and safety, whichever is applicable;

"outbuilding" means a structure, whether attached or separate from the main building that is normally ancillary and subservient to the main building on a land unit, and includes a building designed to be used for the garaging of motor vehicles, and any other normal activities in so far as these are usually and reasonably required in the connection with the main building, but does not include a second dwelling;

"outdoor advertising" means the act or process of notifying, warning, informing, making known or any other act of transferring information in a visible manner and that takes place out of doors;

"overlay zone" means a category of zoning that applies to land or land units in addition to the base zoning and that—

(a) stipulates development parameters or use rights that may be more or less restrictive; and

(b) may include provisions and development parameters relating to—

(i) primary or consent uses;
(ii) subdivision and subdivisional areas;
(iii) development incentives;
(iv) density limitations;
(v) urban form or urban renewal;
(vi) heritage and environmental protection;
(vii) management of urban growth;
(viii) scenic drives; coastline setbacks;
(ix) any other purpose as set out in this zoning scheme;

"package of plans" means the hierarchy of plans specified in terms of this By-law;

"parapet" means a low projection, wall or moulding that finishes the uppermost edge of a building with a flat or low pitched roof;

"parking bay" means an area clearly outlined and demarcated for the parking of one motor vehicle and may be provided in the form of a garage or carport that is accessible for easy and safe vehicle movement;

"pergola" means any unroofed horizontal or approximately horizontal grille or framework and associated vertical support structure and of which the area in the horizontal projection of its solid portions does not exceed 25% of the total area thereof;

"Planning By-law" means the Witzenberg Land Use Planning By-Law adopted by the Municipality under P.N. 289/2015 dated 21 August 2015;

"planning law" means the Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2013), Land Use Planning Act, the Planning By-law or succeeding legislation governing land use planning in the Western Cape, whichever is applicable;

"plaza" means an urban open space or square, primarily designed for outdoor use by pedestrians;

"policy plan" means a policy adopted by the Municipality, structure plan, spatial development framework or other policy plan approved in terms of planning law;

"porch" means a roof (not being the floor of a balcony) projecting from the outside of a building above a doorway, and forming a covered entrance to the building, and includes any paved area

underneath the roof, and any low walls or railings enclosing that paved area, and any pillars supporting the roof;

"porte cochères" means a covered entrance large enough for vehicles to pass through, typically opening into a courtyard or a porch where vehicles stop for passengers to get out of the vehicle;

"precinct plan" means a plan, approved by the Municipality, as envisaged in this By-law as a component of a package of plans;

"previous zoning scheme" means a zoning scheme or town planning scheme referred to in section 33(1) or (2) of the Land Use Planning Act;

"primary use" in relation to property means any land use specified in this By-law as a primary use, being a use that is permitted within a zoning without the need to obtain the Municipality's approval;

"property" means land together with any improvements or buildings on the land;

"provincial road" means a road that is under the jurisdiction of the provincial roads authority;

"pub" means an establishment for the sale of predominantly alcoholic beverages, and sometimes also food, to be consumed on the premises and is also known as a tavern or bar; but excludes— a night club;

"public nuisance" means any act, omission or condition that is offensive in the opinion of the Municipality, injurious or dangerous to health, materially interferes with the ordinary comfort, convenience, peace or quiet of the public, or that adversely affects the safety of the public, having regard to the reasonableness of the activities in question in the area concerned, and the impacts that result from these activities;

"refuse room" means a defined screened refuse receptacle from where refuse is collected, usually on a weekly basis;

"registered land surveyor" means a professional land surveyor, registered in terms of the Geomatics Profession Act, 2013 (Act 19 of 2013);

"retaining structure" means a wall or structure constructed to hold back earth or loose rock;

"road" includes a public street or a private road;

"road reserve" means the designated area of land that contains a public street or private road (including the road and associated verge) and that may be defined by cadastral boundaries;

"satellite dish antenna" means apparatus fixed to a structure or mounted permanently on the ground and that is capable of receiving or transmitting communications from a satellite;

"scenic drive" means a public street designated as a scenic drive by the Municipality in recognition of the high visual amenity alongside that public street, including background vistas of a mountain, open country, a coastline or a town;

"service yard" means a defined screened area providing utility services including washing line facilities for, amongst others, general residential developments;

"shipping or transport container" means a large, weatherproof container used for the transport of goods by sea, rail or road and that is usually stored in the open when not in use**;**

"sign" means any sign, sign-writing, mural, graphic design, signboard, screen, blind, boarding or other device by means of which an advertisement or notice is physically displayed, and includes any advertisement, object, structure or device that is in itself an advertisement or is used to display an advertisement;

"site development plan" means a dimensioned plan drawn to scale that indicates details of the proposed land development, including the site layout, positioning of buildings and structures, property access, building designs and landscaping;

"spatial development framework" refers to a provincial spatial development framework, a provincial regional spatial development framework, or a municipal spatial development framework or municipal local spatial development framework;

"stoep" means an uncovered paved area or projecting floor outside and immediately adjoining a building, at or below the level of the ground floor of the building, and includes any low walls or railings enclosing the paved areas or floors;

"storey" means that portion of a building between the surface of any floor and the surface of the next floor above; or, if there is no floor above the ceiling, then up to the ceiling; provided that, unless the contrary appears clearly from the provisions of this By-law—

(a) a basement does not constitute a storey;

(b) a roof, or dome forming part of a roof, does not constitute a separate storey unless the space within the roof or dome is designed for, or used for, human occupation or other living or entertainment purposes, in which case it is deemed to be a storey;

(c) the utilisation of an open roof area does not constitute a separate storey; however, should any means of coverage or fixtures such as a Jacuzzi, swimming pool or built-in braai be added to the roof of a building in a single residential zone, the area is regarded as an additional storey;

(d) any storey greater than 4 metres, measured from the finished floor level to the finished floor level of the storey above, or to the ceiling in the case of a top storey, but equal to or less than 6 metres in height is, for the purpose of the height measurement, regarded as two storeys, and every additional 4 metres in height or portion thereof, is regarded as an additional storey; and

(e) in counting the number of storeys of a building, the ground floor is the first storey and the next floor above is the second storey;

"storm water" means water resulting from natural processes, the precipitation or accumulation of the water, and includes groundwater and spring water ordinarily conveyed by the storm water system, as well as sea water within estuaries, but excludes water in a drinking-water or waste-water reticulation system;

"storm water system" means constructed and natural facilities, including pipes, culverts and water courses, used or required for the management, collection, conveyance, temporary storage, control, monitoring, treatment, use or disposal of storm water;

"street boundary" means the boundary between a land unit and a public street or private road;

"street centreline setback" means the line delimiting the area measured from the centre line of a particular public street, within which no building or other structure, including a boundary fence, may be erected;

"structure" without in any way limiting its ordinary meaning, includes any building, shelter, wall, fence, pillar, tower, pergola, steps, landing, terrace, sign, ornamental architectural feature, swimming pool, fuel pump or underground tank, any building ancillary to service infrastructure provision, and any portion of a structure;

“tavern” refer definition of bar

“terrace” means an area to which occupants of a building have access, created on a flat roof over a portion of the building, resulting from the setting back of part of the building above that portion;

“top of the roof”, for the purpose of height control, means the top of the roof ridge in the case of a pitched roof, or the top of the parapet where the parapet extends above the roof;

“total floor space” of a building means the sum of the floor space of all the levels of a particular building, including basements;

“used” in addition to its ordinary meaning, includes “designated or intended to be used”;

“verandah” means a covered area (not being an area that is part of a yard or parking area) or projecting floor outside and immediately adjoining a building at or below the level of the ground floor of the building, and includes both the covered area or floor and the roof or other feature covering it, as well as any low walls or railings enclosing the covered area or floor;

“wall plate” means the lowest point of a longitudinal member, bar, rafter, beam, truss, bracket, pillar, post, structure or any other similar device that supports a roof, as determined by the Municipality;

“youth hostel” means a place providing affordable accommodation, aimed mainly at young tourists;

“zoning” includes base zoning and overlay zoning;

“zoning scheme” means a land use scheme as defined in section 1 of the Spatial Planning and Land Use Management Act and includes the components referred to in section 4 of this By-Law.

CHAPTER 2
ZONING SCHEME, USE ZONES AND USES

Application of zoning scheme

2. The zoning scheme applies to the entire municipal area.

Purpose of zoning scheme

3. The purpose of the zoning scheme is to—
(a) give effect to the municipal spatial development framework;
(b) make provision for orderly development and the welfare of the community; and
(c) determine use rights and development parameters, with due consideration of the principles referred to in the Land Use Planning Act.

Components of zoning scheme

4. The zoning scheme consists of the following components:
(a) this By-law;
(b) the zoning scheme map; and
(c) the register.

Use zones

5.(1) The municipal area is divided into the use zones referred to in column 1 of the table set out in Schedule 1.

(2) The purpose of each use zone is set out in column 1 of the table set out in Schedule 1.

(3) The description of the primary and consent uses applicable to each use zone is set out in Schedule 2.

(4) The location, boundaries and extent of each use zone is depicted on the zoning scheme map.

(5) The primary and consent uses applicable to each use zone are subject to the development parameters specified for the land use applicable to each use zone as set out in Schedule 2.

Zoning scheme map

6.(1) The zoning scheme map depicts—
(a) the zoning of land in accordance with the use zone in which the land is located; and
(b) overlay zones, if applicable to the land.

(2) The official version of the zoning scheme map must be kept at the Municipality and is available for inspection during normal office hours.

(3) The official version of the zoning scheme map depicts the status of the current zoning classification of land in the Municipality and may only be amended as provided for in this By-law and the Planning By-law.

(4) The official version of the zoning scheme map is incorporated in and made part of this By-law and publication of this By-law in the *Provincial Gazette* constitutes notice of the approval of the zoning scheme map.

(5) The Municipality must update the zoning scheme map within a reasonable time after use rights have been granted or have lapsed.

(6) The Municipality may keep the zoning scheme map in an electronic format.

(7) The Municipality may provide an extract of the zoning scheme map to members of the public on payment of a fee determined by the Municipality in terms of the Municipality's tariff policy.

Transition to new use zones and savings

7.(1) Upon the date of commencement of this By-law, land that is zoned in terms of the previous zoning scheme is translated or reclassified to one of the use zones referred to in section 5.

(2) Table in Schedule 4*,* Zoning Transition Table, summarises the translation or reclassification of the use zones used in the previous zoning scheme to the use zones used in this By-law.

(3) Despite the translation or reclassification of the use zones used in the previous zoning scheme to the use zones used in this By-law—

(a) any condition of approval or validity period that is applicable to a land unit in terms of the previous zoning scheme applicable immediately before the coming into effect of this By-law, remains applicable and in so far as it determines development parameters that are different from the development parameters applicable in terms of this By-law, it is not to be considered an offence but a lawful non-conforming use;

(b) the Municipality must record any condition of approval referred to in paragraph *(a)* in the register together with any applicable validity period applicable to the zoning in terms of the previous zoning scheme ;

(c) a zoning approved in terms of the previous zoning scheme that has been exercised within its validity period , cannot lapse, and is translated or reclassified as determined in this By-law;

(d) a zoning approved in terms of the previous zoning scheme that has not been exercised, lapses after the expiry of the validity period applicable to that zoning in terms of the previous zoning schemes;

(e) in the event of the lapsing of a zoning as contemplated in paragraph *(d),* the land unit reverts back to the use zone applicable to it in terms of the previous zoning scheme, before it was rezoned and is translated or reclassified as determined in Schedule 4.

(f) A building plan application that was formally submitted and accepted –

(i) immediately before the coming into effect of this By-law and which is still being processed; or

(ii) on or after the date of coming into effect of this By-law with the purpose to act on an approval in terms of a previous planning law, must be assessed in accordance with that approval provided that such building plan application is submitted within 30 months after commencement of this zoning scheme, or within the validity period of said application, whichever is the later date.

Rectification of errors on zoning scheme map

8.(1) If the zoning of a land unit is incorrectly indicated on the zoning scheme map, the owner of an affected land unit may submit an application to the Municipality to correct the error.

(2) An owner contemplated in subsection (1) must apply to the Municipality in the form determined by the Municipality and must—

(a) submit written proof of the lawful land use rights; and

(b) indicate the correct zoning that should be allocated.

(3) The onus of proving that the zoning is incorrectly indicated on the zoning scheme map is on the owner.

(4) The owner is exempted from paying application fees.

(5) If the zoning of a land unit is incorrectly indicated on the zoning scheme map, the Municipality must amend the zoning scheme map to reflect the correct zoning.

(6) If the correct zoning of a land unit cannot be ascertained from the information submitted to the Municipality or the records of the Municipality, the zoning must be determined in terms of the Planning By-law and the zoning as determined must be recorded on the zoning scheme map.

Zoning scheme register

9. The Municipality—

(a) must record all departures, consent uses or other permissions granted and non-conforming uses in the register;

(b) may keep the register from the date of commencement of the zoning scheme in an electronic format; and

(c) must make the register available to members of the public for viewing.

Primary uses

10. Primary uses of land permitted in each use zone, without the Municipality's consent, are listed in the corresponding part of column 2 of the table set out in Schedule 1.

Consent uses

11. Consent uses of land permitted in each use zone, with the Municipality's prior consent in terms of the Planning By-law, is listed in the corresponding part of column 3 of the table set out in Schedule 1.

Temporary departures

12.(1) The Municipality must record the relevant information relating to a temporary departure applicable to a land unit in the register.

(2) Approval of a use right as a temporary departure in terms of the Planning By-law must at least be subject to the development parameters applicable to the use right as stipulated in this By-law.

Non-conforming uses

13.(1) A non-conforming use does not constitute an offence in terms of this By-law.

(2) A non-conforming use may continue as long as it remains otherwise lawful.

(3) No additions or extensions to a non-conforming use is permitted.

Deemed zoning of closed public places

14. The zoning of land that was previously a public street or public open space, vested in or owned by the Municipality and that is closed, is determined as follows:

(a) if the land is transferred to an abutting land owner, that portion of the land falls in the same zone as that of the abutting land belonging to the abutting owner; or

(b) the Municipality must determine which zoning applies to the land if—

(i) the land is transferred to an abutting land owner and that owner owns abutting properties falling into more than one zone; or

(ii) in any other case not provided for in this section.

CHAPTER 3
OVERLAY ZONES

Purpose of overlay zones

15.(1) The Municipality may adopt, review or amend overlay zones for specific areas in the Municipality in accordance with section 16 to—

(a) give expression, in a planning context, to the local needs and values of the communities concerned; and

(b) promote particular types of development, urban form, landscape character, environmental features or heritage values.

(2) The Municipality must determine development parameters for each area of an overlay zone.

Procedures for establishing, reviewing or amending overlay zones

16. An overlay zone is adopted, reviewed or amended by the Municipality as an amendment of this By-law in accordance with sections 12 and 13 of the Municipal Systems Act and section 25 of the Land Use Planning Act.

CHAPTER 4
DISTANCES, LEVELS AND BOUNDARIES

Measuring distances and levels

17. The following provisions apply with regard to the method of measuring distances and levels:

(a) when reference is made or implied to the distance between boundaries or between a building and a boundary, this distance must be measured in the following manner:

(i) the boundary or boundaries and all points of the building must be projected onto a horizontal plane, and all measurements must be made in the plane; and

(ii) the distance between a point on a building and a boundary must be measured at right angles to the erf boundary;

(b) when reference is made to a portion of a boundary opposite a building, that portion must be defined by drawing lines in a manner described in paragraph *(a)* from points on the building, at right angles to the boundary;

(c) when reference is made to natural ground level or of a roof wall plate, parapet or other things, the level must be calculated in accordance with recognised geometric principles; and

(d) when the levels involved are so irregular that calculation in accordance with the principles in paragraphs *(a)* to *(c)* is impractical or leads to a result that is not in accordance with the intent of the zoning scheme, the Municipality must determine the level.

Determining boundaries of use zones

18. If uncertainty exists as to the boundaries of use zones, the following parameters apply in the order listed:

(a) boundaries shown as following or approximately following any public street or road must be construed as following the street cadastral boundary;

(b) boundaries shown as following or approximately following any land unit boundary must be construed as following that boundary;

(c) boundaries shown as following or approximately following natural features must be construed as following those features; and

(d) in the event of further uncertainty as to the boundaries of a use zone, the Municipality must make a determination.

CHAPTER 5
ENFORCEMENT

Offences, penalties and enforcement of By-law

19.(1) Subject to section 13, no person may erect any building or structure or any part thereof—

(a) except for a purpose permitted by this By-law and only in accordance with the applicable development parameters; or

(b) without first obtaining approval from the Municipality in terms of the Planning By-law.

(2) A use not reflected as a primary or consent use for a particular use zone is not permitted in the use zone concerned, unless approved in terms of the Planning By-Law.

(3) A person who contravenes this section and sections 21 to 50 is guilty of an offence and liable upon conviction to a fine or imprisonment not exceeding a period of 20 years or to both a fine and such imprisonment.

(4) A Municipality must enforce the zoning scheme through the measures for enforcement provided for in the Planning By-law.

CHAPTER 6
DEVELOPMENT OF LAND

Development parameters applicable to use rights

20.(1) The land use descriptions and development parameters applicable to each primary and consent use right depicted in the table in Schedule 1 are described in Schedule 2.

(2) Development parameters are applicable to use rights only and, notwithstanding the zoning of an erf, a specific use right has the development parameters as listed in Schedule 2, provided that the Municipality may grant a departure from the development parameters in terms of the Planning By-law.

(3) Consent uses listed in Column 3 of Schedule 1 is subject to the following conditions:

(a) when a consent use is granted by the Municipality in a particular zone, the applicable land use must be supplementary to the primary use right allowed under the particular zone; and

(b) when land is intended to be utilised exclusively for a consent use in a particular zone and the consent use is a primary right in another zone, application must be made for rezoning to the zone where the applicable land use is a primary right.

(4) No departure from the land use descriptions or definitions may be granted by the Municipality.

(5) Despite subsections (1) and (2), the Municipality may determine any additional condition of approval in respect of a use right for a specific property as may be required in terms of any other applicable legislation.

CHAPTER 7
GENERAL PROVISIONS

This part contains general provisions and parameters that apply to all zones or to specific zones as may be provided for. It includes matters such as encroachments that may occur within building lines and requirements for site development plans. It refers to hazardous substances, owners' associations, screening, retaining structures, outdoor storage, antennae systems and other municipal by-laws. This part also contains requirements for parking, loading, access and infrastructure. There are also provisions relating to the subdivision of land.

Encroachment of building lines

21.(1) Despite the building line requirements for each zone, the following structures or portions of structures may be erected within the prescribed building lines, provided they do not extend beyond the boundaries of a land unit:

(a) subject to section 27 boundary walls, screen walls, fences and gates; not exceeding 2,1 metres in height above the natural ground level, excluding where any such wall will result in infilling higher than 0,5 metres above natural ground level;

(b) open and uncovered stoeps that are less than 500 millimetres in height from the natural level of the ground;

(c) entrance steps, landings and entrance porches, excluding *porte cochères;*

(d) a covered entrance or gatehouse that has a roofed area not exceeding 5 m² and a roof height not exceeding 3 metres from the floor to the highest point;

(e) eaves and awnings projecting no more than 1 metre from the wall of a building;

(f) cornices, chimney breasts, flower boxes, water pipes, drain pipes and minor decorative features not projecting more than 500 millimetres from the wall of a building;

(g) swimming pools;

(h) a basement, provided that no part of such a basement projects above natural ground level;

(i) a refuse room required by the Municipality in terms of this By-law;

(j) water storage tanks not exceeding the height of the boundary wall.

Building plan schedule

22.(1) Any owner submitting a building plan shall indicate on the plan in table format the required building parameters in terms of this By-Law together with the actual parameters proposed by the development as per the following example:

Parameter:	Zoning Scheme requirement:	Provided:
Building line (street)	4m	4m
Building line (side)	2m	1m
Coverage	50%	35%
Height	2 storeys	1 storey
Parking	5 bays	7 bays

Site development plans

23.(1) In addition to the zones that specifically require a site development plan, the Municipality may require a site development plan in respect of the following development types:

(a) shopping centres or shopping complexes;

(b) business or office park developments;

(c) industrial park developments;

(d) developments in conservation areas;
(e) developments that will be sectionalised;
(f) incremental residential developments;
(g) major developments where there are concerns relating to urban form, heritage, traffic, the environment or planning.

(2) The Municipality may require the following information to be depicted on a site development plan:
(a) existing bio-physical characteristics of the property;
(b) existing and proposed cadastral boundaries;
(c) the layout of the property, indicating the use of different portions of the property;
(d) the massing, position, use and extent of buildings;
(e) sketch plans and elevations of proposed structures, including information about their external appearance;
(f) cross-sections of the site and buildings on site;
(g) the alignment and general specification of vehicle access, roads, parking areas, loading areas, pedestrian flow and footpaths;
(h) measures of access control to parking areas and reservation of parking areas;
(i) the position and extent of private, public and communal space;
(j) typical details of fencing or walls around the perimeter of the land unit and within the property;
(k) electricity supply and external lighting proposals;
(l) provisions for the supply of water, management of storm water, and disposal of sewage and refuse;
(m) external signage details;
(n) general landscaping proposals, including vegetation to be preserved, removed or to be planted, external paving, and measures for stabilising outdoor areas where applicable;
(o) the phasing of a development;
(p) the proposed development in relation to existing and finished ground levels, including excavation, cut and fill;
(q) statistical information about the extent of the proposed development, floor area allocations and parking supply;
(r) relationship of the proposed development to the quality, safety and amenity of the surrounding public environment;
(s) relationship of the proposed development to adjacent sites, especially with respect to access, overshadowing and scale;
(t) illustrations in a three-dimensional form depicting visual impacts of the proposed development on the site and in relation to surrounding buildings;
(u) any other details as may reasonably be required by the Municipality.

(3) The Municipality may require that the area covered by a site development plan must extend beyond the site under consideration if, in its opinion, the proposed development will have a wider impact.

(4) The Municipality may determine the extent of the area covered by a site development plan.

(5) An applicant must submit a site development plan to the Municipality if it is required in terms of this zoning scheme before any development on the relevant land unit may commence.

(6) The Municipality may require amendments of detail to the site development plan to address reasonable concerns relating to access, parking, architectural form, urban form, landscaping, environmental management, engineering services or similar concerns.

(7) The following provisions apply with regard to site development plans:
(a) the property must be developed generally in accordance with an approved site development plan;

(b) if the Municipality considers it necessary, a transport or traffic impact statement or assessment may be required in conjunction with a site development plan, the extent of which must be determined by the Municipality, depending on the size of the development;

(c) if the Municipality considers it necessary, a storm water impact assessment or storm water management plan or both may be required in conjunction with a site development plan, the extent of which must be determined by the Municipality, depending on the size of the development;

(d) if the Municipality considers it necessary, a visual impact assessment, which may include a landscape character analysis, may be required in conjunction with a site development plan, the extent of which must be determined by the Municipality, depending on the size of the development;

(e) if the Municipality considers it necessary, an engineering services assessment, which may include bulk capacity, may be required in conjunction with a site development plan, the extent of which must be determined by the Municipality, depending on the size of the development; and

(f) an approved site development plan must be considered as setting additional development parameters applicable to the base zone, and any application for amendment must comply with the Municipality's requirements for the amendments.

Hazardous substances

24.(1) Any use or ancillary activity that involves the storage or keeping of hazardous substances that may result in an installation being declared a major hazardous installation in terms of occupational health and safety law is not permitted, unless the owner has submitted a risk management and prevention plan and the Municipality has approved the plan.

(2) The Municipality's approval in terms of subsection (1) above does not exempt the owner from applying for permission in terms of other applicable legislation.

Screening

25. The Municipality may require screening in accordance with the following provisions:

(a) any part of a land unit that is used for the storage or loading of goods must be enclosed with a suitable wall or landscape screening or both; and

(b) any external utility service or equipment that is required for a building must be appropriately screened from view from a public street, and the screening must be integrated with the building in respect of materials, colour, shape and size.

Earth banks and retaining structures

26. Unless the prior approval of the Municipality has been obtained—

(a) no earth bank, retaining structure, column, suspended floor, other device or series of such devices may be constructed that enables the ground floor of a building to be raised more than 0,5 metres above natural ground level, provided that where the raising takes place, the height must still be measured from natural ground level, excluding infill for a driveway;

(b) no earth bank or retaining structure used for holding back earth or loose rock, whether associated with a building or not, may be constructed to a height of more than 2 metres above natural ground level; and

(c) no series of earth banks or retaining structures may be constructed to a cumulative height of more than 2,5 metres above natural ground level, unless an approximately level area of at least 2 metres wide is incorporated between successive embankments or retaining structures for every 2 metres of cumulative height.

Boundary walls

27. In the absence of an approved site development plan, architectural guidelines or relevant policy, the following development parameters apply to boundary walls:

(a) **Height**

The maximum height in all cases is 1.8 metres provided that the Municipality can approve a height of 2.1 metres subject to it having regard of the height of existing walls in the vicinity and subject to any condition(s) it deems fit.

(b) In the case of a street boundary wall the municipality may either refuse it, or lay down specifications, in the interest of protecting the character and appearance of a housing development.

Maintenance of property

28. Property must be properly maintained by the owner or occupier and may not—

(a) be left in a neglected or offensive state, as may be determined by the Municipality;

(b) contain an unsightly accumulation of papers, cartons, garden refuse, rubble or other waste material, as may be determined by the Municipality;

(c) contain an accumulation of motor wrecks or unroadworthy vehicles or used motor parts, unless these are permitted in terms of the primary or consent use applicable in terms of this zoning scheme; and

(d) contain outdoor storage of building material, appliances or similar items unless these—

(i) are permitted in terms of the primary or consent use in terms of this zoning scheme;

(ii) are temporarily being stored for the purpose of construction in accordance with a valid building plan approval; or

(iii) are being stored in conjunction with the holding of a yard or garage sale with a duration of not more than two consecutive days.

Parking of vehicles in residential zones

29. A motor vehicle of an occupant of a dwelling unit and used for commercial activities conducted away from the dwelling unit may be parked on the property where the occupant resides, provided that—

(a) there is adequate space on the property concerned;

(b) no more than one commercial vehicle per dwelling unit may be parked on the property;

(c) the gross weight of any such commercial vehicle may not exceed 3 500 kg; and

(d) the vehicle may not park in the road or on the sidewalk.

Mobile homes and caravans

30.(1) A recreation vehicle, including a mobile home or caravan, may not be used for permanent habitation without the approval of the Municipality, unless the zoning lawfully allows the permanent habitation.

(2) The following additional development parameters apply with regard to mobile homes approved to be placed on a land unit zoned for residential purposes:

(a) the mobile home or caravan must be sited on a foundation slab and properly anchored;

(b) solid perimeter skirting, of material and colour complementary to the mobile home or caravan, must be provided from the bottom of the mobile home to the ground surface;

(c) the roof and exterior siding of the mobile home or caravan must be of a non-reflective material; and

(d) any structural additions must be of materials which, in the opinion of the Municipality, are compatible with the mobile home or caravan.

Rooftop base telecommunication stations and satellite dish antenna systems

31.(1) A rooftop base telecommunication station may not extend more than 3 metres in height above the building that it is attached to without the prior approval of the Municipality.

(2) No rooftop base telecommunication station or transmission tower granted as a consent use in terms of this By-law may be modified or have its radio-frequency emissions altered without prior written approval from the Municipality.

(3) The following provisions apply with regard to decommissioned antennae or rooftop base telecommunication stations:

(a) the owner or operator must remove all decommissioned infrastructure;

(b) if the site has been disturbed, the owner or operator must rehabilitate the site to its original state or to a state acceptable to the Municipality; and

(c) if the owner or operator fails to comply with paragraphs *(a)* or *(b)*, the Municipality may remove that infrastructure, and rehabilitate the site at the expense of the owner or operator.

(4) Any satellite dish antenna with a diameter in excess of 1,5 metres must be placed in a position that minimises the visual impact on the surrounding area, to the satisfaction of the Municipality.

(5) Satellite dish antennas of 1,5 metres in diameter and smaller, and used solely for the purposes of television reception or telecommunication, do not require the Municipality's approval and are excluded from height restrictions.

Geysers and solar panels or similar infrastructure affixed to roofs of buildings

32. Any external geysers and associated equipment or solar panels or similar infrastructure affixed to the roof of a building may not at any point be more than 1,5 metres above the roof surface, measured perpendicularly from that surface.

Equipment on top of building

33. No elevator motor rooms, satellite dishes, ventilation shafts, water tanks, air conditioning plants or other equipment on top of a flat roofed building may, subject to the definition of "height", exceed a height of 2 metres above the wall plate

Parapet walls

34. Parapet walls are restricted to 500 millimetres in height above the finished roof level immediately contiguous to the parapet.

Chimneys

35. Chimneys may not extend higher than 1.5 metre above the highest point of the roof of a dwelling house or dwelling unit.

Telecommunication and electrical transmission lines

36. Telecommunication and electrical transmission lines may be permitted by the Municipality or an organ of state to traverse a land unit, as may be reasonably required by the Municipality or an organ of state in accordance with and subject to expropriation laws, other applicable laws and the registration of the necessary servitudes.

Utilisation of outbuildings

37. No outbuilding may be utilised for any purpose other than the purpose submitted in the building plans and approved by the Municipality, and an outbuilding may not be utilised until the main buildings are completed or occupied, unless approved by the Municipality.

Determination of natural ground level

38.(1) The Municipality may request the submission of a registered land surveyor's certificate to determine the natural ground level before any construction activities may commence.

(2) Where the level of the land has been altered with the approval of the municipality—
(a) any grading for the purpose of development must connect evenly with the existing levels of abutting land units; and
(b) the municipality may approve the altered ground level to be the natural ground level.

(3) Where it is not possible to determine the natural ground level due to irregularities or disturbances of the land, the Municipality may—
(a) determine the natural ground level from measurements supplied on a building plan;
(b) deem a level to be the natural ground level based on measurements interpolated from a contour plan, local height benchmark or other information held by the Municipality; or
(c) require the owner or applicant to commission a registered surveyor at the cost of the owner or applicant to measure levels of the ground or interpolate levels, in order to provide the Municipality with sufficient information to determine the natural ground level for the purpose of administering this By-law.

(4) Where a building site is elevated, filled or extended with excavated or any other material, the natural ground level is not altered unless approved by the Municipality in which case the Municipality must define a ground level for the purposes of administering the height restriction of the building.

Animals kept for commercial purposes

39. Animals may be kept for commercial purposes only on a land unit zoned Agricultural Zone I and Agricultural Zone II.

Hobbies in single and general residential zones

40. See home occupation

CHAPTER 8
PARKING AND LOADING

Off-street parking requirements

41.(1) If parking requirements are not stipulated for a particular use, or in terms of a specific condition imposed by the Municipality, parking must be provided at a minimum ratio in accordance with the table entitled "Minimum off-street parking requirements".

(2) The Municipality must determine off-street parking requirements for land uses not stipulated in the table "Minimum off-street parking requirements".

(3) The column with heading “Normal Areas” refers to standard requirements that apply to areas where public transport is not being specifically promoted.

(4) The column with heading “PT1 Areas” refers to areas where the use of public transport is to be promoted, but where the Municipality considers the provision of public transport to be inadequate.

(5) The column with heading “PT2 Areas” refers to areas where the use of public transport is to be promoted and the Municipality considers the provision of public transport sufficient enough to justify the reduced parking requirements.

(6) Areas initially determined to be PT1 Areas may be changed to PT2 Areas once the Municipality is satisfied that the provision of public transport is adequate.

(7) If an area has not been specifically identified by the Municipality as a PT1 or PT2 area, then the parking requirements for Normal areas apply.

(8) Off-street parking space must be provided—
(a) on the property for which parking is required;
(b) subject to the Municipality’s approval, in public parking facilities available in the vicinity; or
(c) in accordance with the table below;

(9) Areas designated as “PT1” or “PT2” areas must be indicated on the zoning scheme map.

Minimum off-street parking requirements

Land Use		Normal Areas	PT1 Areas	PT2 Areas
Dwelling house / Double dwelling house		2 bays per dwelling Erven <350m²: 1 bay per dwelling Erven < 100m²: Nil per dwelling	1 bay per dwelling	1 bay per dwelling
Group housing/Town Housing		2 bays per dwelling unit 0.25 bays/unit for visitors	1 bay per dwelling unit 0.25 bays/unit for visitors	1 bay per dwelling unit 0.25 bays/unit for visitors
Retirement resort	Dwelling unit	2 bays per dwelling 0.25 bays/unit for visitors	1 bay per dwelling 0.25 bays/unit for visitors	1 bay per dwelling 0.25 bays/unit for visitors
	Home for the aged	O,5 bays per bedroom	0,5 bays per bedroom	0,5 bays per bedroom
	Frail Care	0,5 bays per bed	0,5 bays per bed	0,5 bays per bed
Orphanage		O,5 bays per bedroom	0,5 bays per bedroom	0,5 bays per bedroom
Flats		1.75 bays per dwelling 0.25 bays/unit for visitors	1.25 bays per dwelling 0.25 bays/unit for visitors	0.5 bays per dwelling 0.25 bays/unit for visitors
Second dwelling		1 additional bay	1 additional bay	Nil
Boarding house/ Guest House/ Guest Lodge/ Bed and Breakfast Establishment		1 bay per bedroom 2 bays per owner's home / manager's flat 1 bay for visitors/ employees	1 bay per bedroom	1 bay per bedroom
Home care facility		1 bay / 2 beds or part thereof (e.g. 2 bays per 3 beds)	1 bay / 2 beds or part thereof (e.g. 2 bays per 3 beds)	1 bay / 2 beds or part thereof (e.g. 2 bays per 3 beds)
Backpackers Lodge		1 bay /3 beds 2 bays / owner's home / manager's flat 1 bay /visitors/ employees	1 bay per 3 beds	1 bay per 3 beds
Hotel (excluding other facilities, specific ratios apply to each use)		1.25 bays/bedroom	1 bay per bedroom	0.75 bays per bedroom
Hospital (general and private)		1 bay per bed 4 bays per consulting room	1 bay per bed 4 bays per consulting room	1 bay per bed 3 bays / consulting room
Frail care facility		1 bay per bed	1 bay per bed	1 bay per bed
Clinic/Medical consulting rooms		4 bays per consulting room	4 bays per consulting room	3 bays per consulting room
Funeral parlour		1 bay per 4 seats 4 bays per 100 m² office GLA	1 bay per 4 seats 2 bays / 100 m² office GLA	1 bay per 4 seats 1 bay / 100 m²office GLA
Shops / Liquor store / Restaurant / Supermarket	Neighbourhood shop	4 bays per 100 m² GLA	3 bays per 100 m² GLA	2 bay per 100 m² GLA
	High intensity area e.g.: CBD, corridors, supermarket,	6 bays per 100 m² GLA	4 bays per 100 m² GLA	3 bays per 100 m² GLA
Shopping centres		6/100m² as determined by Council	As determined by Council	As determined by Council
Offices		4 bays per 100 m² GLA	3 bays per 100 m² GLA	2 bay per 100 m² GLA
Home occupation		2 bays per 60 m² GLA	2 bays per 60 m² GLA	2 bays per 60 m² GLA
House shop / tavern/bar		1 bay per 25 m² GLA	1 bay per 25 m² GLA	1 bay per 25 m² GLA
Industry / Light industry / Warehouse / Scrap yard/ Builder's yard / Noxious trade / Risk activity		2 bays per 100 m² GLA	2 bays per 100 m² GLA	1.5 bays per 100 m² GLA
Industrial hive / Service trade		4 bays per 100 m² GLA	3 bays per 100 m² GLA	1.5 bays per 100 m² GLA
Storage facility		1 bay per 100m² GLA	1 bay per 100m² GLA	1 bay per 100m² GLA
Service station/ Motor repair garage/ Motor vehicle sales or Vehicle hire premises		4 per repair bay Minimum of 8 bays Plus 4 bays per 100 m² GLA	4 per repair bay Minimum of 8 bays Plus 4 bays per 100 m² GLA	4 per repair bay Minimum of 8 bays Plus 4 bays per 100 m² GLA
Open air motor vehicle sales		4 bays per 100 m² GLA	3 bays per 100 m² GLA	2 bay per 100 m² GLA

Land Use	Normal Areas	PT1 Areas	PT2 Areas
Place of assembly/Place of worship/ Place of Entertainment/ Place of leisure/Gambling place	1 bay per 8 seats	1 bay per 8 seats	1 bay per 15 seats
Motor fitment centre	2 bays per service bay	2 bays per service bay	2 bays per service bay
Sport stadium	1 bay per 4 seats or persons	1 bay per 4 seats or persons	1 bay per 4 seats or persons
Gymnasium, health club (not part of a shopping centre)	10 bays per 100m² GLA	10 bays per 100m² GLA	10 bays per 100m² GLA
Schools	1.5 bay per classroom/office plus stop & drop facility	1.5 bays per classroom/ office plus stop & drop facility	1.5 bays per classroom/ office plus stop & drop facility
Crèche	1 bay per 10 children plus 1 stop & drop facility	1 bay per 10 children plus 1 stop & drop facility	1 bay per 10 children plus 1 stop & drop facility
Library, Museum	2 bays per 100m² GLA	1,5 bays per 100m² GLA	1,5 bays per 100m² GLA
Place of instruction (other than schools/day care centre/ crèche)	1.5 bay per classroom/office plus 1 per 6 students	1.5 bay / classroom/office 1 per 10 students	1.5 bay classroom/office per 20 students
Conference facility	8 bays per 10 seats	6 bays per 10 seats	4 bays per 10 seats

Alternative parking supply

42.(1) As an alternative to compliance with the parking requirements in terms of this zoning scheme, an owner may, with the approval of the Municipality—

(a) acquire an area of land sufficient for the permanent parking requirements elsewhere, in a location approved by the Municipality; or

(b) acquire permanent rights to a parking facility or portion of a parking facility elsewhere, in a location approved by the Municipality, and must register a notarial tie or servitude against that land or parking facility to link the properties concerned for the purpose of parking, and the owner must cause the parking concerned to be constructed and maintained in accordance with the Municipality's requirements and approval.

(2) The cost of registration of the notarial tie or servitude referred to in paragraph (1)*(b)* must be borne by the owner.

(3) Council may in special circumstances, as an alternative to (1) above, allow the owner to pay a cash sum to the Council equal to the market value per m² of the land on which the building is erected multiplied by the area in m² of parking required in terms of this By-Law plus the development cost for the area required as a parking area.

(4) For purposes of calculating parking area size 30m² of land per bay is required.

Combined parking requirements

43. If two or more uses combine to share a common parking area, the Municipality may approve parking requirements that provide less than the quantum of the parking required for individual uses provided that—

(a) the Municipality is satisfied that the utilisation of the same parking area by the different use types or activities in the zones will not result in a concurrent use of the parking area; and

(b) bays intended for combined uses may not subsequently be reallocated to other uses without the approval of the Municipality.

Site access and exits

44.(1) The Municipality may require compliance with standard municipal or provincial access spacing guidelines.

(2) No access may be closer than 10 metres from an intersection as defined by the prolongation of street boundaries, except for industrial-zoned properties, where the distance must be 15 metres and from provincial proclaimed roads the distance must be 25m.

(3) The Municipality may restrict or prohibit access if a pedestrian or traffic hazard is created or is likely to be created.

(4) Vehicle entrances and exit ways to and from a property must conform to the following requirements:
(a) motor vehicle carriageway crossings must be limited to one per site per public street or road abutting the site;
(b) despite paragraph *(a)*, where the total length of any street boundary of a site exceeds 30 metres in length, one additional carriageway crossing may be permitted, provided that no two carriageway crossings are closer than 12 metres to each other;
(c) the minimum and maximum widths of motor vehicle carriageway crossings must be in accordance with the table, titled "Width of motor vehicle carriageway crossings"; and
(d) the minimum width of a panhandle access may not be less than 3.5 metres wide.

Width of motor vehicle carriageway crossings

Type of carriageway crossing	Minimum width	Maximum width
Single entrance or exit way	2,7 metres	4,0 metres
Combined entrance and exit way	5,0 metres	8,0 metres

Parking layout requirements

45.(1) The following parking layout requirements apply unless otherwise stated in this zoning scheme:
(a) parking layout configurations, minimum dimensions and ramps to a parking area must be in accordance with this zoning scheme or an approved site development plan;
(b) the layout of any parking area, except for parking at a dwelling, must ensure that vehicles can readily leave the site without reversing across the sidewalk, unless otherwise approved by the Municipality;
(c) a tandem bay accommodating two motor vehicles is regarded as one bay for the purposes of this zoning scheme, except for single residential zones, where a tandem bay is regarded as two bays;
(d) visitor parking bays must be clearly demarcated, readily visible and accessible to visitors, and preferably grouped together;
(e) parking areas must be used for the parking of vehicles which are lawfully allowed on them, and any activity which causes an obstruction for vehicular traffic or pedestrian use of the sidewalk is prohibited;
(f) parking areas must be constructed and maintained in a state suitable for the parking and movement of vehicles;
(g) control of access to and reservation of parking bays or areas is not permitted unless written approval has been obtained from the Municipality, either through an approved site development plan or other written approval; and
(h) despite paragraphs *(a)* to *(g)*, the Municipality may lay down more restrictive requirements related to parking, site access or motor vehicle carriageway crossing, if it considers this to be necessary from a pedestrian or traffic safety point of view.

(2) The Municipality may require an applicant to submit a parking layout plan indicating—
(a) the way in which it is proposed that motor vehicles park;
(b) the means of entrance and exit from parking areas;
(c) landscaping proposals; and
(d) construction details.

Parking for physically disabled

46.(1) The Municipality may require parking suitable for use by persons with physical disabilities to be provided on any land unit in order to ensure easy and convenient access for such persons to services and facilities generally open to the public and to residential uses.

(2) In any parking facility serving the public, parking for persons with physical disabilities must be provided in accordance with the table entitled "Physically disabled accessible parking".

Physically disabled accessible parking

Total no of parking bays	Required number of bays accessible to the physically disabled
1–50	1
51–100	2
101–150	3
151–200	4
For every additional 100 bays	1 additional parking bay

(3) Parking for the physically disabled must comply with the following requirements:
(a) parking bays must be a minimum of 3,7 metres in width and 5 metres in length;
(b) parking and access aisles must be level;
(c) parking bays must be located as near as possible to accessible building or site entrances, and must be located to provide convenient access to kerb ramps;
(d) each parking bay reserved for physically disabled persons must be marked on the parking surface with the international symbol for disabled accessibility;
(e) additional signage indicating the parking bay as reserved for exclusive use by persons with physical disabilities may be required by the Municipality; and
(f) if five or fewer parking bays are provided, at least one bay must be 4 metres wide and marked to provide a parking bay of 2,5 metres with an access aisle of 1,5 metres, but the bay need not be reserved exclusively for persons with physical disabilities.

(4) Parking for persons with physical disabilities must count towards fulfilling off-street parking requirements.

Motorcycle and bicycle parking spaces

47.(1) The Municipality may require that parking be provided for motorcycles and bicycles.

(2) For every 4 motorcycle and 6 bicycle parking spaces provided, a credit of 1 parking bay may be given towards applicable parking requirements, provided that—
(a) the total credit may not exceed 2,5% of the parking bays required;
(b) the minimum dimension for a motorcycle space is 2,2 metres in length and 1 metre in width; and
(c) the minimum dimension for a bicycle space is 2 metres in length and 0,6 metres in width.

(3) Signage, bollards and racks or other devices for storing bicycles and enabling motorcyclists to make use of the motorcycle and bicycle parking spaces must be installed.

Loading requirements

48.(1) Unless the Municipality grants approval to waive this requirement, loading bays must be provided in accordance with the table entitled "Minimum off-street loading bay requirements".

(2) The Municipality may determine off-street loading requirements for uses not stipulated in the table.

(3) The following minimum requirements apply to loading bays:

(a) no carriageway crossing to be accessed by loading vehicles may be less than 3 metres in width, and no combined entrance and exit way may be less than 6 metres in width; and

(b) covered loading areas must have a minimum headroom of 3,7 metres.

Minimum off-street loading bay requirements

Land use	Floor area (m²)	Number of loading bays	Minimum loading bay dimensions
Offices	0–5 000 5 001–15 000 15 001–30 000 Every additional 30 000 or part thereof	0 1 2 1 additional bay	4,5 metres x 10 metres for perpendicular loading, and 2,5 metres x 12 metres for parallel loading
Business premises other than offices, supermarket, industry	0–1 000 1 001–2 500 2 501–5 000 5 001–10 000 Every additional 10 000 or part thereof	0 1 2 3 1 additional bay	4,5 metres x 10 metres for perpendicular loading, and 2,5 metres x 12 metres for parallel loading
Supermarket	0–500 501–1 000 1 001 and greater	1 2 3 x requirements for business premises other than offices, supermarket, industry	4,5 metres x 22 metres for perpendicular loading, and 2,5 metres x 22 metres for parallel loading
Industry	0–500 501–1 000 1 001 and greater	1 2 3 x requirements for business premises other than offices, supermarket, industry	4,5 metres x 22 metres for perpendicular loading, and 2,5 metres x 22 metres for parallel loading

CHAPTER 9
REFUSE ROOMS AND SERVICE YARDS

Refuse rooms

49. The Municipality may, for the purposes of collecting refuse, require the owner to install a refuse receptacle on a property and require the refuse receptacle to—

(a) be of sufficient size to accommodate the refuse generated from the property for one week;

(b) be located adjacent to a public street, or in a position which will provide acceptable access to a refuse collection vehicle;

(c) be designed in a manner that is architecturally compatible with the other structures on the property and will screen refuse bins from public view; and

(d) to comply with any other conditions or standard requirements that the Municipality may impose relating to access, health, pollution control, recycling, safety or aesthetics.

Service yards

50.(1) The Municipality may require an owner to install a screened area housing utility services, compressors, washing lines, generators and sub-stations.

(2) The utility services must—

(a) be designed in a manner that is architecturally compatible with the other structures on the property and in the case of refuse bins must be screened from public view; and

(b) comply with any other conditions or standard requirements that the Municipality may impose relating to access, health, pollution control, safety or aesthetics.

SCHEDULE 1

USE ZONES TABLE

1	2	3
Zoning	**Primary use**	**Consent use**
AGRICULTURAL ZONES		
AGRICULTURAL ZONE I (AZI)		
The objective of this zone is to promote and protect agriculture on farms as an important economic, environmental and cultural resource. Limited provision is made for non-agricultural uses to provide rural communities in more remote areas with the opportunity to increase the economic potential of their properties, provided these uses do not present a significant negative impact on the primary agricultural resource.	**Primary use** • Agriculture	**Consent uses** • Additional dwelling units • Airfield • Animal care centre • Aqua-culture • Camping site • Farm shop • Function venue • Guest house • Helicopter landing pad • Off-road trail • Plant nursery • Quarry • Shooting range • Tourist facilities •
AGRICULTURAL ZONE II (AZII)		
	Primary use • Agricultural industry	**Consent uses** • Farm shop
AGRICULTURAL ZONE III (AZIII)		
The purpose of this zone is to support the government's rural land development programme and provide for the establishment of worker accommodation outside conventional towns.	**Primary use** • Agri-village	**Consent uses** • Rooftop base telecommunication station

1	2	3
Zoning	**Primary use**	**Consent use**
SINGLE RESIDENTIAL ZONES		
SINGLE RESIDENTIAL ZONE I (SRZI)		
The objective of this zone is to provide for residential development where the predominant type of accommodation is a dwelling house for a single family, where each dwelling has its own land unit, and adequate outdoor space. Limited employment and additional accommodation opportunities are possible as primary or consent uses, provided that the dominant use of the property remains residential, and impacts of employment and additional accommodation uses do not adversely affect the quality and character of the surrounding residential environment.	**Primary use** • Dwelling house	**Consent uses** • Crèche • Guest house • Second dwelling • Retirement resort
SINGLE RESIDENTIAL ZONE II (SRZII)		
The objective of this zone is to provide for upgrading and incremental housing from informal settlements to formal settlements, temporary relocation areas and emergency housing. In recognition of the realities of poor and marginalised communities, development management provisions are not restrictive.	**Primary uses** • Shelter	**Consent uses** • Dwelling house

1	2	3
Zoning	**Primary use**	**Consent use**
GENERAL RESIDENTIAL ZONES		
GENERAL RESIDENTIAL ZONE I (GRZI)		
The objective of this zone is to facilitate in designated areas low intensity densification that will not have an adverse effect on the character of the existing built area and may contribute to the optimal utilisation of land and infrastructure. The residential development consists of two dwelling units in a single structure, each of which may accommodate a single family. Individual ownership of the units will be allowed through a sectional title scheme. Architecturally, the dwelling units will be uniform and will be developed to the same scale and extent.	**Primary use** • Double dwelling house	**Consent uses** • Guest house • Home occupation
GENERAL RESIDENTIAL ZONE II (GRZII)		
The objective of this zone is to encourage residential development of a medium density, with a coordinated design, and to accommodate group housing where special attention is given to aesthetics, architectural form and the inter-relationship between components of the group housing scheme. Group housing may be located in single residential areas in places where an increased density is desirable, including along main roads, near local shopping centres and other activity nodes, and also preferably near to public open spaces.	**Primary use** • Group housing	**Consent uses** • Flats • Home occupation • Retirement resort • Town housing

1	2	3
Zoning	**Primary use**	**Consent use**
GENERAL RESIDENTIAL ZONE III (GRZIV)		
The objective of this zone is to promote higher density residential development. The dominant use within this zone must be residential, but limited mixed-use development is possible with the Municipality's consent. This zone has particular location requirements, including proximity to transport and amenities, and should not be randomly located without due consideration of the availability of open space and community facilities.	**Primary use** • Flats	**Consent uses** • Convenience shop • Retirement resort • Rooftop base telecommunication station
GENERAL RESIDENTIAL ZONE IV (GRZV)		
The objective of this zone is to provide a temporary residence for transient guests in an appropriately scaled establishment that may include a small conference/ training facility that also caters for business meetings and where lodging and meals are provided.	**Primary use** • Guest lodge	**Consent uses** • Backpackers' lodge • Restaurant
GENERAL RESIDENTIAL ZONE V (GRZV)		
The objective of this zone is to provide a temporary residence for transient guests, where lodging and meals are provided, and may include a restaurant and conference facilities. Outside towns it should only be considered in identified tourism areas or within resorts.	**Primary use** • Hotel	**Consent uses** • Backpackers' lodge • Rooftop base telecommunication station • Shop • Place of entertainment

1	2	3
Zoning	**Primary use**	**Consent use**
BUSINESS ZONES		
BUSINESS ZONE I (BZI)		
The objective of this zone is to provide for intensive business and mixed-use development with relatively few restrictions in order to promote urban vitality and economic growth.	**Primary use** • Business premises	**Consent uses** • Helicopter landing pad • Motor repair garage • Open air motor vehicle display • Place of entertainment • Place of instruction • Place of worship • Place of assembly • Transport use • Warehouse • Liquor store • Funeral parlour
BUSINESS ZONE II (BZII)		
The objective of this zone is to provide for the retail sale of goods and services to the public.	**Primary use** • Shop	**Consent uses** • Conference facility • Dwelling house • Liquor store • Open air motor vehicle display • Place of assembly • Place of instruction • Place of leisure • Place of worship • Restaurant • Rooftop base telecommunication station • Service station • Supermarket

1	2	3
Zoning	**Primary use**	**Consent use**
BUSINESS ZONE III (BZIII)		
The objective of this zone is to provide for low intensity commercial and mixed-use development that serves local neighbourhood needs for convenience goods and personal services. The development should be limited in scale and nature and capable of integration into the adjacent residential neighbourhood, without adversely affecting the amenity of the residential neighbourhood. While mixed use development is encouraged, care must be taken not to compromise business operations.	**Primary use** • Neighbourhood shop	**Consent uses** • Liquor store • Restaurant • Service trade • Supermarket • Funeral Parlour • Flats
BUSINESS ZONE IV (BZIV)		
The objective of this zone is to provide an intermediate zone that may, if required, act as a buffer or interface between high- and medium-intensity business zones, and residential zones. Retail activities are limited to those which are ancillary to the dominant permitted uses, namely offices In order to protect the amenity of adjacent residential areas, appropriate levels of landscaping and environmental management are required.	**Primary use** • Offices	**Consent uses** • Dwelling house • Flats • Institution • Place of assembly • Place of instruction • Place of leisure • Restaurant • Rooftop base telecommunication station • Shop • Funeral Parlour

1	2	3
Zoning	**Primary use**	**Consent use**
BUSINESS ZONE V (BZV)		
The objective of this zone is to provide for large-scale regional retail facilities that exceed the floor area of shops and supermarkets aimed at the local market in general. These facilities may offer a diverse range of products under one roof and supply products to individuals as well as wholesale trade. These facilities may be developed as a power centre. Specific consideration should be given to the locality and placement of these facilities with consideration of their regional significance and accessibility as well as possible impact on existing nodal areas.	**Primary use** • Shopping centre	**Consent uses** • Place of worship • Rooftop base telecommunication station • Warehouse
BUSINESS ZONE VI (BZVI)		
The objective of this zone is to provide opportunities in urban areas for service stations, motor repair garages and associated facilities that have specific vehicle access requirements and potential negative impacts on adjoining areas.	**Primary use** • Service station	**Consent uses** • Motor repair garage • Shop • Truck stop
INDUSTRIAL ZONES		
INDUSTRIAL ZONE 1 (IZI)		
The objective of this zone is to accommodate industry uses and service trades that may be carried out without nuisance to other properties or the general public. These uses may be located next to business uses and in close proximity to residential areas, and do not present a potential negative impact on the character or amenity of such areas.	**Primary use** • Light industry	**Consent uses** • Aqua-culture • Caretaker's quarters • Convenience shop • Liquor store • Office • Place of leisure • Place of assembly • Place of worship • Rooftop base telecommunication station • Truck stop • Funeral Parlour

1	2	3
Zoning	**Primary use**	**Consent use**
INDUSTRIAL ZONE II (IZII)		
The objective of this zone is to accommodate all forms of industry, except noxious trade and risk activity, in order to promote the manufacturing sector of the economy. Some allowance is made for non-industrial activities, but these should not compromise the general use of the area zoned for industry. It is accepted that the intensive nature of the industrial activity or the scale of the operation could generate some negative impact on adjacent properties.	**Primary use** • Industry	**Consent uses** • Abattoir • Aqua-culture • Convenience shop • Crematorium • Helicopter landing pad • Liquor store • Office • Place of entertainment • Place of leisure • Place of assembly • Place of worship • Restaurant • Scrap yard • Truck stop • Animal care centre
INDUSTRIAL ZONE III (IZIII)		
The objective of this zone is to provide for industries that are noxious in respect of smell, product, waste or other objectionable consequence of their operation, or carry a high risk in the event of fire or accident. While other uses are permitted with consent, the Municipality must ensure there is sufficient capacity for noxious trade in the limited areas suitable for this zone. A noxious trade should not be located close to residential areas.	**Primary use** • Noxious trade	**Consent uses** • Convenience shop • Helicopter landing pad • Industry • Motor repair garage • Scrap yard • Service station • Transport use
INDUSTRIAL ZONE IV (IZIV)		
The objective of this zone is to provide for the use of land for the extraction of minerals and raw materials and, to a limited extent, associated business operations. This zone is intended for operations of a more permanent nature as opposed to temporary, short-term mining or prospecting activities.	**Primary use** • Mine	**Consent uses** • Industry

1	2	3
Zoning	**Primary use**	**Consent use**
COMMUNITY ZONES		
COMMUNITY ZONE I (CZI)		
The objective of this zone is to provide for educational facilities of all kinds, but controlled provision is made for other compatible community uses.	**Primary use** • Place of instruction	**Consent uses** • Conference facility • Institution • Place of assembly • Rooftop base telecommunication station
COMMUNITY ZONE II (CZII)		
The objective of this zone is to provide for places where communities can congregate and worship according to the custom of their specific faith or religion.	**Primary use** • Place of worship	**Consent uses** • Cemetery • Institution • Place of instruction • Rooftop base telecommunication stationgarden of remembrance
COMMUNITY ZONE III (CZIII)		
The objective of this zone is to provide for a wide range of health facilities.	**Primary use** • Institution	**Consent uses** • Correctional facility • Rooftop base telecommunication station • Funeral Parlour
COMMUNITY ZONE IV (CZIV)		
	Primary use • Cemetery	**Consent uses** • Crematorium

1	2	3
Zoning	**Primary use**	**Consent use**
RESORT ZONES		
RESORT ZONE I (RZI)		
The objective of this zone is to promote tourist and holiday facilities in areas with special environmental or recreational attributes, and to encourage general public access to these facilities. At the same time, care should be exercised to minimise potential negative impacts of development on fragile environments. The guiding principle should be that a resort must not detract from the amenity that attracted the holiday facilities in the first place, nor should it cause a public nuisance for other people living and working in the vicinity. This zone should only be used in exceptional cases and is normally applicable to tourist developments outside established, built-up areas.	**Primary use** • Tourist accommodation	**Consent uses** • Function venue • Hotel • Off-road trail • Rooftop base telecommunication station • Tourist facilities • Wellness centre
OPEN SPACE ZONES		
OPEN SPACE ZONE I (OSZI)		
The objective of this zone is to provide for active and passive recreational areas on public land, in order to promote recreation, and enhance the aesthetic appearance of an area.	**Primary use** • Public open space	**Consent uses** • Environmental facilities • Tourist facilities • Urban agriculture
OPEN SPACE ZONE II (OSZII)		
The objective of this zone is to provide for private active and passive recreational areas, in order to promote recreation and enhance the aesthetic appearance of an area.	**Primary use** • Private open space	**Consent uses** • Environmental facilities • Plant nursery • Restaurant • Sports and recreation centre • Tourist facilities • Urban agriculture

1	2	3
Zoning	**Primary use**	**Consent use**
OPEN SPACE ZONE III (OSZIII)		
The objective of this zone is to provide for the conservation of natural resources in areas that have not been proclaimed as nature areas (non-statutory conservation), in order to sustain flora and fauna and protect areas of undeveloped landscape including woodlands, ridges, wetlands and the coastline. A range of consent uses is provided to supplement and support the main objective of this zone.	**Primary use** • Nature conservation area	**Consent uses** • Environmental facilities • Rooftop base telecommunication station • Tourist facilities
OPEN SPACE ZONE IV (OSZIV)		
The objective of this zone is to provide for the conservation of natural resources in areas that have been proclaimed as nature areas (statutory conservation), in order to sustain flora and fauna and protect areas of undeveloped landscape including woodlands, ridges, wetlands and the coastline. A range of consent uses is provided to supplement and support the main objective of this zone.	**Primary use** • Nature reserve	**Consent uses** • Conference facility • Function venue • Rooftop base telecommunication station • Tourist accommodation • Tourist facilities
TRANSPORT AND UTILITY ZONES		
TRANSPORT ZONE I (TZI)		
The objective of this zone is to reserve land for transportation systems, excluding public streets, but including all other transport undertakings.	**Primary use** • Transport use	**Consent uses** • Airfield • Airport • Business premises • Conference facility • Helicopter landing pad • Hotel • Industry • Motor repair garage • Service station • Warehouse

1	2	3
Zoning	**Primary use**	**Consent use**
TRANSPORT ZONE II (TZII)		
The objective of this zone is to provide for public streets, whether constructed or still to be constructed, as well as infrastructure associated with public streets. Provision is also made for the temporary use of the land unit for other purposes as may be approved by the Municipality.	**Primary use** • Public street	**Consent uses** • Multiple parking garage
TRANSPORT ZONE III (TZIII)		
The objective of this zone is to provide private roads that is privately owned and does not vest in the Municipality or any other organ of state, for the passage or parking of motor vehicles.	**Primary use** • Private road	**Consent uses** • None
AUTHORITY ZONE (AZ)		
The objective of this zone is to reserve land for uses that do not fall into another zoning category and that is normally undertaken by national, provincial and municipal government agencies including utility services and substations. Some flexibility for the use of land and development parameters is provided.	**Primary use** • Authority use	**Consent uses** • None • freestanding base telecommunication station
RENEWABLE ENERGY ZONE (REZ)		
	Primary use • Renewable energy structure	**Consent uses** • None
TELECOMMUNICATION STATION ZONE (TSZ)		
	Primary use • Freestanding base telecommunication station	**Consent uses** • None

1	2	3
Zoning	**Primary use**	**Consent use**
UNDETERMINED ZONE		
UNDETERMINED ZONE (UNZI)		
The objective of this zone is to enable the Municipality to defer a decision regarding a specific land use and development management provisions until the circumstances affecting the land unit have been properly investigated; or until the owner of the land makes an application for rezoning; or a zoning determination is made by the Municipality. The objective of this zone is furthermore to create a zone to which land could revert back to when rights under current zonings, other than Single Residential Zone I, were not exercised, especially in cases where changes in the planning context occurred since the current zoning was granted.	**Primary use** • None	**Consent uses** • None

RECORD OF AMENDMENTS

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SCHEDULE 2

LAND USE DESCRIPTIONS AND DEVELOPMENT PARAMETERS

"**abattoir"**

Land use description: "*abattoir"* is a place where animals are slaughtered and prepared for distribution to butchery shops and food markets.

Development parameters:
The development parameters applicable to "industry" apply, as well as those applicable to "agricultural industry" when an abattoir is located on a farm.

"additional dwelling unit"

Land use description: *"additional dwelling unit"* is a dwelling unit that may be erected on an agricultural land unit with the consent of the Municipality, in addition to a primary dwelling house or agricultural worker accommodation for *bona fide* agricultural workers, or both, provided that—

(a) for farms not exceeding 2000 ha additional dwelling units can be allowed at a ratio of one additional dwelling unit per 10 ha, calculated on the basis of all additional dwelling units on the agricultural land unit, up to a maximum of five (5) additional dwelling units per agricultural land unit; with the exception of one additional unit that can be allowed in all cases as a consent use, irrespective of the size of the agricultural land unit;

(b) in addition to the maximum possible number of units under (a), for farms exceeding 2000 ha, a further five (5) dwelling units can be applied for as a consent use, at a ratio of one unit per 500ha;

(c) no alienation of additional dwelling units will be permitted whether by cadastral subdivision or sectional title; and

(d) additional dwelling units may be used as guest accommodation.

Development parameters:
The development parameters applicable to "agriculture" apply, together with the following additional development parameters for "additional dwelling units". Additional dwelling units may be erected with the consent of Municipality provided that—

(a) staff quarters occupied by persons engaged in *bona fide* agricultural activities on the land unit is not regarded as an additional dwelling unit;

(b) the total floor space of an additional dwelling unit including the floor space in all ancillary buildings to the additional dwelling, may not exceed 175 m²;

(c) an additional dwelling unit must be constructed in a style that is similar to the architecture of the main dwelling house, unless otherwise permitted by the Municipality;

(d) an additional dwelling unit that is a separate structure to a dwelling house may not exceed a height of 6,5 metres to the top of the roof;

(e) an additional dwelling unit that is contained within the same building as a dwelling house must be designed so that the building appears to be a single dwelling house; provided that both units may have a ground floor, or one unit may be on the ground floor and the other unit above;

(f) the existence of an additional dwelling unit may not in itself be sufficient reason for the Municipality to grant an application in terms of the Planning By-law to subdivide the land unit containing the dwelling units; and

"agricultural industry"

Land use description: "*agricultural industry"*—

(a) means an activity or structure on a farm, of which the footprint exceeds 1000 m², for the purpose of packing, packaging, cold storage, preparing or transforming agricultural produce, or goods for non-food use, for final or intermediate consumption.;

(b) includes a winery, dairy, distillery, the bottling of water, a saw mill,;
(c) Rooftop base telecommunication station, and
(d) does not include an abattoir.

Development parameters:
The following development parameters apply:
(a) Building lines. The road or street and common boundary building lines are 30 metres.
(b) Parking the parking requirements for "industry" apply.

"**agricultural worker accommodation"**

Land use description: *"agricultural worker accommodation"* means accommodation provided for *bona fide* agricultural workers, including accommodation for labourers and farm managers, as determined by the Municipality based on the extent of the *bona fide* agricultural activities on the land unit, and can include the following ancillary uses;

(a) *place of instruction*
(b) *clinic*
(c) *place of assembly*
(d) *place of worship*
(e) *farm shop*

Development parameters:
The development parameters applicable to "agriculture" apply with the following additional development parameters:
(a) the number of units must be reasonably connected to the *bona fide* agricultural activities on the land unit.

"agriculture"

Land use description: "*agriculture"* means the cultivation of land for raising crops and other plants, including plantations, the keeping and breeding of animals, birds or bees, stud farming, game farming, intensive horticulture; intensive animal farming; a riding school or natural veld, and—
(a) includes—

(i) agricultural buildings or infrastructure that are reasonably connected with the main farming activities, including a dwelling house, agricultural worker accommodation and rooftop base telecommunication stations;
(ii) a camping site limited to a maximum of 10 tent or caravan stands subject to the development parameters applicable to "tourist accommodation", provided further that a consent use must be applied for in the following cases
(aa) the property is smaller than 1ha;
(cc) more than 10 tent or caravan stands are applied for;
(iii) telecommunication and electricity transmission lines: and
(iv) agricultural industry of which the footprint does not exceed 1000m².

(b) does not include aquaculture; an abattoir, a farm shop, an animal care centre, any mining activity and renewable energy structures for commercial gain.

Development parameters:
The following development parameters apply:
(a) **Building lines**
The road or street and common boundary building lines are 30 metres.

(b) **Site development plan**
For any development in this zone, including any part of the land not zoned Agriculture, a site development plan must be submitted to the Municipality for its approval taking specific

cognisance of visual impact given the size and scale of the agricultural buildings and facilities and their location in a rural landscape, and their proximity to tourist routes.

(c) **Farm shop, camping site**
Where a farm shop and a resort shop are operated from the same property the combined floor area of the farm shop and resort shop may not exceed 120m².

"agri-village"

Land use description: "agri-village" means a private settlement of restricted size, established and managed by a legal institution that is situated within an agricultural area and where residence is restricted to bona fide agricultural workers and their dependents of the farms involved in the development. The development of agri-villages represents a partnership between farmer, agricultural worker and state.

Development parameters:

(a) The Municipality must require a site development plan for an agri-village.
(b) The site development plan as approved by the Municipality constitutes the development parameters.
(c) The provisions for a site development plan in this By-law apply.
(d) The aim of this zone is to create "on the farm" and "off the farm" settlement options to allow farm workers and their dependents to fully benefit from the various tenure, housing and subsidy benefits and rights which are availed to them.
(e) The boundaries of the agri-village shall be clearly defined.
(f) Agri-villages may be permitted, where in the municipality's opinion a substantial demand for such settlement, in a farming area that has no established feasible means of establishing and managing new public town/settlements within practical commuting distance from the farming community and Council has no settlement.
(g) The owners and workforce of a company farm, or a group of neighbouring farms, must identify sufficient demand and the capacity for the establishment of a centrally located settlement where housing and communal facilities and services can be cost effectively provided to a local farm worker community.
(h) An agri-village must be developed, owned and managed by a legally constituted institution (e.g. a trust, Section 21 company or communal property association) representing a partnership between farmer/s farm workers and state.
(i) Access to housing is restricted to bona-fide farm workers and their dependants.
(j) Security of tenure is afforded by way of a trust or a communal property association.
(k) For the purposes of ensuring the sustainability of an institution for the purposes of an agri-village, the developers must provide guarantees for the long-term provision and maintenance of services.
(l) These are intended to promote land reform and will only be considered in such cases, in conjunction with the relevant departments.

"airfield"

Land use description: *"airfield"* means runways and associated buildings for the take-off and landing of light aircraft.

Development parameters:

(a) The Municipality must require a site development plan for an airfield.
(b) The site development plan as approved by the Municipality constitutes the development parameters.
(c) The provisions for a site development plan in this By-law apply.

"airport"

Land use description: "*airport"* means a complex comprising aircraft runways and associated buildings for the take-off and landing of civilian aircraft and facilities for the handling and storage of air freight and includes land uses ancillary to airpor, and includes—

(a) a restaurant;
(b) car rental facility;
(c) shop; and
(d) hotel.

Development parameters:
The development parameters applicable to "transport use" and "business premises" apply, provided that a site development plan must be submitted to the Municipality for its approval.

"animal care centre"

Land use description: "*animal care centre"* means a place for the care of pets and animals, operated on either a commercial or a welfare basis, and includes—

(a) boarding kennels; and
(b) pet training centres.

Development parameters:
The development parameters applicable to "agriculture" apply.

"aqua-culture"

Land use description: *aqua-culture"* means the breeding, for commercial purposes, of water flora or fauna in artificially constructed dams or holding tanks, or suspended from floating supports in natural water bodies.

Development parameters:
The development parameters applicable to "agriculture" apply.

"authority use"

Land use description: *"authority use"* means a use which is practised by or on behalf of an organ of state and that cannot be classified or defined under other uses in this zoning scheme, and includes a use practised by—

(a) the national government, including a military centre or installation, police station or correctional facility;
(b) the provincial government, including a road station or road camp;
(c) the Municipality, such as treatment works, dumping grounds, reservoirs, electricity substations, fire service or a municipal depot with related uses, including limited accommodation for staff who are required to be on standby for emergencies.

Development parameters:
The development parameters and additional provisions as approved by the Municipality according to the site development plan apply to every site, use and type of building.

"backpackers' lodge"

Land use description: *"backpackers' lodge"* means a building where lodging for backpackers is provided per bed and not per bedroom, and includes a youth hostel.

Development parameters:
The development parameters applicable to "guest lodge" apply.

"bed and breakfast establishment"

Land use description: "*bed and breakfast establishment"* means a dwelling house, second dwelling, double dwelling house or additional dwelling unit—

(a) in which the owner of the dwelling supplies lodging and meals for compensation to transient guests who have permanent residence elsewhere; and

(b) provided that the dominant use, structure and design of the dwelling house concerned remains for the living accommodation of a single family.

Development parameters:

The development parameters applicable to "dwelling house", "second dwelling" and "additional dwelling unit" apply.

The following further parameters apply:

(a) no more than two rooms per land unit may be used for bedroom accommodation for paying guest, and no more than four paying guest per land unit may be supplied with lodging or meals at any time;

(b) the requirement in paragraph *(a)* is also applicable where a land unit contains both a bed and breakfast establishment and rooms that are available for letting to lodgers;

(c) the owner of a bed and breakfast establishment must live on the property and inform the Municipality in writing before the establishment opens for business;

(d) a register of guests must be kept, and completed when rooms are let;

(e) any new structure or alteration to the property related to its use as a "bed and breakfast establishment" must be compatible with the residential character of the area, particularly with regard to the streetscape or rural character on a farm, and must be capable of reverting to use as part of the dwelling house, second dwelling, additional dwelling unit or outbuilding concerned;

(f) no more than two employees may be employed in activities related to the bed and breakfast establishment;

(g) no alcoholic beverages may be served except to resident guests for consumption on the premises;

(h) guest rooms may not be converted to, or used as, separate self-catering dwelling units;

(i) meals may only be supplied to guests who have lodging on the property, employees, and the family residing in the dwelling;

(j) in the absence of a Municipal policy or by-law on outdoor advertising and signage, no advertising sign may be displayed other than a single un-illuminated sign or notice not projecting over a public street and not exceeding 1 m^2 in area;

(k) no weddings, receptions, conferences, training or similar activities are permitted in a bed and breakfast establishment;

(l) no activities that constitute, or are likely to constitute, a source of public nuisance may be carried out; and

(m) on-site parking must be provided in accordance with the provisions of this By-law; provided that the Municipality may at any stage require additional on-site parking if, in the opinion of the Municipality, the bed and breakfast establishment does not have enough parking.

"boarding hostel"

Land use description: *"hostel"* means a place which provides accommodation in rooms or dormitories for students attending a place of education or tertiary educational institution, and is managed by or on behalf of the particular educational institution with which it is associated and includes communal facilities directly associated with the main use.

Development parameters:

Development parameters applicable to "place of instruction" apply.

"boarding house"

Land use description: ***"****boarding house"* means a building where lodging is provided, and includes ancillary communal cooking, dining and other communal facilities for the use of lodgers, together with outbuildings that are normally used in connection with a boarding house and—

(a) includes a building in which rooms are rented for residential purposes, a guest house or guest lodge, a home for the aged, a residential facility for handicapped persons or orphans; and

(b) does not include a hotel, dwelling house, second dwelling, backpackers' lodge or group house.

Development parameters:

(a) **Coverage**

The maximum coverage is 60%.

(b) **Floor factor**

The floor factor may not exceed 1.

(c) **Height**

(i) The highest point of a building may not exceed 15 metres to the top of the roof.

(ii) The general provisions regarding earth banks and retaining structures in this By-law apply.

(d) **Building lines**

(i) The street building line is at least 5 metres.

(ii) Side and rear building lines are at least 4,5 metres.

(iii) The general building line encroachments under section 21.(1) apply.

(e) **Parking and access**

Parking and access must be provided in accordance with this By-law.

(f) **Screening**

The Municipality may require screening in accordance with this By-law.

(g) **Site development plan**

The Municipality may require a site development plan to be submitted for its approval.

(h) **Open space**

(i) Every boarding house must have access on the land unit to an outdoor living area that may include private or communal open space, but excludes roads, service yards and parking areas.

(ii) An outdoor living area of at least 10% of the total erf area must be provided.

(iii) The outdoor living area(s) must be of reasonable proportions and location, to the satisfaction of the Municipality, to allow for leisure or recreational use by residents, and may include open courtyards within the complex.

(i) **Service yard**

A service yard must be provided on the land unit in accordance with this By-law.

(j) **Refuse room**

A refuse room must be provided on the land unit in accordance with this By-law.

"builder's yard"

Land use description: "*builder's yard"* means a property used for the storage of material and equipment that—

(a) is required for or is normally used for construction work;

(b) was obtained from demolitions of structures or excavations of ground; or

(c) is necessary for, or is normally used for land development, including storage of material used for building roads, installing essential services, or for any other construction work, whether for public or private purposes.

Development parameters:

The development parameters applicable to "industry" apply.

"business premises"

Land use description: *"business premises"* means a property from which business is conducted and—

(a) includes a shop, supermarket, restaurant, plant nursery, office, financial institution and building for similar uses, place of leisure, institution, hotel, hospital, conference facility, rooftop base telecommunication station, and multiple parking garage;

(b) includes also the following land uses above ground floor:

(i) flats;
(ii) caretaker's quarters;
(iii) backpackers' lodge;
(iv) youth hostel;
(v) boarding houses; and

(c) does not include a place of entertainment, liquor store, motor repair garage, industry, noxious trade or risk activity.

Development parameters:

The following development parameters apply:

(a) **Coverage**

The maximum coverage for all buildings on a land unit is 100%.

(b) **Street centre line setback**

The Municipality may require a street centre line setback, in which case all buildings or structures on a land unit must be set back at least 8 metres from the centre line of the abutting public street or streets.

(c) **Floor factor**

The maximum floor factor on the land unit is 3, but may be departed from if item *(h)* of these development parameters is complied with.

(d) **Height**

(i) The highest point of a building may not exceed 15 metres to the top of the roof.
(ii) The general provisions regarding earth banks and retaining structures in this By-law apply.

(e) **Building line**

(i) The street building line is 0 metres.
(ii) Side and rear building lines are 0 metres, provided that the Municipality may lay down common building lines in the interest of public health and safety or in order to enforce any other law or right.
(iii) Minor architectural and sunscreen features may project beyond the street boundary building line, provided that such features do not project more than 250 millimetres beyond the street boundary.

(f) **Hotel floor space concession**

Where it is proposed to erect a hotel of at least 30 bedrooms in terms of this use right, the development parameters applicable to "hotel" apply.

(g) **Canopy or balcony projection**

The Municipality may require, and may approve, a canopy or balcony projection over the street boundary in accordance with the following conditions:

(i) the canopy or balcony may not project closer than 500 millimetres to a vertical plane through the kerb line or proposed kerb line;
(ii) no portion of a canopy or balcony projection may be less than 2,8 metres above the pavement;
(iii) the Municipality may lay down more restrictive requirements relating to the dimensions, design and materials of the canopy or balcony; and
(iv) the owner must enter into an encroachment agreement with the Municipality.

(h) **Public pedestrian footway along street boundary**

If the owner provides on the land unit a public pedestrian footway that is accessible to the public at all times of at least 3 metres wide, next to a building situated alongside the street boundary, with a canopy and pavement that ties in with the street pavement, then, in

recognition of the urban design contribution to the street environment, the floor factor of the building may be increased by twice the area of the public pedestrian footway.

(i) **Street corners**

The Municipality may require the owner of a building to be situated at a public street corner, and where the Municipality considers the street corner to be significant, to incorporate in the building architectural features that focus visual interest on the corner and emphasise the importance of pedestrian movement around the corner. The architectural features may include building cut-offs, walkthrough covered arcades, plazas or other elements.

(j) **Parking and access**

(i) Parking and access must be provided on a land unit in accordance with this By-law, except in a case where the Municipality has approved alternative parking supply under section 42.(1).

(ii) Except with the approval of the Municipality, no parking bays at ground floor level on a land unit, either outside or within a building, may be located closer than 10 metres to a street boundary in order to enhance amenity at street level.

(k) **Loading**

Loading bays must be provided on the land unit in accordance with this By-law.

(l) **Screening**

The Municipality may require screening in accordance with this By-law.

(m) **Refuse room**

A refuse room must be provided on the land unit in accordance with this By-law.

"camping site"

Land use description: *"camping site"* means land set aside for camping where tents or caravans are used for short term accommodation of transient guests and may include facilities for use by guests including facilities for outdoor food preparation, resort shop, road access for vehicles, picnic facilities, raised platforms on which to set up tents or caravans, ablution facilities, communal scullery and laundry facilities and waste disposal facilities.

Development parameters:

The development parameters applicable to "tourist accommodation" apply, provided that a site development plan must be submitted to the Municipality for its approval.

"caretaker's quarters"

Land use description: *"caretaker's quarters"* means an outbuilding of not more than 60 m² in total floor area, including sanitary and cooking facilities used for the accommodation of a caretaker employed at an industrial site or business premises where the operation requires that somebody is on the land unit at all hours.

Development parameters:

As determined by the Municipality.

"**cemetery"**

Land use description: *"cemetery"* means a place for the burial of human or domestic animal remains, and—

(a) includes—

(i) ancillary buildings including an office and chapel;

(ii) a "garden of remembrance" or a "wall of remembrance"; and

(b) does not include a crematorium.

Development parameters:

The development parameters applicable to "public open space" apply in the case of publicly owned land, and the parameters applicable to "private open space" apply in the case of land in private ownership.

"clinic"

Land use description: "*clinic"* means a place that has limited facilities and an emphasis on outpatients for the diagnosis and treatment of human illness or the improvement of human health provided that—

(a) a clinic may contain live-in facilities for no more than 20 persons, including patients and staff; and

(b) a clinic may include medical consulting rooms, operating theatres, an outpatients centre, and a wellness centre with ancillary uses.

Development parameters:

The development parameters applicable to "place of instruction" apply.

"conference facility"

Land use description: *"conference facility"* means a place where information is presented and ideas or information exchanged among groups of people or delegates, and includes the supply of meals to delegates.

Development parameters:

The development parameters applicable to "business premises" apply.

"convenience shop"

Land use description: *"convenience shop"* means a small retail concern that is open long hours and that typically stocks a range of everyday items including groceries, snack foods, candy, toiletries, soft drinks, tobacco products, newspapers and magazines.

Development parameters:

(a) The development parameters applicable to "service station" apply.

(b) When approved as a consent use in another zone, the development parameters applicable to "shop" apply.

"correctional facility"

Land use description: *"correctional facility"* means a place where persons are housed and trained on instruction of a court of law and includes a reformatory, place of detention; industrial school and prison.

Development parameters:

Development parameters applicable to "authority use" apply.

"crèche"

Land use description: *"crèche"* means the use of a portion of a dwelling house or outbuildings by the occupant to provide day care, pre-school, play group or after-school care services for children.

Development parameters:

(a) The services provided must primarily be day care and educational and not medical services.

(b) The services may not operate outside the hours 6:00 to 18:00.

(c) The dominant use of the dwelling house must remain for the living accommodation of a single family.

(d) Not more than 40 children may be registered at a time, or on the property at any time, provided that the facility is at least 120m² in floor size

(e) Parking and access must be provided in accordance with this By-law.

(f) In the event that these development parameters are exceeded a rezoning to Community Zone I is required.

"crematorium"

Land use description: *"crematorium"* means a place for incinerating corpses in a furnace, and includes—

(a) ancillary facilities such as a chapel and offices; and

(b) a "garden of remembrance" or a "wall of remembrance".

Development parameters:

Development parameters applicable to "industry" apply.

"double dwelling house"

Land use description: *"double dwelling house"* means—

(a) a building designed as a single architectural entity that appears as a single dwelling house, containing two dwelling units on one land unit; and

(b) does not include a second dwelling.

Development parameters:

(a) **Coverage**

The coverage may not exceed 50%.

(b) **Floor space**

There may not be more than 10% difference in the floor space of the two dwelling units and the total floor space of each of the two units may not exceed 250 m² per unit.

(c) **Height**

(i) The height of a double dwelling house may not exceed 6 metres to the wall plate in all cases, and 8,5 metres to the ridge of the roof in the case of a pitched roof.

(ii) The general provisions regarding earth banks and retaining structures in this By-law apply.

(d) **Building lines:**

(i) The street building line is at least 4 metres.

(ii) The side building line is at least 2 metres.

(iii) The rear building line is at least 2 metres.

(iv) The general building line encroachments under section 21.(1) apply.

(e) **Window and door placement**

Any portion of a building that contains an external window or door facing onto a common boundary must—

(i) be set back at least 1,5 metres from such boundary; and

(ii) the portion of building to be set back from the boundary must include the door or window, together with the additional length of wall as is required to make up a total minimum length of 3 metres.

(f) **Garages, carports and outbuildings**

(i) A garage, carport and outbuildings are permitted within the common boundary building line provided that the garage and carport do not—

(aa) extend higher than 3,5 metres to the top of the roof;

(bb) contain more than a double garage façade; and

(cc) exceed a length and width of 6,5 metres.

(ii) For land units of 650 m² and less—

(aa) a garage or carport erected parallel to the street boundary is permitted up to 1,5 metres from the street boundary;

(bb) a garage or carport erected perpendicular to the street boundary is permitted up to 5,5metres from the street kerb;

provided that the garage or carport—

(aa) is not higher than 3,5 metres to the top of the roof;

(bb) does not contain more than a double garage façade; and

(cc) does not exceed a length and width of 6,5 metres.

(iii) For land units exceeding 650 m², a garage or carport may not be closer than 5 metres from the street boundary, notwithstanding the street building line.

(iv) Despite subparagraphs (ii) and (iii), a garage or carport may be erected within the street boundary building line if, in the opinion of the Municipality, compliance with the street boundary building line is not practical due to steep slopes of the ground between the road and the property concerned. The Municipality must determine the street boundary building line in such a case.

(g) **Parking and access**

Parking and access must be provided in accordance with the requirements of this By-law. Both dwelling units must obtain vehicle access from and to a street and each dwelling unit is limited to a maximum of two garages per dwelling unit.

(h) **Refuse room or service yard**

The Municipality may require a refuse room or service yard or both to be provided on the land unit(s) concerned, in accordance with this By-law.

(i) **Connection**

The two units must be connected by means of a communal wall of the dwelling, and connected garages, outside lapas and braai areas may not be used to satisfy this requirement.

"dwelling house"

Land use description: *"dwelling house"* means a building containing only one dwelling unit, together with such outbuildings as are ordinarily used with a dwelling house, including:

(a) a storeroom and garaging;
(b) a braai room;
(c) renewable energy structures for household purposes;
(d) home occupation;
(e) rain and grey water storage for household purposes;
(f) bed and breakfast establishment.

Development parameters:

(a) **Height**

(i) The height of a dwelling house may not exceed 6 metres to the wall plate in all cases, and 8,5 metres to the ridge of the roof in the case of a pitched roof.

(ii) The general provisions regarding earth banks and retaining structures in this By-law apply.

(b) **Coverage and building lines**

(i) Building lines are at least the distance indicated in the table entitled "Coverage and building lines" from the relevant erf boundary:

Coverage and building lines

Erf size	Coverage	Building lines		
		Street	Side	Rear
Less than or equal to 250 m²	80%	1 metre	1 metre	1,5 metres
Greater than 250 m², but not exceeding 500 m²	65%	3 metres	1,5 metres	1,5 metres
Greater than 500 m²	50%	4.5 metres	2 metres	2 metres

(ii) The general building line encroachments under section 21.(1) apply.

(iii) The Municipality may permit a relaxation of the lateral and/or rear building lines in the case of a dwelling house in Single Residential Zone I, subject to:

(aa) the comment of the adjoining property owner/s be obtained by the applicant;

(bb) such building or extension not exceeding a height of one storey;

(cc) the provision of an access way, other than through a building and at least 1m wide, from a street to every vacant portion of the land unit concerned, other than a courtyard.

(iii) No garage or any part thereof is permitted to encroach on the street building line, except if, in the opinion of the Municipality, compliance with the street boundary building line is not practical due to steep slopes of the ground between the road and the property concerned. The Municipality must determine the street boundary building line in such a case.

(iv) For any part of a building, other than a garage, the municipality may permit a relaxation of the street building line provided that it does not interfere with the character and appearance of the street. The municipality's decision in this regard is final.

(c) **Parking and access**

(i) Parking and access must be provided on the land unit in accordance with this By-law.

(ii) Where a dwelling unit is occupied by unrelated persons as defined in paragraph *(b)* of the definition of "family" in section 1, provision must be made for parking in accordance with the parking requirements for a boarding house.

(d) **Garaging**

Garaging for up to four vehicles is permitted.

"environmental facilities"

Land use description: *"environmental facilities"* means facilities for the management, study, interpretation, education, and public appreciation of a predominantly natural area or heritage site and may include hiking trails, but does not include tourist facilities or tourist accommodation.

Development parameters:

The Municipality must determine the land use restrictions and the development parameters for the property based on the objectives of this zoning and the specific circumstances including adherence with an approved environmental management plan, where applicable.

"factory"

Land use description: *"factory"* means property containing an industrial assembly plant used for the manufacture of goods.

Development parameters:

The development parameters applicable to "industry" apply.

"factory shop"

Land use description: *"factory shop"* means property used for the retail sale of goods that are completely or predominantly manufactured in a factory on the property concerned and may include a shop.

Development parameters:

The development parameters applicable to "industry" apply.

The occupant of an industry may operate a factory shop provided that—

(a) the total floor space devoted to the sale of goods may not exceed 10% of the total floor space of all the buildings on the land unit; and

(b) any goods that are offered for sale but have not been manufactured on the property, must be directly connected with the goods that are manufactured on the property.

"farm shop"

Land use description: *"farm shop"* means a building or structure not exceeding 120 m² in floor space located on a farm and from where the farmer sells produce grown on the farm and other goods to the general public, including storage facilities.

Development parameters:
The development parameters applicable to "agriculture" apply.

"farmers' market"

Land use description:
(a) **"***farmers' market*" means a predominantly fresh food market where farmers and food producers sell, directly to consumers, farm-origin and associated value-added specialty foods and plant products including—

(i) primary food products;
(ii) seafood, game and foraged foods;
(iii) value-added foods;
(iv) speciality food products;
(v) garden inputs; and
(vi) small livestock;

(b) A farmers'market–

(i) operates regularly within a community;
(ii) is located at a focal public location that provides a suitable environment for farmers to conduct trade;
(iii) typically consists of booths, tables or stands, outdoors or indoors, where farmers sell farm produce, meats, and sometimes prepared foods and beverages; and
(iv) may include:
(aa) a subservient component of stalls for the sale of locally produced handmade crafts and arts; and
(bb) live family entertainment, outdoor recreation activities and children's play area.

Development parameters:
The development parameters applicable to "agriculture", apply, together with the following additional parameters:

(a) the Municipality may stipulate conditions with regard to the layout, building design, open space, landscaping, parking, access and environmental management; and
(b) the development must occur in accordance with an approved site development plan.

"flats"

Land use description: *"flats"* means a building containing three or more dwelling units together with such outbuildings, open space and private roads as are ordinarily associated with flats.

Development parameters:

(a) **Coverage**
The maximum coverage is 60%.

(b) **Floor factor**
The floor factor may not exceed 1.

(c) **Height**
(i) The highest point of a building may not exceed 15 metres to the top of the roof.
(ii) The general provisions regarding earth banks and retaining structures in this By-law apply.

(d) **Building lines**
(i) The street building line is at least 5 metres.

(ii) Side and rear building lines are at least 4,5 metres.
(iii) The general building line encroachments under section 21.(1) apply.

(e) **Parking and access**
Parking and access must be provided in accordance with this By-law.

(f) **Screening**
The Municipality may require screening in accordance with this By-law.

(g) **Site development plan**
The Municipality may require a site development plan to be submitted for its approval.

(h) **Institution, place of instruction and place of assembly**
The development parameters that apply to "institution", "place of instruction" and "place of assembly" apply to this use; provided that where the institution, place of instruction or place of assembly is situated within a building which is also used for flats or a boarding house, then the coverage, height and building line requirements for the flats or boarding house apply.

(i) **Open space**
(i) Every block of flats must have access on the land unit to an outdoor living area, including private or communal open space, but excludes roads, service yards and parking areas.
(ii) An outdoor living area of at least 10% of the total erf area must be provided and the outdoor living area(s) must be of reasonable proportions and location to allow for leisure or recreational use by residents, and may include open courtyards within the complex.

(j) **Service yard**
A service yard must be provided on the land unit in accordance with this By-law.

(k) **Refuse room**
A refuse room must be provided on the land unit in accordance with this By-law.

(l) **Flats as a consent use in a group housing scheme**
The following conditions apply to flats as a consent use right in this zone:
(i) the flats must form an integrated part of a group housing site and must comply with the development parameters for "group housing";
(ii) the total floor space of flats may not exceed 40% of the total floor space of all buildings on the group housing site; and
(iii) the open space requirement for dwelling units in a group housing site applies.

"freestanding base telecommunication station"

Land use description: *"freestanding base telecommunication station"* means a freestanding support structure on land or anchored to land and used for telecommunication infrastructure to transmit or receive electronic communication signals, and may include access roads to the structure.

Development parameters:
For urban properties as determined by the Municipality. Development parameters applicable to "agriculture" apply on a rural property.

"function venue"

Land use description: *"function venue"* means a building or structure used for functions, weddings and expos on what is mainly a rural property.

Development parameters:
Development parameters applicable to "agriculture" apply on a rural property, together with the limitation that any function venue in a rural area, including all components of the venue, may not exceed a total floor space of 500 m².

"funeral parlour"

Land use description: *"funeral parlour"* means property where the dead are prepared for burial or cremation and—

(a) includes facilities for ancillary administrative and religious functions; and
(b) does not include a crematorium.

Development parameters:
The development parameters applicable to "shop" and "industry" apply.

"garden of remembrance"

Land use description: *"garden of remembrance"* is a section of a cemetery or crematorium set aside for the erection of memorial plaques or structures, placing or scattering of ashes.

Development parameters:
The development parameters applicable to "cemetery" and "crematorium" apply.

"group housing"

Land use description: ***"****group housing"* and *"group housing scheme"* means a group of separate or linked dwelling units where ─

(a) every dwelling unit has a ground floor;
(b) the units may be cadastrally subdivided;
(c) the units are planned, designed and built as a harmonious architectural entity in an ordered way; and
(d) the units are integrated with communal open spaces, roads and parking.

Development parameters:

(a) **Design principles**
All buildings and structures must be planned, designed and built as a harmonious architectural entity and special attention must be given to aesthetics, architectural coordination, urban design and landscaping.

(b) **Minimum Erf size**
Not less than 300m².

(c) **Height**
(i) The height of dwelling units may not exceed 6 metres to the wall plate in all cases, and 8,5 metres to the ridge of the roof in the case of a pitched roof.
(ii) The general provisions regarding earth banks and retaining structures in this By-law apply.

(d) **Open space**
Within a group housing site, outdoor space of at least 50 m² per dwelling unit must be provided and the outdoor space may include private or communal open space or any functional outdoor space that is inaccessible to motor vehicles, but excludes roads, service yards and parking areas.

(e) **Building lines along the perimeter of a group housing site**
The following building lines apply along the perimeter of a group housing site:
(i) a street boundary building line of 4.5 metres applies where the group housing site abuts an external public street;
(ii) side and rear boundary building lines are 3 metres along the perimeter of the group housing site; and
(iii) the general building line encroachments under section 21.(1) apply.

(f) **Building lines within a group housing site**
The following building lines apply within a group housing site:
(i) street boundary building lines on internal roads are 2 metres; provided that any garage door facing the road must be set back at least 4.5 metres from the kerb of such internal road; and
(ii) side and rear boundary building lines within the group housing site are 0 metres, unless the Municipality requires a building line for fire-fighting

purposes, in which case the common boundary building lines must be determined by the Municipality.

(g) **Parking and access**

(i) Parking and access must be provided in accordance with the requirements of this By-law.

(ii) Parking may be provided in the form of communal parking.

(h) **Site development plan**

The developer must submit a site development plan and design guidelines of the proposed group housing scheme to the Municipality for its approval, and, once approved, the development of the group housing site must be in accordance with the plan and guidelines. In absence of guidelines the Municipality's decision as to what is aesthetically acceptable will be final.

(i) **Service yard**

Service yard(s) must be provided on the land unit in accordance with this By-law.

(j) **Refuse room**

A refuse room must be provided on the land unit in accordance with this By-law.

(k) **Aesthetics and deviations**

External additions or alterations to buildings or building work shall not be detrimental to the external character and architectural style of the scheme. The owner must obtain for all work the written consent, where applicable, of the relevant owners' association or Body Corporate, or all the owners within a housing scheme if the owners' association or Body Corporate is not functioning.

"guest house"

Land use description: *"guest house"* means a dwelling house, second dwelling, double dwelling house, or additional dwelling unit that is used for the purpose of supplying lodging and meals to transient guests for compensation, in an establishment that exceeds the restrictions of a bed and breakfast establishment (more than 2 guest rooms or 4 guests), and—

(a) includes business meetings or training sessions by and for guests on the property for up to 12 persons; and

(b) does not include agricultural workers' accommodation.

Development parameters:

The development parameters applicable to "dwelling house", "second dwelling" and "additional dwelling unit" apply.

The following further parameters apply:

(a) the Municipality may require a site development plan to be submitted for a proposed guest house and the guest house may not open for business until the plan is approved;

(b) the owner of a proposed guest house establishment must live on the property and must have consent use approval from the Municipality before the guest house establishment may open for business;

(c) a register of guests and lodgers must be kept and completed when rooms are let;

(d) any new structure or alteration to the property related to its use as a guest house must be compatible with the residential character of the area, particularly with regard to the streetscape, and must be capable of reverting to use as part of the dwelling house, second dwelling, additional dwelling unit or outbuilding concerned;

(e) no more than 6 rooms per land unit may be used for bedroom accommodation for paying guests or lodgers, and no more than 12 paying guests or lodgers may be supplied with lodging or meals at any time;

(f) the requirement in paragraph *(e)* is also applicable where a land unit contains both a guest house and rooms which are available for letting to lodgers;

(g) no alcoholic beverages may be served except to resident guests for consumption on the premises;

(h) guest rooms may not be converted to, or used as, separate self-catering dwelling units;

(i) meals may only be supplied to guests or lodgers who have lodging on the property, employees, and the family residing in the dwelling;

(j) in the absence of a Municipal policy or by-law on outdoor advertising and signage, no advertising sign may be displayed other than a single un-illuminated sign or notice not projecting over a public street and not exceeding 1 m² in area;

(k) no weddings, receptions, conferences, training or any similar activities are permitted in a guest house;

(l) no activities that constitute, or are likely to constitute, a source of public nuisance may be carried out; and

(m) on-site parking must be provided in accordance with the provisions of this By-law, provided that the Municipality may at any stage require additional on-site parking if, in the opinion of the Municipality, the guest house does not have enough parking.

"guest lodge"

Land use description: *"guest lodge"* means an appropriately scaled establishment that provides temporary residence and meals for transient guests and—

(a) includes a small conference or training facility and also caters for business meetings, and

(b) does not include a restaurant or backpackers' lodge.

Development parameters:

(a) **Coverage**

The maximum coverage is 60%.

(b) **Floor factor**

The floor factor may not exceed 1.

(c) **Height**

(i) The highest point of a building may not exceed 8,5 metres from natural ground level to the top of the roof.

(ii) The general provisions regarding earth banks and retaining structures in this By-law apply.

(d) **Building lines**

(i) The street building line is at least 5 metres.

(ii) Side and rear building lines are at least 4,5 metres.

(iii) The general building line encroachments under section 21.(1) apply.

(e) **Parking and access**

Parking and access must be provided in accordance with this By-law.

(f) **Screening**

The Municipality may require screening in accordance with this By-law.

(g) **Site development plan**

The Municipality may require a site development plan to be submitted for its approval.

(h) **Open space**

(i) Every guest lodge must have access to an outdoor living area on the land unit, and the outdoor living area may include private or communal open space, but excludes roads, service yards and parking areas.

(ii) An outdoor living area of at least 10% of the total erf area must be provided; the outdoor living area(s) must be of reasonable proportions and location to allow for leisure or recreational use by guests and lodgers, and may include open courtyards within the complex.

(i) **Service yard**

A service yard must be provided on the land unit in accordance with this By-law.

(j) **Refuse room**

A refuse room must be provided on the land unit in accordance with this By-law.

(k) A register of guests and lodgers must be kept, and completed when rooms are let.

(l) No more than 20 rooms per land unit may be used for bedroom accommodation for paying guests or lodgers, and no more than 40 paying guests or lodgers may be supplied with lodging or meals at any time.

(m) No alcoholic beverages may be served except to resident guests for consumption on the premises.

(n) Guest rooms may not be converted to, or used as, separate self-catering dwelling units.

(o) Meals may only be supplied to guests or lodgers who have lodging on the property, employees, and the family residing in the guest lodge.

(p) In the absence of a Municipal policy or by-law on outdoor advertising and signage, no advertising sign may be displayed other than a single un-illuminated sign or notice not projecting over a public street and not exceeding 1 m² in area.

"helicopter landing pad"

Land use description: *"helicopter landing pad"* means any portion of land, building, structure or part thereof demarcated for the purposes of landing or take-off of helicopters or vertical lift-off aircraft.

Development parameters:
As determined by the Municipality.

"home for the aged"

Land use description: *"home for the aged"* means a building where permanent lodging is provided, with or without meals, to persons who are 50 years of age or older and–

(a) includes–
- (i) outbuildings as are normally used therewith; and
- (ii) a frail care facility; and

(b) does not include –
- (i) a dwelling house;
- (ii) a hotel;
- (iii) a bed and breakfast establishment; or
- (iv) flats.

Development parameters:
The development parameters applicable to "boarding house", apply.

"home occupation"

Land use description: "*home occupation"* means the practising of an occupation, trade, hobby or the conducting of an enterprise by one or more occupants who reside on the property, provided that the dominant use of the property concerned must remain for the living accommodation of the occupants and home occupation does not include a house shop.

Development parameters

(a) The dominant use of the property must be for accommodation of a single family.

(b) The proprietor of the home occupation concerned must live on the property.

(c) Any new structure or alteration to the property to accommodate a home occupation must be compatible with the residential character of the area, particularly with regard to the streetscape, and must be capable of reverting to use as part of the dwelling house, second dwelling or outbuilding concerned.

(d) Not more than two employees may be engaged by the occupant in the home occupation concerned.

(e) No home occupation may include a noxious trade, risk activity, adult entertainment, adult services, adult shop, sale of alcoholic beverages, motor repair garage, funeral parlour or activities that are likely to generate a public nuisance, including but not limited to panel beating and spray painting, auto electrician, builder's yard, welding works or joinery.

in addition to paragraph (e), the following uses specifically are not classified as home occupation:

(i) activities conforming to the definition of a shop;
(ii) animal care centres;
(iii) butcheries;
(iv) coal and wood merchants;
(v) escort agencies or adult entertainment;
(vi) fishmongers;
(vii) hospitals or clinics;
(viii) house shops;
(ix) taverns;
(x) builder's yard or manufacturing of concrete products;
(xi) motor vehicle repairs or auto electrician;
(xii) panel beating or spray painting;
(xiii) parcel delivery services;
(xiv) places of entertainment or sale of alcoholic beverages;
(xv) places of instruction
(xvi) shooting ranges or shooting instructions;
(xvii) taxi or bus businesses;
(xviii) tow-in services;
(xix) transport contractors;
(xx) undertakers;
(xxi) vehicle rental agencies or armed/alarm security undertakings;
(xxii) welding or joinery
(xxiii) scrap yards and
(xxiv) any other activity that in the opinion of the Municipality does not fit in the particular environment or is of a nature that it must be located on a suitably zoned premises;

(f) No goods for sale may be publicly displayed and no external evidence of the home occupation may be visible from a public street, except for an advertising sign in accordance with paragraph *(g)*.

(g) In the absence of a Municipal policy or by-law on outdoor advertising and signage, no advertising sign may be displayed other than a single un-illuminated sign or notice not projecting over a public street and not exceeding 0,2 m² in area.

(h) A "place of instruction" may be operated as a home occupation, provided that no more than six students may be accommodated at any given time.

(i) No activities that constitute or are likely to constitute a source of public nuisance, or generate waste material that may be harmful to the area or requires special waste removal processes, may be carried out.

(j) Off-street parking must be provided at a ratio of 1 parking bay per 25 m² area used for home occupation. The Municipality may at any stage require additional on-site parking where, in the opinion of the Municipality, there is not enough parking for the home occupation concerned.

(k) The total area used for all home occupation activity on a land unit, including storage, may not consist of more than 25% of the total floor area of the dwelling units on the land unit or 60 m², whichever is smaller.

(l) The storage of all goods and equipment connected with the home occupation concerned must be inside a building or screened from neighbours and the public street.

(m) Not more than two vehicles may be used in connection with a home occupation, and no one vehicle may exceed 3 500 kg in gross weight.

(n) The hours of operation of a home occupation may not extend beyond 8:00 to 18:00 from Monday to Friday, and 8:00 to 13:00 on Saturday. No home occupation operations are permitted on public holidays or Sundays.

(o) The Municipality may, at any stage, call for a cessation of the home occupation activity or impose conditions in order to minimise any potential nuisance to surrounding neighbours or the general public.

(p) When "home occupation" is approved as a consent use right in any zone, the development parameters of "home occupation" apply over and above the development parameters of the relevant land use allowed as a primary right in the zone.

(q) In order to exercise the consent use right under paragraph *(o)*, the owner must obtain the written consent, where applicable, of the relevant owners' association or Body Corporate, or all the owners within a housing scheme if the owners' association or Body Corporate is not functioning.

"hospital"

Land use description: *"hospital"* means a place for the diagnosis and treatment of human illness, with integrated facilities including operating theatres and live-in accommodation for patients and may include—

(a) a clinic;
(b) medical consulting rooms;
(c) a pharmacy;
(d) a subservient restaurant; and
(e) a shop.

Development parameters:
The development parameters applicable to "place of instruction" apply.

"hotel"

Land use description: *"hotel"* means a property used as a temporary residence for transient guests, where lodging and meals are provided, and—

(a) includes—
  (i) restaurants;
  (ii) conference and entertainment facilities and a chapel that are subservient and ancillary to the dominant use of the property as a hotel;
  (iii) premises that are licensed to sell alcoholic beverages for consumption on the property;
  (iv) flats;
  (v) a wellness centre; and
  (vi) a boarding house; and

(b) does not include—
  (i) a liquor store;
  (ii) a backpackers' lodge;
  (iii) a dwelling house, and
  (iv) a dwelling unit.
  (v) a place of entertainment

Development parameters:
The development parameters applicable to "business premises" apply with the following concession:

(a) Where it is proposed to erect a hotel of at least 30 bedrooms within this zone, the following portions of the hotel must be disregarded when calculating the total floor space of the building:
  (i) rooms that are used by residents and visitors as dining rooms, banqueting rooms, bars, restaurants, ballrooms, rooms for games and sports, lounges, sitting rooms, reading rooms, writing rooms and conference rooms;
  (ii) public foyers and areas comprising public or communal stoeps, verandahs, balconies, terraces or sun decks used by hotel residents or visitors;

(iii) barber shops, hairdressing salons, florists and similar enterprises within the hotel for the exclusive use of hotel residents;
(iv) offices forming part of the hotel premises, used solely for the administration and management of the hotel;
(v) kitchens, sculleries, laundries and similar service facilities forming part of the hotel premises;
(vi) storerooms appurtenant to the hotel; and
(vii) staff quarters appurtenant to the hotel, including corridors, stairs and other means of access within such staff quarters, including all kitchens, dining rooms, recreation rooms, laundries and other similar rooms for the exclusive use of staff.

(b) If, in the opinion of the Municipality, a room is primarily for the use of persons other than hotel residents, staff or visitors, the room must be included in the floor space calculation of the building notwithstanding that it may be referred to in paragraph *(a)*(i) to (vii), and any rooms that are not specifically referred to in paragraph *(a)*(i) to (vii) must also be included in the floor space calculation of the building.

"house shop"

Land use description: "house shop" means the operation of a retail business from a dwelling for the convenience of the immediate community by the registered owner of the dwelling, who must occupy the dwelling; provided that the primary use of the dwelling shall remain residential, and may be granted as a temporary departure from this By-law by the Municipality since it does not constitute a primary or consent in terms of this By-law.

Development parameters:
As determined by the Witzenberg Municipality: House Shop By-Law.

"industrial hive"

Land use description: *"industrial hive"* means a complex of uniformly designed buildings, containing a mix of retail and manufacturing activities arranged in an orderly manner around common spaces including—

(a) common parking and access;
(b) light industry;
(c) service trade;
(d) storage facilities;
(e) service station;
(f) restaurant; and
(g) open air motor vehicle display.

Development parameters
The development parameters applicable to "light industry" apply.

"industry"

Land use description: *"industry"* means a property used as a factory and in which an article or part of the article is made, manufactured, produced, built, assembled, compiled, printed, ornamented, processed, treated, adapted, repaired, renovated, rebuilt, altered, painted (including spray painting), polished, finished, cleaned, dyed, washed, broken up, disassembled, sorted, packed, chilled, frozen or stored in cold storage; including offices, caretaker's quarters, factory shop or other uses that are subservient and ancillary to the use of the property as a factory; and—

(a) includes—
(i) an industrial hive;
(ii) builder's yard
(iv) service station;
(v) transport usage;
(vi) rooftop base telecommunication station;

(viii) warehouse and agricultural industry; and

(b) does not include a noxious trade, scrap yard or risk activity.

Development parameters:

(a) **Floor factor and coverage**

(i) The floor factor may not exceed 1,5.

(ii) The maximum coverage is 75%.

(b) **Height**

(i) The highest point of a building may not exceed 18 metres to the top of the roof.

(ii) The highest point of a stack of shipping or transport containers stored outside a building may not exceed 15 metres above average ground level.

(iii) The general provisions regarding earth banks and retaining structures in this By-law apply.

(c) **Street boundary building line**

The street boundary building line is 0 metres, with a street centreline setback of at least 8 metres.

(d) **Side and rear boundary building lines**

Side and rear boundary building lines are 0 metres, provided that the Municipality may impose down side and rear building lines of up to 3 metres in the interest of public health and/or safety.

(e) **Boundary walls**

Where a land unit has a common boundary with another land unit that is not zoned Industrial Zone II or Industrial Zone III, the Municipality may require a 1,8 metre-high wall to be erected, to the satisfaction of the Municipality, along the common boundary.

(f) **Parking and access**

Parking and access must be provided on the land unit in accordance with this By-law.

(g) **Loading**

Loading bays must be provided on the land unit in accordance with this By-law.

(h) **Screening**

The Municipality may require screening in accordance with this By-law.

(i) **Hazardous substances**

Despite the fact that an activity constitutes a primary use right in terms of this zone, no activity or use that includes the on-site storage of hazardous substances may be permitted unless a risk management and prevention plan has been submitted to the Municipality for its approval. The risk management and prevention plan must include guidelines approved by the Municipality to prevent or minimise danger to the environment or humans from a particular activity or series of activities, and to deal with the consequences of any dangerous event involving the hazardous substances.

(j) **Industrial hive**

The same development management provisions that apply to an industrial hive under "light industry" apply to an industrial hive in this zone.

(k) **Site development plan**

The Municipality may require a site development plan to be submitted for its approval in accordance with this By-law.

(l) **Refuse room**

A refuse room must be provided on the land unit in accordance with this By-law.

"institution"

Land use description: *"institution"*—

(a) means a property used as a facility that renders services to the community including—

(i) hospital;

(ii) clinic;

(iii) home for the aged, retired, indigent or handicapped, frail care facility;

(iv) a social facility including a counselling centre, orphanage and rehabilitation centre; and
(v) ancillary accommodation, administrative, health care, training and support services and facilities; and

(b) does not include a correctional facility.

Development parameters:
Development parameters applicable to "place of instruction" apply.

"intensive animal farming"

Land use description: *"intensive animal farming"*—

(a) means the breeding, feeding and keeping, on an intensive basis, of animals or poultry confined to buildings, or structures; and

(b) does not include the breeding, feeding and keeping of wildlife.

Development parameters:
Development parameters applicable to "agriculture" apply.

"intensive horticulture"

Land use description: *"intensive horticulture"* means the culture of plants on an intensive scale, including—

(a) the culture of plants under a roof or in greenhouses; and

(b) the sale of self-produced plants on a property.

Development parameters:
Development parameters applicable to "agriculture" apply.

"light industry"

Land use description: *"light industry"*—

(a) means an industry, not being a hazardous or offensive industry or involving use of hazardous or offensive storage establishment, and where the processes carried on, the transportation involved or the machinery or materials used do not interfere with the amenity of the neighbourhood by reason of noise, vibration, smell, fumes, smoke, vapour, steam, soot, ash, dust, waste water, waste products, grit or oil, or otherwise;

(b) involves manufacturing that is less capital-intensive and requires less machinery than other types of manufacturing; and

(c) includes—
(i) the manufacturing of consumer products, including electronics and clothing;
(ii) warehousing;
(iii) industrial hive;
(iv) service trade;
(v) service station;
(vi) restaurant; and
(vii) open air motor vehicle display.

Development parameters

(a) **Floor factor**
The maximum floor factor on the land unit is 1,5.

(b) **Coverage**
The maximum coverage for all buildings on a land unit is 75%.

(c) **Height**
(i) No building may exceed a height of two storeys.
(ii) The general provisions regarding earth banks and retaining structures in this By-law apply.

(d) **Street building line**
The street building line is at least 5 metres.

(e) **Side building line**
The side building line is at least 3 metres.

(f) **Rear building line**
The rear building line is at least 3 metres.

(g) **Boundary walls**
Where a land unit has a common boundary with another land unit that is not zoned for industrial purposes, the Municipality may require a 1.8 metre-high wall to be erected to the satisfaction of the Municipality, along the common boundary.

(h) **Parking and access**
Parking and access must be provided in accordance with this By-law.

(i) **Loading bays**
Loading bays must be provided in accordance with this By-law.

(j) **Screening**
The Municipality may require screening in accordance with this By-law.

(k) **Refuse room**
A refuse room must be provided on the land unit in accordance with this By-law.

(l) **Hazardous substances**
No activity which includes storage of on-site hazardous substances may be permitted unless a risk management and prevention plan has been submitted to the Municipality for its approval. The risk management and prevention plan must include guidelines approved by the Municipality to prevent or minimise danger to the environment or humans from a particular activity or series of activities, and to deal with the consequences of any dangerous event involving the hazardous substances.

(m) **Site development plan**
A site development plan must be submitted to the Municipality for its approval.

(n) **Industrial hive**
The following additional development parameters apply for an industrial hive, namely:

(i) the design principles which are reflected in the definition of "industrial hive" must be closely followed and implemented;

(ii) special attention must be given to aesthetics, architectural coordination, urban design and landscaping; and

(iii) the Municipality may impose conditions specifying limits on the mix of retail and manufacturing activities, and the industrial hive may not allocate more than 50% of the total floor space to retail activities, shops or associated uses.

"liquor store"

Land use description: "*liquor store"* means an establishment where the dominant use is the retail sale of alcoholic beverages, for consumption off the property.

Development parameters:
The development parameters applicable to "shop" apply.

"medical consulting rooms"

Land use description: *"medical consulting rooms"* means an office or offices and ancillary rooms used by a registered medical professional for human medical or medical-related consultation, where the office is not attached to a hospital or clinic.

Development parameters:
The development parameters applicable to "office" apply.

"mine"

Land use description: *"mine"* means mine as defined in the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002) and includes extracting gas for market production purposes.

Development parameters:

The following development management provisions apply:

(a) the owner must comply with national and provincial statutory requirements applicable to mining;

(b) any application to rezone land to Industrial Zone IV must contain an explanation of the measures that will be implemented to address safety and environmental concerns that may be imposed as conditions of approval by the Municipality, including—

(i) control of drainage, sedimentation and erosion;
(ii) preservation of surface and substance water;
(iii) preservation of topsoil;
(iv) provision for restoration and the re-use of the site;
(v) provision for noise and visual buffering;
(vi) accommodation of heavy traffic and vehicles on roadways; and
(vii) a phased programme for rehabilitation; and

(c) a site development plan must be submitted to the Municipality for its approval.

"mobile home"

Land use description: *"mobile home"* means a transportable structure that is designed so that it can be used as a permanent dwelling and that has the necessary service connections for a permanent dwelling.

Development parameters:

As determined by the Municipality.

"motor repair garage"

Land use description: "*motor repair garage"* means a commercial enterprise where motor vehicles are provided with fuel or major services including engine overhauling, spray-painting, panel beating, black-smithery, exhaust fitment, shock absorber fitment or body work, and includes a service station.

Development parameters:

The development parameters applicable to "shop" apply. The following additional development parameters apply:

(a) a site development plan must be submitted to the Municipality for its approval;

(b) any part of the property of a motor repair garage that is used for the repair of motor vehicles, the storage of inoperable motor vehicles or parts of motor vehicles, empty containers including oil drums and packing cases, or any other scrap, must be enclosed with a solid screen wall at least 1.8 metres high, or contained in a building; and

(c) any motor repair garage that supplies fuel must comply with the following access requirements:

(i) the width of motor vehicle carriageway crossings over the street boundary, whether one-way or two-way, may not exceed 8 metres;
(ii) a wall, at least 100 millimetres thick and 350 millimetres high, must be erected on the street boundary between different motor vehicle carriageway crossings, and the wall must continue along the boundary unless the property is otherwise enclosed;
(iii) the motor vehicle carriageway crossings must be limited to two per site unless the total length of a street boundary exceeds 30 metres, in which case one additional motor vehicle carriageway crossing may be permitted;
(iv) at the point where it crosses the street boundary, a motor vehicle carriageway crossing may not be closer than:

(aa) 30 metres to the intersection of a provincial road and with any other road of a similar status;

(bb) 30 metres to the nearest point of an intersection where traffic is controlled, or is proposed to be controlled, by a traffic signal or traffic island;

(cc) 10 metres from the corner of an intersection not described in items *(aa)* and *(bb)*, if the intersection is not splayed, or 5 metres from the point where the splay meets the road boundary if the intersection is splayed; and

(dd) 1,5 metres from a side boundary; and

(v) no fuel pump may be erected so that the base or island on which the pump stands is less than 3,5 metres from the nearest street boundary.

"multiple parking garage"

Land use description: *"multiple parking garage"* means a place, excluding a road, street and on-site parking associated with a primary or consent use, that is used for parking of motor vehicles by the public, with or without a fee, and may include parking within a building.

Development parameters

Development parameters applicable to "business premises" apply.

"nature conservation area"

Land use description: *"nature conservation area"* means the use and management of land with the objective of preserving the natural biophysical characteristics of that land, including the fauna and flora, but does not include tourist facilities, tourist accommodation or agriculture.

Development parameters:

(a) The Municipality may require an environmental conservation plan to be submitted for its approval.

(b) The Municipality must determine the land use restrictions and the development parameters for the property based on the objectives of this zoning, the particular circumstances of the property and, where applicable, in accordance with an approved environmental management plan.

(c) No more than one dwelling house is allowed.

(d) When a consent use to provide tourist facilities in a "nature conservation area" is approved, it is subject to conditions imposed by the Municipality with regard to layout, landscaping and building design.

(e) A site development plan must be submitted to the Municipality for its approval, clearly indicating the position of all structures, services and internal roads.

"nature reserve"

Land use description: *"nature reserve"* means a national park or some other nature area that is owned by an organ of state or remains in private ownership and has been declared as a nature reserve or has a similar status in terms of legislation; it consists of an area that is utilised as a game park or reserve for fauna and flora in their natural habitat and—

(a) includes environmental facilities and worker accommodation; and

(b) does not include accommodation facilities for tourists or holiday makers.

Development parameters:

(a) An environmental management plan must submitted to the Municipality, SANParks or CapeNature for their approval or to all of them for approval.

(b) SANParks or CapeNature or both must, in consultation with the Municipality, determine the land use restrictions and the development parameters for the property based on the objectives of this zoning, the particular circumstances of the property, and in accordance with an approved environmental management plan.

(c) When consent uses to provide tourist facilities or tourist accommodation in a "nature reserve" is approved, conditions must be imposed with regard to density, layout, landscaping, and building design.

(d) A site development plan must be submitted to the Municipality for its approval, clearly indicating the position of all structures, stands, services and internal roads.

"neighbourhood shop"

Land use description: *"neighbourhood shop"* means a property used for the retail sale, principally, of convenience goods to the public and providing service almost exclusively to the inhabitants of a specific neighbourhood and its surrounding area, and—

(a) includes laundrette, hair salon, medical practitioner and clinic; and

(b) does not include a liquor store, supermarket; service trade; flats or office.

Development parameters

The development parameters applicable to "shop" apply.

Despite the zero side and rear building lines, a 3 metre side or rear building line applies where a land unit zoned Business Zone III abuts on a residential zone.

"noxious trade"

Land use description: "*noxious trade"* means an industry that is offensive, poisonous or a potentially harmful use or activity that, because of the fumes, emissions, smell, vibration, noise, waste products, nature of material used, processes employed, or other cause, is considered by the Municipality to be a potential source of danger, nuisance or offence to the general public or persons in the surrounding area and includes—

(a) an abattoir;

(b) a crematorium;

(c) rooftop base telecommunication station; and

Development parameters

The following development parameters apply:

(a) **Floor factor**

The maximum floor factor on the land unit is 2.

(b) **Coverage**

The maximum coverage for all buildings on the land unit is 75%.

(c) **Height**

(i) No height restriction applies to buildings used for a noxious trade, risk activity or manufacturing in this zone.

(ii) Buildings not used for noxious trade, risk activity or manufacturing purposes may not exceed a height of 18 metres to the top of the roof.

(iii) The general provisions regarding earth banks and retaining structures in this By-law apply.

(iv) The highest point of shipping or transport containers, when stored or stacked outside a building connected with a noxious trade, may not exceed 15 metres above average ground level.

(d) **Building lines**

(i) The street boundary building line is at least 5 metres.

(ii) The side and rear boundary building lines are at least 5 metres.

(e) **Parking and access**

Parking and access must be provided on the land unit in accordance with this By-law.

(f) **Loading**

Loading bays must be provided on the land unit in accordance with this By-law.

(g) **Screening**

The Municipality may require screening on the land unit in accordance with this By-law.

(h) **Boundary walls**

Where a land unit has a common boundary with another land unit that is not zoned Industrial Zone II or Industrial Zone III, the Municipality may require a 1,8 metre-high wall, of the quality and with finishings to the satisfaction of the Municipality, to be erected along the common boundary..

(i) **Hazardous substances**

Despite the fact that an activity constitutes a primary use right in terms of this zone, no activity or use that includes the on-site storage of hazardous substances is permitted unless a risk management and prevention plan has been submitted to the Municipality for its approval. The risk management and prevention plan must include guidelines approved by the Municipality to prevent or minimise danger to the environment or humans from a particular activity or series of activities, and to deal with the consequences of any dangerous event involving the hazardous substances.

(j) **Refuse room**

A refuse room must be provided on the land unit in accordance with this By-law.

(k) **Site development plan**

The Municipality may require a site development plan to be submitted for its approval.

"office"

Land use description: *"office"* means property used for the conducting of an enterprise primarily concerned with administrative, clerical, financial or professional duties, and includes—

(a) medical consulting rooms;

(b) a clinic; and

(c) post office

Development parameters

The following development parameters apply:

(a) **Floor factor**

The floor factor may not exceed 1.

(b) **Coverage**

Coverage may not exceed 60%

(c) **Street centre line setback**

The municipality may require that all buildings or structures on the land unit are set back at least 6,5 metres from the centre line of the abutting street or streets.

(d) **Height**

(i) The highest point of a building may not exceed 11 metres from average ground level to the top of the roof.

(ii) The general provisions regarding earth banks and retaining structures in this By-law apply.

(e) **Building lines**

(i) The street building line is at least 5 metres.

(ii) The side and rear building lines are at least 3 metres.

(iii) Despite subparagraph (ii), the side building lines for properties smaller than 650 m² must be 0 metres for the first 12 metres measured perpendicular from street boundary; 0 metres for 60% of total remaining linear distance along all side and rear boundaries around the land unit; and 3 metres for the remainder.

(iv) The general building line encroachments under section 21.(1) apply.

(f) **Garages and carports**

(i) A garage or carport is permitted within the common boundary building line provided the garage or carport—

(aa) does not exceed 3,5 metres to the top of the roof; and

(bb) does not contain more than a double garage façade with a maximum width of 6,5 metres.

(ii) For land units exceeding 650 m², a garage or carport may not be closer than 5 metres from the street boundary, notwithstanding the street building line.

(g) **Parking and access**
Parking and access must be provided on the land unit in accordance with this By-law, except in a case where the Municipality has approved alternative parking supply under section 43.(1).

(h) **Loading**
Loading bays must be provided on the land unit in accordance with this By-law.

(i) **Screening**
The Municipality may require screening in accordance with this By-law.

(j) **Canopy or balcony projection**
Canopy and balcony projections for "business premises" apply.

(k) **Refuse room**
The Municipality may require a refuse room to be provided on the land unit in accordance with this By-law.

"off-road trail"

Land use description: "*off-road trail"* means a series of roads, tracks and routes designed for recreational use and—

(a) includes buildings and facilities normally required for the administration and maintenance of the trail; and

(b) does not include tourist accommodation or tourist facilities.

Development parameters:
The development parameters applicable to "agriculture" apply.

"open air motor vehicle display"

Land use description: *"open air motor vehicle display"* means the display of motor vehicles for the purpose of trading under open air where the open air area does not form part of a covered showroom and where shade cloth may not be construed as a permanent method of covering.

Development parameters:
The development parameters of "shop", apply.

"place of assembly"

Land use description: *"place of assembly"*—

(a) means a place that has a civic function to serve the social and community needs of an area, may attract people in relatively large numbers and is not used predominantly for a commercial enterprise;

(b) includes a civic hall, concert hall, gymnasium, sport stadium, and club house; and

(c) does not include a place of entertainment, or conference facility.

Development parameters:
Development parameters applicable to "place of instruction" apply.

"place of entertainment"

Land use description: *"place of entertainment"* means a place used predominantly for commercial entertainment and may include a bar, stage for live music, one or more dance floor areas, a DJ booth, and which may attract relatively large numbers of people, operate outside normal business hours or generate noise from music or revelry on a regular basis, including—

(a) a nightclub;

(b) disco;

(c) dance club;

(d) club;

(e) pool room;
(f) pub; and
(g) limited payout machines up to a maximum of 5 per erf provided that it complies with the applicable Gambling legislation.

Development parameters:
The following development parameters apply:
(a) As determined by the Municipality.
(b) The Municipality may require a site development plan to be submitted for its approval in accordance with this By-law.

"place of instruction":

Land use description: *"place of instruction"*—
(a) means a place for education or training at pre-school, school or post-school levels;
(b) includes a crèche, nursery school, primary school, secondary school, college, university or research institute;
(c) includes ancillary uses including—
(i) a boarding hostel,
(ii) sports and recreation centre,
(iii) a civic facility for the promotion of knowledge to the community including—
(aa) a public library,
(bb) place of worship,
(cc) public art gallery,
(dd) museum;
(ee) place of instruction in sport where the main objective is instruction rather than participation of the public as competitors or spectators; and
(d) does not include a reformatory or a conference facility.

Development parameters:
(a) **Floor factor**
The maximum floor factor is 1,2.
(b) **Coverage**
The maximum coverage is 60%.
(c) **Height**
(i) The highest point of a building to the top of the roof may not exceed 12 metres, provided that there is no height limit for a bell tower, steeple, minaret or similar architectural feature designed to accentuate the significance of a building.
(ii) The general provisions regarding earth banks and retaining structures in this By-law apply.
(d) **Building lines**
(i) The street building line is at least 5 metres.
(ii) Side and rear building lines are at least 5 metres.
(iii) The general building line encroachments under section 21.(1) apply.
(e) **Parking and access**
Parking and access must be provided on the land unit in accordance with this By-law.
(f) **Loading bays**
Loading bays must be provided on the land unit in accordance with this By-law.
(g) **Screening**
The Municipality may require screening in accordance with this By-law.
(h) **Noise mitigation**
The Municipality may require the owner to install noise mitigation measures if excessive noise is created or likely to be created.
(i) **Refuse room**
A refuse room must be provided on the land unit in accordance with this By-law.

"place of leisure"

Land use description: *"place of leisure"* means a place used predominantly for commercial leisure activities that may attract relatively large numbers of people, operate outside normal business hours or generate noise from such activities on a regular basis, including—

(a) a cinema;
(b) theatre;
(c) amusement park/ centre;
(d) dance hall;
(e) ball room hall;
(f) gymnasium;
(g) sport centre;
(h) skating rink; and
(i) a sports and recreation centre.

Development parameters:

The following development parameters apply:

(a) As determined by the Municipality.
(b) The Municipality may require a site development plan to be submitted for its approval in accordance with this By-law.
(c) The Municipality may require soundproofing of the premises.

"place of worship"

Land use description: *"place of worship"*—

(a) means a church, synagogue, mosque, temple, chapel or other place for practising a faith or religion, provided that a dwelling where the occupants engage in worship does not constitute a place of worship;
(b) includes ancillary uses such as a religious leader's dwelling, office, function hall, or place for religious instruction;
(c) includes a wall of remembrance and
(d) does not include a funeral parlour, cemetery or crematorium,

Development parameters:

Development parameters applicable to "place of instruction" apply.

"plant nursery"

Land use description: *"plant nursery"* means a property used for one or more of the following uses as a commercial enterprise:

(a) cultivation of plants;
(*b)* sale of plants; and
(c) sale of gardening products and gardening equipment.

Development parameters:

Development parameters applicable to "agriculture" apply.

"private open space"

Land use description: "*private open space"*—

(a) means land not designated as public open space and that is used primarily as a private site for sport, play, rest or recreation, or as a park, botanical garden, nature conservation area;
(a) includes ancillary buildings, infrastructure, and public land that is or will be leased on a long term basis; and
(b) does not include shops, restaurants and gymnasiums.

Development parameters:

The following development parameters apply:

(a) the Municipality must require a site development plan to be submitted for its approval; and
(b) the site development plan as approved by the Municipality constitutes the development parameters for a primary use and, if applicable, a consent use.

"private road"

Land use description: *"private road"*—

(a) means privately owned land designated as a private road that provides vehicle access to a separate cadastral property or properties;
(b) includes utility services and ancillary access control infrastructure, including a gatehouse, guardhouse, refuse room and utility room; and
(c) does not include a driveway on a property, or a servitude right of way over a property as these do not constitute private roads for the purpose of this zoning scheme.

Development parameters:

(a) As determined by the Municipality.
(b) Other than the structures listed under (b), no part of any building, fence, gate or wall may encroach over any boundary line abutting a private road.

"prospecting"

Land use description: *"prospecting"* means the first stage of physical search for minerals, fossils, precious metals or mineral specimens and may be granted as a temporary departure from this By-law by the Municipality since it does not constitute a primary or consent use right in terms of this By-law.

Development parameters:

As determined by the Municipality.

"public open space"

Land use description: *"public open space"*—

(a) means land, with or without access control —
  (i) owned by the Municipality or other organ of state;
  (ii) not leased out by the Municipality or that other authority on a long-term basis,
  (ii) set aside for the public as an open space for recreation or outdoor sport and designated as public open space; and
(b) includes a park, playground, public or urban square, picnic area; public garden, nature area and ancillary buildings and infrastructure.

Development parameters:

The following development parameters apply:

(a) the Municipality must require a site development plan to be submitted for its approval; and
(b) the site development plan as approved by the Municipality constitutes the development parameters for a primary use, if applicable, and a consent use.

"public parking"

Land use description: *"public parking"* means property that is accessible to the general public for parking purposes with or without a fee and/or access control.

Development parameters:

A site development plan must be submitted to the Municipality for its approval. The site development plan as approved constitutes the development parameters for the public parking.

"public street"

Land use description: *"public street"* means any land, owned by or vesting in the Municipality, indicated on an approved plan, diagram or map as having been set aside as a public thorough way for vehicles and pedestrians and includes—

(a) open public parking areas;
(b) sidewalks;
(c) those parts of a public place that are travelled parts; and
(d) appropriate and necessary street furniture and infrastructure, including reticulation networks that does not present any threat to the safety or obstruct or inhibit free movement of pedestrians.

Development parameters:

(a) A site development plan must be submitted to the Municipality for its approval. The site development plan as approved constitutes the development parameters for the public street.

(b) No part of any building, fence, gate or wall may encroach over any boundary line abutting a public street.

"quarry"

Land use description: *"quarry"* means a place from which dimension stone, rock, construction aggregate, riprap, sand, gravel or slate is excavated from the ground. A quarry is a type of open-pit mine that produces building materials and dimension stone.

Development parameters:

(a) Development parameters applicable to "agriculture" together with additional parameters determined by the Municipality apply.
(b) If a quarry is approved as a consent use in Agricultural Zone I, the consent may only be granted for the number of years equal to the expected lifetime of the quarry concerned.
(c) The owner must comply with national and provincial statutory requirements applicable to mining.
(d) Any application to rezone land to Industrial Zone IV must set out the measures that will be implemented to address safety and environmental concerns including—
  (i) control of drainage, sedimentation and erosion;
  (ii) preservation of surface and substance water;
  (iii) preservation of topsoil;
  (iv) provision for restoration and the re-use of the site;
  (v) provision for noise and visual buffering;
  (vi) accommodation of heavy traffic and vehicles on roadways; and
  (vii) a phased programme for rehabilitation.
(e) The Municipality may impose the measures to address safety and environmental concerns as conditions of approval.
(f) A site development plan must be submitted to the Municipality for its approval.

"rehabilitation centre"

Land use description: *"rehabilitation centre"* means a facility providing treatment for substance abuse.

Development parameters:

Development parameters applicable to "place of instruction" apply.

"renewable energy structure"

Land use description: "*renewable energy structure*"—

(a) means any wind turbine, solar energy generating apparatus, including solar photo-voltaic and concentrated solar thermal, hydro turbines or bio mass facility or any grouping thereof,

that captures and converts wind, solar radiation or bio mass into energy for commercial gain; and

(b) includes any appurtenant structure necessary for, or directly associated with, generation of renewable energy, or any test facility or structure that may lead to the generation of energy on a commercial basis, excluding electrical grid connections.

Development parameters:

(a) **Height**

(i) The maximum height of a renewable energy structure is technology dependent.

(ii) The height of buildings may not exceed 8,5 metres from natural ground level to the top of the roof.

(b) **Setback**

In the case of a wind turbine the setback is—

(i) a distance equal to 1,5 times the overall blade tip height of the turbine, measured from the nearest residential, commercial or critical agricultural structures including animal housing, outbuildings, store rooms, excluding structures such as water troughs, feed dispensers, and windmills;

(ii) a distance of 100m from the cadastral boundary of the land unit, unless the renewable energy structure straddles two or more cadastral boundaries, in which case no setback applies;

(iii) a distance of 100m from any public road or private or public right of way, unless it provides access to the turbine;

(iv) a distance of 100m from any electrical infrastructure; and

(v) a distance of 1000m from towns, settlements or urban areas.

(c) **Site development plan**

(i) A site development plan must be submitted to the Municipality for its approval.

(ii) The site must be surveyed and the exact delineation of the construction footprint must be shown in the site development plan.

(iii) To the extent necessary, any relevant measures contained in these regulations must be incorporated into the site development plan submitted to the Municipality for approval.

(d) **Land clearing, soil erosion and habitat impact**

(i) The clearing of natural vegetation is limited to that which is necessary for the construction, operation and maintenance of the renewable energy structure as regulated by applicable environmental legislation.

(ii) Wind turbines, solar structures, access roads and other infrastructure must be located to minimise damage to natural vegetation, water courses and wetlands.

(iii) All land cleared that does not form part of the footprint of a renewable energy structure must be rehabilitated according to a rehabilitation plan for the land concerned, approved by the Municipality.

(iv) Constructing or operating the renewable energy structure may not cause soil erosion, and any high-risk erosion areas must be rehabilitated by the operator, to the satisfaction of the Municipality.

(v) The applicant must prove, to the satisfaction of the Municipality, that planning for the renewable energy structure concerned has taken into account and mitigated the risk of all impacts on, and necessary distances that should be maintained from, wetlands, water bodies, threatened ecosystems, mountains, ridges, hills, coastal buffers, settlements, telecommunication towers, transmission towers and power lines.

(vi) The applicant must provide exact coordinates relevant to land clearing, soil erosion and habitat impact to assist the Municipality to evaluate the risk of possible negative environmental impacts of the renewable energy structure concerned.

(e) **Noise, air quality and nuisance**

The renewable energy structure may not exceed a noise limit of 45 dB(A) during the night and 55 dB(A) during the day at the nearest dwelling.

(f) **Finishing, colour and design**

(i) A wind turbine structure must be treated with a neutral, non-reflective exterior colour and designed to blend in with the surrounding natural environment, to the satisfaction of the Municipality.

(ii) A solar structure must minimise any adverse effects related to its reflective surfaces and must be designed and built in a way that mitigates this impact, as required by the Municipality.

(g) **Appurtenant structures**

(i) All appurtenant structures to a renewable energy structure prescribed by the Municipality concerning bulk, height, yard sizes, building lines, open space, parking and building coverage requirements are subject to applicable by-laws.

(ii) Appurtenant structures, including equipment shelters, storage facilities, transformers and sub-stations must be architecturally compatible with the receiving environment as required by the Municipality, and contained within a renewable energy structure site development plan submitted for approval by the Municipality.

(iii) Appurtenant structures may only be used for the storage of equipment or other uses directly related to the operation of the particular facility that they are associated with.

(iv) Appurtenant structures must be screened from view by indigenous vegetation or be joined and clustered to minimise adverse visual impacts.

(h) **Lighting**

(i) A renewable energy structure or any part of such a structure may only be lit for safety and operational purposes and the lighting must be appropriately screened from abutting land units.

(ii) A renewable energy structure must comply with the lighting air safety requirements of the South African Civil Aviation Authority in terms of the Civil Aviation Act, 2009 (Act 13 of 2009).

(i) **Signage and advertising**

Signs on renewable energy structures must comply with the laws regulating signage and be limited to signage necessary to—

(i) identify the operator;

(ii) provide 24-hour emergency contact numbers; and

(iii) provide warning of any dangers associated with the structure.

No commercial advertising, including advertising for the provider or operator, may be displayed on any renewable energy structure.

(j) **Maintenance**

The owner is responsible for maintaining a renewable energy structure in good condition, including any access road, unless deemed a public way, and for paying the cost of repairing any damage resulting from construction or operation. Maintenance includes—

(i) painting;

(ii) structural repairs;

(iii) rehabilitation measures; and

(iv) the upkeep of security and safety measures.

(k) **Modification**

Any modification to a renewable energy structure, excluding inconsequential *in situ* technical improvements, made after approval and that is not in accordance with the approval and conditions of approval, requires authorisation from the Municipality within the parameters of these regulations by means of—

(i) the amendment of approved conditions;

(ii) a new consent use approval;

(iii) amendment of the approved site development plan; or

(iv) amendment of the approved building plan.

(l) **Decommissioning**

(i) Any renewable energy structure and associated infrastructure that has reached the end of its productive life or has been abandoned, including buildings, cables and roads, must be removed by the owner.

(ii) A renewable energy structure is considered abandoned when the structure fails to continuously operate for more than two years.

(iii) When a renewable energy structure is scheduled to be decommissioned or operations have been discontinued or it has been abandoned, the land owner must, by registered mail, notify the Municipality within 30 days after the operation ceased, and of plans for removal of the structure and infrastructure referred to in subparagraph (i).

(iv) The owner is responsible for the removal of the structure in all its parts, within 150 days after the date of discontinued operation, or as agreed upon by the Municipality after submission of a plan for decommissioning. The Municipality may grant an extension of the deadline for removing the structure and its parts. The land must then be rehabilitated by the owner, to the satisfaction of the Municipality, to the condition prescribed in the approved environmental management plan and the approved decommissioning plan.

(v) Decommissioning must include—

(aa) the removal of all renewable energy structures and appurtenant structures, including equipment, bases, foundations, security barriers and transmission lines directly related to the renewable energy;

(bb) disposal of all solid and hazardous waste in accordance with provincial and local waste disposal regulations; and

(cc) the stabilisation and re-vegetation of the site with indigenous vegetation to minimise erosion.

(vi) The Municipality may, in order to minimise erosion and disruption to natural vegetation and habitats, grant permission to the owner to depart from the decommissioning plan in respect of removing landscaping, underground foundations or other underground components, provided these do not cause any pollution.

(vii) Before the construction of the renewable energy structure commences, the owner must make financial provision or an alternative reasonable arrangement, to the satisfaction of the Municipality, for protection against failure by the owner to comply with the obligations in terms of this By-law and in the event of the owner being unable to fulfil the necessary financial obligations for the rehabilitation or management of the negative environmental impact of decommissioning or of abandonment.

(viii) If the owner fails to remove the structure or its parts in accordance with the requirements of these regulations within 150 days of abandonment or the date of decommissioning or an approved extension date, the Municipality may enter the property and remove the structure and its parts, and recover all removal costs incurred from the owner.

(ix) If the owner fails to meet the requirements of subitem (i), the Municipality may, after written notice to the owner, use all or part of the financial provision or other provision referred to in subitem (vii) to rehabilitate or manage the negative environmental impact concerned, or to remove the facility.

"resort shop"

Land use description: *"resort shop"* means a shop that provides for the daily needs of transient guest of a holiday resort or camping site.

Development parameters:

The floor space of a resort shop may not exceed 100 m².

"restaurant"

Land use description: *"restaurant"* means a commercial establishment where meals and liquid refreshments are prepared or served or prepared and served to paying customers primarily for consumption on the property, and may include licensed provision of alcoholic beverages for consumption on the property, and the option for customers to purchase food for consumption off the property.

Development parameters:
Development parameters applicable to "business premises" apply.

"retirement resort"

Land use description: *"retirement resort"* means flats, group housing or town housing that conforms to the following additional conditions:

(a) each dwelling unit must be occupied by a retiree or pensioner or by a family of which at least one member is a retiree or pensioner; and

(b) a full spectrum of frail care and other facilities reasonably associated with a retirement resort may be provided at the a retirement resort.

Development parameters:
Development parameters applicable to the primary use apply.

"riding school"

Land use description: *"riding school"* means a place or undertaking for the leasing of horses and riding instructions against payment, and includes the care and stabling of the horses.

Development parameters:
Development parameters as applicable to "agriculture" apply.

"risk activity"

Land use description: "*risk activity"* means an undertaking where the material handled or the process carried out is liable to cause extremely rapid combustion, give rise to poisonous fumes, or cause explosion, and includes major hazardous installations and activities involving dangerous and hazardous substances that are controlled in terms of national legislation.

Development parameters:
Development parameters applicable to "agriculture" apply.

"rooftop base telecommunication station"

Land use description: *"rooftop base telecommunication station"* means a support structure attached to the roof, side or any part of a building and used to accommodate telecommunication infrastructure for the transmitting or receiving of electronic communication signals.

Development parameters:
The general provisions of section 31 of this By-law apply.

"scrap yard"

Land use description: *"scrap yard"* means a property that is utilised for one or more of the following purposes:

(a) storing, depositing or collecting of junk, scrap material or articles that have value depending mainly or entirely on the material used during their manufacture;

(b) the dismantling of second-hand vehicles or machines to recover components or material; and

(c) the storage or sale of second-hand parts, poles, steel, wire, lumber yards, tyres, bricks, containers or other articles suited to being left in the open.

Development parameters:
Development parameters applicable to "industry" apply.

"second dwelling"

Land use description: *"second dwelling"* means another dwelling that may, in terms of this By-law, be erected on a land unit where a dwelling house is also permitted; and the second dwelling may be a separate structure or attached to an outbuilding or may be contained in the same structure as the dwelling house; provided that–

(a) a second dwelling may only be erected in a use zone where provision has been made in column 2 of the table set out in Schedule 1 for a second dwelling as a consent use; and

(b) the second dwelling must remain on the same land unit as the dwelling house and not be alienated separately.

Development parameters:
The development parameters applicable to "dwelling house" apply, together with the following additional parameters:

(a) the total floor space of a second dwelling may not exceed 150 m² including the floor space of all ancillary buildings;

(b) a second dwelling must be constructed in a style that is similar to the architecture of the main dwelling house;

(c) a second dwelling that is a separate structure to a dwelling house may not exceed a height of 6,5 metres to the top of the roof;

(d) a second dwelling that is contained within the same building as a dwelling house must be designed so that the building appears to be a single dwelling house; both units may have a ground floor, or one unit may be on the ground floor and the other unit above;

(e) the existence of a second dwelling may not in itself be sufficient reason for the Municipality to grant an application in terms of planning law to subdivide the land unit containing the dwelling units; and

(f) the construction of a second dwelling is subject to the Municipality's municipal services department certifying that adequate services network capacity is available to serve the needs of the second dwelling.

"service station"

Land use description: *"service station"* means property for the retail supply of fuel, and—

(a) may include uses including washing of vehicles, a convenience shop and a restaurant; and

(b) does not include spray-painting, panel beating, motor repair garage, open air motor vehicle display or truck stop.

Development parameters:
The development parameters applicable to "shop" apply. The following additional development parameters apply:

(a) A site development plan must be submitted to the Municipality for its approval. The site development plan must at least address matters pertaining to vehicle access, risk management of fuel pumps and fuel storage areas, screening and minimising any visual intrusion or operational disturbance with adjoining properties.

(b) Any part of the property of a service station that is used for the repair of motor vehicles, the storage of inoperable motor vehicles or parts of motor vehicles, empty containers including oil drums and packing cases, or any other scrap, must be enclosed by a solid screen wall at least 2 metres high, or contained within a building.

(c) Any service station must comply with the following access requirements:

(i) the width of motor vehicle carriageway crossings over the street boundary, whether one-way or two-way, may not exceed 8 metres;

(ii) a wall, at least 100 millimetres thick and 350 millimetres high, must be erected on the street boundary between different motor vehicle carriageway crossings,

and the wall must continue along the boundary unless the property is otherwise enclosed;

(iii) the motor vehicle carriageway crossings must be limited to two per site unless the total length of a street boundary exceeds 30 metres, in which case one additional motor vehicle carriageway crossing may be permitted; and

(iv) at the point where it crosses the street boundary, a motor vehicle carriageway crossing may not be closer than—

(aa) 30 metres to the intersection of a provincial road and with any other road of a similar status;

(bb) 30 metres to the nearest point of an intersection where traffic is controlled, or is proposed to be controlled, by a traffic signal or traffic island;

(cc) 10 metres from the corner of an intersection not referred to in subitems *(aa)* or *(bb)* if such intersection is not splayed, or 5 metres from the point where the splay meets the road boundary if such intersection is splayed; and

(dd) 1,5 metres from a side boundary.

(d) No fuel pump may be erected so that the base or island on which the pump stands is less than 3,5 metres from the nearest street boundary.

"service trade"

Land use description: *"service trade"* means an enterprise—

(a) primarily involved in the rendering of a service for the local community including the repair of household appliances or the supply of household services;

(b) not likely to be a source of disturbance to surrounding properties;

(c) not likely, in the event of fire, to cause extremely rapid combustion, give rise to poisonous fumes or cause explosions;

(d) that includes laundry, bakery, dairy depot, mechanical and engineering services, and similar types of uses; and

(e) that does not include an abattoir, brick-making site, builder's yard, sewage works, service station, open air motor vehicle display or motor repair garage.

Development parameters

The development parameters applicable to "shop" apply.

"shelter"

Land use description: "*shelter"* means a unit of accommodation, intended for human occupation with outbuildings as are ordinarily used with a dwelling unit, constructed of any material whatsoever, even though the material may not comply with the standards of durability intended by the National Building Regulations, and includes—

(a) emergency housing

(b) temporary structures

(c) structures related to temporary relocation areas.

(i) **Building lines**

The following may be required by the municipality:

(i) Side building lines are at least 1 metre on one side provided that where a building is erected less than 1m from a side boundary, no windows or doors shall be permitted in the wall concerned

(ii) If a midblock sewage system is present, a rear building line of up to 2 metres may be required by the Municipality.

(iii) The street building line is 1 metre, if required by the Municipality.

"shooting range"

Land use description: *"shooting range"* means an enclosed indoor facility or demarcated outdoor area designed, built or constructed and utilised by a person as a firing range with targets for the usual, regular, and primary activity of controlled firearm practice, shooting competitions, or firearm training on a commercial basis, and—

(a) may be restricted to certain types of arms, handguns or rifles, or can specialize in certain shooting sports;
(b) must be constructed or designed in such a way, or where the improvements, size, geography, and vegetation of the area are such that any misdirected shot, that can reasonably be expected to be fired towards the targets, would not reasonably be expected to leave the range or otherwise pose a threat to live or property; and
(c) may include ancillary activities, buildings and structures.

Development parameters:
(a) The Municipality must require a site development plan for a shooting range.
(b) The site development plan as approved by the Municipality constitutes the development parameters.
(c) The provisions for a site development plan in this By-law apply.

"shop"

Land use description: *"shop"* means property used for the retail sale of goods and services to the public, and—
(a) includes a retail concern where goods that are sold in the concern are manufactured or repaired, flats above ground floor, service trade, clinic and the sale of motor vehicles; and
(b) does not include a hotel, industry, supermarket, motor repair garage, open air motor vehicle display, service station or a liquor store.

Development parameters:
The following development parameters apply:
(a) **Floor factor**
The maximum floor factor on the land unit is 1.
(b) **Coverage**
The maximum coverage of all buildings on a land unit is 75%.
(c) **Height**
(i) The maximum height of a building is 12 metres to the top of the roof.
(ii) The general provisions regarding earth banks and retaining structures in this By-law apply.
(d) **Street centreline setback**
The Municipality may require a street centreline setback, in which case all buildings or structures on the land unit must be set back 8 metres from the centre line of the abutting public street or streets.
(e) **Street boundary building line**
The street boundary building line is 0 metres, subject to the following conditions:
(i) the street centreline setback restriction in subparagraph *(d)*;
(ii) minor architectural and sunscreen features may project beyond the street boundary building line provided that such features do not project more than 250 millimetres beyond the street boundary; and
(iii) for service stations, the street boundary building line is 5 metres subject to the general building line encroachments under section 21.(1).

(f) **Side and rear boundary building lines**

The side and rear boundary building lines are 0 metres.

(g) **Canopy projection**

The Municipality may approve a canopy projection over the street boundary in accordance with the following conditions:

(i) the canopy may not project nearer than 500 millimetres to a vertical plane through the kerb line or proposed kerb line;

(ii) no portion of a canopy projection may be less than 2,8 metres above the pavement;

(iii) the Municipality may lay down more restrictive requirements relating to the dimensions, design and materials of the canopy; and

(iv) the owner must enter into an encroachment agreement with the Municipality in the case of a canopy projection.

(h) **Street corners**

(i) The Municipality may require the owner of a building to be situated at a public street corner, and where the Municipality considers the street corner to be significant, to incorporate in the building, architectural features that focus visual interest on the corner and emphasise the importance of pedestrian movement around the corner. The architectural features may include building cut-offs, walk-through covered arcades, plazas or other elements.

(j) **Parking and access**

Parking and access must be provided on the land unit in accordance with this By-law, except in a case where the Municipality has approved alternative parking supply under subsection 42.(1).

(k) **Loading**

Loading bays must be provided on the land unit in accordance with this By-law.

(l) **Screening**

The Municipality may require screening in accordance with this By-law.

(m) **Repair or manufacturing concern in a shop**

The floor space relating to any manufacturing or repair concern in a shop may not comprise more than 40% of the floor space of the shop.

(n) **Refuse room**

The Municipality may require a refuse room to be provided on the land unit in accordance with this By-law.

(o) When a shop is approved as a consent use in Business Zone V, the total floor space of the shop or shops may not exceed 5% of the floor space of the building.

"shopping centre"

Land use description: "*shopping centre"* means large buildings larger than 2 000 m² per enterprise, where the nature of the retail business is typified by attracting customers with large selections with large floor space and high volume sales, has an anchor tenant, and includes the following uses-

(a) shop, business premises, supermarket, restaurant, service station, liquor store, place of entertainment, plant nursery.

Development parameters:

(a) **Coverage**

Coverage must be in accordance with the site development plan approved by the Municipality.

(b) **Floor factor**

The maximum floor factor is 2.

(c) **Height**

(i) The highest point of a building may not exceed 10 metres to the top of the roof.

(ii) The general provisions regarding earth banks and retaining structures in this By-law apply.

(d) **Building lines**

(i) The street building line is at least 10 metres.

(ii) Side and rear building lines are 0 metres or at least 10 metres if the site abuts any single residential zone or general residential zone.

(iii) The general building line encroachments under section 21.(1) apply.

(e) **Parking, access and loading space**

Parking, access and loading space must be provided on the land unit in accordance with this By-law.

(f) **Refuse room**

A refuse room must be provided on the land unit in accordance with this By-law.

"sports and recreation centre"

Land use description: *"sports and recreation centre"* means an outdoor or indoor sports and recreation facility which may be public or privately owned and which may include sports grounds and fields, golf courses, a sports stadium, as well as ancillary and subservient facilities and amenities like a clubhouse with a restaurant and shop, gymnasium, ablution facilities, stores, and related administrative buildings.

Development parameters:

(a) The Municipality must require a site development plan for a sports and recreation centre.

(b) The site development plan as approved by the Municipality constitutes the development parameters.

(c) The provisions for a site development plan in this By-law apply.

"supermarket"

Land use description: *"supermarket"* means a shop having a total floor space in excess of 400 m², where a range of goods, including foodstuff and household goods, is offered for sale on a predominantly self-service basis.

Development parameters:

Development parameters applicable to "shop" apply.

"telecommunication infrastructure"

Land use description: *"telecommunication infrastructure"*—

(a) means any part of the infrastructure of a telecommunication network for radio or wireless communication;

(b) includes voice, data and video telecommunications, including antennae, any support structure, equipment room, radio equipment or optical communications equipment (laser or infra-red);

(c) includes ancillary structures needed for the operation of telecommunication infrastructure; and

(d) does not include fibre optic installations and point-to-point copper (cable) installation and rooftop base telecommunication stations.

Development parameters:

As determined by the Municipality.

"tourist accommodation"

Land use description: *"tourist accommodation"* means a harmoniously designed and built holiday development, used for holiday or recreational purposes, whether in private or public ownership, that—

(a) consists of a single enterprise that provides overnight accommodation by means of short-term rental or time sharing only;

(b) may include the provision of a camping site, caravan park, chalets or mobile home park, resort shop, private or public roads; and

(c) does not include a hotel or wellness centre.

Development parameters:

(a) When land is rezoned to Resort Zone I, the Municipality must impose conditions with regard to density, layout, landscaping, and building design.

(b) A site development plan must be submitted to the Municipality for its approval, clearly indicating the position of all structures, stands, services and internal roads.

(c) Provided that if a hotel or wellness centre is approved as a consent use within Resort Zone I, the following additional conditions apply:

(i) rooms may not be alienated by means of sectional title;

(ii) the hotel may not accommodate more than 50% of the number of accommodation units;

(iii) the architectural design of the hotel or wellness centre must conform to that of the rest of the resort; and

(iv) the maximum height for the hotel or wellness centre is 6 metres to the wall plate in all cases and 8,5 metres to the top of the roof in the case of a pitched roof.

"tourist facilities"

Land use description: *"tourist facilities"* means amenities for tourists or visitors and—

(a) includes lecture rooms, restaurants, gift shops, restrooms, farmers' market and recreational facilities; and

(b) does not include an off-road trail, a hotel, wellness centre; or tourist accommodation.

Development parameters:

Development parameters applicable to "agriculture" apply.

"town housing"

Land use description: *"town housing"* means a row or group of linked or attached dwelling units, planned, designed and built as a harmonious architectural entity where every dwelling unit has a ground floor and dwelling units may be cadastrally subdivided.

Development parameters:

The development parameters of "group housing" apply, provided that:

(a) **Density**

The maximum gross density on a town housing site is 60 dwelling units/hectare.

(b) **Open space**

The open space requirements for group housing do not apply to town housing.

(c) **Coverage**

The maximum coverage for all buildings on a land unit is 60%.

"transport use"

Land use description: *"transport use"* means the use of land, a building or structure for the operation of a service for the transportation of goods (including liquids and gases) or passengers by means of rail, road, sea or pipeline and—

(a) includes the use of that land, building or structure for the purpose of a harbour, railway station, bus depot or taxi interchange, and a transport undertaking;

(b) includes a public-private undertaking including a railway station, bus depot, multiple parking garage, taxi rank, public transport interchange, harbour and ancillary purposes; and

(c) does not include an airport, airfield; or helicopter landing pad.

Development parameters:

Development parameters applicable to "business premises" apply.

"truck stop"

Land use description: *"truck stop"* means a facility with direct access from a freeway, inner city road or major transport route that—

(a) provides a range of rest, service and fuelling facilities for heavy duty, long haul vehicles and trucks: and

(b) does not include accommodation.

Development parameters:

Development parameters are determined by the Municipality by means of conditions of approval for a truck stop as a consent use, provided that—

(a) the Municipality must require a site development plan to be submitted for its approval; and

(b) the site development plan must at least address matters pertaining to vehicle access, placement of overnight parking and ablution facilities or rest rooms, screening and minimising any visual intrusion or operational disturbance to adjoining properties.

"urban agriculture"

Land use description: *"urban agriculture"* means the cultivation of crops, on relatively small areas within the urban area or edge, for own consumption or sale in neighbouring markets; provided that cultivation of a garden by an occupant is not regarded as urban agriculture for the purpose of this By-law.

Development parameters:

As determined by the Municipality.

"wall of remembrance"

Land use description: *"wall of remembrance"* is a wall in a cemetery or crematorium provided for the placement of inscribed tablets commemorating deceased persons.

Development parameters:

Development parameters applicable to "cemetery" and "crematorium" apply.

"warehouse"

Land use description: *"warehouse"* means a building used primarily for the storage of goods, except for goods that are offensive or dangerous and—

(a) includes property used for business of a predominantly wholesale nature, and

(b) does not include property used for business of a predominantly retail nature.

Development parameters:

Development parameters applicable to "industry" apply.

"wellness centre"

Land use description: *"wellness centre"* means a business that provides a variety of services for the purpose of improving health, beauty and relaxation through personal care treatments including massages, rehabilitation, exercise programmes, diet, instruction on wellness, life coaching, and facials and includes—

(a) facilities like saunas, pools, steam rooms, gymnasiums, treatment rooms, relaxation areas and whirlpools; and

(b) the provision of meals to guests.

Development parameters:

Development parameters applicable to "tourist accommodation" apply.

“winery”

Land use description: *“winery”* means a place where wine is made, and may include a selling point to the general public and wine-tasting area.

Development parameters:
Development parameters applicable to “agriculture” apply.

SCHEDULE 3

OVERLAY ZONES APPROVED IN TERMS OF SECTION 16

1. SUBDIVISIONAL AREA OVERLAY ZONE

1.1. General purpose of Subdivisional Area Overlay Zone

The subdivisional area overlay (SAO) zoning designates land for future subdivision with development rights by providing development directives through specific conditions as approved in terms of this By-law. The SAO zoning confirms the principle of development and acceptance of future subdivision of land; but not the detailed layout that will be determined when an actual application for subdivision is approved.

1.2. Use of the property

1.2.1 Land zoned as a subdivisional area may be subdivided as contemplated in the Planning By-law.

1.3. Development parameters

1.3.1 When the municipality approves a subdivisional area overlay zone, it must impose conditions making provision for at least—

(a) density requirements;
(b) main land uses and the extent of the uses; and
(c) a detailed phasing plan or a framework including—
  (i) main transport routes;
  (ii) main land uses;
  (iii) bulk infrastructure;
  (iv) requirements of organs of state;
  (v) public open space requirements; and
  (vi) physical development constraints.

2. SPECIAL PLANNING AREA OVERLAY ZONE

2.1. General purpose of special planning area overlay zone

The general purpose of the special planning overlay zone is to provide for a package of plans mechanism to plan and manage the development of large or strategic urban development areas with a greater degree of flexibility. The package of plans mechanism is a phased process of negotiation, planning and approvals, where appropriate levels of planning detail are approved together with conditions for those approvals.

A special planning area overlay zone is generally created in respect of an application that involves a mixed use development proposal or where the development does not generally comply with the development parameters of the applicable land uses of this zoning scheme.

2.2. Use of the property

2.2.1 Primary uses are as stipulated in the conditions of approval imposed in terms of the Planning By-Law.

2.2.2 Consent uses are as stipulated in the conditions of approval imposed in terms of the Planning By-Law.

2.3. Development parameters

2.3.1 The Municipality must require a package of plans as set out in section 2.3.4 of Schedule 3 to be submitted for areas zoned as special planning area overlay zones.

2.3.2 The applicant must, during pre-application discussions with the Municipality, ascertain whether a package of plans procedure has to be followed.

2.3.3 The development parameters of the lowest order package of plans as contemplated in section 2.3.2 of Schedule 3 and as approved by the Municipality are the development parameters of the special planning overlay zone applicable to the property concerned.

2.3.4 The package of plans consists of all of the following components that are listed in a hierarchy from higher-order to lower-order plans, and the lower-order plans must be in compliance with the higher-order plan:

(a) **Contextual framework**

(i) The contextual framework lays down broad land use policy for the development and the surrounding area.

(ii) It may include principles or heads of agreement summarising the general obligations of the Municipality and the developer in relation to the development.

(iii) The contextual framework may be prepared by the Municipality, or by a land owner or development agency under supervision of the Municipality, and may not be in conflict with a spatial development framework or structure plan approved by the Municipality.

(b) **Development framework**

(i) The development framework must identify overall policy, broad goals, and principles for development within the development.

(ii) The development framework must identify the range of uses, general spatial distribution of uses, major transport and pedestrian linkages, infrastructure and any limits to development within the development, including but not limited to density and floor space.

(c) **Precinct plans**

(i) Precinct plans apply to specific areas within the development framework that have common features, functional relationships or phasing requirements.

(ii) There may be several precinct plans that make up a development area.

(iii) A precinct plan must describe in more detail the development objectives and intentions for a specific area in the development, as well as principles for urban form, land use, pedestrian links, traffic movement, floor space and environmental management.

(d) **Subdivision plans**

(i) Subdivision plans, if required, must be processed in terms of planning law to establish new cadastral boundaries and to facilitate the transfer of land units.

(ii) Subdivision plans may be approved at any stage after the development framework has been approved, and the provisions of section 16.2 apply to such plans.

(e) **Site development plans**

(i) Site development plans depict more detailed design and development provisions for one or more land units within a development.

(ii) These provisions may include details relating to land use, floor space, building lines, height, parking requirements, municipal services and landscaping, as well as details relating to the position and appearance of buildings, open space, pedestrian links and traffic movement.

(iii) A site development plan may be required before or after a subdivision plan, and must provide for the information as required for a site development plan in terms of this By-law.

(f) **Building plans**

(i) Building plans contain detailed specifications as required by the National Building Regulations.

(ii) Building work may only commence once building plans have been approved by the Municipality.

2.3.5 The Municipality may require all or only some of the components of the package of plans to be applied in respect of a particular development.

2.3.6 The Municipality may require that the area covered by a contextual framework must extend beyond the land under consideration if, in its opinion, the proposed development will have a wider impact, and the Municipality may determine the extent of that area.

2.3.7 In approving a special planning area overlay zone, the Municipality must determine the total floor space or density permitted within the development as a condition of approval.

2.3.8 The allocation of floor space must take into account the carrying capacity of internal and external infrastructure including roads and utility services, and any urban design principles approved by the Municipality as part of a rezoning or contextual framework.

2.3.9 The approved floor space may remain as "floating floor space" assigned to the overall development for later allocation, or may be assigned to particular precincts when a precinct plan is approved; and in either case must be allocated to individual subdivisions or site development plans.

2.3.10 When a special planning area overlay zone and a package of plans is required in terms of this By-law, the relevant components must be submitted to the Municipality for its approval before any development on a land unit can commence, provided that—

(a) the development may not be refused if it is consistent with the development parameters of a base zone, overlay zone, or condition of approval; and

(b) the Municipality may require amendments to the detail of the site development plan to address reasonable concerns relating to access, parking, architectural form, urban form, landscaping, environmental management, engineering services or similar concerns.

2.3.11 The general provisions contained in this By-law apply with regard to site development plans.

3. CONSERVATION AREA OVERLAY ZONE

3.1 Zone name and designation on map

The Conservation area Overlay Zone may be referred to by the code (CAOZ) and shall be indicated on the zoning map.

3.2 General Purpose of this zone

3.2.1 The purpose of the Conservation area Overlay Zone is to guide development in order to protect and enhance the character of an area, which has special historical, heritage, cultural, environmental, amenity or architectural value.

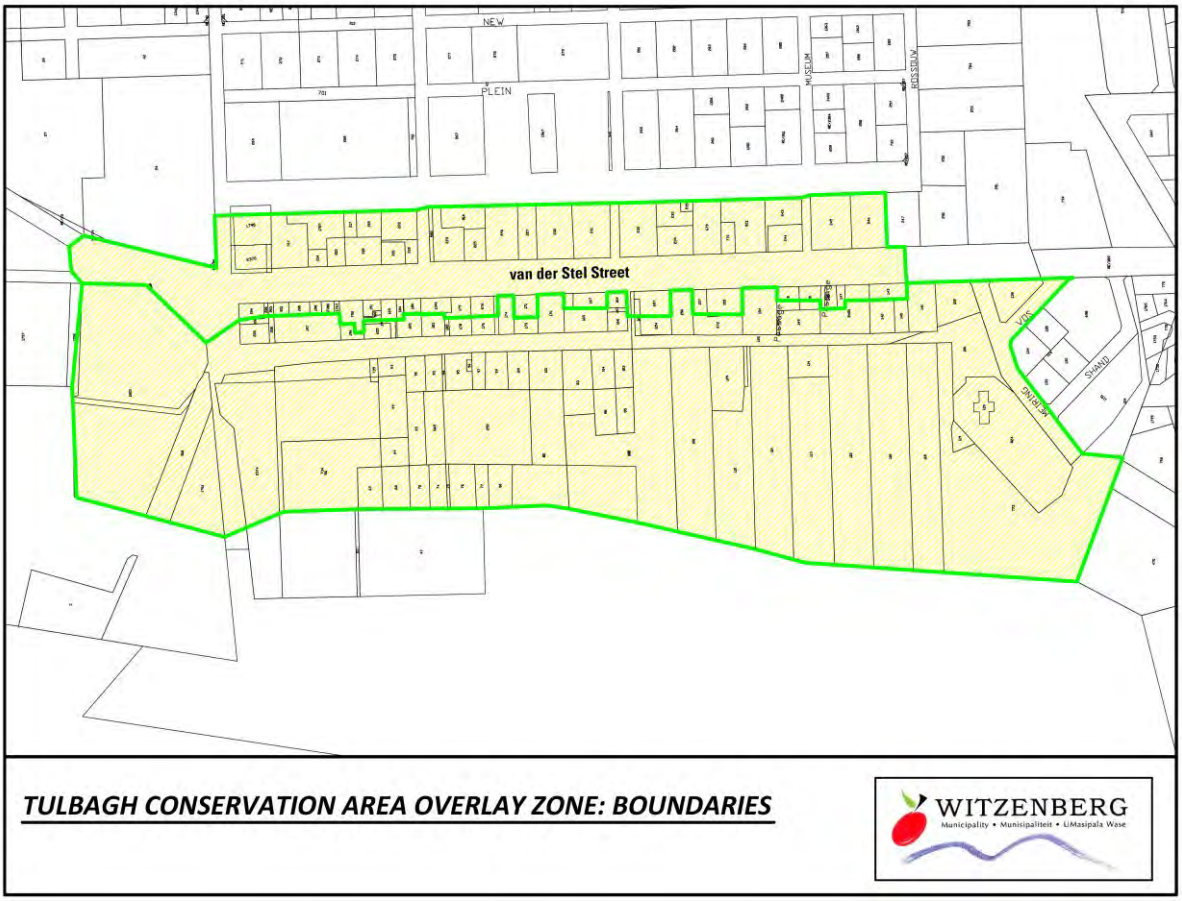
3.2.2 The overlay zone gives the Municipality a mechanism whereby additional measures and conditions can be imposed with which to mitigate the potential adverse impact of development on the receiving environment.

3.3 Areas designated as Conservation area Overlay Zones

3.3.1 The Witzenberg Municipality may designate an area as Conservation area Overlay Zone. The area shall be depicted on a map and the area shall be recorded in Table B.

TABLE B: CONSERVATION AREA OVERLAY ZONE		
Number and Map Reference	**Description of Area**	**Colour on map**
TCAOZ: 1	Tulbagh Conservation Area Overlay Zone	

3.3.2 An area may be designated as a Conservation area Overlay Zone based on its exceptional historic interest, heritage or cultural value, vernacular or other architectural significance, environmental or other conservation worthy aesthetic or landscape criteria.



3.4 Applications in Conservation area Overlay Zones

3.4.1 In an Conservation Area the under-mentioned activities **may not commence without the Municipality's permission** in terms of this scheme:

(a) addition of any new building or structure, including a boundary wall, gate posts, entrance gate, security or refuse structure;

(b) external demolition or alteration or renovation to an existing building or structure which may, in the municipality's opinion alter the character of the area, including, but not limited to, boundary walls, fences, stoeps, windows, roof details, existing chimneys;

(c) removal, felling, lopping, topping or otherwise damaging of any mature tree (other than removal of dangerous branches or bona fide pruning) which is visible from a public road in the area;

(d) alteration or removal of any significant landscape feature which contributes to the character of the area, including mature hedges and rows of mature plantings which are visible from a public road in the area;

(e) the removal of any garden space for paving or parking, where such space is visible from a public road;

(f) alteration, removal or addition to historical hard landscape features such as (but not limited to) street furniture, signage, water furrows, carriageway/furrow crossings, bridges, cobble streets, lamp posts which are in or adjacent to a public road in the area;

(g) the erection of any signage which may be visible from any public road or public open space;

(h) the addition of washing-lines, rain catchment tanks, television aerials and satellite dishes, telecommunication masts, chimneys, solar panels, solar geysers, electrical substations, refuse rooms, air conditioners, generators or any other service component or a similar feature which is visible from a public road or public open space.

3.4.2 The **following activities are exempted from applying for permission**:

(a) internal alteration to buildings or structures;

(b) external maintenance that does not involve removal of original fabric or change to the original appearance of a building or structure;

(c) repainting of existing painted surfaces of a building or structure, provided the colour is compliant with colour guidelines where such guidelines exist;

(d) re-plastering of existing plastered surfaces provided the appearance is identical to the original historical finish;

(e) re-cladding or re-thatching of roofs provided that the material is similar in appearance to the original historical material;

(f) the addition of washing-lines, water catchment tanks, television aerials and satellite dishes, solar panels, solar geysers which are not visible from a public road; and

(g) alien vegetation clearing in accordance with an alien clearing plan submitted by the owner of the land to the Municipality for information purposes.

3.4.3 Applications for permission in terms of this section shall be submitted only by a registered heritage practitioner or architect as the case may be, together with all information and plans the municipality may deem necessary to inform the decision.

3.4.4 Where a proposal is either adjacent to or on a property which is listed in a heritage register, the municipality may require that the application be accompanied by a report prepared by a heritage practitioner registered with Heritage Western Cape which evaluates the possible impact of the proposal on the heritage asset.

3.5 Land uses and development parameters in Conservation area Overlay Zones

3.5.1 The base zone applicable to a property will continue to apply to properties within this overlay zone.

3.5.2 The primary, additional and consent land uses set out in the applicable base zone remain applicable, unless varied in the area-specific provisions listed under each Conservation area Overlay Zone.

3.5.3 All the development parameters included in the base zone remain applicable, unless a specific parameter is varied in the area-specific provisions listed under each Conservation area Overlay Zone.

3.6 Advisory committee

3.6.1 The Municipality may establish a Conservation Area Advisory Committee to make recommendations on the planning application in Conservation area Overlay Zones.

3.6.2 The Municipality shall by ordinary resolution prescribe terms of reference and procedures for such committee.

3.6.3 Upon receipt of an application where the Conservation area Overlay Zone is applicable, the municipality will refer the application to the committee for a recommendation, prior to consideration by the municipality.

3.6.4 The committee shall consider the application and submit their recommendation to the municipality within the prescribed period.

3.6.5 The committee may forward recommendations which may include conditions or recommendations on the manner in which proposal should be amended to improve the compliance with the Conservation area Overlay Zone.

3.6.6 The Municipality may, through its adopted rules and procedures, determine that certain types of applications need not be commented on by the committee, in which case the designated decision-maker within the Municipality may decide on the application as per the appropriate delegations.

3.7 Consideration of applications in terms of this Section

3.7.1 When considering an application for permission in terms of this section, the Municipality shall only grant its approval for the activity if it is satisfied, based on the available facts, that the activity will not be detrimental to the character of the receiving environment or the streetscape.

3.7.2 The Municipality shall also take into consideration the recommendations of the Advisory Committee.

3.7.3 When granting its permission, the Municipality may do so subject to conditions it deems necessary to protect and promote the objectives of the Conservation area Overlay Zone, which may include (but are not limited to):

(a) requiring an alternative position of the building on the property which has less impact on the receiving environment and streetscape;

(b) setting a maximum development envelope (including the height or scale) for a portion of the site or the whole site, which may be more or less restrictive than the building envelope permitted in the base zone (in cases where such a restrictive envelope is justified to protect important conservation worthy resources;

(c) prescribing details such as veranda's, building platforms, entrances, stoeps, balconies, boundary walls, gates, carriageways, fences, landscaping and setbacks;

(d) prescribing an alternative building line to what is prescribed in this By Law or a 'street build-to' line, having regard to the protection of trees both on the property or within the street reserve and also the position of historical buildings in the street or the protection of registered heritage assets. This alternative building line or 'street build-to line' may be more or less restrictive than what is prescribed in the base zone;

(e) prescribing the extent and position of parking, access and egress to the site, including screening of parking and the maximum number of parking bays which may be provided.

3.8 Heritage Resources Act

3.8.1 These provisions do not absolve the owner from obtaining permission in terms of the National Heritage Resources Act (No. 25 of 1999).

SCHEDULE 4
(Zoning Transition Table)

Old Zone category:	**Primary Use:**	**New Zone Category:**	**Primary Use:**
Section 8 (all areas except Ceres and Nduli):			
Agricultural I	Agriculture	Agricultural I	Agriculture
Agricultural II	Agricultural Industry	Agricultural II	Agricultural industry
Residential I	Dwelling-house	Single Residential I	Dwelling house
Residential II	Group house	General Residential II	Group housing
Residential III	Town house	General Residential II	Group housing
Residential IV	Flats	General Residential III	Flats
Residential V	Residential building	General Residential V	Hotel
Informal Residential	Shelters Dwelling-house	Single Residential II	Shelter
Business I	Business premises	Business I	Business premises
Business II	Shop	Business II	Shop
Business III	Offices	Business IV	Offices
Business IV	Warehouse	Industrial I	Light Industry
Business V	Service station	Business VI	Service Station
Industrial I	Industry	Industrial II	Industry
Industrial II	Noxious trade	Industrial III	Noxious trade
Industrial III	Mining	Industrial IV	Mine
Institutional I	Place of instruction	Community I	Place of instruction
Institutional II	House of worship	Community II	Place of worship
Institutional III	Institution	Community III	Institution
Resort I	Holiday accommodation	Resort I	Tourist accommodation
Resort II	Holiday housing	No zoning	
Open Space I	Public Open Space	Open Space I	Public open space
Open Space II	Private Open Space	Open Space II	Private open space
Open Space III	Nature reserve	Open Space IV	Nature reserve
Transport I	Transport usage	Transport I	Transport use
Transport II	Public road	Transport II	Public street
Transport III	Public parking	Transport II	Public street
Authority	Authority usage	Authority	Authority use
Special	Special usage	No zoning	
Undetermined	None	Undetermined	None

Ceres (including Bella Vista):			
Agricultural	Agriculture	Agricultural I	Agriculture
Single Residential	Dwelling houses	Single Residential I	Dwelling house
Group Housing	Group houses	General Residential II	Group housing
General Residential	Flats Licensed hotels without off-sales facilities Residential buildings which do not conduct off-sales establishments	General Residential III	Flats
Business	Business buildings Licensed hotels including off-sales facilities Flats (above the ground floor only) Residential buildings (above the ground floor only)	Business I	Business premises
Local Business	Shops Flats (above the ground floor only)	Business III	Neighbourhood shop
Commercial	Service trade Funeral parlours Veterinarians	Industrial I	Light Industry
Industrial	Industries Warehouses Transport undertakings Public garages Limited business uses	Industrial II	Industry
Noxious trade	Offensive trade buildings	Industrial III	Noxious trade
Service Station	Service stations	Business VI	Service Station
Institutional	Institutional buildings Places of public worship	Community III	Institution
Educational	Places of instruction	Community I	Place of instruction
Service	Public services installations	Authority	Authority use
Transport	Rail transport facilities	Transport I	Transport use
Cemetery	Cemeteries	Community IV	Cemetery
Public Open Space	Public open spaces	Open Space I	Public open space
Private Open Space	Private open spaces Nature reserves	Open Space II	Private Open Space
Resort	Holiday Housing Camping sites	Resort I	Tourist accommodation
Street	Streets	Transport II	Public street
Parking	Public or private parking	Transport II	Public street
Special	Specific uses	No zoning	
Undetermined	Existing uses only	Undetermined	None
Guest house	Guesthouses	General residential IV	Guest lodge
Nduli:			
Residential I	Residential units Town houses	Single Residential I	Dwelling house

Residential II	General Residential buildings Residential units Town houses	General Residential III	Flats
Business	Businesses General residential buildings Hotels	Business II	Shop
Industrial	Industries Service stations Service trades	Industrial II	Industry
Institutional I	Places of instruction	Community I	Place of instruction
Institutional II	Places of worship	Community II	Place of worship
Institutional III	Community facilities	Community III	Institution
Services	Public services	Authority	Authority use
Open Space I	Open Spaces	Open Space I	Public open space
Open Space II	Sportsgrounds	Open Space II	Private Open Space
Street	Streets	Transport II	Public street
Parking	Parking	Transport II	Public street
Special	Special purposes	No zoning	
Undetermined	None	Undetermined	None
		Agricultural Zone III	Agri-village
		General Residential I	Double dwelling house
		Business V	Shopping centre
		Open Space III	Nature conservation area
		Renewable Energy	Renewable energy structure
		Telecommunications Station	Freestanding base telecommunication station

WITZENBERG

MUNISIPALITEIT **UMASIPALA** **MUNICIPALITY**

- MEMORANDUM -

AAN / TO Municipal Manager

VAN / FROM: Manager Housing

DATUM / DATE: 6 August 2018

VERWYS/REF.: 5/06/1

HOUSING: WITZENBERG MUNICIPAL HOUSING PIPELINE FOR 2018/19

COMMITTEE FOR CONSIDERATION:

Committee for Housing Matters.

DELIBERATON:

Attached a letter from the Department of Human Settlements requesting for the Witzenberg Municipal 2018/19 Housing Pipeline for Departmental Evaluation and Future Project Funding Consideration.

The attached proposed pipeline for consideration.

RECOMMENDATION:

For consideration.

CJ MACKENZIE
MANAGER HOUSING:

MUNICIPALITY
WITZENBERG
- 6 AUG 2018
MUNISIPALITEIT

Approved/Not-approved
DIRECTOR: COMMUNITY SERVICES

✉ 44 Ceres 6835 ☎ (023) 316 1854 ✆ (023) 316 1877 admin@witzenberg.gov.za

3 YEAR DELIVERY PLAN

Municipal Planning - 06 March 2019
2019/20 - 2021/22 HSDG

	PROGRAMME	2019/2020			2020/2021			2021/2022		
Average Site Cost (R'000)	60	SITES SERVICED	HOUSES BUILT	FUNDING R '000	SITES SERVICED	HOUSES BUILT	FUNDING R '000	SITES SERVICED	HOUSES BUILT	FUNDING R '000
Average Unit cost (R'000)	130									
Witzenberg		120	200	33 200	536	320	77 260	188	200	40 010
Ceres Vredebes (3022 services and 2163 units) IRDP	IRDP									
Ceres Vredebes (3022 Ph1 600 top structures) IRDP	IRDP		200	26 000		200	26 000		200	26 000
Ceres Vredebes (3022 Ph H 536 Enhanced Serviced Sites services) IRDP	IRDP				536		32 160			
ISSP Ceres Nduli Infills ESS (188 sites) UISP	UISP						3 000	188		11 280
Tulbagh (225) IRDP	IRDP / Land									730
Tulbagh Land Acquisition Farm 224 either Portion 3 or 7	Land									
Wolseley Pine Valley (500) IRDP	IRDP						500			2 000
Wolseley Pine Valley 2A IRDP	IRDP	120		7 200		120	15 600			
Kleinbegin	IRDP									
Prince Alfred's Hamlet "Die Bossie"	Land									
Wolseley Montana (700)	IRDP									

5161

Western Cape Government
Human Settlements

REFERENCE: H/13/Planning/2018
ENQUIRIES: L Welgemoed

Mr David Nasson (Municipal Manager)
Witzenberg Municipality
PO Box 44
Ceres
6835

MUNICIPALITY
WITZENBERG
3 - APR 2018
MUNISIPALITEIT

For attention: Mr Nasson

FORMAL REQUEST FOR THE WITZENBERG MUNICIPAL 2018/19 HOUSING PIPELINE FOR DEPARTMENTAL EVALUATION AND FUTURE PROJECT FUNDING CONSIDERATION

Good day Mr Nasson as part of the Western Cape Provincial Department of Human Settlement's (DHS) Standard Operating Procedures (SOP) it is required that Local Municipalities submit council approved Housing Pipelines at the beginning of every provincial financial year. These Housing Pipelines must provide the Department with a list of current and future housing projects that the relevant Local Municipality intends to pursue in the next five to ten years.

The Directorate: Planning (DHS) have been working closely with the relevant municipal housing officials at Witzenberg Municipality to compile such a Housing Pipeline. **This letter serves as the official DHS request for the submission of the council approved Witzenberg Municipal Housing Pipeline for the 2018/19 Financial Year.** It is requested that this Housing Pipeline reach the DHS **no later than 31 May 2018.**

Please feel free to contact Mr Louis Welgemoed (021 483 4962) at the Sub-Directorate: Municipal Planning (contact details page 1 footer) if there are any further queries related to this matter.

Yours faithfully

L Welg

REGIONAL PLANNER: CAPE WINELANDS & CENTRAL KAROO: MR L WELGEMOED
DATE: 28/02/2018

CC **Ms Jo-Ann Kriege (Director: Community Services)**
Ms Charlotte Mackenzie (Manager: Housing)

27 Wale Street, Cape Town, 8001
tel: +27 21 483 4962 fax: +27 21 483 5510
Municipal HSP Planning & Support

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CAPE WINELANDS DISTRICT MUNICIPALITY
WITZENBERG MUNICIPALITY

WARD BASED RISK ASSESSMENT

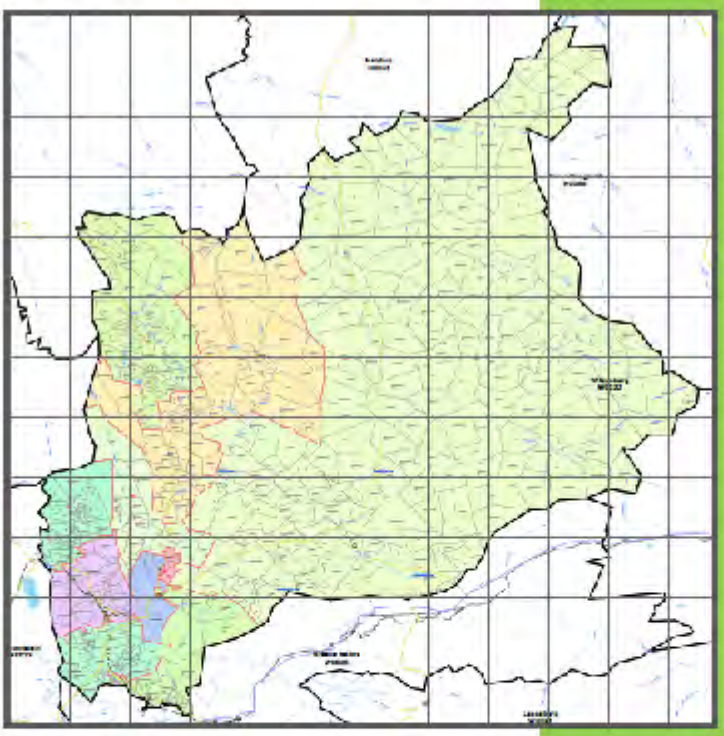


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1. INTRODUCTION

1.1 Background

All communities living in the Cape Winelands have risks affecting them. These risks vary from community to community depending on the hazards (natural or human induced) and vulnerable conditions in their communities. A community in an informal settlement will have far different risks than those in low income housing or affluent areas. Therefore, it is imperative to assess the risks of communities in order to address them and implement risk reduction initiatives.

A Disaster Risk Assessment is a tool used to determine the risks affecting a community. A risk assessment is a methodology to determine the nature and extent of risk by analysing potential hazards and evaluating existing conditions of vulnerability that together could potentially harm exposed people, property, services, livelihoods and the environment on which they depend.

This project was commissioned by the Cape Winelands District Municipality for the purpose of compiling a ward based risk assessment for the Witzenberg Municipal Area. This risk assessment will be used to inform the Witzenberg Municipality's Disaster Management and Integrated Development Plan.

2. LEGAL REQUIREMENTS

2.1 Disaster Management Act and Framework

Section 47(1) of the Disaster Management Act, 57 of 2002, states that "a municipal disaster management centre, the extent that it has the capacity, must give guidance to organs of state, the private sector, non-governmental organisations, communities and individuals to assess and prevent or reduce the risk of disasters".

Key Performance Area 2 of the National Disaster Management Framework of 2005 explains that disaster risk assessments are essential for:

- Effective disaster risk management and risk reduction planning
- Sustainable development planning
- Shaping and focused disaster risk reduction programmes for specific threats
- Identifying high risk periods and conditions
- Activating preparedness and response plans

The CWDM Disaster Risk Management Framework requires that the Disaster Management Centre conducts risk assessments. These risk assessments must inform disaster risk management planning in the district, including planning undertaken by local municipalities, the development and application of disaster risk reduction policies, priority setting for risk reduction programming undertaken by national and provincial organs of state, municipal departments and other role players

2.2 Integrated Development Plan

This project has been informed by the strategic and predetermined development objectives of the Community Development and Planning Services Department of the Cape Winelands District Municipality. The Strategic Objective is “to ensure the health and safety of communities in the Cape Winelands through the proactive prevention, mitigation, identification and management of environmental health, fire and disaster risks”.

In turn, the predetermined development objective for the Cape Winelands’ Disaster Management Section is to “ensure the co-ordination of multi-disciplinary and sectoral disaster risk reduction through integrated institutional capacity for disaster risk management and disaster risk assessment, response and recovery.

The risks identified during the risk assessments need to be incorporated into the IDP and these risks should inform projects undertaken by the municipality.

3. PREVIOUS RISK ASSESSMENTS

The Disaster Management Section has had two Risk Assessments conducted in the District, namely a technological risk assessment conducted in 2005 and a community based risk assessment which was conducted by Cape Peninsula University of Technology (CPUT) in 2008.

4. METHODOLOGY

4.1 Background

The Cape Winelands District Municipality’s Disaster Management Centre developed the Ward Based Risk Assessment approach to conducting risk assessments. This approach to risk assessments was informed by a limitation of the previous risk assessment conducted in the Cape Winelands, namely the Community Based Risk Assessment conducted by Cape Peninsula University of Technology in 2008.

One of the limitations identified in the Community Based Risk Assessment was that the risk assessments only took place in two high risk areas in the each of the 5 local municipalities. The risks that were identified during interaction with communities in the high risk areas were regarded as the risks for the entire municipal area. This ward based risk assessment will take a different approach as it will not consider all wards within the municipal area to have the same risks. This risk assessment aims to complete risk assessments in all the municipal wards across the district. The aim of conducting the risk assessment in this way is to enable ward councillors to take ownership of the identified risks and ensure that these risks are addressed during their term of office.

As the environment is dynamic and constantly changing, so are the risks that affect our communities. In the period since the risk assessments took place, some of these risks would have been addressed by projects implemented by municipalities, however, new risks might have also emerged. Therefore it is necessary to regularly review the Districts Risk Assessments.

The CWDM Disaster Risk Management Framework requires that the Disaster Management Centre conducts risk assessments. These risk assessments must inform disaster risk management planning in the district, including planning undertaken by local municipalities, the development and application of disaster risk reduction policies, priority setting for risk reduction programming undertaken by national and provincial organs of state, municipal departments and other role players.

4.2 Data Collection and Consultations

During a risk assessment it is imperative that relevant role players and the community are consulted in order to gather information concerning the risks that they are facing. This was done in the following way:

1) Meetings were held with Technical Managers or Directors of relevant departments operating within the Witzenberg area
2) Focus group consultations took place with Ward Committee members of each ward
3) Fieldworkers were deployed to each of the wards in order to interview community members
4) Industries were approached to complete questionnaires utilising the Witzenberg Fire Services contact database
5) Western Cape's Department of Education assisted circulating questionnaires to schools

4.3 Challenges

A number of challenges were encountered during the collection of data. These include:

- A lack of understanding by fieldworkers of what are a risk and a hazard. Although a two day training course was given to fieldworkers, fieldworkers were unable to assist community members with differentiating between subjective risks that affect only their household and risks that affect the community as a whole
- Certain Departments were not willing to assist in the risk assessment due to the perception that Disaster Management and risk assessments does not concern them and their core business
- Information provided by Departments were not ward specific and rather generalised risks for the municipality
- A number of risks provided by Departments were corporate risks that should be included in the corporate risk register instead of a Disaster Risk Assessment
- Inability to obtain certain information, for example crime statistics, due the information being classified

5 WARD BASED RISK ASSESSMENT FINDINGS:

5.1 Hazard Identification

For the purpose of this risk assessment, the identified hazards have been grouped according to the following hazard classification[1]:

Human induced hazards (anthropogenic hazards):
These hazards are created through human activity. This is used to describe threats to communities that have an element of human intent, negligence, or error; or involving a failure of a human-made system.

Technological hazards:
Danger originating from technological or industrial accidents, dangerous procedures, infrastructure failures or certain human activities, which may cause the loss of life or injury, property damage, social and economic disruption or environmental degradation. Some examples: industrial pollution, nuclear activities and radioactivity, toxic wastes, dam failures; transport, industrial or technological accidents (explosions, fires, spills).

Natural hazards:
These are natural processes or phenomena occurring in the biosphere that may constitute a damaging event. Natural hazards are typically classified into:

- Biological hazards:

Processes of organic origin or those conveyed by biological vectors, including exposure to pathogenic micro-organisms, toxins and bioactive substances, which may cause the loss of life or injury, property damage, social and economic disruption or environmental degradation. Examples of biological hazards: outbreaks of epidemic diseases, plant or animal contagion, insect plagues and extensive infestations.

- Geological Hazards:

Natural earth processes or phenomena that may cause the loss of life or injury, property damage, social and economic disruption or environmental degradation. Geological hazard includes internal earth processes of tectonic origin, such as earthquakes, geological fault activity, liquefaction, volcanic activity and emissions as well as external processes such as mass movements: landslides, rockslides, rock falls or avalanches, surfaces collapses, expansive soils and debris or mud flows. Geological hazards can be single, sequential or combined in their origin and effects.

- Hydro-Metrological Hazards:

Natural processes or phenomena of atmospheric, hydrological or oceanographic of nature

[1] Information pertaining to hazard classification and hazard descriptions was sourced from Cape Winelands Risk Assessments conducted by Africon (2005) and Knight and Piesold (2015

5.2 Ranking of Risks

The risks for a ward were ranked according to the consensus between the three groups of responders namely, Ward Committee, Community and Officials.

- A score of three was allocated if all three of the groups identified the risk,
- A score of two was allocated if two of the three identified the risk
- A score of one was allocated if one of the three identified the risk.
- A score of zero was given if a risk was not identified in that particular ward
- Ranking of the scores of three, two and ones according to the frequency in which they are recorded across the 12 wards.

5.3 Identified Priority Risks

Thirty seven risks were identified by officials, ward committee members and the communities during consultations (See Appendix A: Identified Risks for Witzenberg Municipality). A risk was deemed a priority if it had be given a score of three.

The Identified Priority Risks were as follows:

- Structural Fires
- Drug abuse
- Dumping
- Riverine flooding
- Fires cause by use of paraffin, candles, illegal electricity cables
- Traffic accidents
- Veld fires
- Gangsterism
- Sewerage

5.3.1 Structural Fires

Structural fires, which include both fires in both formal structures and informal structures, were identified as the highest risk facing communities across the Witzenberg Municipality. An informal structure fire is regarded as a fire that takes place in dwelling that has not been formally approved or constructed in compliance with the municipal building codes. This also includes wendy houses and similar structures in backyards for formal housing (Knight Piesold, 2013).

During fieldwork and consultations, it was conveyed that the conditions of vulnerability that are increasing the risk and severity of structural fires are the following:

- Proximity of houses to one another: in areas where houses are very closely built to one another, the likelihood of fires spreading from one house to another increases.
- Presence of backyard dwellers and informally built extensions: this is evident in numerous areas across the Witzenberg Municipality, particularly in RDP housing areas. The risk of fire for formal housing increases as fires can easily spread from the informal dwelling to the formal house.

- The risk of fire also increased by the lack of electricity connection to the informal dwelling. In many cases, the backyard dwelling will utilise an electricity connection from the main dwelling on the property as well as other energy sources such as paraffin, candles and open fires.
- Lack of access routes for emergency vehicles: emergency services are unable to respond quickly and effectively into dense informal settlements. Haphazard construction of these settlements results in a lack of access routes thereby preventing emergency services from accessing fires.
- Emergency vehicles are unable to respond quickly due to distance between Fire Stations and outlying towns. The distance between towns across the Witzenberg Municipal area is vast. Financial and capacity constraints prevent the establishment of fire stations in all towns resulting in great distances for emergency services vehicles to drive to respond to fires. This results in the likelihood of a fire becoming more severe as it takes time for responders to arrive on the scene.

5.3.2 Drug Abuse

Drug abuse amongst in particular the youth was highlighted has a significant problem across the municipality. The majority of responders from the community indicated that is problems stems from unemployment and poverty. It was also identified within the community survey that projects are required to keep the youth occupied over weekends and school holidays in order to deter drug experimentation due to boredom. It was reported by community members that the consequences of drug use include:

- Crimes such as muggings, burglaries
- Violence and aggression by the drug users resulting in families living in fear
- Teenagers dropping out of school
- Teenage pregnancies

The Witzenberg Municipality Integrated Development Plan 2015-2016 states that the number of drug related crimes have increased drastically since 2003/2004 and that crime caused primarily due to drug and alcohol abuse. The reported number of drug-related crimes is as follows:

Period	2003/2004	2009/2010	2011	2013/2014
Number of reported crimes	735	1378	1986	2752

Table 1: Number of reported drug related crimes (Source: Witzenberg IDP)

The Witzenberg Municipality Integrated Development Plan 2015-2016 also states that there is a 38% dropout rate for learners in their area.

5.3.3 Dumping

The illegal dumping of household rubbish and garden refuse was identified as a major problem in the majority of residential areas across the Witzenberg Municipality. Dumping identified includes:

- Overfilling of provided refuse skips/containers in residential areas. This results in refuse being left at the base of the skip
- Dumping of household waste in open areas and along roads
- Dumping of rubble and household waste in storm water drainage systems



Figure 1: Dumping of household waste and refuse in Montana (left) and Pine Valley (right)

Some of the consequences of dumping provided by the communities included:

- Health problems and illness due to contaminated environment and standing water. It was conveyed that children are the most at risk as they play among the waste
- Localised flooding due to blockages in storm water drainage systems
- Infestations of rodents and other animals living amongst the rubbish. The dumped waste becomes a breeding ground for rats
- Bad odours in the area



Figure 2: Localised flooding due to blocked storm water drains

Census 2011 indicates that status of solid waste removal in the Witzenberg Municipality is as follows:

Access to Waste Disposal		
Category	Number of household	Percentage (%)
Removed by local authority at least once a week	19159	69.9
Removed by municipality less than once a week	2346	8.6
Communal dump	1888	6.9
Own refuse dump	3097	11.3
No rubbish disposal	306	1.1
Other	622	2.3
Total	27419	100

Table 2: Access to waste disposal (Source: Stats SA 2011)

5.3.4 Riverine Flooding

Riverine flooding occurs when water levels rise over the top of river banks due to excessive rain. Riverine flooding was identified as a major hazard in a number of the wards. The majority of wards have numerous perennial and non-perennial rivers. The Witzenberg Municipality is unique within the Western Cape as its municipal area includes part of four Water Management Areas, namely the Breede, Berg, Gouritz and Olifants Doorn Rivers.

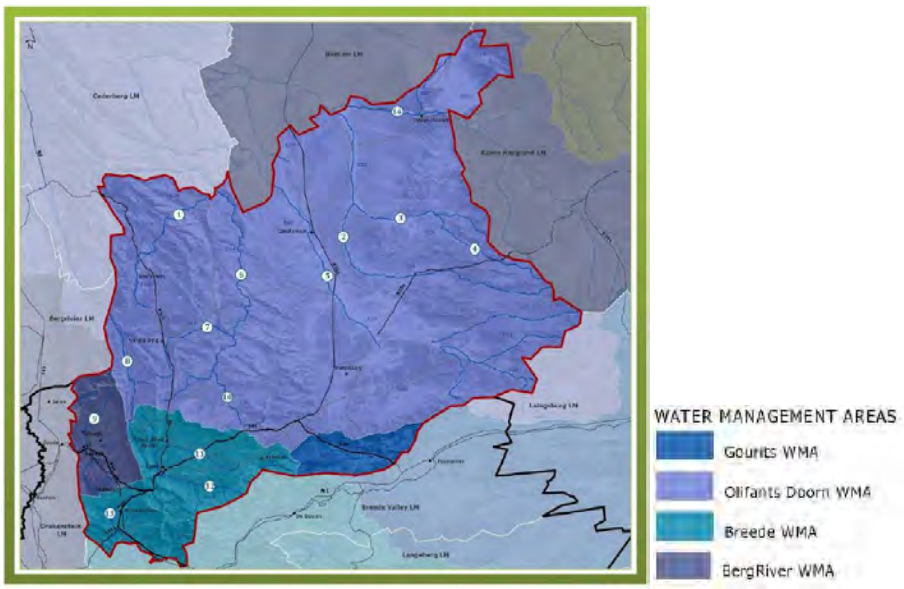


Figure 3: Water Management Areas (Source: Witzenberg Spatial Development Plan 2012)

In particular, the Dwars River in Wards 3 and 5 was highlighted as a concern due to development having taken place in the 1:100 year flood line. Within this flood line, includes residential buildings, two hospitals, Die Eiland as well as municipal infrastructure such as bridges, roads and water and sewerage pipelines. Flooding within the Dwars River was thought to be exacerbated by over grown reeds, trees and other vegetation within the water course.

The Western Cape Emergency Medical Services indicated that flooded causeways make it impossible for emergency vehicles to respond to patients during winter.

5.3.5 Fires caused by paraffin, candles, illegal electricity cables

The risk of fires in informal settlements and backyard dwellings is increased due to the reliance of households on hazardous sources of energy such as paraffin, candles, open fires and illegal electricity connections. The lack of electricity means that people living in these structures need to find alternative sources of energy to preform household activities. For example, people are reliant to primus stoves for cooking and candles for meeting their lighting needs.

Illegal electricity connections were highlighted as a major concern and contributor to fires in informal and backyard dwellings. According to Disaster Mitigation for Sustainable Livelihoods (2008) Programme, both legal and illegal electrical connections are used in informal settlements and each pose risks. The two types of electrical connections are described as follows:

- Extension of legal electrical connections for income generation or to provide electricity to backyard dwellers:
  Residents with access to legal electricity either 'rent' or supply other areas and households who are not connected to formal services. This is often off one plug or power outlet.
- Illegal forms of electricity are sourced from infrastructure such as traffic lights, street lights or electricity boxes:
  Electricity is accessed by connecting wires that may be strung above the ground, laid on the ground or even placed below the ground. These cables melt when they are overloaded.



Figure 4: Examples of illegal electricity connection in Chris Hani, Tulbagh (left) and Pine Valley (right)

In households in which an illegal electricity connection is utilised, over overloading of multi-plugs is a common occurrence. These overloaded electricity can over heat and result in a fire.

5.3.6 Traffic Accidents

Traffic accidents on residential and main routes were a major concern for communities and officials. Within residential areas, many of the respondents were concerned about the safety of children due to speeding cars.

The Western Cape Mortality Profile for 2011 (published 2014), states that 4.9% of all premature deaths in Witzenberg are resulting from road injuries. This is the sixth highest leading cause of premature deaths following HIV/Aids (14.5%), Tuberculosis (13.2%), Chronic Obstructive Pulmonary Disease/COPD (7.2%), Interpersonal Violence (6.8%) and Cerebrovascular Disease (6.4%). This is a slight increase from 2010 (4.7%) when it was the seventh highest leading cause in premature deaths in Witzenberg. During 2011, road injuries accounted for more deaths in men (4.9%) than in woman (2.5 %) within the Cape Winelands.

5.3.7 Veld fires

A veld fire refers to any vegetation or bush fire that occurs beyond the boundaries of the urban built areas. The veld fire session occurs between December and April, when temperatures are at their highest. The Witzenberg Spatial Development Framework (2012) states that the Witzenberg Municipality falls into one of the distinctive fire climate zones. These zones are characterised by a high mean potential for fire in summer. Weather conditions characteristic of veld fires are persistent windy conditions coupled with high temperatures (> 30°C) and low mean relative humidity.

Witzenberg Spatial Development Framework (2012) goes on to report that the areas at risk of veld fires largely coincide with the mountainous regions of the Koue and Warm Bokkeveld, Agter-Witzenberg and Land van Waveren.

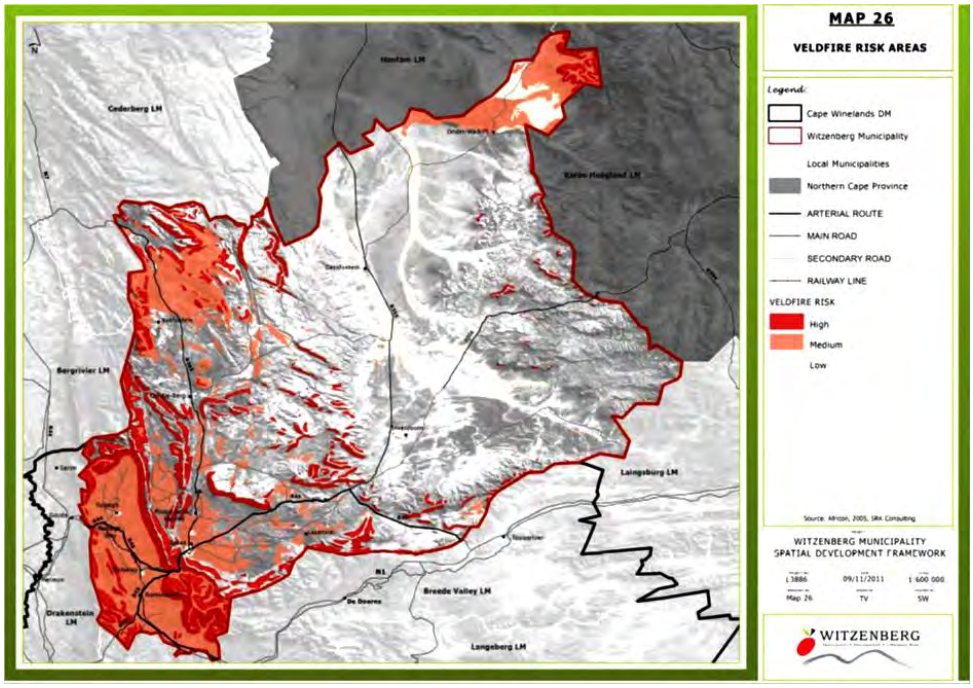


Figure 5: Veld fire Risk in Witzenberg Municipality (Source: Witzenberg Spatial Development Plan)

The number of veld and bush fires occurring responded to by the Cape Winelands Fire Services over the last five years is as follows:

Year	Number of fires occurring within the Witzenberg Municipality
2010	273
2011	182
2012	367
2013	285
2014	174

Table 3: Number of veld fires occurring within the Witzenberg Municipality over the last 5 years

The risk of veld fires will increase due to climate change. Climate change will influence the occurrence of veld fires in two ways – increases in air temperature and faster plant growth caused by increased carbon dioxide (CO2). The net result of predicted global change is that the veld fire frequency will increase, the fire season will be longer and the intensity of veld fires may be higher due to the hot, dry conditions. Hot dry summers are likely to become much more frequent in future (D. Wilds 2011)

5.3.8 Gangsterism

The presence of gangs in wards 1, 3, 5, 6 and 12 were identified by communities and ward councillors as a major concern. It was conveyed by officials that gangs and gang activity was directly the result of poverty and social circumstances. Communities reported that the presence of gangs lead to an increase in drug use and crime within their areas.

5.3.9 Sewerage

Blocked sewerage systems due to misuse were identified in a number of wards. Flushing of incorrect materials, such as nappies and newspaper, down toilets and drains was reported to be the main contributor to the blockages.

The blocked sewerage systems and the resulting sewerage spills into the streets and houses were the cause of illnesses particularly in children who play in the dirty water and contaminated areas.

6. RECOMMENDATIONS

- Risk assessments are the first step in effective risk reduction planning. It is therefore important that the data contained in the Ward Based Risk Assessment be utilised as the basis of Disaster Management planning
- As risks can change over time, it is imperative that these ward based risk assessments be reviewed yearly
- The Disaster Management Plan and Risk Assessment must be integrated into the IDP. The priority risks should be considered during the analysis phase of the Integrated Development Planning process

- Each Ward Councillor becomes the custodian of their Ward Based Risk Assessment. As the person representing that community, they are responsible to ensuring that risks raised in the Ward Based Risk Assessment are addressed during their time of office

7. REFERENCES

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APPENDIX A: IDENTIFIED RISKS FOR WITZENBERG MUNICIPALITY

Category of identified risk	Name and Description	Ref.	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	Ward 7	Ward 8	Ward 9	Ward 10	Ward 11	Ward 12	Priority Rank
Technological hazards	Structural Fires	2.1	3	0	0	3	0	2	2	0	3	3	3	3	1
Human induced hazards	Drug abuse	1.1	3	3	1	1	1	1	1	0	0	1	2	3	2
Human induced hazards	Dumping	1.7	3	3	2	2	2	2	2	0	0	2	2	3	2
Hydro-meteorological	Riverine flooding	6.1	1	0	3	3	3	2	0	0	0	0	1	0	3
Technological hazards	Fires resulting from the use of candles, paraffin, illegal electricity cables	2.3	3	0	0	0	0	0	2	0	0	1	2	3	4
Technological	Traffic accidents	2.5	2	2	2	2	3	2	2	0	3	2	2	2	5
Biological hazards	Veld fires	3.1	2	3	2	2	2	2	2	1	3	2	2	2	5
Human induced	Gangsterism	1.2	3	0	1	0	1	0	0	0	0	0	0	2	6
Human induced	Sewerage	1.8	2	2	2	3	2	2	1	0	0	2	1	2	6
Biological hazards	Human disease	3.2	2	2	2	1	2	1	1	1	0	2	2	2	7
Environmental Degradation	Ground pollution	5.2	2	2	0	0	2	2	2	0	0	0	2	2	7
Technological	Multi-hazard installations	2.7	0	0	2	2	2	2	1	2	0	1	0	0	8
Human induced	Lack of basic amenities	1.11	2	0	0	0	0	2	2	0	0	1	2	2	8
Technological	Transportation of hazardous materials	2.4	1	1	2	2	2	2	1	1	1	2	1	1	9
Human induced	Public unrest	1.3	1	1	0	2	0	0	1	2	0	2	1	1	10
Human induced	Crime	1.5	1	2	1	1	1	1	2	0	1	1	1	2	10
Technological	Load shedding	2.8	1	1	2	1	2	2	1	0	0	1	1	1	10

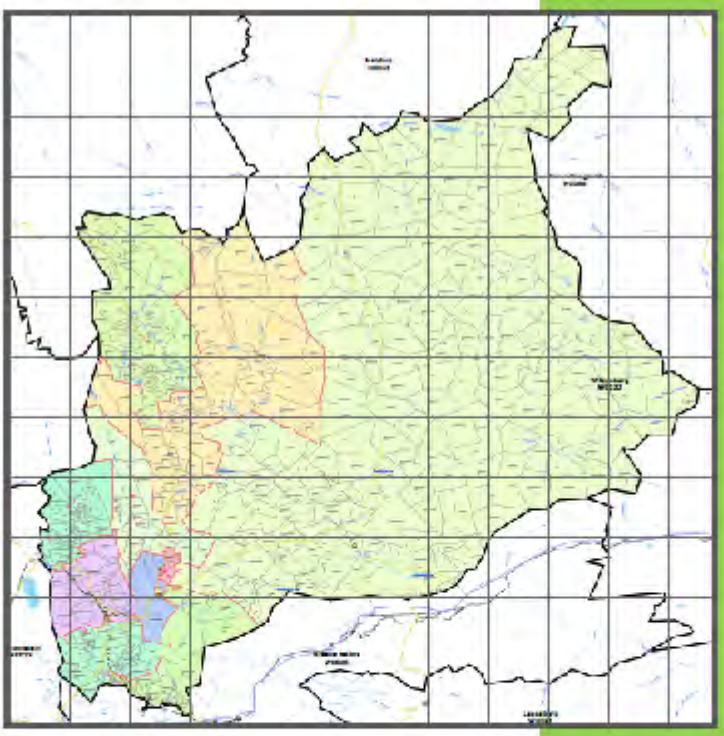
Category of identified risk	Name and Description	Ref.	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	Ward 7	Ward 8	Ward 9	Ward 10	Ward 11	Ward 12	Priority Rank
Human induced	Xenophobia	1.4	1	1	2	1	2	1	1	0	0	0	1	1	11
Human induced	Illegal electricity cables	1.6	2	0	0	0	0	0	0	0	0	0	0	2	11
Human induced	Drowning	1.10	2	0	0	0	0	2	0	0	1	0	0	0	11
Technological	Train accidents	2.9	0	2	0	1	2	0	1	0	0	0	1	0	11
Environmental Degradation	Air pollution	5.1	1	1	1	2	1	1	1	1	1	2	0	1	11
Environmental Degradation	Water pollution	5.3	0	0	1	0	2	1	0	0	1	0	2	0	11
Human induced	Biological waste	1.15	0	0	0	0	0	0	0	0	0	0	0	2	12
Technological	Dam failure	2.6	0	0	1	0	2	0	0	0	0	0	0	0	12
Geological	Earthquakes	4.1	1	1	1	1	1	1	1	1	1	1	1	1	13
Human induced	Alcohol abuse	1.12	0	1	1	0	0	0	0	0	0	1	1	1	14
Human induced	Illegal slaughter of animals	1.9	1	0	0	0	0	0	0	0	0	0	1	1	15
Human induced	Arson	1.14	0	1	0	0	0	1	0	0	0	0	0	0	16
Technological	Informal settlement fires due to burning of household waste	2.2	1	0	0	0	0	0	1	0	0	0	0	0	17
Human induced	Child molestation	1.13	0	0	0	0	1	0	0	0	0	0	0	0	18
Technological	Aircraft accidents	2.10	0	0	0	0	1	0	0	0	0	0	0	0	18
Biological	Animals	3.3	0	0	0	0	1	0	0	0	0	0	0	0	18
Environmental Degradation	Erosion	5.4	0	0	0	0	0	0	0	1	0	0	0	0	18
Hydro-meteorological	Snowfalls	6.2	0	0	0	0	0	0	0	1	0	0	0	0	18
Hydro-meteorological	Drought	6.3	0	0	0	0	0	0	0	1	0	0	0	0	18

Category of identified risk	Name and Description	Ref.	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	Ward 7	Ward 8	Ward 9	Ward 10	Ward 11	Ward 12	Priority Rank
Hydro-meteorological	Wind storms	6.4	0	0	0	0	0	0	0	0	1	0	0	0	18
Human Induced	Localised flooding due to blocked storm water drains	1.16	0	0	0	0	0	1	0	0	0	0	0	0	18

APPENDIX B: WARD BASED RISK ASSESSMENT FOR EACH WARD

CAPE WINELANDS DISTRICT MUNICIPALITY
WITZENBERG MUNICIPALITY

WARD BASED RISK ASSESSMENT



Risk Assessment Background:

Description of Area

<table>
<tr><td>Ward Number</td><td>1</td></tr>
<tr><td>Size of Ward</td><td>0.3471 km²</td></tr>
<tr><td rowspan="3">Population of Ward:</td><td>Number of people: 7076</td></tr>
<tr><td>Race:

<table>
<tr><th>Race</th><th>Total</th></tr>
<tr><td>Black African</td><td>6,710</td></tr>
<tr><td>Coloured</td><td>258</td></tr>
<tr><td>Indian or Asian</td><td>9</td></tr>
<tr><td>White</td><td>-</td></tr>
<tr><td>Other</td><td>100</td></tr>
<tr><td>Total</td><td>7,076</td></tr>
</table>
</td></tr>
<tr><td>Age groups (years completed):

<table>
<tr><th>0-10</th><th>11-20</th><th>21-30</th><th>31-40</th><th>41-50</th><th>51-60</th><th>61-70</th><th>71-80</th><th>81-90</th><th>91-100</th><th>>100</th></tr>
<tr><td>1527</td><td>1207</td><td>1882</td><td>1328</td><td>672</td><td>295</td><td>114</td><td>34</td><td>8</td><td>3</td><td>3</td></tr>
</table>
</td></tr>
</table>

Map of Ward	R46 Ndzishe Ave Gill Ave 3rd St 1st St Mnandi Ave Zenzile Ave Nkonjane Cr Eluxolweni Ave Xarasi Ave Chris Hani Dr 1 2nd St Thembalethu Ave Slovo Ave Zola Ave Thando Ave Phumla Ave 14th St Langabya Ave Phakamisa Ave Indwe Ave

1. Natural Environment	
Description of Ward:	This ward consists of a built up residential area and with a small scale farm. There are a number of large farm dams in the area adjacent to the ward.
2. Spatial Dimension	
Land Use Zones Residential (low income housing, informal settlements, formal housing), Commercial, CBD, Industrial, Agricultural	The Ward is made up of the following land use zones: 1) Residential- this includes both low income formal housing as well as informal settlements. The majority of the low income housing has either extended their houses or has back yard dwellers. 2) Small scale commercial 3) Agriculture – a small scale farm is found in the south west corner of the ward.
3. Economic Dimension	
3.1 Employment :	Employment: 2 356 people are employed (these totals may vary depending on the time of year. A large number of people in the community are employed seasonally on farms.
	Unemployment: 1 122 are unemployed (these totals may vary depending on the time of year.) A large number of people in the community are employed seasonally on farms. Unemployment would rise during the winter period.
	Reliance on grants and subsidies: Unknown
3.2 Types of Economic Activities:	Commercial: A number of small businesses operating out of residential buildings are found in this area. These include spaza shops, shebeens, hair dressers, day care centres, catering services, etc.
4. Health	
4.1 Medical and Health Services:	Clinics: There is one clinic, Naledi Pandor Clinic, servicing the Nduli Community. Nduli Clinic is located in the adjacent ward (12).
	Hospitals (Private and Public): The closest hospitals are located in Ceres.
	Ambulance: Emergency Medical Service's ambulances service this area. They are dispatched from Ceres for emergency calls.
	Environmental Health: The Environmental Health Officer for this area is located at the CWDM Office in Munnik Street, Ceres.
5. Education	
5.1 Schools:	1. Crèches: St Josephine Bakhita, Phakamisa Aveue Nduli
	2. Pre-primary Schools: The crèches look after children up until primary school level
	3. Primary Schools: Nduli Primary School, Chris Hani Drive
	4. High Schools: The closest high school is Iingcinga Zethu Secondary located in Bokoloshe Avenue, Nduli (Ward 12)

6. Tourism

6.1 Tourist Attractions:	Tourist attractions within the Ward include local arts and crafts for tour groups.

7. Safety and Security

7.1 Services:	1. South African Police Services: Located in Ceres
	2. Neighbourhood Watch: None
	3. Fire Services: A satellite fire station is located in Ward 12 with the main station situated in Ceres
7.2 Crime	1. Description of crime rate and causes of crime: The top crimes for the area serviced by (and provided by) Ceres SAPS are as follows: • Burglary (houses) • Assault • Malicious damage to property • Drugs

8. Electricity

8.1 Electricity Supply

The low income housing has electricity. Informal settlement utilises illegal electricity connections to get electricity.

	Sources of energy for lighting (% of households)	Sources of energy for cooking (% of households)	Sources of energy for Heating (% of households)
Electricity	90.31	87.34	59.05
Gas	0.17	1.66	1.10
Paraffin	5.14	10.28	27.66
Candles	3.87	N/A	N/A
Wood	N/A	0.34	0.98
Coal	N/A	0.04	0.00
Animal dung	N/A	0.08	0.00
Solar	0.38	0.13	0.08
None	0.17	0.21	11.09

(Source: Stats SA, 2011)

9. Transport

9.1 Map of transportation routes



9.2 Areas of high accidents	Information not available
9.3 Types of transportation	Residents within this area use either private cars or mini-bus taxis. The closest taxi rank falls in the adjacent ward, Ward 12. Mini bus taxis are registered with the Ceres Taxi Association
9.4 Hazardous materials or cargo:	1. Any hazardous materials transported through the areas: No hazardous substances are transported through the ward. But, numerous hazardous substances are transported along the R46 and the main roads in close proximity to the ward.
10. Housing	
10.1 Types of Housing:	1. Formal (incl. Low income and RDP): The houses in this area are RDP houses.
	2. Informal: Informal houses are located in the Polo Cross Informal Settlement.
	3. Back yard dwellers: A large number of houses have back yard dwellers
11. Water and Sanitation	
11.1 Provision of water (formal residential areas)	Yes, the formal houses have water supplied.
11.2 Provision of water in informal settlements and areas without piped water	1. Number of taps available (incl. the number of people using the taps): Unknown
	1. Are the taps in working order? Unknown
11.3 Sewerage and sanitation systems in formal areas	3.1 Formal sewerage: Yes
11.4 Sewerage and sanitation systems in informal settlements and areas without formal sanitation	1. Number, type, and frequency of cleaning of toilets: Unknown
	2. Are the toilets in working order? Unknown

11.5 Rubbish Removal	<table><tr><th>Methods of Waste Disposal for Ward 1</th><th>Number of households</th></tr><tr><td>Removed by the local municipality once a week</td><td>2321</td></tr><tr><td>Removed by the local municipality less than once a week</td><td>1</td></tr><tr><td>Communal refuse dump</td><td>3</td></tr><tr><td>Own refuse dump</td><td>0</td></tr><tr><td>No rubbish disposal</td><td>0</td></tr><tr><td>Other</td><td>29</td></tr></table> (Source: Stats SA, 2011)
12. Municipal Infrastructure:	
12.1 Storm water drainage	Yes
12.2 Community Halls	Polo Cross Community Hall
13. Religious Institutions	
13.1 Churches, Mosques, synagogues	Unknown
14. Correctional Service Centres	
14.1 List of Correctional Service Centres	The Warm Bokkeveld Prison is situated in the adjacent ward.

Historical Data:

Year	**Type of incident**	**Impact and number of people affected:**
1969	Earthquake	Severe infrastructural damages over most parts of the municipality 11 Fatalities in Ceres and Tulbagh
2007	Xenophobia	There was small scale incidents of xenophobia
2008	Xenophobia	22 foreign nationals moved out of Nduli on 23 May 2008 due to fears for their safety following xenophobic violence (this information is not ward specific but rather for the area of Nduli).
November-December 2012 and January 2013	Farmworker Unrest	Protests by farm labourers occurred in the area.
2013	Fire	95 families were displaced following a fire in the Polo Cross Informal Settlement

Description of identified Risks:

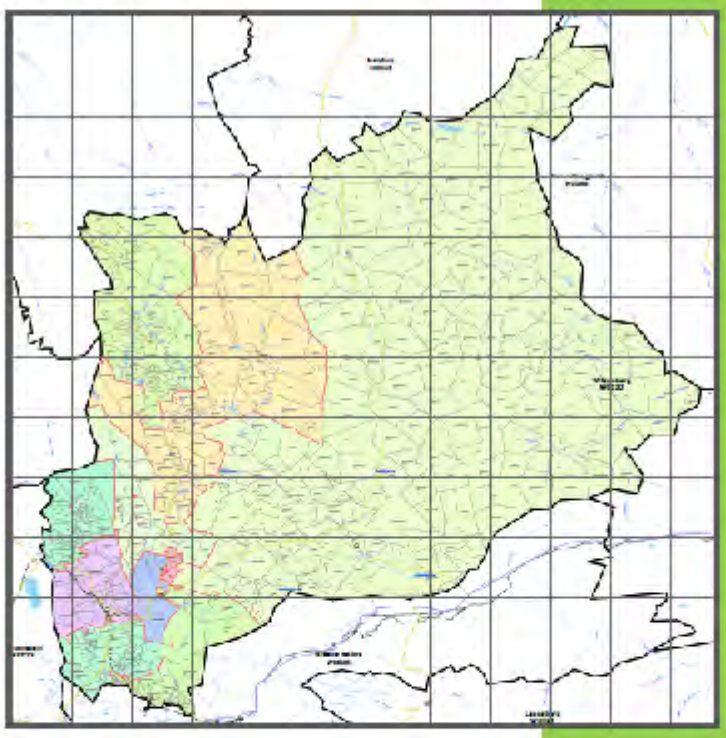
Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
HUMAN INDUCED HAZARDS	Drug abuse Drug abuse was highlighted as a problem amongst the youth. It is thought to the result of unemployment and poverty	Throughout the year	Eluxolveni Street	This results in social and criminal problems	X	X	X	1.1.1
	Gangsterism The formation of gangs and gang activity is a result of social circumstances and poverty.	This occurs frequently throughout the year	Hotspots for gangsterism were identified at: • Zola Street - more specifically near the 4-way stop	This was identified as leading to criminal activities such as theft, the use of drugs	X	X	X	1.1.2
	Public Unrest This includes service delivery protests, farm worker unrest. This is due to: • Poverty • The need for housing	Sporadically	Ward-wide	This has an impact on service delivery			X	1.1.3
	Xenophobia This is due to an influx of foreigners in to the area as well as the illegal occupation of houses and plots.	Sporadically	Ward-wide				X	1.1.4
	Crime Theft which is assumed that this due to drug addiction and unemployment	This occurs frequently throughout the year	• Nkonjani Street • Zola Street • Mnandi Street near the public toilets	Loss of property and money		X		1.1.5
	Illegal electricity cables were highlighted as risk in terms of health		Informal settlements and back yard dwellers	Fire fighters are injured when responding to fire calls. A consequence of illegal electrical connections is that people can get electrocuted.	X		X	1.1.6
	Dumping: There is an number of forms of dumping that is prevalent within this ward and it includes: • Dumping of rubble in storm water drainage system • Illegal dumping of refuse in open areas and along roads	This occurs frequently throughout the year	Nkonjani Street	This results in health issues especially in children who play in the rubbish. The blocking of storm water drains results in localised flooding during heavy rainfall	X	X	X	1.1.7
	Sewerage blockages due to incorrect materials and items such as newspaper being flushed down toilets or put into the sewers. Sewerage running into the streets due to blocked drains.	This occurs frequently throughout the year	• Nkonjani Street • Area surrounding the public toilets in Mnandi Street • Zola Street • Mnandi Street	This results in sewerage flowing into the streets and causes health issues. In particular, children are most at risk to diseases as they play in the dirty water.	X	X		1.1.8

Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
HUMAN INDUCED HAZARDS	Illegal slaughter of animals within residential areas. This also includes slaughtering of animals for profit.			This can result in health problems			X	1.1.9
	Children from the ward go and swim in the nearby river and dams. This can lead to children drowning	During summer months		Loss of life		X	X	1.1.10
	Lack of /broken basic amenities this included: • Lack of running water in areas: residents are required to collect from taps near the road or at the public toilets. • Lack of access to electricity • Too few toilets available		• Mnandi Street	Health issues		X	X	1.1.11
TECHNOLOGICAL HAZARDS	Structural fires both formal and informal. The risk of fires is increased by: • The proximity of houses to each other. There is not a safe distance between houses. • Emergency vehicles are unable to respond to areas as there are no access routes. • The presence of backyard dwellers and informally built extension to RDP houses	There is a higher risk of fire during the winter months	Eluxolveni Street	People lose all their possessions. Fires were also seen as a large cause of air pollution.	X	X	X	1.2.1
	Informal settlement fires due to people burning of household rubbish	Continuosly	• Mnandi Street	People lose all their possessions		X		1.2.2
	Fires resulting from use of candles, paraffin, gas and illegal electricity cables.	This risk is more severe during winter as people are more reliant on electricity	• Eluxolveni Street • Elixoleni Street • Informal houses in Mnandi Street near the toilets	Loss of life and property	X	X	X	1.2.3
	Transportation of hazardous loads along all major and secondary roads	Daily risk of hazardous loads travelling through the area	Along major and secondary roads (R46)	Accidents and spillages of hazardous substances. Depending on the substance this could cause: • health problems • environmental issues (pollution) • Fire • Explosions			X	1.2.4
	Traffic accidents in main and major roads in and rounding the area.	Frequently	Along major and secondary roads and residential roads.	Children playing in the streets can be knocked over. Injuries and fatalities of motor vehicle occupants. Disruption to traffic due to road closures		X	X	1.2.5

Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
TECHNOLOGICAL HAZARDS	Load shedding: Rotating power outages	Frequently	Across the community	There are significant consequence to load shedding: • Disruption and impacts on the economy • Severe disruption to traffic • Increase in crime • interruptions to critical infrastructure and processes such as sewerage treatment and water purification • Interruption to industrial and agricultural processes			X	1.2.8
BIOLOGICAL HAZARDS	Veld fires: Veld fires can be started naturally or by humans. Veld fires due to illegal dumping/littering in open spaces as well as people dropping of unextinguished cigarette butts.	This risk is higher during summer	• Along the urban fringe • Along the interface between natural veld and urban or agricultural areas • Along rail and road reserves • In opens areas	• People lose all their possessions • Threat to biodiversity due to areas burning too often • Destroy crops and agricultural land. This can have social and economic impacts		X	X	1.3.1
	Human diseases: TB and HIV – an increase in the number of HIV and TB patients. Witzenberg was identified as having the highest HIV rate in the area.			Disease, loss of life and impact on medical services	X		X	1.3.2
ENVIRONMENTAL DEGRADATION	Air pollution resulting from fires. This includes: • Fires for household activities • Illegal burning of waste and refuse • Veld fires	This occurs throughout the year but is more prevalent in winter when fires are used for heating purposes.		Health risk			X	1.5.1
	Ground pollution from sewerage due to : • non-existent sewerage systems within informal settlements • blockages within the sewerage network • interruption of sewerage treatment process by load shedding			Uncontrollable leakages and spillages. This not only results in pollution of the environment but also can be a health hazard		X	X	1.5.2

CAPE WINELANDS DISTRICT MUNICIPALITY
WITZENBERG MUNICIPALITY

WARD BASED RISK ASSESSMENT



CAPE WINELANDS DISTRICT

WITZENBERG

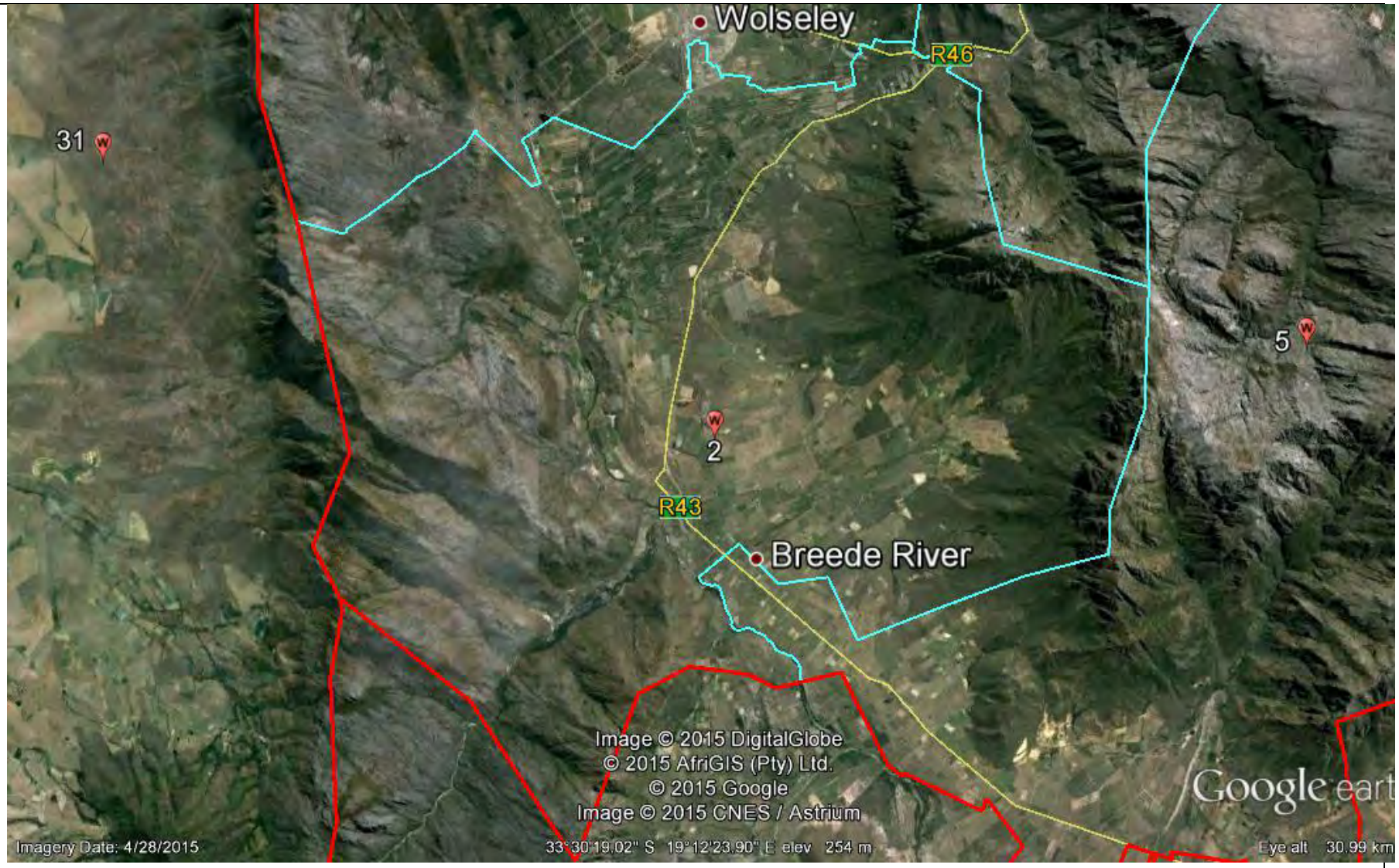
Risk Assessment Background:

Description of Area

<table>
<tr><td>Ward Number</td><td>2</td></tr>
<tr><td>Size of Ward</td><td>242.88 km²</td></tr>
<tr><td rowspan="3">Population of Ward:</td><td>Number of people: 6214</td></tr>
<tr><td>Race:

<table>
<tr><th>Race</th><th>Total</th></tr>
<tr><td>Black African</td><td>496</td></tr>
<tr><td>Coloured</td><td>4900</td></tr>
<tr><td>Indian or Asian</td><td>9</td></tr>
<tr><td>White</td><td>748</td></tr>
<tr><td>Other</td><td>60</td></tr>
<tr><td>Total</td><td>6214</td></tr>
</table>
</td></tr>
<tr><td>Age groups (years completed):

<table>
<tr><th>0-10</th><th>11-20</th><th>21-30</th><th>31-40</th><th>41-50</th><th>51-60</th><th>61-70</th><th>71-80</th><th>81-90</th><th>91-100</th><th>>100</th></tr>
<tr><td>1300</td><td>1139</td><td>1004</td><td>897</td><td>794</td><td>614</td><td>296</td><td>131</td><td>31</td><td>4</td><td>4</td></tr>
</table>
</td></tr>
</table>

Map of Ward	Wolseley R46 31 5 2 R43 Breede River Image © 2015 DigitalGlobe © 2015 AfriGIS (Pty) Ltd. © 2015 Google Image © 2015 CNES / Astrium Imagery Date: 4/28/2015 33°30'19.02" S 19°12'23.90" E elev 254 m Eye alt 30.99 km

1. Natural Environment	
Description of Ward:	1) Mountains: This ward is made up mountainous areas along the east and west boundaries of the ward. The mountain ranges in the east is the Mostertshoek Mountains and Waaihoekberg and to the west is the Obiqua Mountains and the Limietberg.
	2) Rivers: the major river flowing through the ward is the Breede River. There are a number of perennial and non-perennial tributaries flowing into the Breede River which include: Perennial Rivers: Wit River, Wabooms River, Non-perennial rivers: Romans River, Klein River, Sandspruit River
	3) Dams and Reservoirs: There are a number of farm dams of varying sizes throughout the ward.
2. Spatial Dimension	
Land Use Zones Residential (low income housing, informal settlements, formal housing), Commercial, CBD, Industrial, Agricultural	The Ward is made up of the following land use zones: 1) Agriculture 2) Residential: Formal**,** Back yard informal
3. Economic Dimension	
3.1 Employment :	Employment: Unknown
	Unemployment : Unknown
	Reliance on grants and subsidies: Unknown
3.2 Types of Economic Activities:	Commercial: A number of small businesses operating out of residential buildings are found in this area. These include spaza shops, shebeens, etc.
4. Health	
4.1 Medical and Health Services:	Clinics: The Wolseley Clinic is located in Church Street, Montana
	Hospitals (Private and Public): The closest hospital is located in Ceres.
	Ambulance: Emergency Medical Service's ambulances service this area. They are dispatched from Ceres.
	Environmental Health: The Environmental Health Officer for this area is located at the CWDM Office in Munnik Street, Ceres.

5. Education	
5.1 Schools:	1. Crèches: Klaarfontein Crèche, Klaarfontein Farm, Wolseley Ou Stasie Crèche, Ou Stasie Farm, Wolseley Rora Bewaarskool (Babbelbekkies), Rora Orchards, Wolseley
	2. Pre-primary Schools: St Martins Wielie Walie Preschool, 10 Raman Street, Wolseley
	3. Primary Schools: W.F Loots Primary School, Fourth Ave, Montana La Plaisante NGK Primary, R43 Petra Gedenk Primary, R43
	4. High Schools: The closest high school is Wolseley Secondary located in Ward 7
6. Tourism	
6.1 Tourist Attractions:	• Mountain Ridge Winery: farm market every month • Ladera Wine Estate: during January/February pick your own figs • Tourism Office has art projects for schools • The Amawolseley Marimba Band is established with kids from surrounding area and the local high school. This band is well known in the area. • Holiday accommodation • Wedding venues • Birdwatching areas •
7. Safety and Security	
7.1 Services:	1. South African Police Services: The Police Station servicing the area is located in White Street, Wolseley (Ward 7)
	2. Neighbourhood Watch: Unknown
	3. Fire Services: Fire Services responds from either the Main Station in Ceres or the satellite station in Tulbagh
7.2 Crime	1. Description of crime rate and causes of crime: The top crimes for the area serviced by (and provided by) Wolseley SAPS are as follows: • Burglary (houses) • Theft • Theft from motor vehicles • Assault

8. Electricity

8.1 Electricity Supply

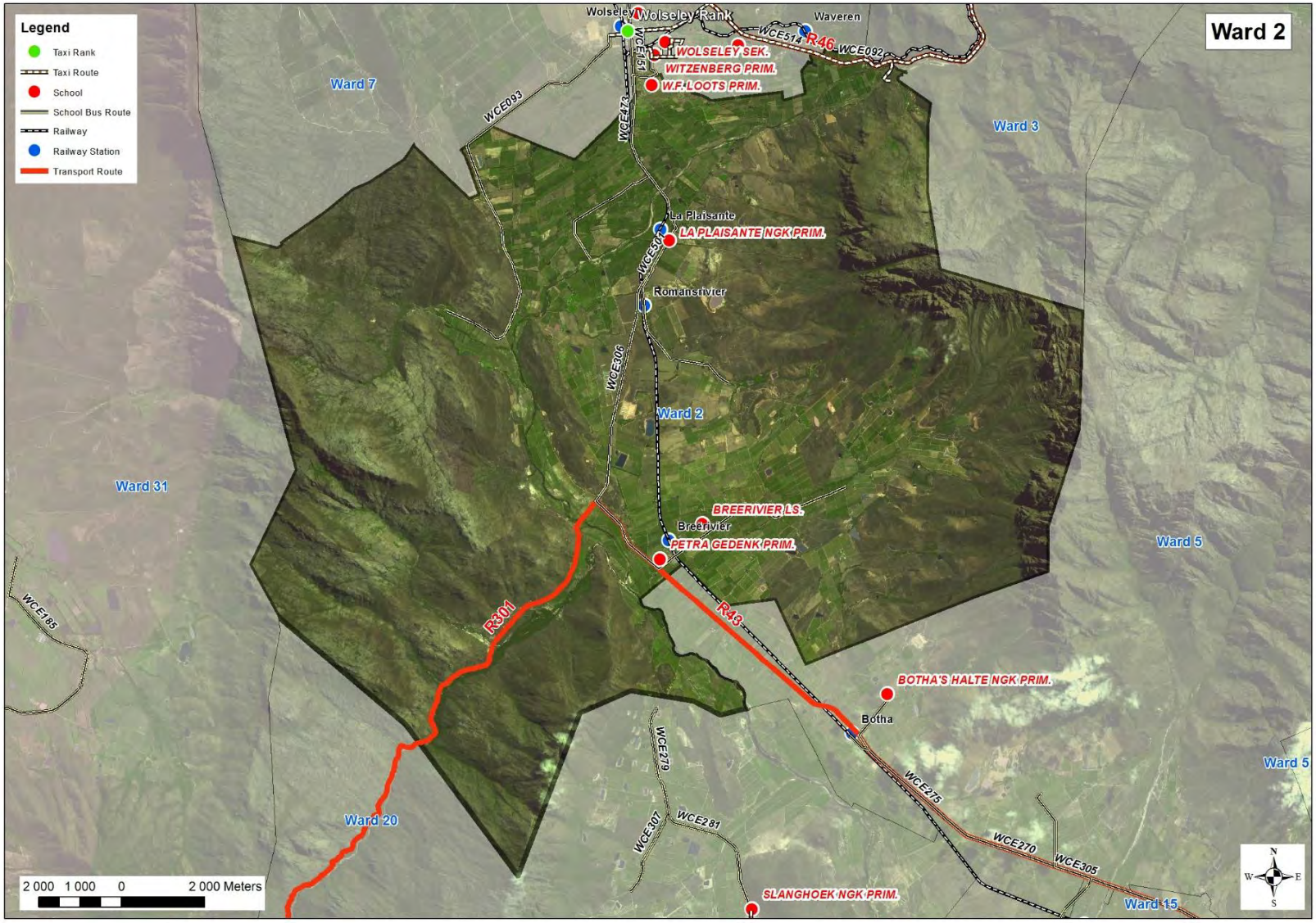
The area is supplied with electricity

	Sources of energy for lighting (% of households)	Sources of energy for cooking (% of households)	Sources of energy for Heating (% of households)
Electricity	95.10	90.27	65.27
Gas	0.00	3.87	1.03
Paraffin	0.06	0.00	0.52
Candles	4.12	N/A	N/A
Wood	N/A	5.86	26.03
Coal	N/A	0.00	0.06
Animal dung	N/A	0.00	0.00
Solar	0.39	0.00	0.06
None	0.32	0.00	7.02

(Source: Stats SA, 2011)

9. Transport

9.1 Map of transportation routes



<table>
<tr><td>9.2 Areas of high accidents</td><td>Unknown</td></tr>
<tr><td>9.3 Types of transportation</td><td>Residents within this area use either private cars or mini-bus taxis. The closest taxi rank falls in the adjacent ward, Ward 7. There is a railway line that runs through the area.</td></tr>
<tr><td>9.4 Hazardous materials or cargo:</td><td>1. Any hazardous materials transported through the areas: Hazardous substances moves through the area via road and rail.</td></tr>
<tr><td colspan="2">10. Housing</td></tr>
<tr><td rowspan="3">10.1 Types of Housing:</td><td>1. Formal (incl. Low income and RDP): Formal houses</td></tr>
<tr><td>2. Informal: None</td></tr>
<tr><td>3. Back yard dwellers: A number of houses have back yard dwellers</td></tr>
<tr><td colspan="2">11. Water and Sanitation</td></tr>
<tr><td>11.1 Provision of water (formal residential areas)</td><td>Yes, the formal houses have water supplied.</td></tr>
<tr><td>11.2 Sewerage and sanitation systems in formal areas</td><td>3.1 Formal sewerage: Yes</td></tr>
<tr><td>11.5 Rubbish Removal</td><td>
<table>
<tr><th>Methods of Waste Disposal for Ward 2</th><th>Number of households</th></tr>
<tr><td>Removed by the local municipality once a week</td><td>719</td></tr>
<tr><td>Removed by the local municipality less than once a week</td><td>355</td></tr>
<tr><td>Communal refuse dump</td><td>58</td></tr>
<tr><td>Own refuse dump</td><td>244</td></tr>
<tr><td>No rubbish disposal</td><td>44</td></tr>
<tr><td>Other</td><td>132</td></tr>
</table>
(Source: Stats SA, 2011)
</td></tr>
<tr><td colspan="2">12. Municipal Infrastructure:</td></tr>
<tr><td>12.1 Storm water drainage</td><td>Yes, there is storm water drainage within the residential areas</td></tr>
<tr><td>12.2 Community Halls</td><td>Montana Community Hall (Wolseley)</td></tr>
</table>

13. Religious Institutions	
13.1 Churches, Mosques, synagogues	Unknown
14. Correctional Service Centres	
14.1 List of Correctional Service Centres	Dwars River Prison

Historical Data:

Year	Type of incident	Impact and number of people affected:
1969	Earthquake	Severe infrastructural damages over most parts of the municipality 11 Fatalities in Ceres and Tulbagh
	Veld fires	Veld fires occur regularly in the area
November-December 2012 and January 2013	Farmworker Unrest	Protests by farm labourers occurred in the area.

Description of identified Risks:

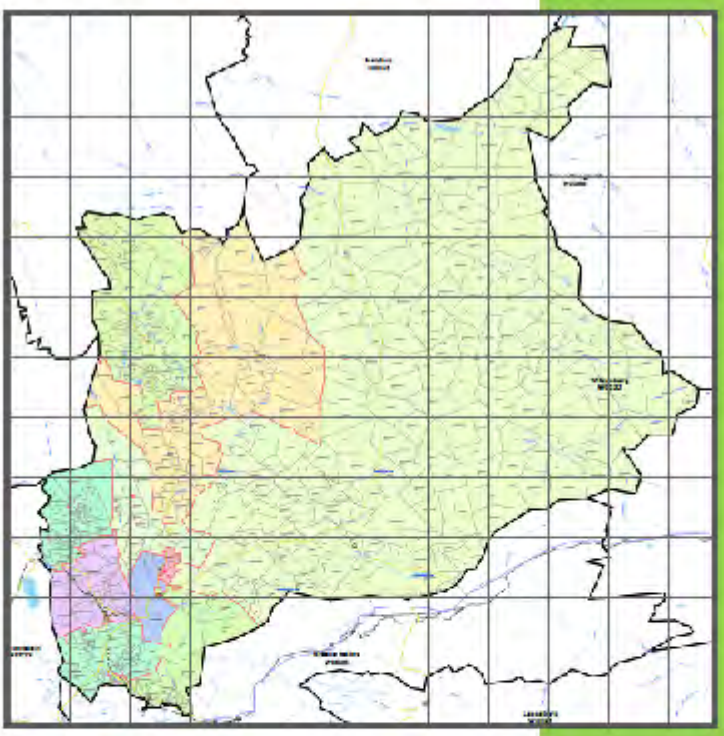
Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
HUMAN INDUCED HAZARDS	Drug abuse: This was identified as a major problem, in particular amongst the youth. The selling of drugs in the community was also highlighted.	Throughout the year and in particular throughout school holidays when there is nothing to keep the youth occupied.	Throughout the ward	The use of drugs are linked to: • Crime – burglaries and muggings • Anti-social behaviour	x	X	x	1.1.1
	Public Unrest This includes service delivery protests, farm worker unrest.	Sporadically		This has an impact on service delivery			X	1.1.3
	Xenophobia This is due to an influx of foreigners in to the area as well as the illegal occupation of houses and plots.	Sporadically		Violence and protests			X	1.1.4
	Crime The types of crimes occurring include theft, housebreaking, robbery, rape.	This occurs frequently throughout the year	Ward-wide	Loss of property, money, injuries.	X	X		1.1.5
	Dumping: There is an number of forms of dumping that is prevalent within this ward and it includes: • Dumping of rubble in storm water drainage system • Illegal dumping of refuse in open areas and along roads	This occurs frequently throughout the year	Montana	This results in health issues especially in children who play in the rubbish. The blocking of storm water drains results in localised flooding during heavy rainfall	X	X	X	1.1.7
	Sewerage blockages due to incorrect materials and items put into the sewers. Sewerage running into the streets due to blocked drains.	This occurs frequently throughout the year	Montana	This results in sewerage flowing into the streets and causes health issues. In particular, children are most at risk to diseases as they play in the dirty water.	X	X		1.1.8
	Alcohol abuse: The misuse of alcohol amongst youth and minors	This occurs frequently throughout the year		This results in antisocial behaviour and violence		X		1.1.9
	Fires being set deliberately by children		At the park	Damage to property. Injuries and loss of life		X		1.1.14

Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
TECHNOLOGICAL HAZARDS	Transportation of hazardous loads along all major and secondary roads and via rail. Hazardous substances transported via rail include LP Gas.	Daily risk of hazardous loads travelling through the area	Along major and secondary roads, railway line	Accidents and spillages of hazardous substances. Depending on the substance this could cause: • health problems • environmental issues (pollution) • Fire • Explosions			X	1.2.4
	Traffic accidents. This includes both large truck accidents as well as car accidents resulting from speeding motor vehicles.	Frequently	Along major and secondary roads and residential roads.	Children playing in the streets can be knocked over. Injuries and fatalities of motor vehicle occupants. Disruption to traffic due to road closures		X	X	1.2.5
	Load shedding: Rotating power outages	Frequently	Across the community	There are significant consequence to load shedding: • Disruption and impacts on the economy • Severe disruption to traffic • Increase in crime • interruptions to critical infrastructure and processes such as sewerage treatment and water purification • Interruption to industrial and agricultural processes			X	1.2.8
	Train accidents: The re-opening the railway line will have future implications in terms of railway accidents and derailments. Pedestrians crossing the railway lines, level crossings. The existing north south main railway line runs through Wolseley and rural parts of the ward.	In the future Current	Railway line Main railway line	An incident at one of these facilities could resulting in the following: • Loss of life and injuries • Damage to property • Fire and explosions • Pollution (air, water or land)	X		X	1.2.9

Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
BIOLOGICAL HAZARDS	Veld fires: Veld fires can be started naturally or by humans. Veld fires due to illegal dumping/littering in open spaces as well as people dropping of unextinguished cigarette butts.	This risk is higher during summer	• Along the urban fringe • Along the interface between natural veld and urban or agricultural areas • Along Rail and Road Reserves	• People lose all their possessions • Threat to biodiversity due to areas burning too often • Destroy crops and agricultural land. This can have social and economic impacts	X	X	X	1.3.1
	Human diseases: TB and HIV – an increase in the number of HIV and TB patients. Witzenberg was identified as having the highest HIV rate in the area.		Ward wide	Disease, loss of live, impact on medical services	X		X	1.3.2
GEOLOGICAL HAZARDS	Earthquake: The risk of earthquakes was highlighted as a risk for the whole of Witzenberg area. The risk of injuries, death and damages is increased due to poor building methods.		Whole municipal area	Loss of life, injury and damages to property and infrastructure			X	1.4.1
ENVIRONMENTAL DEGRADATION	Air pollution resulting from fires and crop treatments	This is more prevalent during summer		Health risk			X	1.5.1
	Ground pollution from sewerage due to : • non-existent sewerage systems within informal settlements • blockages within the sewerage network • interruption of sewerage treatment process by load shedding		Ward-wide	Uncontrollable leakages and spillages. This not only results in pollution of the environment but also can be a health hazard		X	X	1.5.2
HYDRO-METEOROLOGICAL HAZARDS	Riverine flooding.	During heavy rainfall	Along the Breede River and subsidiaries.	Damage to infrastructure and property and injuries and loss of life.			X	1.6.1

CAPE WINELANDS DISTRICT MUNICIPALITY
WITZENBERG MUNICIPALITY

WARD BASED RISK ASSESSMENT



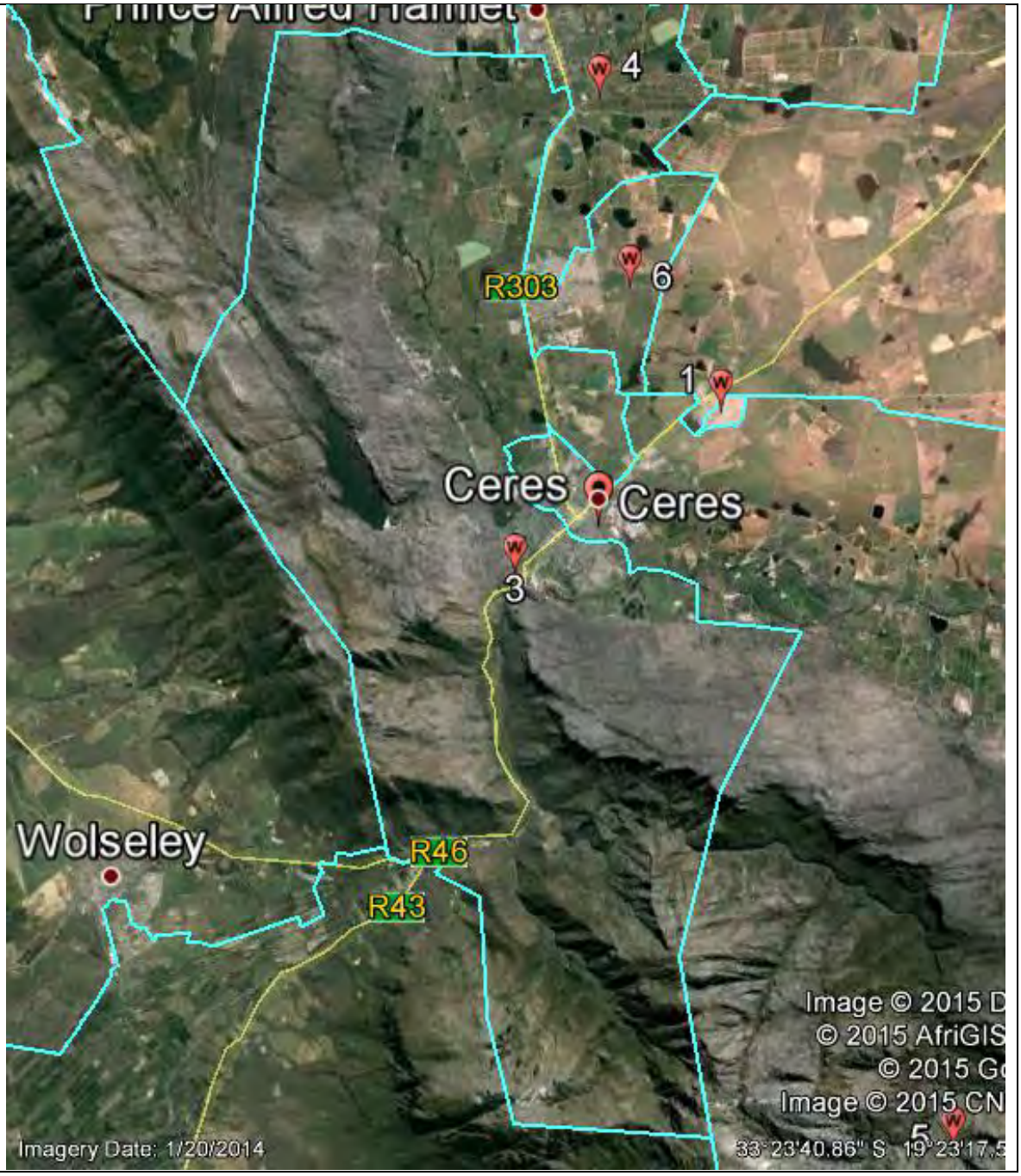
Risk Assessment Background:

Description of Area

<table>
<tr><td>Ward Number</td><td>3</td></tr>
<tr><td>Size of Ward</td><td>116.03 km²</td></tr>
<tr><td rowspan="3">Population of Ward:</td><td>Number of people: 9206</td></tr>
<tr><td>Race:

<table>
<tr><th>Race</th><th>Total</th></tr>
<tr><td>Black African</td><td>614</td></tr>
<tr><td>Coloured</td><td>7163</td></tr>
<tr><td>Indian or Asian</td><td>29</td></tr>
<tr><td>White</td><td>1300</td></tr>
<tr><td>Other</td><td>100</td></tr>
<tr><td>Total</td><td>9206</td></tr>
</table>
</td></tr>
<tr><td>Age groups (years completed):

<table>
<tr><th>0-10</th><th>11-20</th><th>21-30</th><th>31-40</th><th>41-50</th><th>51-60</th><th>61-70</th><th>71-80</th><th>81-90</th><th>91-100</th><th>>100</th></tr>
<tr><td>1716</td><td>1520</td><td>1600</td><td>1368</td><td>1264</td><td>877</td><td>500</td><td>236</td><td>111</td><td>9</td><td>5</td></tr>
</table>
</td></tr>
</table>

Map of Ward	4 6 R303 1 Ceres Ceres 3 Wolseley R46 R43 Image © 2015 D © 2015 AfriGIS © 2015 G Image © 2015 CN 5 Imagery Date: 1/20/2014 33°23'40.86" S 19°23'17.5

1. Natural Environment	
Description of Ward:	1. Mountains: The Skurweberg- , Witzenberg- and Mostertsberg Mountainsare found in this ward.
	2. Rivers: Breede, Dwars and Koekedouw Rivers flow through this ward. There are also a number of smaller non-perennial rivers also found in this area.
	3. Dams, reservoirs: Witzenberg Municipality's only major dam is located in this ward. The Koekedouw Dam is located in the mountains to the North West above Ceres. This dam has a capacity of 22.5 million m^3 and supplies water to domestic, industrial and agricultural users. There are also a number of farm dams in the ward. To the south of the ward, is the sewerage works with a number of sewerage dams.
2. Spatial Dimension	
Land Use Zones Residential (low income housing, informal settlements, formal housing), Commercial, CBD, Industrial, Agricultural	The Ward is made up of the following land use zones: 1) Residential- this includes formal housing as well as an settlement of homeless people living within the rocks along the Michells Pass. 2) A portion of the CBD 3) Agriculture 4) Industrial
3. Economic Dimension	
3.1 Employment :	Employment: Unknown
	Unemployment : Unknown
	Reliance on grants and subsidies: Unknown
3.2 Types of Economic Activities:	Commercial: This ward includes a portion of the CBD of Ceres where there are a mix of businesses that include shops, restaurants, commercial businesses, filling stations and industries.
4. Health	
4.1 Medical and Health Services:	Clinics: Annie Brown Clinic, Lyell Street, Ceres
	Hospitals (Private and Public): Ceres Hospital (Public) and Ceres Private Hospital
	Ambulance: Emergency Medical Service's ambulances service this area. They are dispatched from Ceres Hospital.
	Environmental Health: The Environmental Health Officer for this area is located at the CWDM Office in Munnik Street, Ceres.

5. Education	
5.1 Schools:	1. Crèches: Aviat Crèche, 11 Voortrekker Street, Ceres Huppel and Knibbel Crèche, Albert Crescent, Ceres Loflaaities Creche, Gericke Primary, Owen Street Pip Squeaks, 5 Keet Street, Ceres
	2. Pre-primary Schools: Vrolike Vinkies Voorskoolse Opleidingsentrum, Die Eiland, Barlinka Street, Ceres
	3. Primary Schools: Ceres Primary School, Lyell Street Fairfield NGK Primary, Fairfield Farm Gericke Primary School, Owen Street
	4. High Schools: Ceres Secondary, Gardenia Lane Charlie Hofmeyer, van Riebeeck Street
6. Tourism	
6.1 Tourist Attractions:	Tourist attractions within the ward include the Ceres Golf Course, Ceres Zip Slide, Michells Pass and Dennebos Resort. There are a number of arts and craft shops and restaurants that are aimed at tourists.
7. Safety and Security	
7.1 Services:	1. South African Police Services: Located in Ceres
	2. Neighbourhood Watch: None
	3. Fire Services: The main fire station is situated in Ceres
7.2 Crime	1. Description of crime rate and causes of crime: The top crimes for the area serviced by (and provided by) Ceres SAPS are as follows: • Burglary (Houses) • Assault • Malicious damage to property • Drugs

8. Electricity

8.1 Electricity Supply

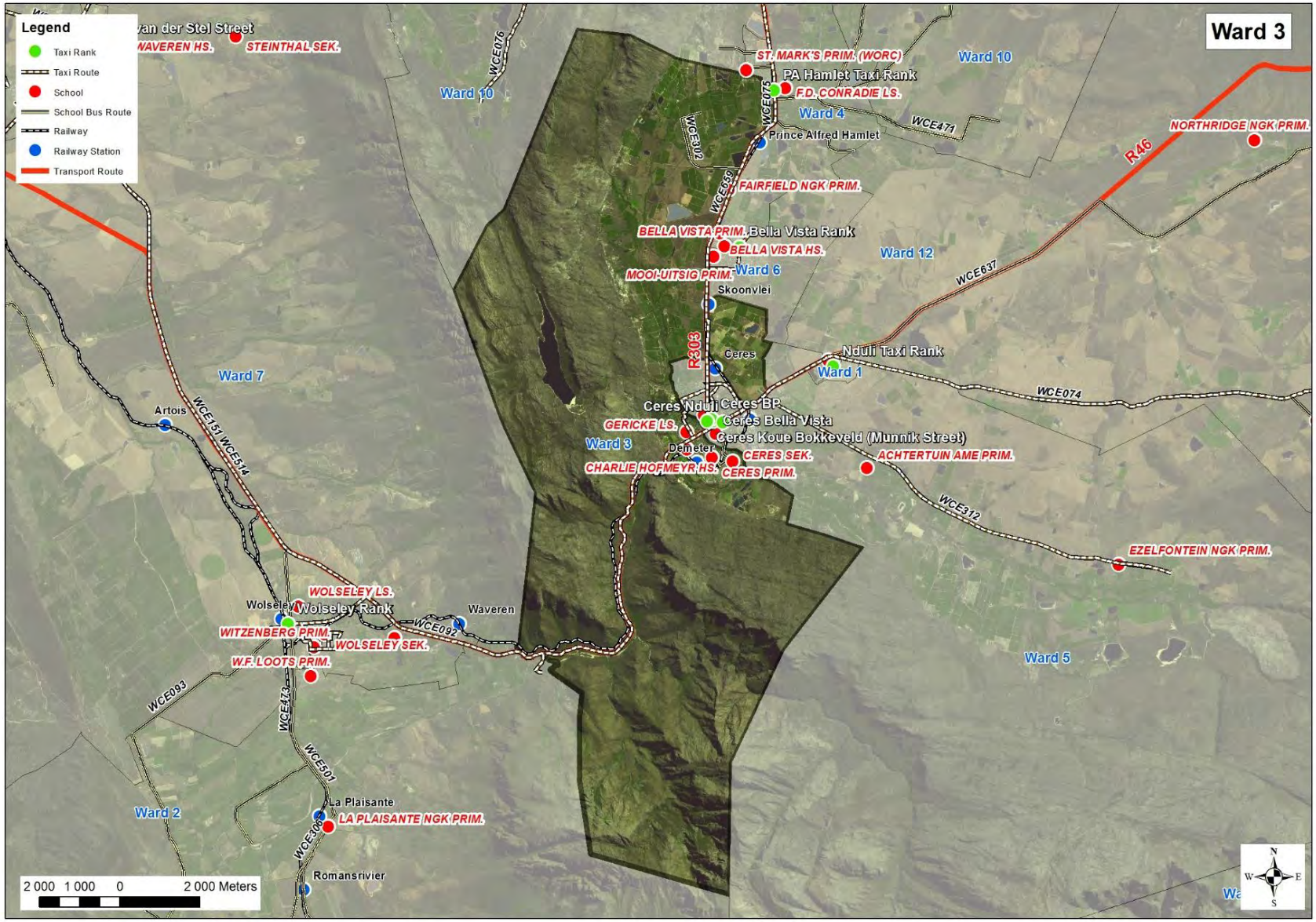
Electricity is supplied to the area.

	Sources of energy for lighting (% of households)	Sources of energy for cooking (% of households)	Sources of energy for Heating (% of households)
Electricity	96.95	86.67	62.74
Gas	0.14	6.24	1.55
Paraffin	0.05	0.23	0.52
Candles	2.25	N/A	N/A
Wood	N/A	6.15	29.47
Coal	N/A	0.05	0.00
Animal dung	N/A	0.19	0.33
Solar	0.19	0.09	0.19
None	0.47	0.38	2.86

(Source: Stats SA 2011)

9. Transport

9.1 Map of transportation routes



<table>
<tr><td>9.2 Areas of high accidents</td><td>Unknown</td></tr>
<tr><td>9.3 Types of transportation</td><td>The busy R46 /Van Riebeeck Road and R303/Vos Street is located in this ward. A large number of trucks, cars, taxis and buses use these roads. The railway line is currently in the process of being restored and will be utilised in the near future.</td></tr>
<tr><td>9.4 Hazardous materials or cargo:</td><td>1. Any hazardous materials transported through the areas: Large quantities of hazardous equipment moves through this ward. These substances include ammonia, fuel, LP gas, pesticides and fertilizers.</td></tr>
<tr><td colspan="2">10. Housing</td></tr>
<tr><td rowspan="3">10.1 Types of Housing:</td><td>1. Formal (incl. Low income and RDP): There are formal houses situated in this area.</td></tr>
<tr><td>2. Informal: a small number of homeless people have created a settlement in the rocks above the entrance to Ceres. These people live amongst the rocks and in caves.</td></tr>
<tr><td>3. Back yard dwellers: there are some back yard dwellers found in the area.</td></tr>
<tr><td colspan="2">11. Water and Sanitation</td></tr>
<tr><td>11.1 Provision of water (formal residential areas)</td><td>Yes, the formal houses have water supplied.</td></tr>
<tr><td>11.2 Provision of water in informal settlements and areas without piped water</td><td>There is no water provided in the area where homeless people are living in the Michells Pass</td></tr>
<tr><td>11.3 Sewerage and sanitation systems in formal areas</td><td>3.1 Formal sewerage: Yes</td></tr>
<tr><td>11.4 Sewerage and sanitation systems in informal settlements and areas without formal sanitation</td><td>There are no toilet facilities within the Michells Pass area.</td></tr>
<tr><td>11.5 Rubbish Removal</td><td>
<table>
<tr><th>Methods of Waste Disposal for Ward 3</th><th>Number of households</th></tr>
<tr><td>Removed by the local municipality once a week</td><td>1563</td></tr>
<tr><td>Removed by the local municipality less than once a week</td><td>255</td></tr>
<tr><td>Communal refuse dump</td><td>26</td></tr>
<tr><td>Own refuse dump</td><td>206</td></tr>
<tr><td>No rubbish disposal</td><td>39</td></tr>
<tr><td>Other</td><td>42</td></tr>
</table>
(Source: Stats SA, 2011)
</td></tr>
</table>

12. Municipal Infrastructure:	
12.1 Storm water drainage	Yes, there is formal storm water drainage in this ward.
12.2 Community Halls	Ceres Town Hall
13. Religious Institutions	
13.1 Churches, Mosques, synagogues	New Apostolic Church
14. Correctional Service Centres	
14.1 List of Correctional Service Centres	None

Historical Data:

Year	Type of incident	Impact and number of people affected:
1969	Earthquake	Severe infrastructural damages over most parts of the municipality 11 Fatalities in Ceres and Tulbagh

Description of identified Risks:

Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
HUMAN INDUCED HAZARDS	Drug abuse: This was identified as a major problem, in particular amongst the youth. The selling of drugs in the community was also highlighted.	Throughout the year and in particular throughout school holidays when there is nothing to keep the youth occupied.	Throughout the community	The use of drugs are linked to: • Crime – burglaries and muggings • Anti-social behaviour, aggression and violence by the drug user • Other social problems such as teenage pregnancy,		X		1.1.1
	Gangsterism The formation of gangs and gang activity is a result of social poverty and unemployment.	This occurs frequently throughout the year		This was identified as leading to criminal activities such as theft, the use of drugs		X		1.1.2
	Xenophobia This is due to an influx of foreigners in to the area as well as the illegal occupation of houses and plots.	Sporadically			X		X	1.1.4
	Crime Theft which is assumed that this is due to drug addiction, alcohol abuse and unemployment	This occurs frequently throughout the year		Loss of property and money		X		1.1.5
	Dumping: There is an number of forms of dumping that is prevalent within this ward and it includes: • Dumping of rubble, household and garden waste into drainage system • Illegal dumping of refuse in open areas and along roads	This occurs frequently throughout the year	Along the railway line	This results in health issues especially in children who play in the rubbish. The blocking of storm water drains results in localised flooding during heavy rainfall. Garden refuse is a habitat for animals and rodents.	X	X		1.1.7
	Sewerage running into the streets due to blocked drains and pipes	This occurs frequently throughout the year		This results in sewerage flowing into the streets and causes health issues. In particular, children are most at risk to diseases as they play in the dirty water.		X	X	1.1.8
	Alcohol abuse: The misuse of alcohol amongst youth and minors	This occurs frequently throughout the year		This results in anti-social behaviour and violence		X		1.1.9

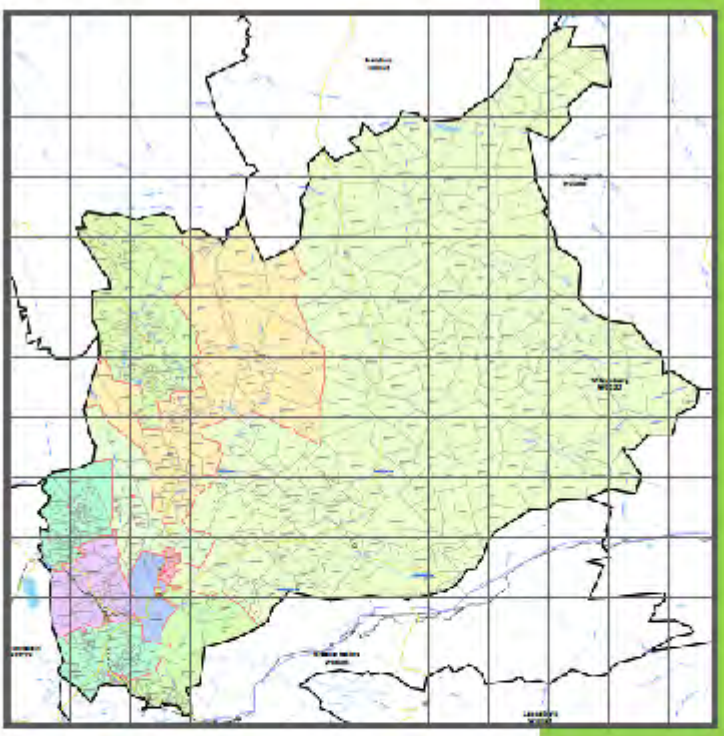
Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
TECHNOLOGICAL HAZARDS	Transportation of hazardous loads along all major and secondary roads	Daily risk of hazardous loads travelling through the area	Along major and secondary roads	Accidents and spillages of hazardous substances. Depending on the substance this could cause: • health problems • environmental issues (pollution) • Fire • Explosions			X	1.2.4
	Traffic accidents. This includes both large truck accidents as well as car accidents resulting from speeding motor vehicles	Frequently	Along major and secondary roads and residential roads	Children playing in the streets can be knocked over. Injuries and fatalities of motor vehicle occupants. Disruption to traffic due to road closures		X	X	1.2.5
	Dam failure: the Koekedouw Dam is situated in this ward. Should a dam failure occur the town of Ceres would be cut in two as the Dwars River runs through the centre of town	Rare, but the impact would be significant	The Koekedouw Dam and the Dwars River and flood plains up to the Breede River	A dam failure would result in: • Flooding which would cut the town in two • Significant damage to infrastructure and facilities, in particular the hospitals that are situated in the flood plain • Loss of life • Damage to property			X	1.2.6
	Multi Hazard Installations: Factories, fuel stations, cold storage facilities storing large quantities of hazardous substances are situated in this area.		• Petrol Stations in Voortrekker Road	An incident at one of these facilities could result in the following: • Loss of life and injuries • Damage to property and infrastructure • Fire and explosions • Pollution (air, water or land)		X	X	1.2.7
	Load shedding: Rotating power outages	Frequently	Across the community	There are significant consequence to load shedding: • Disruption and impacts on the economy • Severe disruption to traffic • Increase in crime • Interruptions to critical infrastructure and processes such as sewerage treatment and water purification • Interruption to industrial and agricultural processes		X	X	1.2.8

Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
BIOLOGICAL HAZARDS	Veld fires: Veld fires can be started naturally or by humans. Veld fires due to illegal dumping/littering in open spaces as well as people dropping of unextinguished cigarette butts.	This risk is higher during summer	• Along the urban fringe • Along the interface between natural veld and urban or agricultural areas • Along rail and road Reserves	• People lose all their possessions • Threat to biodiversity due to areas burning too often • Destroy crops and agricultural land. This can have social and economic impacts •		X	X	1.3.1
	Human diseases: TB and HIV – an increase in the number of HIV and TB patients. Witzenberg was identified as having the highest HIV rate in the area.			Disease, loss of live and impact on medical services	X		X	1.3.2
GEOLOGICAL HAZARDS	Earthquake: The risk of earthquakes was highlighted as a risk for the whole of Witzenberg area. The risk of injuries, death and damages is increased due to poor building methods.		Whole municipal area	Loss of life, injury and damages to property and infrastructure			X	1.4.1
ENVIRONMENTAL DEGRADATION	Air pollution resulting from fires. This includes: • Fires for household activities • Illegal burning of waste and refuse • Veld fires	This occurs throughout the year but is more prevalent in winter when fires are used for heating purposes.		Health risk			X	1.5.1
	Ground pollution from sewerage due to : • non-existent sewerage systems within informal settlements • blockages within the sewerage network • interruption of sewerage treatment process by load shedding			Uncontrollable leakages and spillages. This not only results in pollution of the environment but also can be a health hazard		X	X	1.5.2
	Water pollution: Pump stations are situated in close proximity to rivers. Breakdown or disruption of archaic infrastructure in need of critical upgrades can also result in water contamination. Interruption of sewerage processes and infrastructure due to load shedding can result in water pollution			Uncontrollable leakages and spillages. This not only results in pollution of the environment but can also be a health hazard			X	1.5.3

Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
HYDRO-METEOROLOGICAL HAZARDS	Riverine Flooding. The flooding is thought to be exacerbated due to overgrown reeds, trees and other vegetation in the Dwars River.	During heavy rainfall	Along the Dwars River. Die Eiland has been identified as particularly susceptible to flooding as the houses are built within the 1:100 year floodline. Dennebos Resort is also susceptible to riverine flooding as there is a river running through the resort	Damage to infrastructure and property and injuries and loss of life. Hospitals are situated in close proximity to the river. Swollen river floods bridges and causeways, preventing access to areas.	X	X	X	1.6.1

CAPE WINELANDS DISTRICT MUNICIPALITY
WITZENBERG MUNICIPALITY

WARD BASED RISK ASSESSMENT



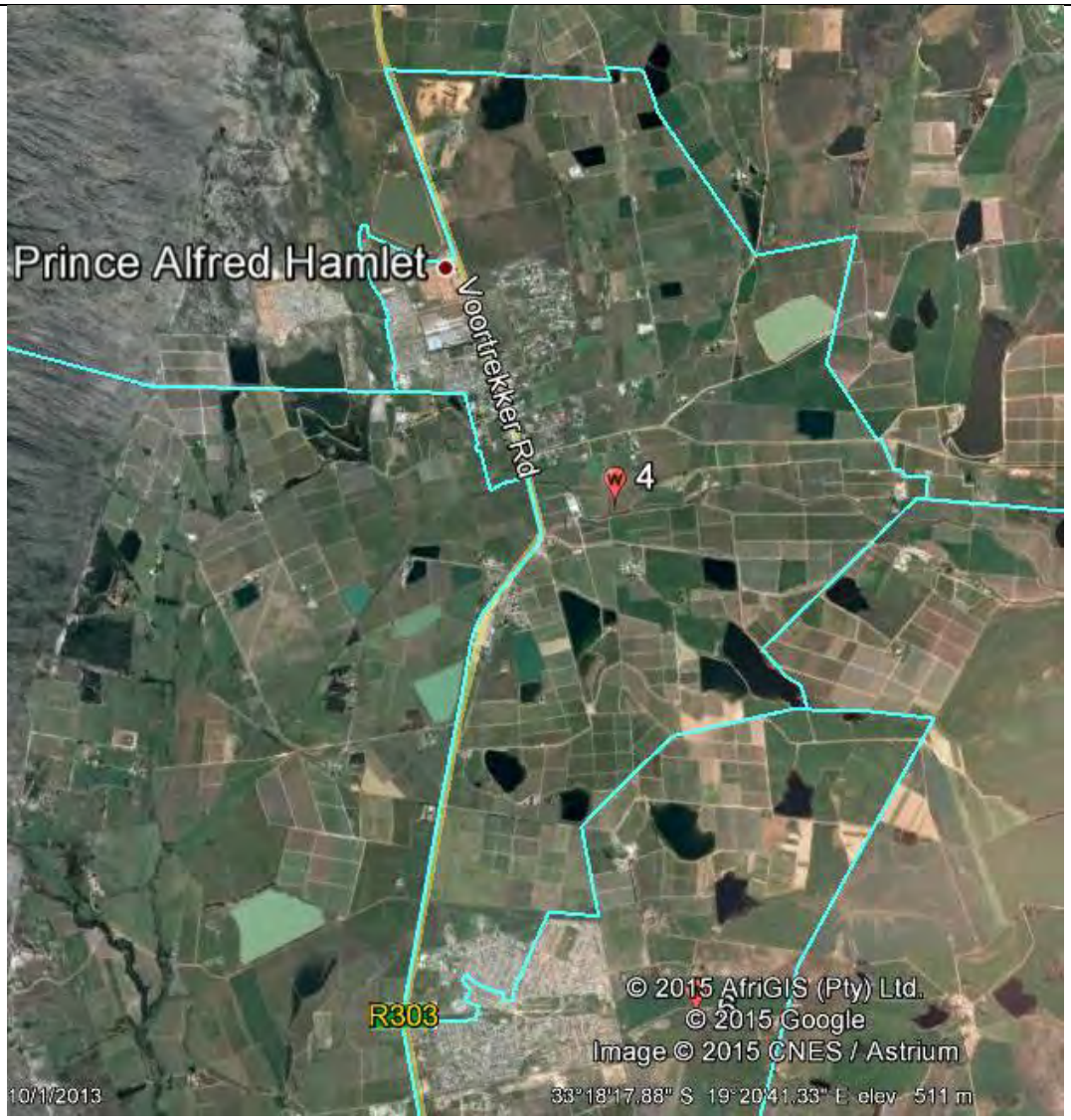
Risk Assessment Background:

Description of Area

<table>
<tr><td>Ward Number</td><td>4</td></tr>
<tr><td>Size of Ward</td><td>13.62 km²</td></tr>
<tr><td rowspan="3">Population of Ward:</td><td>Number of people: 7357</td></tr>
<tr><td>Race:

<table>
<tr><th>Race</th><th>Total</th></tr>
<tr><td>Black African</td><td>168</td></tr>
<tr><td>Coloured</td><td>5970</td></tr>
<tr><td>Indian or Asian</td><td>16</td></tr>
<tr><td>White</td><td>1089</td></tr>
<tr><td>Other</td><td>114</td></tr>
<tr><td>Total</td><td>7357</td></tr>
</table>
</td></tr>
<tr><td>Age groups (years completed):

<table>
<tr><th>0-10</th><th>11-20</th><th>21-30</th><th>31-40</th><th>41-50</th><th>51-60</th><th>61-70</th><th>71-80</th><th>81-90</th><th>91-100</th><th>>100</th></tr>
<tr><td>1360</td><td>1367</td><td>1153</td><td>1027</td><td>983</td><td>758</td><td>405</td><td>216</td><td>80</td><td>6</td><td>2</td></tr>
</table>
</td></tr>
</table>

Map of Ward	Prince Alfred Hamlet Voortrekker Rd 4 R303 © 2015 AfriGIS (Pty) Ltd. © 2015 Google Image © 2015 CNES / Astrium 10/1/2013 33°18'17.88" S 19°20'41.33" E elev 511 m

1. Natural Environment	
Description of Ward:	1) Mountains: None.
	2) Rivers: The Skaap River and a number of small non-perennial rivers are found in this ward
	3) Dams and Reservoirs: There are a number of agricultural dams of varying sizes.
2. Spatial Dimension	
Land Use Zones Residential (low income housing, informal settlements, formal housing), Commercial, CBD, Industrial, Agricultural	The Ward is made up of the following land use zones: 1) Residential- this includes both low income formal housing. The majority of the low income housing has either extended their houses or back yard dwellers. 2) Small scale commercial 3) Agriculture 4) Industrial: There a number of factories and cold storage facilities
3. Economic Dimension	
3.1 Employment :	Employment: Unknown
	Unemployment : Unknown
	Reliance on grants and subsidies: Unknown
3.2 Types of Economic Activities:	Commercial: A number of small businesses such as retail shops, hairdressers, etc. operating in this area Industrial: There are two wood factories located in this area.
4. Health	
4.1 Medical and health services:	Clinics: There is one clinic, PA Hamlet Clinic, servicing the PA Hamlet Community.
	Hospitals (Private and Public): The closest hospital is located in Ceres.
	Ambulance: Emergency Medical Service's ambulances service this area. An EMS station is situated in and is dispatched from Ceres Hospital.
	Environmental Health: The Environmental Health Officer for this area is located at the Witzenberg Municipal Office in Plein Street, PA Hamlet.

5. Education

5.1 Schools:

1. Crèches: Unknown

2. Pre-primary Schools: Unknown

3. Primary Schools:
Bella Vista Primary, Waboom Street, Bella Vista
F.D Conradie Primary, Church Street, Prince Alfred Hamlet
St. Marks Primary, Reid Street, Prince Alfred Hamlet

4. High Schools:
Bella Vista High School, Friesland Street, Bella Vista

6. Tourism

6.1 Tourist Attractions: Tourist attractions within the ward include local arts and crafts for tour groups, farm markets.

7. Safety and Security

7.1 Services:

1. South African Police Services: Prince Alfred Hamlet Police Station is located at 19 Church Street.
2. Neighbourhood Watch: Unknown
3. Fire Services: The Witzenberg Fire Department is located in Ceres with the CWDM Fire Station situated in Munnik Street, Ceres

7.2 Crime

1. Description of crime rate and causes of crime:
The top crimes for the area serviced by (and provided by) Prince Alfred Hamlet SAPS are as follows:
- Copper theft
- Assault
- Drugs
- Burglary (Houses)
- Murder

8. Electricity

8.1 Electricity Supply

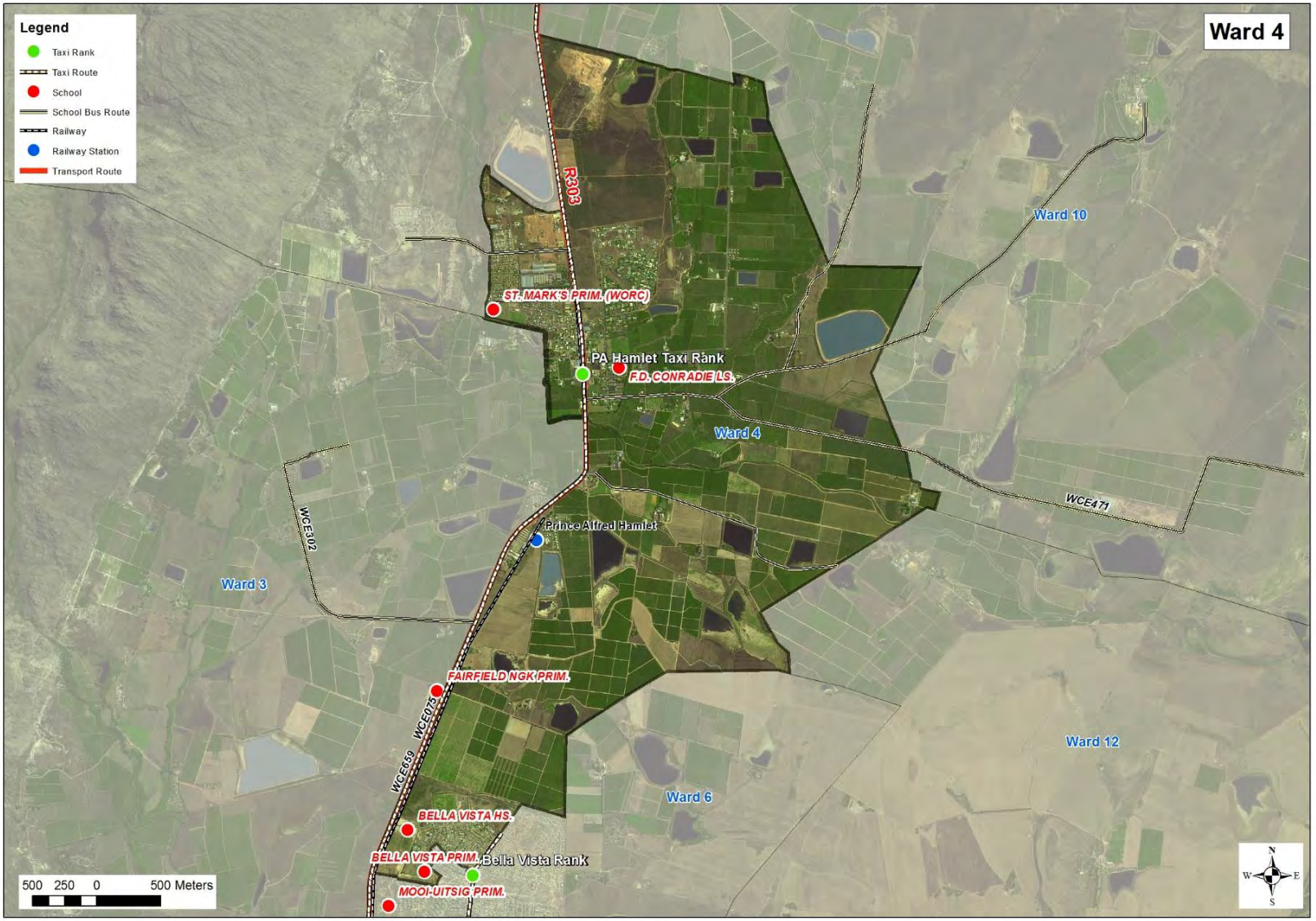
All formal houses and areas have access to electricity. Backyard dwellers would utilise illegal electricity connections.

	Sources of energy for lighting (% of households)	Sources of energy for cooking (% of households)	Sources of energy for Heating (% of households)
Electricity	97.75	92.18	58.01
Gas	0.31	5.19	1.50
Paraffin	0.00	0.00	0.13
Candles	1.69	N/A	N/A
Wood	N/A	2.25	36.11
Coal	N/A	0.00	0.13
Animal dung	N/A	0.06	0.00
Solar	0.06	0.25	0.25
None	0.19	0.00	3.82

(Source: Stats SA, 2011)

9. Transport

9.1 Map of transportation routes



<table>
<tr><td>9.2 Areas of high accidents</td><td>Information not available</td></tr>
<tr><td>9.3 Types of transportation</td><td>Residents within this area use either private cars or mini-bus taxis. PA Hamlet taxi rank.</td></tr>
<tr><td>9.4 Hazardous materials or cargo:</td><td>1. Any hazardous materials transported through the areas: Hazardous materials transported through the area on major (R303) and secondary roads, including access roads to farms with e.g. LP gas, ammonia, pesticides and fertilisers.</td></tr>
<tr><td colspan="2">10. Housing</td></tr>
<tr><td rowspan="2">10.1 Types of Housing:</td><td>1. Formal (incl. Low income and RDP): The houses in this area are formal and low income.</td></tr>
<tr><td>2. Back yard dwellers: A low income houses have back yard dwellers</td></tr>
<tr><td colspan="2">11. Water and Sanitation</td></tr>
<tr><td>11.1 Provision of water (formal residential areas)</td><td>Yes, the formal houses have water supplied.</td></tr>
<tr><td rowspan="2">11.2 Provision of water in informal settlements and areas without piped water</td><td>1. Number of taps available (incl. the number of people using the taps): Not applicable</td></tr>
<tr><td>1. Are the taps in working order? Not applicable</td></tr>
<tr><td>11.3 Sewerage and sanitation systems in formal areas</td><td>3.1 Formal sewerage: Yes</td></tr>
<tr><td rowspan="2">11.4 Sewerage and sanitation systems in informal settlements and areas without formal sanitation</td><td>1. Number, type, and frequency of cleaning of toilets: Not applicable</td></tr>
<tr><td>2. Are the toilets in working order? Not applicable</td></tr>
<tr><td>11.5 Rubbish Removal</td><td>
<table>
<tr><th>Methods of Waste Disposal for Ward 4</th><th>Number of households</th></tr>
<tr><td>Removed by the local municipality once a week</td><td>1442</td></tr>
<tr><td>Removed by the local municipality less than once a week</td><td>41</td></tr>
<tr><td>Communal refuse dump</td><td>5</td></tr>
<tr><td>Own refuse dump</td><td>65</td></tr>
<tr><td>No rubbish disposal</td><td>11</td></tr>
<tr><td>Other</td><td>35</td></tr>
</table>
(Source: Stats SA, 2011)
</td></tr>
<tr><td colspan="2">12. Municipal Infrastructure:</td></tr>
<tr><td>12.1 Storm water drainage</td><td>Yes, storm water drainage in residential areas</td></tr>
<tr><td>12.2 Community Halls</td><td>PA Hamlet Community Hall
PA Hamlet Rugby Club Hall</td></tr>
</table>

13. Religious Institutions	
13.1 Churches, Mosques, synagogues	The Christian Mission of SA
14. Correctional Service Centres	
14.1 List of Correctional Service Centres	None

Historical Data:

Year	Type of incident	Impact and number of people affected:
1969	Earthquake	Severe infrastructural damages over most parts of the municipality 11 Fatalities in Ceres and Tulbagh

Description of identified Risks:

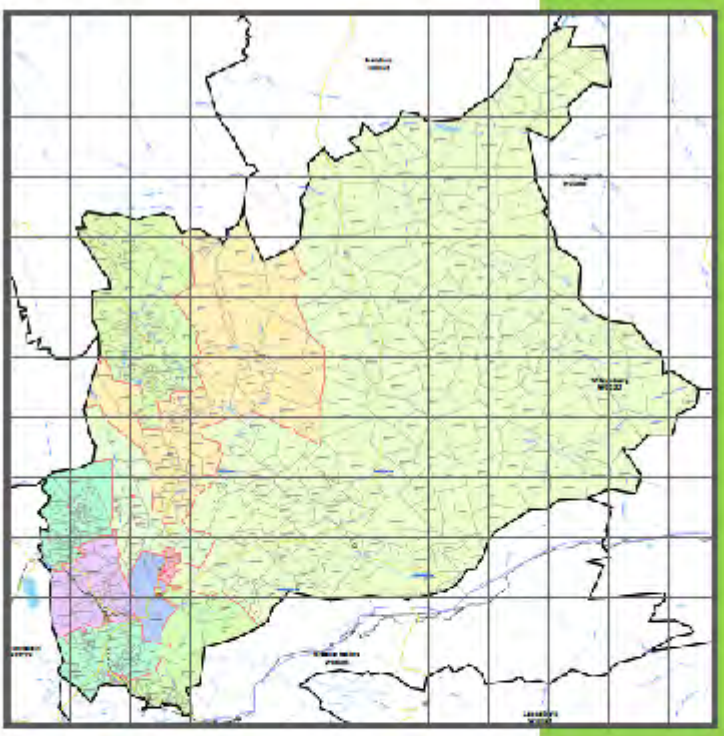
Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
HUMAN INDUCED HAZARDS	Drug abuse: This was identified as a major problem.	Throughout the year.	Throughout the community	The use of drugs are linked to: • Crime – burglaries and muggings • Anti-social behaviour		X		1.1.1
	Public Unrest This includes service delivery protests, farm worker unrest. This is due to: • Poverty • The need for housing	Sporadically		This has an impact on service delivery	X		X	1.1.3
	Crime This includes: • theft which is resulting out of drug addiction as well as from gambling • Murder • Rape	This occurs frequently throughout the year		Loss of property, money, life and injuries.		X		1.1.5
	Dumping: There is an number of forms of dumping that is prevalent within this ward and it includes: • Dumping of rubble, household and garden waste into drainage system • Illegal dumping of refuse and solid waste in open areas and along roads	This occurs frequently throughout the year	Open field in Gydo Avenue, Prince Alfred Hamlet.	This results in health issues and localised flooding during rainfall.	X	X		1.1.7
	Sewerage due to blocked drains and pipes.	This occurs frequently throughout the year		This causes health issues.	X	X	X	1.1.8
TECHNOLOGICAL HAZARDS	Structural fires both formal and informal. The risk of fires is increased by the presence of backyard dwellers and informally built extension to RDP houses	There is a higher risk of fire during the winter months	The RDP houses was highlighted as a high risk area	People lose all their possessions.	X	X	X	1.2.1
	Transportation of hazardous loads along all major and secondary roads	Daily risk of hazardous loads travelling through the area	Along major and secondary roads	Accidents and spillages of hazardous substances. Depending on the substance this could cause: • health problems • environmental issues (pollution) • Fire • Explosions	X		X	1.2.4
	Traffic accidents. This includes both large truck accidents as well as car accidents resulting from speeding motor vehicles	Frequently	Along major and secondary roads and residential roads	Children playing in the streets can be knocked over. Injuries and fatalities of motor vehicle occupants.		X	X	1.2.5

Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
TECHNOLOGICAL HAZARDS	Multi Hazard Installations: Factories, fuel stations, cold storage facilities storing large quantities of hazardous substances are situated in this area. Hazardous substances include: • Ammonia • Jet Fuel • Fuel • Gas • Fertilisers	Incidents are rare but the impact can be severe	Hazardous installations include: • Cold storage facilities • 2 x Wood factories • Helicopter facility with 30 000L of jet fuel	An incident at one of these facilities could resulting in the following: • Loss of life and injuries • Damage to property and infrastructure • Fire and explosions • Pollution (air, water or land)	X		X	1.2.7
	Load shedding: Rotating power outages	Frequently	Across the community	There are significant consequence to load shedding: • Disruption and impacts on the economy • Severe disruption to traffic • Increase in crime • interruptions to critical infrastructure and processes such as sewerage treatment and water purification • Interruption to industrial and agricultural processes			X	1.2.8
	Train accidents: The re-opening the railway line will have future implications in terms of railway accidents and derailments. Pedestrians crossing the railway lines.	In the future	Railway line	An incident at one of these facilities could resulting in the following: • Loss of life and injuries • Damage to property • Fire and explosions • Pollution (air, water or land)			X	1.2.9
BIOLOGICAL HAZARDS	Veld fires: Veld fires can be started naturally or by humans. Veld fires due to illegal dumping/littering in open spaces as well as people dropping of unextinguished cigarette butts.	This risk is higher during summer	• Along the urban fringe • Along the interface between natural veld and urban or agricultural areas • Along rail and road reserves	• People lose all their possessions • Threat to biodiversity due to areas burning too often • Destroy crops and agricultural land. This can have social and economic impacts		X	X	1.3.1
	Human diseases: TB and HIV – an increase in the number of HIV and TB patients. Witzenberg was identified as having the highest HIV rate in the area.						X	1.3.2

Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
GEOLOGICAL HAZARDS	Earthquake: The risk of earthquakes was highlighted as a risk for the whole of Witzenberg area. The risk of injuries, death and damages is increased due to poor building methods.		Whole municipal area	Loss of life, injury and damages to property and infrastructure			X	1.4.1
ENVIRONMENTAL DEGRADATION	Air pollution resulting from fires. This includes: • Illegal burning of waste and refuse • Veld fires • Dust from the wood factory	This occurs throughout the year		Health risk		X	X	1.5.1
HYDRO-METEOROLOGICAL HAZARDS	Riverine Flooding. The Skaap River overflows during heavy rain fall	During heavy rainfall		Damage to infrastructure and property and injuries and loss of life.	X	X	X	1.6.1

CAPE WINELANDS DISTRICT MUNICIPALITY
WITZENBERG MUNICIPALITY

WARD BASED RISK ASSESSMENT



Risk Assessment Background:

Description of Area

<table>
<tr><td>Ward Number</td><td>5</td></tr>
<tr><td>Size of Ward</td><td>337.29 km²</td></tr>
<tr><td rowspan="3">Population of Ward:</td><td>Number of people: 9047</td></tr>
<tr><td>Race:

<table>
<tr><th>Race</th><th>Total</th></tr>
<tr><td>Black African</td><td>631</td></tr>
<tr><td>Coloured</td><td>6680</td></tr>
<tr><td>Indian or Asian</td><td>27</td></tr>
<tr><td>White</td><td>1572</td></tr>
<tr><td>Other</td><td>137</td></tr>
<tr><td>Total</td><td>9047</td></tr>
</table>
</td></tr>
<tr><td>Age groups (years completed):

<table>
<tr><th>0-10</th><th>11-20</th><th>21-30</th><th>31-40</th><th>41-50</th><th>51-60</th><th>61-70</th><th>71-80</th><th>81-90</th><th>91-100</th><th>>100</th></tr>
<tr><td>1775</td><td>1613</td><td>1345</td><td>1398</td><td>1315</td><td>843</td><td>442</td><td>227</td><td>80</td><td>8</td><td>1</td></tr>
</table>
</td></tr>
</table>

Map of Ward	Ceres Ceres Wolseley R46 R43 Image © 2015 DigitalGlobe © 2015 AfriGIS (Pty) Ltd. © 2015 Google Image © 2015 CNES / Astrium Imagery Date: 10/14/2014

1. Natural Environment	
Description of Ward:	1) Mountains: the Hex River and Mostertshoek Mountains are found in this ward
	2) Rivers: The major rivers found in this ward are the Dwars River and Titus River. There are a number of non-perennial rivers found in this area.
	3) Dams and reservoirs: there are a number of farm and irrigation dams of varying sizes with in this ward.
2. Spatial Dimension	
Land Use Zones Residential (low income housing, informal settlements, formal housing), Commercial, CBD, Industrial, Agricultural	The ward is made up of the following land use zones: 1) Residential: Formal residential 2) CBD: this ward includes a large portion of the Ceres CBD. 3) Agriculture – the majority of the ward is made up of agricultural land in the Ceres Valley 4) Industrial: Ceres industrial areas are situated in this ward.
3. Economic Dimension	
3.1 Employment :	Employment: Unknown
	Unemployment : Unknown
	Reliance on grants and subsidies: Unknown
3.2 Types of Economic Activities:	Commercial: There are a number of businesses situated in the CBD of Ceres. This includes retail shops, supermarkets, small businesses, restaurants etc. Industrial: there are a number of factories in this ward e.g. fruit processing Agricultural: there are a number of farms in this ward
4. Health	
4.1 Medical and health services:	Clinics: None
	Hospitals (Private and Public): Ceres Netcare Hospital is located at 2 Faure Street, Ceres
	Ambulance: Emergency Medical Service's ambulances service this area. They are dispatched from Ceres Hospital.
	Environmental Health: The Environmental Health Officer for this area is located in this ward at the CWDM Office in Munnik Street, Ceres.

5. Education

5.1 Schools:

1. Crèches: Unknown

2. Pre-primary Schools:
Ceres Lions Pre-primary, Reid Street Ceres

3. Primary Schools:
Achtertuin Primary School, Buchuland
Ezelfontein NGK Primary, Ezelfontein
Morrisdale Primary, Vos Street, Ceres
Timothy Academy, 30 Munnik Street, Ceres

4. High Schools:
There are no high schools located in this ward.

6. Tourism

6.1 Tourist Attractions:

There are a number of arts and craft shops and restaurants that are aimed at tourists.

7. Safety and Security

7.1 Services:

1. South African Police Services: Located in Voortrekker Street.

2. Neighbourhood Watch: None

3. Fire Services: The main station is located in Ward 3

7.2 Crime

1. Description of crime rate and causes of crime:
The top crimes for the area serviced by (and provided by) Wolseley SAPS are as follows:
- Burglary (Houses)
- Theft
- Theft from motor vehicles
- Assault

8. Electricity

8.1 Electricity Supply

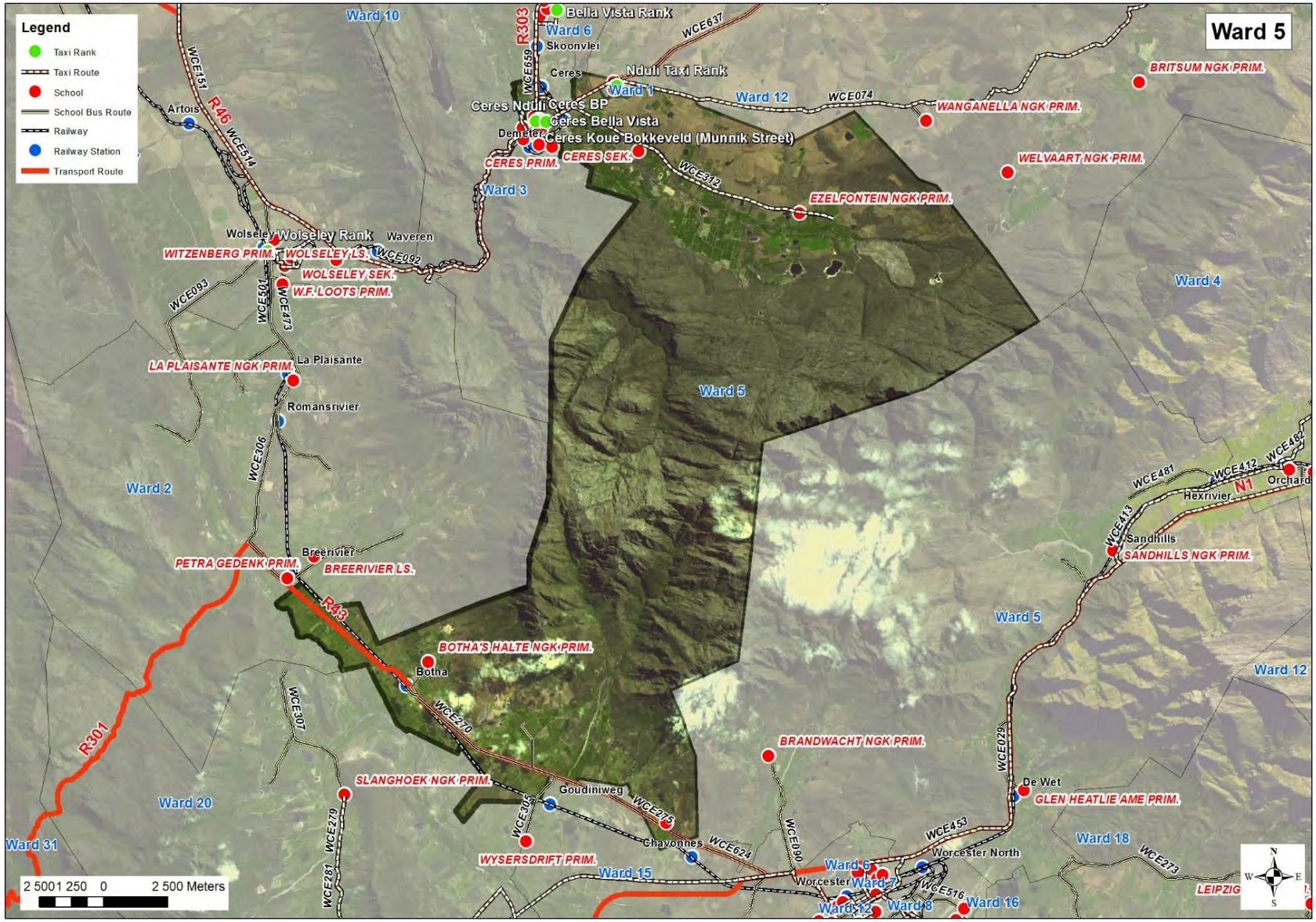
Yes, this ward is supplied with electricity

	Sources of energy for lighting (% of households)	Sources of energy for cooking (% of households)	Sources of energy for heating (% of households)
Electricity	97.37	93.56	64.11
Gas	0.14	4.13	2.45
Paraffin	0.18	0.82	0.86
Candles	1.95	N/A	N/A
Wood	N/A	1.32	26.09
Coal	N/A	0.14	0.27
Animal dung	N/A	0.00	0.00
Solar	0.00	0.00	0.27
None	0.32	0.09	5.90

(Source: Stats SA, 2011)

9. Transport

9.1 Map of transportation routes



<table>
<tr><td>9.2 Areas of high accidents</td><td>Information not available</td></tr>
<tr><td>9.3 Types of transportation</td><td>The busy R46 /Van Riebeeck Road and R303/Vos Street is located in this ward. A large number of trucks, cars, taxis and buses use these roads. The railway line is currently in the process of being restored and will be utilised in the near future.</td></tr>
<tr><td>9.4 Hazardous materials or cargo:</td><td>1. Any hazardous materials transported through the areas: Large quantities of hazardous equipment moves through this ward. These substances include ammonia, fuel, LP gas.</td></tr>
<tr><td colspan="2">10. Housing</td></tr>
<tr><td rowspan="3">10.1 Types of Housing:</td><td>1. Formal (incl. Low income and RDP): Formal houses</td></tr>
<tr><td>2. Informal: None</td></tr>
<tr><td>3. Back yard dwellers: Undetermined</td></tr>
<tr><td colspan="2">11. Water and Sanitation</td></tr>
<tr><td>11.1 Provision of water (formal residential areas)</td><td>Yes, the formal houses have water supplied.</td></tr>
<tr><td rowspan="2">11.2 Provision of water in informal settlements and areas without piped water</td><td>1. Number of taps available (incl. the number of people using the taps): Unknown</td></tr>
<tr><td>1. Are the taps in working order? Unknown</td></tr>
<tr><td>11.3 Sewerage and sanitation systems in formal areas</td><td>3.1 Formal sewerage: Yes</td></tr>
<tr><td rowspan="2">11.4 Sewerage and sanitation systems in informal settlements and areas without formal sanitation</td><td>1. Number, type, and frequency of cleaning of toilets: Unknown</td></tr>
<tr><td>2. Are the toilets in working order? Unknown</td></tr>
<tr><td>11.5 Rubbish Removal</td><td>
<table>
<tr><th>Methods of Waste Disposal for Ward 5</th><th>Number of households</th></tr>
<tr><td>Removed by the local municipality once a week</td><td>1433</td></tr>
<tr><td>Removed by the local municipality less than once a week</td><td>353</td></tr>
<tr><td>Communal refuse dump</td><td>17</td></tr>
<tr><td>Own refuse dump</td><td>383</td></tr>
<tr><td>No rubbish disposal</td><td>13</td></tr>
<tr><td>Other</td><td>4</td></tr>
</table>
(Source: Stats SA, 2011)
</td></tr>
</table>

12. Municipal Infrastructure:	
12.1 Storm water drainage	Yes, there is stormwater drainage in the urban areas of this ward.
12.2 Community Halls	Thusong Community Hall
13. Religious Institutions	
13.1 Churches, Mosques, synagogues	Unknown
14. Correctional Service Centres	
14.1 List of Correctional Service Centres	No

Historical Data:

Year	Type of incident	Impact and number of people affected:
1969	Earthquake	Severe infrastructural damages over most parts of the municipality 11 Fatalities in Ceres and Tulbagh

Description of identified Risks:

Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
HUMAN INDUCED HAZARDS	Drug abuse: This was identified as a major problem, in particular amongst the youth.	Throughout the year	Throughout the community and in particular: • park • In abandoned buildings such as the Old Belmont Hotel or near Britos	The use of drugs are linked to: • Crime – burglaries • Social problems • Anti-social behaviour: families are living in fear		X		1.1.1
	Gangsterism The formation of gangs and gang activity is a result of social poverty and unemployment.	This occurs frequently throughout the year		This was identified as leading to criminal activities such as theft		X		1.1.2
	Xenophobia This is due to an influx of foreigners in to the area as well as the illegal occupation of houses and plots.	Sporadically			X		X	1.1.4
	Crime Theft which is assumed that this due to drug addiction, alcohol abuse and unemployment	This occurs frequently throughout the year		Loss of property and money. This has a financial implication for affected families.		X		1.1.5
	Dumping: There is an number of forms of dumping that is prevalent within this ward and it includes: • Dumping of rubble, household and garden waste into drainage system • Illegal dumping of refuse in open areas and along roads and the river	This occurs frequently throughout the year	In and along the river	This results in health issues especially in children who play in the rubbish. The blocking of storm water drains results in localised flooding during heavy rainfall. Garden refuse are being a habitat for animals and rodents.	X	X		1.1.7
	Sewerage running into the streets due to blocked drains and pipes. This is caused by people flushing the incorrect materials, such as nappies, down toilets.	This occurs frequently throughout the year		This results in sewerage flowing into the streets and causes health issues. In particular, children are most at risk to diseases as they play in the dirty water.		X	X	1.1.8
	Child molestation and abuse: Young girls are being molested by men in the community	Sporadically		Young girls are not allowed to go out on their own.		X		1.1.13

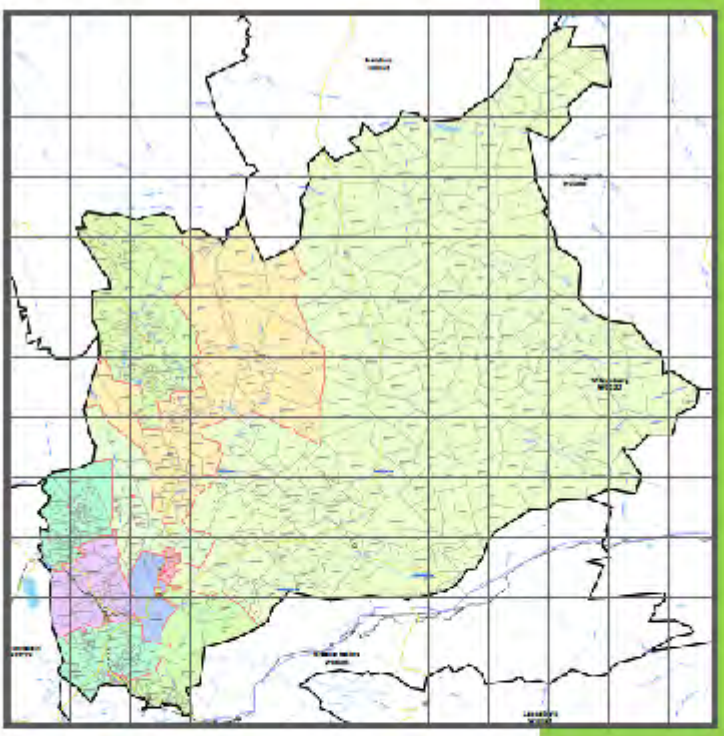
Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
TECHNOLOGICAL HAZARDS	Transportation of hazardous loads along all major and secondary roads and by rail.	Daily risk of hazardous loads travelling through the area	Along major and secondary roads and by rail.	Accidents and spillages of hazardous substances. Depending on the substance this could cause: • health problems • environmental issues (pollution) • Fire	X		X	1.2.4
	Traffic accidents. This includes both large truck accidents as well as car accidents resulting from speeding motor vehicles.	Frequently	Along major and secondary roads and residential roads. There was also a concern regarding the safety of children playing the park as it is close to a road without a fence.	Children playing in the streets can be knocked over. Injuries and fatalities of motor vehicle occupants. Disruption to traffic due to road closures	X	X	X	1.2.5
	Dam failure: the Koekedouw Dam is situated in this ward. Should a dam failure occur the town of Ceres would be cut in two	Rare, but the impact would be significant	The Koekedouw dam and the Dwars River and flood plains up to the Breede River	A dam failure would result in: • Flooding which would cut the town in two • significant damage to infrastructure and facilities, in particular the hospitals that are situated in the flood plain • Loss of life • Damage to property	X		X	1.2.6
	Multi Hazard Installations: There is the highest concentration of chemicals and hazardous substances within this area due to the large number of factories, fuel stations, cold storage facilities etc. The types of substances includes: • Ammonia • Caustic Soda • LP Gas • Petrol • Pesticides • Fertilizers	Incidents are rare but the impact can be severe	• Ceres Koelkamers, Bon Chretien Street (4 tonnes of Ammonia)	An incident at one of these facilities could resulting in the following: • Loss of life and injuries • Damage to property and infrastructure • Fire and explosions • Pollution (air, water or land)		X	X	1.2.7

Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
TECHNOLOGICAL HAZARDS	Load shedding: Rotating power outages	Frequently	Across the community	There are significant consequence to load shedding: • Disruption and impacts on the economy • Severe disruption to traffic • Increase in crime • interruptions to critical infrastructure and processes such as sewerage treatment and water purification • Interruption to industrial and agricultural processes • Financial impacts on households due to appliances breaking due to power surges		X	X	1.2.8
	Train accidents: The re-opening the railway line will have future implications in terms of railway accidents and derailments. Pedestrians crossing the railway lines.	In the future	Railway line	An incident at one of these facilities could resulting in the following: • Loss of life and injuries • Damage to property • Fire and explosions • Pollution (air, water or land)	X		X	1.2.9
	Aircraft accident: Numerous aeroplanes travelling between Cape Town and Johannesburg fly over Witzenberg.	Rare		An incident at one of these facilities could resulting in the following: • Loss of life and injuries • Damage to property • Fire and explosions • Pollution (air, water or land)	X			1.2.10
BIOLOGICAL HAZARDS	Veld fires: Veld fires can be started naturally or by humans. Veld fires due to illegal dumping/littering in open spaces as well as people dropping of unextinguished cigarette butts.	This risk is higher during summer	• Along the urban fringe • Along the interface between natural veld and urban or agricultural areas • Along rail and road reserves	• People lose all their possessions • Threat to biodiversity due to areas burning too often • Destroy crops and agricultural land. This can have social and economic impacts	X		X	1.3.1

Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
BIOLOGICAL HAZARDS	Human diseases: TB and HIV – an increase in the number of HIV and TB patients. Witzenberg was identified as having the highest HIV rate in the area.		Municipal wide	Disease, loss of life, impact on medical services	X		X	1.3.2
	Animals: Stray animals rip open rubbish bags or topple rubbish bins resulting in waste being scattered across the streets	Frequently		This has health implications as children then play in the waste.		X		1.3.3
GEOLOGICAL HAZARDS	Earthquake: The risk of earthquakes was highlighted as a risk for the whole of Witzenberg area. The risk of injuries, death and damages is increased due to poor building methods.		Whole municipal area	Loss of life, injury and damages to property and infrastructure	X		X	1.4.1
ENVIRONMENTAL DEGRADATION	Air pollution resulting from fires. This includes: • Fires for household activities • Illegal burning of waste and refuse • Veld fires	This occurs throughout the year but is more prevalent in winter when fires are used for heating purposes.		Health risk			X	1.5.1
	Ground pollution from sewerage due to : • non-existent sewerage systems within informal settlements • blockages within the sewerage network • interruption of sewerage treatment process by load shedding			Uncontrollable leakages and spillages. This not only results in pollution of the environment but also can be a health hazard		X	X	1.5.2
	Water pollution: Pump stations are situated in close proximity to rivers. Breakdown or disruption of archaic infrastructure in need of critical upgrades can also result in water contamination. Interruption of sewerage processes and infrastructure due to load shedding can result in water pollution Dumping of waste and litter into water courses results in water pollution.			Uncontrollable leakages and spillages. This not only results in pollution of the environment but also can be a health hazard.		X	X	1.5.3
HYDRO-METEOROLOGICAL HAZARDS	Riverine Flooding. The flooding is thought to be exacerbated due to overgrown reeds, trees and other vegetation in the Dwars River.	During heavy rainfall	Along the Dwars River.	Damage to infrastructure and property and injuries and loss of life.	X	X	X	1.6.1

CAPE WINELANDS DISTRICT MUNICIPALITY
WITZENBERG MUNICIPALITY

WARD BASED RISK ASSESSMENT



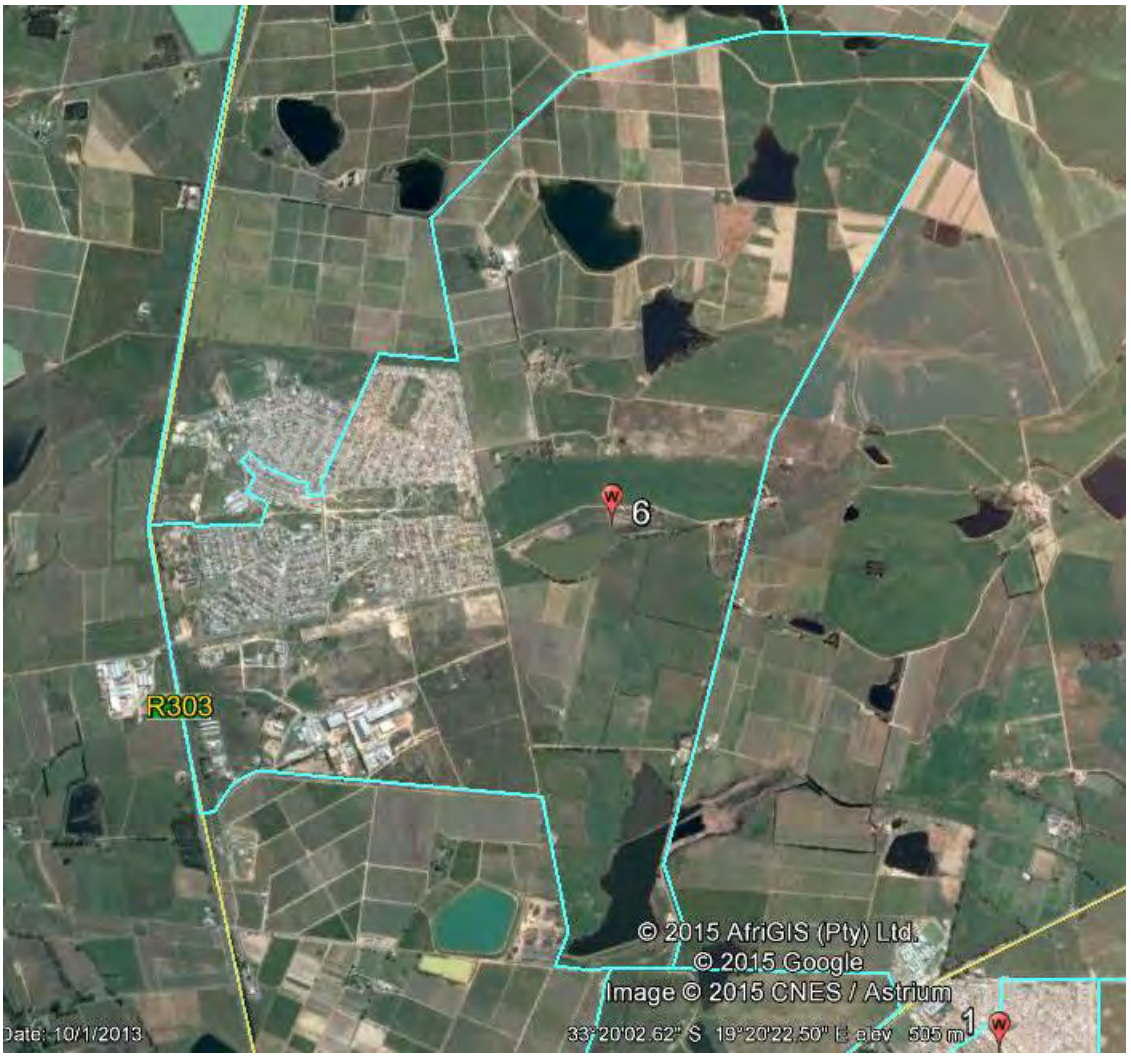
Risk Assessment Background:

Description of Area

<table>
<tr><td>Ward Number</td><td>6</td></tr>
<tr><td>Size of Ward</td><td>744.93 ha²</td></tr>
<tr><td rowspan="3">Population of Ward:</td><td>Number of people: 11014</td></tr>
<tr><td>Race:

<table>
<tr><th>Race</th><th>Total</th></tr>
<tr><td>Black African</td><td>246</td></tr>
<tr><td>Coloured</td><td>10545</td></tr>
<tr><td>Indian or Asian</td><td>42</td></tr>
<tr><td>White</td><td>159</td></tr>
<tr><td>Other</td><td>22</td></tr>
<tr><td>Total</td><td>11014</td></tr>
</table>
</td></tr>
<tr><td>Age groups (years completed):

<table>
<tr><th>0-10</th><th>11-20</th><th>21-30</th><th>31-40</th><th>41-50</th><th>51-60</th><th>61-70</th><th>71-80</th><th>81-90</th><th>91-100</th><th>>100</th></tr>
<tr><td>2310</td><td>2235</td><td>1889</td><td>1552</td><td>1428</td><td>940</td><td>427</td><td>183</td><td>34</td><td>9</td><td>7</td></tr>
</table>
</td></tr>
</table>

Map of Ward	6 R303 © 2015 AfriGIS (Pty) Ltd. © 2015 Google Image © 2015 CNES / Astrium Date: 10/1/2013 33°20'02.62" S 19°20'22.50" E elev 505 m 1

1. Natural Environment	
Description of Ward:	1) Mountains: None
	2) Rivers: There are a number of small non-perennial rivers found in this ward
	3) Dams and Reservoirs: There are a number of agricultural dams of varying sizes.
2. Spatial Dimension	
Land Use Zones Residential (low income housing, informal settlements, formal housing), Commercial, CBD, Industrial, Agricultural	The Ward is made up of the following land use zones: 1) Residential- this includes both low income formal housing. The majority of the low income housing has either extended their houses or back yard dwellers. 2) Small scale commercial 3) Agriculture
3. Economic Dimension	
3.1 Employment :	Employment: Unknown
	Unemployment: Unknown
	Reliance on grants and subsidies: Unknown
3.2 Types of Economic Activities:	Commercial: Small business such as retail shops Industrial: There is a plastic recycling facility in this ward Agricultural: there are numerous farms in this ward as well as a cold storage facility.
4. Health	
4.1 Medical and health services:	Clinics: One clinic, Bella Vista Clinic
	Hospitals (Private and Public): The closest hospitals are located in Ceres.
	Ambulance: Emergency Medical Service's ambulances service this area. An EMS station is situated and dispatched from Ceres.
	Environmental Health: The Environmental Health Officer for this area is located at the CWDM Office in Munnik Street, Ceres.
5. Education	
5.1 Schools:	1. Crèches: Moses se Mandijie, c/o Impala and Watsonia Streets, Bella Vista
	2. Pre-primary Schools: Unknown
	3. Primary Schools: Mooi-Uitsig Primary School, Lang Street
	4. High Schools: None

6. Tourism

6.1 Tourist Attractions:	Farm markets.

7. Safety and Security

7.1 Services:	1. South African Police Services: Located in Ceres, Ward 5
	2. Neighbourhood Watch: Unknown
	3. Fire Services: The Witzenberg Fire Department is located in Ceres with the CWDM Fire Station situated in Munnik Street, Ceres
7.2 Crime	1. Description of crime rate and causes of crime: The top crimes for the area serviced by (and provided by) Ceres SAPS are as follows: • Burglary (Houses) • Assault • Malicious damage to property • Drugs

8. Electricity

8.1 Electricity Supply

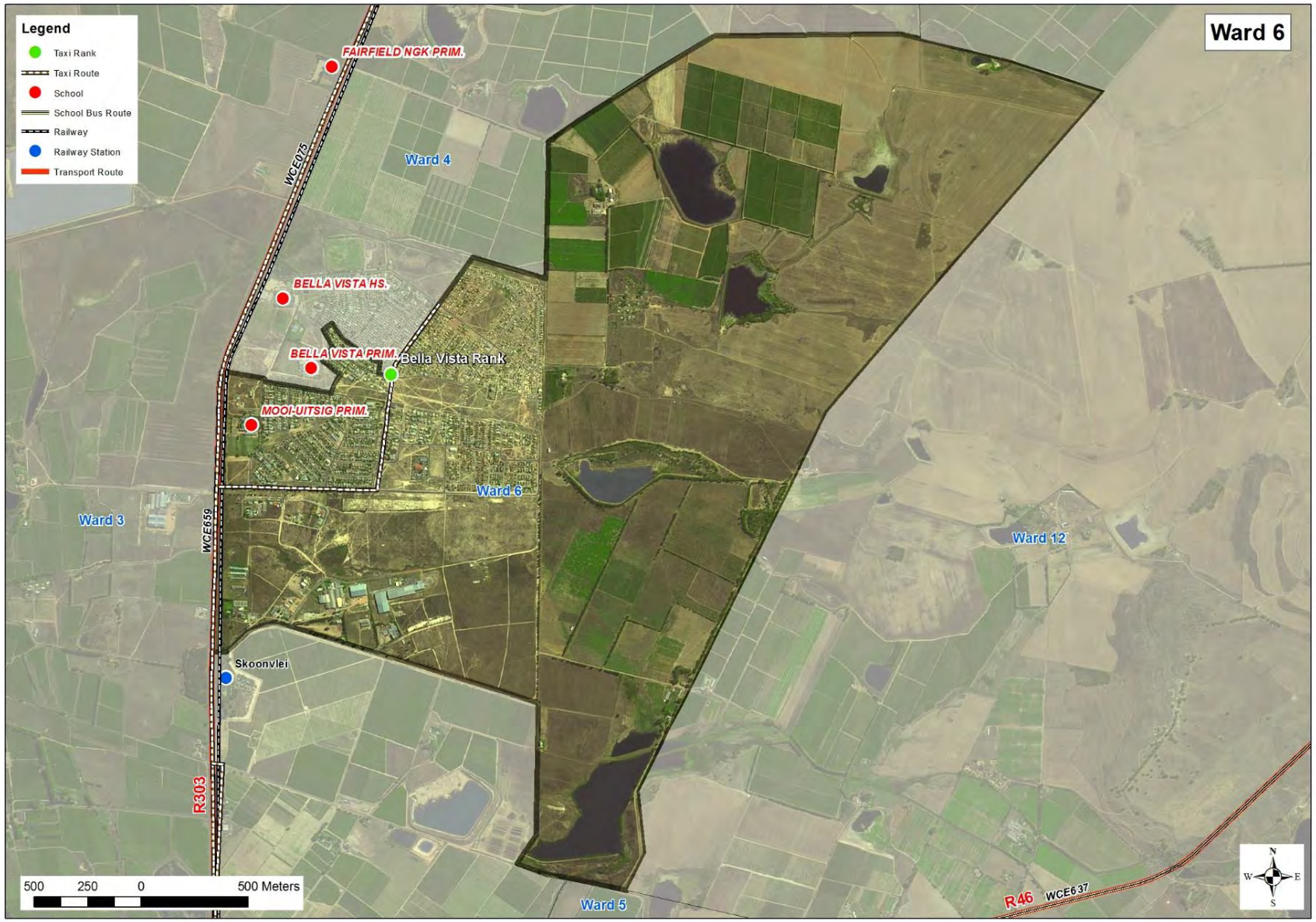
This area has electricity.

	Sources of energy for lighting (% of households)	Sources of energy for cooking (% of households)	Sources of energy for heating (% of households)
Electricity	95.71	94.12	66.86
Gas	0.04	3.84	0.71
Paraffin	0.13	0.00	0.22
Candles	2.56	N/A	N/A
Wood	N/A	1.46	22.85
Coal	N/A	0.00	0.27
Animal dung	N/A	0.04	0.13
Solar	0.31	0.13	0.13
None	1.24	0.40	8.84

(Source: Stats SA, 2011)

9. Transport

9.1 Map of transportation routes



<table>
<tr><td>9.2 Areas of high accidents</td><td>Information not available</td></tr>
<tr><td>9.3 Types of transportation</td><td>The R303 (Vos Street) is located on the edge of this ward. A large number of trucks, cars, taxis and buses use this road.</td></tr>
<tr><td>9.4 Hazardous materials or cargo:</td><td>Hazardous loads transported throughout the area, main roads and secondary roads serving industrial, commercial and farm installations for example ammonia and LP gas installations, fertilizers, insecticides.</td></tr>
<tr><td colspan="2">10. Housing</td></tr>
<tr><td rowspan="3">10.1 Types of Housing:</td><td>1. Formal (incl. Low income and RDP): Formal houses and RDP Houses</td></tr>
<tr><td>2. Informal: None</td></tr>
<tr><td>3. Back yard dwellers: There are a large number of backyard dwellers in this ward</td></tr>
<tr><td colspan="2">11. Water and Sanitation</td></tr>
<tr><td>11.1 Provision of water (formal residential areas)</td><td>Yes, the formal houses have water supplied.</td></tr>
<tr><td rowspan="2">11.2 Provision of water in informal settlements and areas without piped water</td><td>1. Number of taps available (incl. the number of people using the taps): Not applicable</td></tr>
<tr><td>1. Are the taps in working order? Not applicable</td></tr>
<tr><td>11.3 Sewerage and sanitation systems in formal areas</td><td>3.1 Formal sewerage: Yes</td></tr>
<tr><td rowspan="2">11.4 Sewerage and sanitation systems in informal settlements and areas without formal sanitation</td><td>1. Number, type, and frequency of cleaning of toilets: Not applicable</td></tr>
<tr><td>2. Are the toilets in working order? Not applicable</td></tr>
<tr><td>11.5 Rubbish Removal</td><td>
<table>
<tr><th>Methods of Waste Disposal for Ward 6</th><th>Number of households</th></tr>
<tr><td>Removed by the local municipality once a week</td><td>2250</td></tr>
<tr><td>Removed by the local municipality less than once a week</td><td>8</td></tr>
<tr><td>Communal refuse dump</td><td>1</td></tr>
<tr><td>Own refuse dump</td><td>3</td></tr>
<tr><td>No rubbish disposal</td><td>0</td></tr>
<tr><td>Other</td><td>1</td></tr>
</table>
(Source: Stats SA, 2011)
</td></tr>
</table>

12. Municipal Infrastructure:	
12.1 Storm water drainage	Yes, storm water drainage in residential areas.
12.2 Community Halls	Koinonia Hall Bella Vista Community Hall
13. Religious Institutions	
13.1 Churches, Mosques, synagogues	St Matthews Church New Apostolic Church
14. Correctional Service Centres	
14.1 List of Correctional Service Centres	No

Historical Data:

Year	Type of incident	Impact and number of people affected:
1969	Earthquake	Severe infrastructural damages over most parts of the municipality 11 Fatalities in Ceres and Tulbagh

Description of identified Risks:

Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
HUMAN INDUCED HAZARDS	Drug abuse: The use and selling of drugs was identified as a major problem, in particular amongst the youth. A contributing factor to drug use is a lack of employment opportunities and activities to keep the youth busy.	Throughout the year	Throughout the community	The use of drugs are linked to: • Crime – burglaries, theft • Social problems • Anti-social behaviour • Violence		X	X	1.1.1
	Gangsterism The formation of gangs and gang activity is a result of social poverty.	This occurs frequently throughout the year		This was identified as leading to criminal activities such as theft, the use of drugs			X	1.1.2
	Xenophobia This is due to an influx of foreigners in to the area as well as the illegal occupation of houses and plots.	Sporadically		Violence and protests			X	1.1.4
	Crime Theft which is assumed to be due to drug addiction and unemployment. Crime is more prevalent at night in areas where street lights are broken.	This occurs frequently throughout the year	Walkway between Skoonvlei and Bella Vista due to no working lights.	Loss of property and money. This has a financial implication for affected families.		X		1.1.5
	Dumping: There is an number of forms of dumping that is prevalent within this ward and it includes: • Dumping of rubble, household and garden waste into drainage system • Illegal dumping of refuse and solid waste in open areas and along roads	This occurs frequently throughout the year	On the corner of Burger street	This results in health issues especially in children who play in the rubbish. The blocking of storm water drains results in localised flooding during heavy rainfall. Dumped refuse are a breeding ground for rodents.	X	X		1.1.7
	Sewerage running into the streets due to blocked drains and pipes. This is caused by people flushing the incorrect materials, such as nappies, down toilets.	This occurs frequently throughout the year		This results in sewerage flowing into the streets and causes health issues. In particular, children are most at risk to diseases as they play in the dirty water.	X	X		1.1.8
	Drowning: Children are able to swim and play in the large unfenced dams in the ward. There is a concern that they might drown.	Summer		Children can drown		X	X	1.1.10
	Lack of /broken basic amenities this included: • Lack of access to electricity		Jakaranda Street, Karee Street	Health and fire risk: • People without electricity have to use open fires for cooking this is both a fire and health risk • Illegal electricity cables are a major fire risk.	X	X		1.1.11
	Fires being set deliberately by children		At the park	Damage to property. Injuries and loss of life		X		1.1.14
	Localised flooding due to blocked storm water drains		Boerneef Street	Road is flooded during rains. This negatively impacts the road surface (potholes)		X		1.1.16

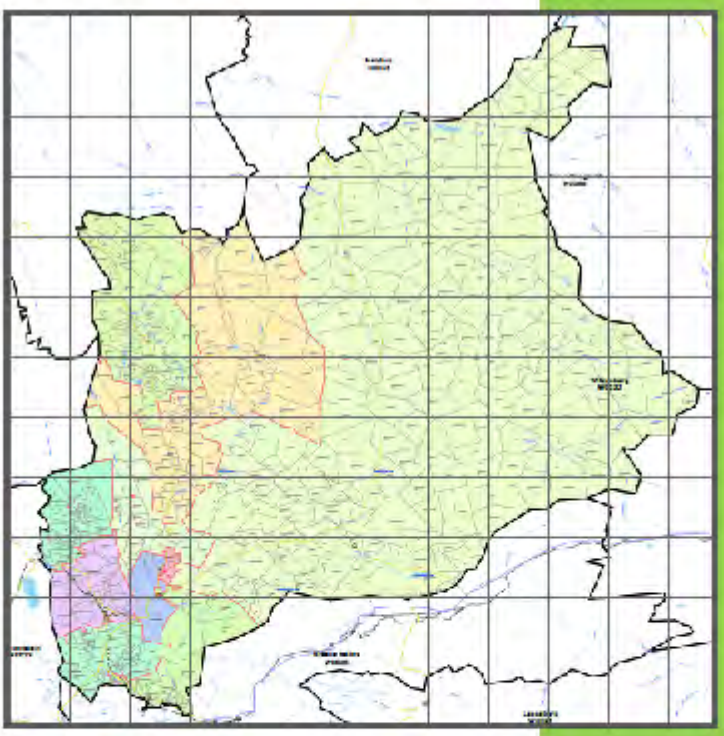
Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
TECHNOLOGICAL HAZARDS	Structural fires both formal and informal. The risk of fires is increased by the presence of backyard dwellers and informally built extension to RDP houses	There is a higher risk of fire during the winter months	The RDP houses was highlighted as a high risk area	People lose all their possessions.		X	X	1.2.1
	Transportation of hazardous loads along all major and secondary roads and by rail.	Daily risk of hazardous loads travelling through the area	Along major and secondary roads and by rail.	Accidents and spillages of hazardous substances. Depending on the substance this could cause: • Health problems • Environmental issues (pollution) • Fire • Explosions	X		X	1.2.4
	Traffic accidents. This includes both large truck accidents as well as car accidents resulting from speeding motor vehicles. Minibus taxis were identified as a major culprit to speeding	Frequently	Along major and secondary roads and residential roads. There was also a concern regarding the safety of children playing in the park as it is close to a road without a fence. There is a dangerous turnoff from the R303 into the Skoonvlei industrial area.	Children playing in the streets can be knocked over. Injuries and fatalities of motor vehicle occupants. Disruption to traffic due to road closures		X	X	1.2.5
	Multi Hazard Installations: There is the highest concentration of chemicals and hazardous substances within this area due to the large number of factories, fuel stations, cold storage facilities etc. The types of substances includes: • Ammonia • Caustic Soda • LP Gas • Petrol • Pesticides • Fertilizers	Incidents are rare but the impact can be severe	High risk areas include: • The fuel depot • Cold storage facilities: -Ceres Koelkamers, Skoonvlei Industrial area, Boerneef Street (18-20 tonnes of Ammonia) • The Plastic Recycling Plant	An incident at one of these facilities could result in the following: • Loss of life and injuries • Damage to property and infrastructure • Fire and explosions • Pollution (air, water or land)		X	X	1.2.7

Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
TECHNOLOGICAL HAZARDS	Load shedding: Rotating power outages	Frequently	Across the community	There are significant consequence to load shedding: • Disruption and impacts on the economy • Severe disruption to traffic • Increase in crime • interruptions to critical infrastructure and processes such as sewerage treatment and water purification • Interruption to industrial and agricultural processes • Financial impacts on households and businesses due to appliances breaking due to power surges		X	X	1.2.8
BIOLOGICAL HAZARDS	Veld fires: Veld fires can be started naturally or by humans. Veld fires due to illegal dumping/littering in open spaces as well as people dropping of unextinguished cigarette butts.	This risk is higher during summer	• Along the urban fringe • Along the interface between natural veld and urban or agricultural areas • Along Rail and Road Reserves	• People lose all their possessions • Threat to biodiversity due to areas burning too often • Destroy crops and agricultural land. This can have social and economic impacts	X		X	1.3.1
	Human diseases: TB and HIV – an increase in the number of HIV and TB patients. Witzenberg was identified as having the highest HIV rate in the area.		Municipal wide	Disease, loss of life, impact on medical services			X	1.3.2
GEOLOGICAL HAZARDS	Earthquake: The risk of earthquakes was highlight as a risk for the whole of Witzenberg area. The risk of injuries, death and damages is increased due to poor building methods.		Whole municipal area	Loss of life, injury and damages to property and infrastructure	X		X	1.4.1

ENVIRONMENTAL DEGRADATION	Air pollution resulting from fires. This includes: • Fires for household activities • Illegal burning of waste and refuse • Veld fires	This occurs throughout the year but is more prevalent in winter when fires are used for heating purposes.		Health risk			X	1.5.1
	Ground pollution from sewerage due to : • non-existent sewerage systems within informal settlements • blockages within the sewerage network • interruption of sewerage treatment process by load shedding		"Vlei" area and manholes in Boerneef Street over flow with bloody water	Uncontrollable leakages and spillages. This not only results in pollution of the environment but also can be a health hazard		X	X	1.5.2
HYDRO-METEOROLOGICAL HAZARDS	Riverine Flooding.	During heavy rainfall	Along Rivers.	Causeway bridges are inundated with water resulting in areas being cut off and isolated.	X		X	1.6.1

CAPE WINELANDS DISTRICT MUNICIPALITY
WITZENBERG MUNICIPALITY

WARD BASED RISK ASSESSMENT



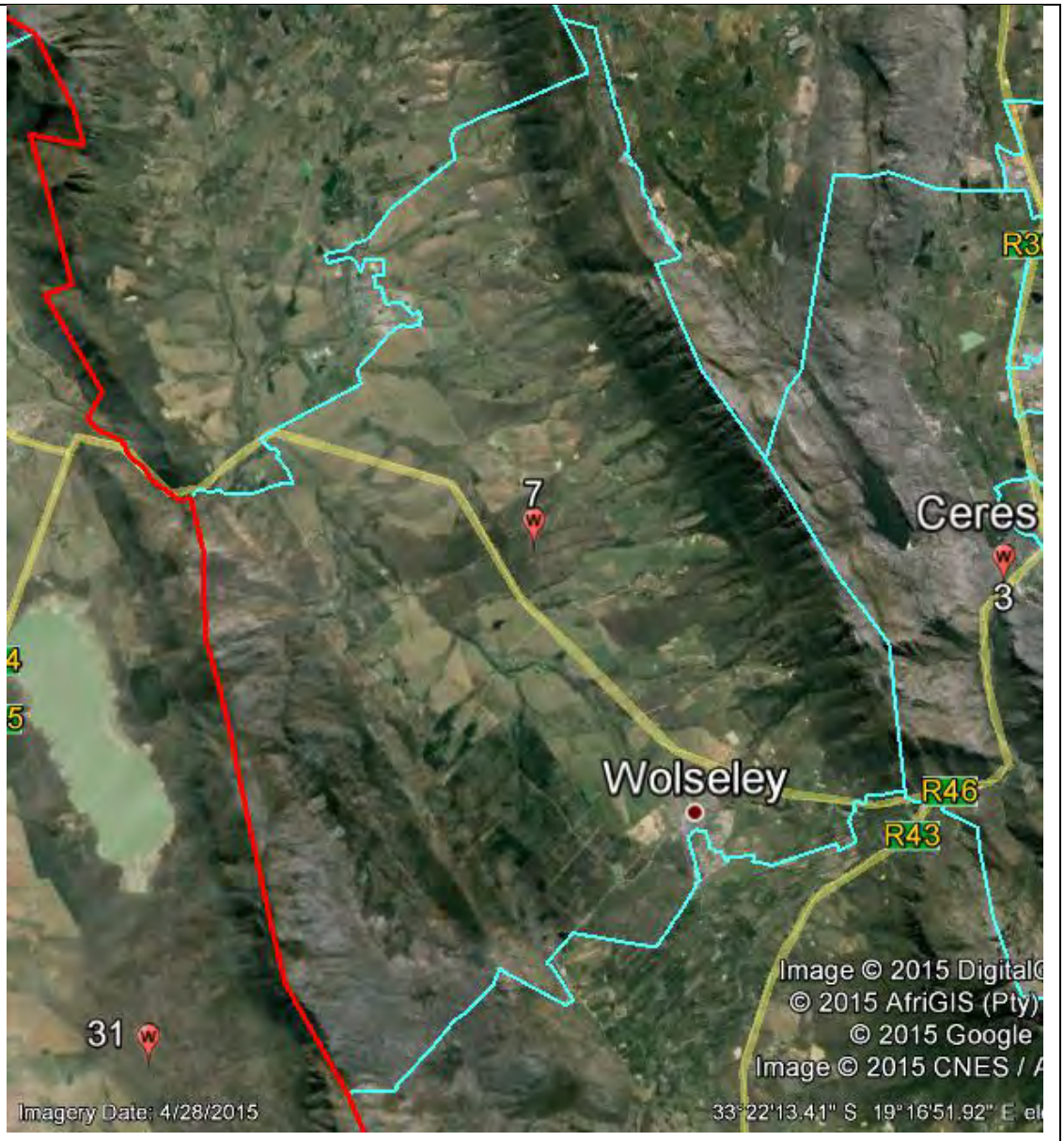
Risk Assessment Background:

Description of Area

<table>
<tr><td>Ward Number</td><td>7</td></tr>
<tr><td>Size of Ward</td><td>266.13 km²</td></tr>
<tr><td rowspan="3">Population of Ward:</td><td>Number of people: 14343</td></tr>
<tr><td>Race:

<table>
<tr><th>Race</th><th>Total</th></tr>
<tr><td>Black African</td><td>2083</td></tr>
<tr><td>Coloured</td><td>10743</td></tr>
<tr><td>Indian or Asian</td><td>51</td></tr>
<tr><td>White</td><td>1214</td></tr>
<tr><td>Other</td><td>252</td></tr>
<tr><td>Total</td><td>14343</td></tr>
</table>
</td></tr>
<tr><td>Age groups (years completed):

<table>
<tr><th>0-10</th><th>11-20</th><th>21-30</th><th>31-40</th><th>41-50</th><th>51-60</th><th>61-70</th><th>71-80</th><th>81-90</th><th>91-100</th><th>>100</th></tr>
<tr><td>3048</td><td>2640</td><td>2433</td><td>2105</td><td>1863</td><td>1216</td><td>632</td><td>286</td><td>104</td><td>11</td><td>5</td></tr>
</table>
</td></tr>
</table>

Map of Ward	R3 7 Ceres 3 4 5 Wolseley R46 R43 31 Image © 2015 DigitalG © 2015 AfriGIS (Pty) © 2015 Google Image © 2015 CNES / A Imagery Date: 4/28/2015 33°22'13.41" S 19°16'51.92" E el

1. Natural Environment	
Description of Ward:	1) Mountains: this ward has the Witzenberg Mountains on the eastern side and the Obiqua Mountains on the western side of the ward.
	2) Rivers: there are a number of perennial and non-perennial rivers in this ward. The perennial rivers include: • the Klein Berg River • the Klip River • Brak kloof River •
	3) Dams or Reservoirs: There are a number of farm dams of varying sizes
2. Spatial Dimension	
Land Use Zones Residential (low income housing, informal settlements, formal housing), Commercial, CBD, Industrial, Agricultural	The Ward is made up of the following land use zones: 1) Residential- this includes both formal housing and informal housing. There are a large number of RDP houses in this ward. The informal housing includes both houses in informal settlements and backyard dwellers. 2) Commercial: This ward includes the main business and shopping area of Wolseley 3) Agriculture 4)Industrial
3. Economic Dimension	
3.1 Employment :	Employment: Unknown
	Unemployment: Unknown
	Reliance on grants and subsidies: Unknown
3.2 Types of Economic Activities:	Commercial: There are a number of shops and businesses in this ward. This includes retail shops, butcheries, furniture shops, hairdressers, etc. Agricultural: there are a number of farms in this area Industrial: there are a few factories in this ward.
4. Health	
4.1 Medical and Health services:	Clinics: There is are two clinics servicing the Tulbagh and Wolseley Community. The Tulbagh Clinic is located in ward 11 and the Wolseley Clinic is located in ward 2.
	Hospitals (Private and Public): The closest hospitals are located in Ceres.
	Ambulance: An EMS station is situated in Steinthal Street in Tulbagh
	Environmental Health: The Environmental Health Officers for this area is located at the CWDM Office in Munnik Street, Ceres and Witzenberg Municipal Office in Plein Street, Tulbagh.

5. Education	
5.1 Schools:	1. Crèches: Blomme Crèche, Church Street, Wolseley Klaarfontein Crèche, Klaarfontein Farm Malikhanye Crèche, Afrika Street, Pine Valley
	2. Pre-primary Schools: Tulbagh Pre-Primary
	3. Primary Schools: Errie Moller NGK Primary, Waverley, Wolseley, Witzenberg Primary, Angeliers Street, Wolseley Wolseley Primary, Mill Street, 023 231 0122
	High Schools: Waveren High School, Ryk Street, Tulbagh Wolseley Secondary, Malva Street
6. Tourism	
6.1 Tourist Attractions:	Tourist attractions within the ward include: • local arts and crafts for tour groups. • Guest houses, self-catering cottages • Restaurants • Wine farms
7. Safety and Security	
7.1 Services:	1. South African Police Services: There are two SAPS stations in close proximity to this ward. One is located at White Street, Wolseley. The closest SAPS Station in Tulbagh is located in Ward 11.
	2. Neighbourhood Watch: Unknown
	3. Fire Services: A satellite fire station is located in Ward 11.
7.2 Crime	1. Description of crime rate and causes of crime: The top crimes for the area serviced by (and provided by) Wolseley SAPS are as follows: • Burglary (Houses) • Theft • Theft from motor vehicles • Assault The top crimes for the area serviced by (and provided by) Tulbagh SAPS are as follows: • Burglary (Houses) • Assault • Theft from motor vehicles • Theft • Malicious damage to property

8. Electricity

8.1 Electricity Supply

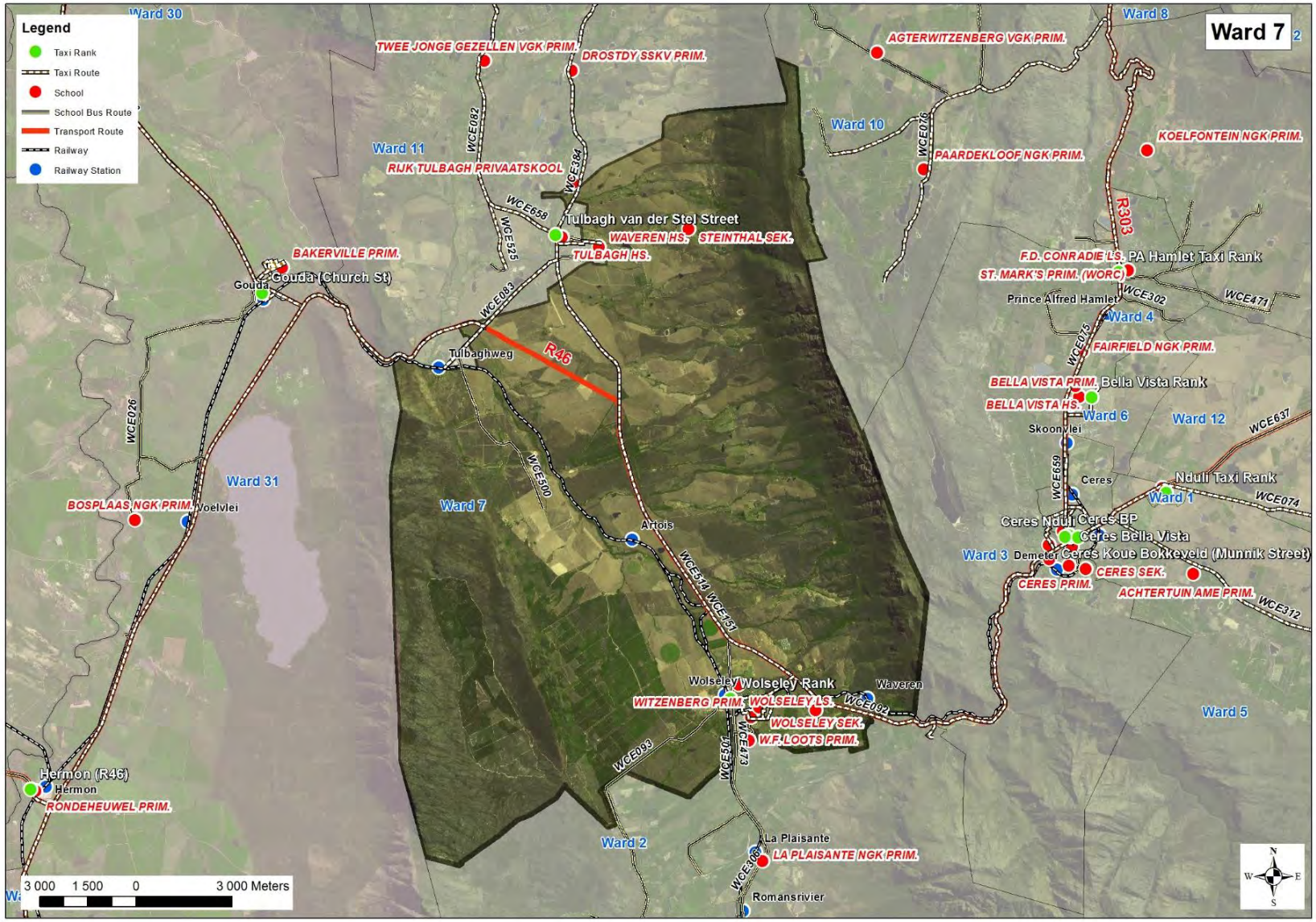
There is electricity in the ward. The informal settlement and backyard dwellers utilises illegal electricity connections to get electricity into structures.

	Sources of energy for lighting (% of households)	Sources of energy for cooking (% of households)	Sources of energy for heating (% of households)
Electricity	90.32	85.82	54.76
Gas	0.08	3.78	0.62
Paraffin	1.98	6.51	1.82
Candles	7.08	N/A	N/A
Wood	N/A	3.24	25.76
Coal	N/A	0.05	0.21
Animal dung	N/A	0.00	0.00
Solar	0.13	0.13	0.08
None	0.40	0.48	16.75

(Source: Stats SA, 2011)

9. Transport

9.1 Map of transportation routes



<table>
<tr><td>9.2 Areas of high accidents</td><td>Information not available</td></tr>
<tr><td>9.3 Types of transportation</td><td>The R46 and Voortrekker Road through Wolseley are utilised by a large number of trucks, cars, taxis and buses. The railway line bisects the ward. This railway is carries both passenger and cargo trains.</td></tr>
<tr><td>9.4 Hazardous materials or cargo:</td><td>1. Any hazardous materials transported through the areas: Large quantities of hazardous substances move through this ward. These substances include ammonia, fuel, LP gas, etc.</td></tr>
<tr><td colspan="2">10. Housing</td></tr>
<tr><td rowspan="3">10.1 Types of Housing:</td><td>1. Formal (incl. Low income and RDP): The houses in this area are a mixture of high-middle income formal houses, low income and RDP houses.</td></tr>
<tr><td>2. Informal: Informal houses are located in the Pine Valley Informal Settlement</td></tr>
<tr><td>3. Back yard dwellers: A large number of houses have back yard dwellers</td></tr>
<tr><td colspan="2">11. Water and Sanitation</td></tr>
<tr><td>11.1 Provision of water (formal residential areas)</td><td>Yes, the formal houses have water supplied.</td></tr>
<tr><td rowspan="2">11.2 Provision of water in informal settlements and areas without piped water</td><td>1. Number of taps available (incl. the number of people using the taps): Unknown</td></tr>
<tr><td>1. Are the taps in working order? Unknown</td></tr>
<tr><td>11.3 Sewerage and sanitation systems in formal areas</td><td>3.1 Formal sewerage: Yes</td></tr>
<tr><td rowspan="2">11.4 Sewerage and sanitation systems in informal settlements and areas without formal sanitation</td><td>1. Number, type, and frequency of cleaning of toilets: Unknown</td></tr>
<tr><td>2. Are the toilets in working order? Unknown</td></tr>
<tr><td>11.5 Rubbish Removal</td><td>
<table>
<tr><th>Methods of Waste Disposal for Ward 7</th><th>Number of households</th></tr>
<tr><td>Removed by the local municipality once a week</td><td>3019</td></tr>
<tr><td>Removed by the local municipality less than once a week</td><td>24</td></tr>
<tr><td>Communal refuse dump</td><td>115</td></tr>
<tr><td>Own refuse dump</td><td>362</td></tr>
<tr><td>No rubbish disposal</td><td>139</td></tr>
<tr><td>Other</td><td>72</td></tr>
</table>
(Source: Stats SA, 2011)
</td></tr>
</table>

12. Municipal Infrastructure:	
12.1 Storm water drainage	Yes, there is storm water drainage in formal areas.
12.2 Community Halls	Pine Valley Community Hall (Wolseley) Witzenberg Community Hall (Tulbagh)
13. Religious Institutions	
13.1 Churches, Mosques, synagogues	NG Kerk; AGS Kerk; St John's Anglican Church
14. Correctional Service Centres	
14.1 List of Correctional Service Centres	The Obiqua Prison is in the adjacent ward (Ward 11).

Historical Data:

Year	Type of incident	Impact and number of people affected:
1969	Earthquake	Severe infrastructural damages over most parts of the municipality 11 Fatalities in Ceres and Tulbagh
January 2015	Veld fire	500 Hectares of vegetation in Kluitjieskraal was destroyed in a fire.
November-December 2012 and January 2013	Farmworker Unrest	Protests by farm labourers occurred in the area.
2014/2015 Fire Season	Veld fire	Large area of mountain vegetation and pine plantations were destroyed in a veldfire

Description of identified Risks:

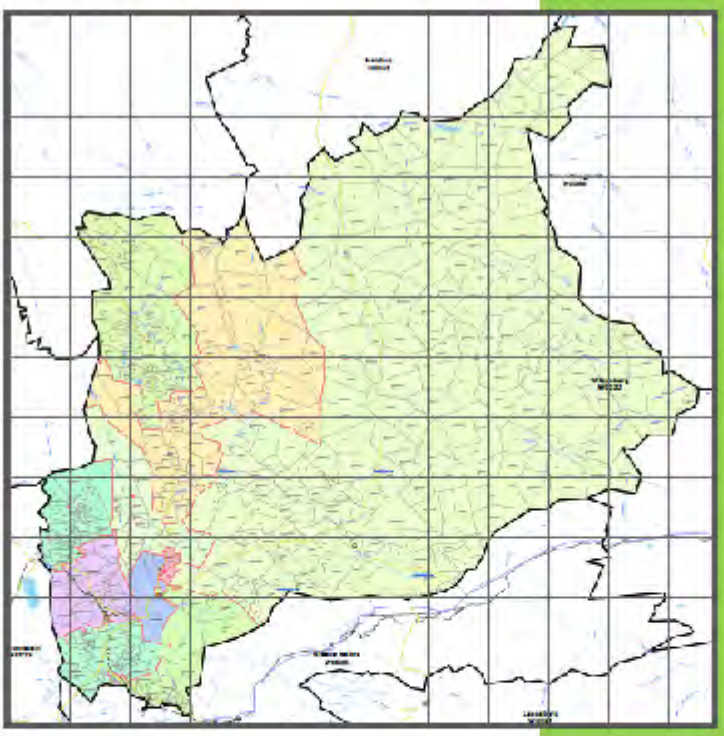
Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
HUMAN INDUCED HAZARDS	Drug abuse Drug abuse was highlighted as a problem amongst the youth.	Throughout the year	• Kluitjieskraal	This results in social and criminal problems	X			1.1.1
	Public Unrest This includes service delivery protests, farm worker unrest.	Sporadically	• Agricultural areas • Pine Valley	This has an impact on service delivery.			X	1.1.3
	Xenophobia This is due to an influx of foreigners in to the area as well as the illegal occupation of houses and plots.	Sporadically					X	1.1.4
	Crime Such as theft, prostitution, burglaries	This occurs frequently throughout the year	• Zwelitsha Street • Pine Valley	Loss of property and money	X	X		1.1.5
	Dumping: There is an number of forms of dumping that is prevalent within this ward and it includes: • Dumping of rubble in storm water drainage system • Illegal dumping of refuse and household waste in open areas and along roads	This occurs frequently throughout the year	• Pine Valley • Area behind Madani Street • Kluitjieskraal Street • Sederboom Street	This results in health issues especially in children who play in the rubbish. The blocking of storm water drains results in localised flooding during heavy rainfall		X	X	1.1.7
	Sewerage blockages due to incorrect materials being flushed down toilets or put into the sewers. Sewerage running into the streets due to blocked drains.	This occurs frequently throughout the year		This results in sewerage flowing into the streets and causes health issues. In particular, children are most at risk to diseases as they play in the dirty water.		X		1.1.8
	Lack of /broken basic amenities this included: • Lack of access to electricity • Too few toilets available • Broken or blocked toilets			Residents resort to dangerous illegal electricity connections. This can result in fires. Broken and lack of toilets results in health problems		X	X	1.1.11
	Alcohol abuse: The misuse of alcohol amongst youth and minors	This occurs frequently throughout the year		This results in antisocial behaviour and violence		X		1.1.12
TECHNOLOGICAL HAZARDS	Structural fires both formal and informal. The risk of fires is increased by: • The proximity of houses to each other. There is not a safe distance between houses. • The presence of backyard dwellers and informally built extension to RDP houses • Building materials of informal houses	There is a higher risk of fire during the winter months	• Pine Valley • Kluitjieskraal	People lose all their possessions. Fires were also seen as a large cause of air pollution.		X	X	1.2.1
	Fires resulting from use of candles, paraffin, gas and illegal electricity cables.	This risk is more severe during winter as people are more reliant on electricity	• Pine Valley	Loss of life and property		X	X	1.2.3

Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
TECHNOLOGICAL HAZARDS	Transportation of hazardous loads along all major and secondary roads and via rail	Daily risk of hazardous loads travelling through the area	Along major and secondary roads	Accidents and spillages of hazardous substances. Depending on the substance this could cause: • Health problems • Environmental issues (pollution) • Fire			X	1.2.4
	Traffic accidents. This includes both large truck accidents as well as car accidents resulting from speeding motor vehicles	Frequently	Along major and secondary roads and residential roads.	Children playing in the streets can be knocked over. Injuries and fatalities of motor vehicle occupants. Disruption to traffic due to road closures		X	X	1.2.5
	Multi Hazard Installations: Storage and use of hazardous chemicals in factories, fuel stations, farms and packing stores. These chemicals include: • Pesticides • Fertilizers • Alcohol • Fuel	Incidents are rare but the impact can be severe	High risk areas include: • Packing facilities • Brenno Kem has 30000L of alcohol on site	An incident at one of these facilities could resulting in the following: • Loss of life and injuries • Damage to property and infrastructure • Fire and explosions • Pollution (air, water or land)			X	1.2.7
	Load shedding: Rotating power outages	Frequently	Across the community	There are significant consequence to load shedding: • Disruption and impacts on the economy • Severe disruption to traffic • Increase in crime • interruptions to critical infrastructure and processes such as sewerage treatment and water purification • Interruption to industrial and agricultural processes			X	1.2.8
	Train accidents: The existing north south main railway line runs through Wolseley and rural parts of the ward. Pedestrians crossing the railway lines, level crossings.	Current	Main railway line	An incident at one of these facilities could result in the following: • Loss of life and injuries • Damage to property • Fire and explosions • Pollution (air, water or land)			X	1.2.9

Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
BIOLOGICAL HAZARDS	Veld fires: Veld fires can be started naturally or by humans. Veld fires due to illegal dumping/littering in open spaces as well as people dropping of unextinguished cigarette butts.	This risk is higher during summer	• Along the urban fringe • Along the interface between natural veld and urban or agricultural areas • Along Rail and Road Reserves	• People lose all their possessions • Threat to biodiversity due to areas burning too often • Destroy crops and agricultural land. This can have social and economic impacts		X	X	1.3.1
	Human diseases: TB and HIV – an increase in the number of HIV and TB patients. Witzenberg was identified as having the highest HIV rate in the area.		Municipal wide	Disease, loss of life, impact on medical services			X	1.3.2
GEOLOGICAL HAZARDS	Earthquake: The risk of earthquakes was highlighted as a risk for the whole of Witzenberg area. The risk of injuries, death and damages is increased due to poor building methods.		Whole municipal area	Loss of life, injury and damages to property and infrastructure			X	1.4.1
ENVIRONMENTAL DEGRADATION	Air pollution resulting from fires and crop treatments	This is more prevalent during summer		Health risk			X	1.5.1
	Ground pollution from sewerage due to : • non-existent sewerage systems within informal settlements • blockages within the sewerage network • interruption of sewerage treatment process by load shedding			Uncontrollable leakages and spillages. This not only results in pollution of the environment but also can be a health hazard		X	X	1.5.2

CAPE WINELANDS DISTRICT MUNICIPALITY
WITZENBERG MUNICIPALITY

WARD BASED RISK ASSESSMENT



Risk Assessment Background:

Description of Area

<table>
<tr><td>Ward Number</td><td>8</td></tr>
<tr><td>Size of Ward</td><td>1391.68 km²</td></tr>
<tr><td rowspan="3">Population of Ward:</td><td>Number of people: 8870</td></tr>
<tr><td>Race:

<table>
<tr><th>Race</th><th>Total</th></tr>
<tr><td>Black African</td><td>3755</td></tr>
<tr><td>Coloured</td><td>4323</td></tr>
<tr><td>Indian or Asian</td><td>35</td></tr>
<tr><td>White</td><td>696</td></tr>
<tr><td>Other</td><td>61</td></tr>
<tr><td>Total</td><td>8870</td></tr>
</table>
</td></tr>
<tr><td>Age groups (years completed):

<table>
<tr><th>0-10</th><th>11-20</th><th>21-30</th><th>31-40</th><th>41-50</th><th>51-60</th><th>61-70</th><th>71-80</th><th>81-90</th><th>91-100</th><th>>100</th></tr>
<tr><td>1338</td><td>1522</td><td>3064</td><td>2068</td><td>1268</td><td>603</td><td>239</td><td>83</td><td>24</td><td>2</td><td>0</td></tr>
</table>
</td></tr>
</table>

Map of Ward	9 Witzenberg 8 R303 10 11 R46 Date: 4/10/2013 © 2015 AfriG © 2015 32°58'21.81" S 19°45'2

1. Natural Environment	
Description of Ward:	Mountains: This ward is primarily made up of the Swartruggens Mountains
	Rivers: Riet River, Leeu River, Houdensbek River and Kruis River are found in this ward. There are also a number of non-perennial rivers.
	There are a number of large and small farm dams in the ward.
2. Spatial Dimension	
Land Use Zones Residential (low income housing, informal settlements, formal housing), Commercial, CBD, Industrial, Agricultural	This ward is made of uninhabited mountainous areas and agricultural areas.
3. Economic Dimension	
3.1 Employment :	Employment: Unknown
	Unemployment: Unknown
	Reliance on grants and subsidies: Unknown
3.2 Types of Economic Activities:	Agricultural activities and tourism (Kagga Kamma Nature Reserve)
4. Health	
4.1 Medical and Health Services:	Clinics: The nearest clinic is the mobile clinic servicing the Op-die-Berg Community.
	Hospitals (Private and Public): The closest hospitals are located in Ceres.
	Ambulance: Emergency Medical Service's ambulances service this area. They are dispatched from Ceres.
	Environmental Health: The Environmental Health Officer for this area is located at the CWDM Office in Munnik Street, Ceres.

5. Education

5.1 Schools:

1. Crèches:
Kromfontein Nasorg Sentrum, Kromfontein Farm

2. Pre-primary Schools: None

3. Primary Schools:
Bo-Plaas NGK Primary
Kromlin Primary, Kromfontein
Piet Hugo Gedenk NGK Primary, Elandsfontein
Rosendale Primary, Rosendal Farm

4. High Schools:
The closest high school is Skurweberg Secondary located in Op-die-Berg (Ward 9).

6. Tourism

6.1 Tourist Attractions: Kagga Kamma Nature Reserve

7. Safety and Security

7.1 Services:

1. South African Police Services: Located in PA Hamlet (Ward 4)
2. Neighbourhood Watch: Unknown
3. Fire Services: The Witzenberg and Cape Winelands Fire Departments respond from Ceres.

7.2 Crime

1. Description of crime rate and causes of crime:
The top crimes for the area serviced by (and provided by) Prince Alfred Hamlet SAPS are as follows:
- Copper theft
- Assault
- Drugs
- Burglary (Houses)
- Murder

8. Electricity

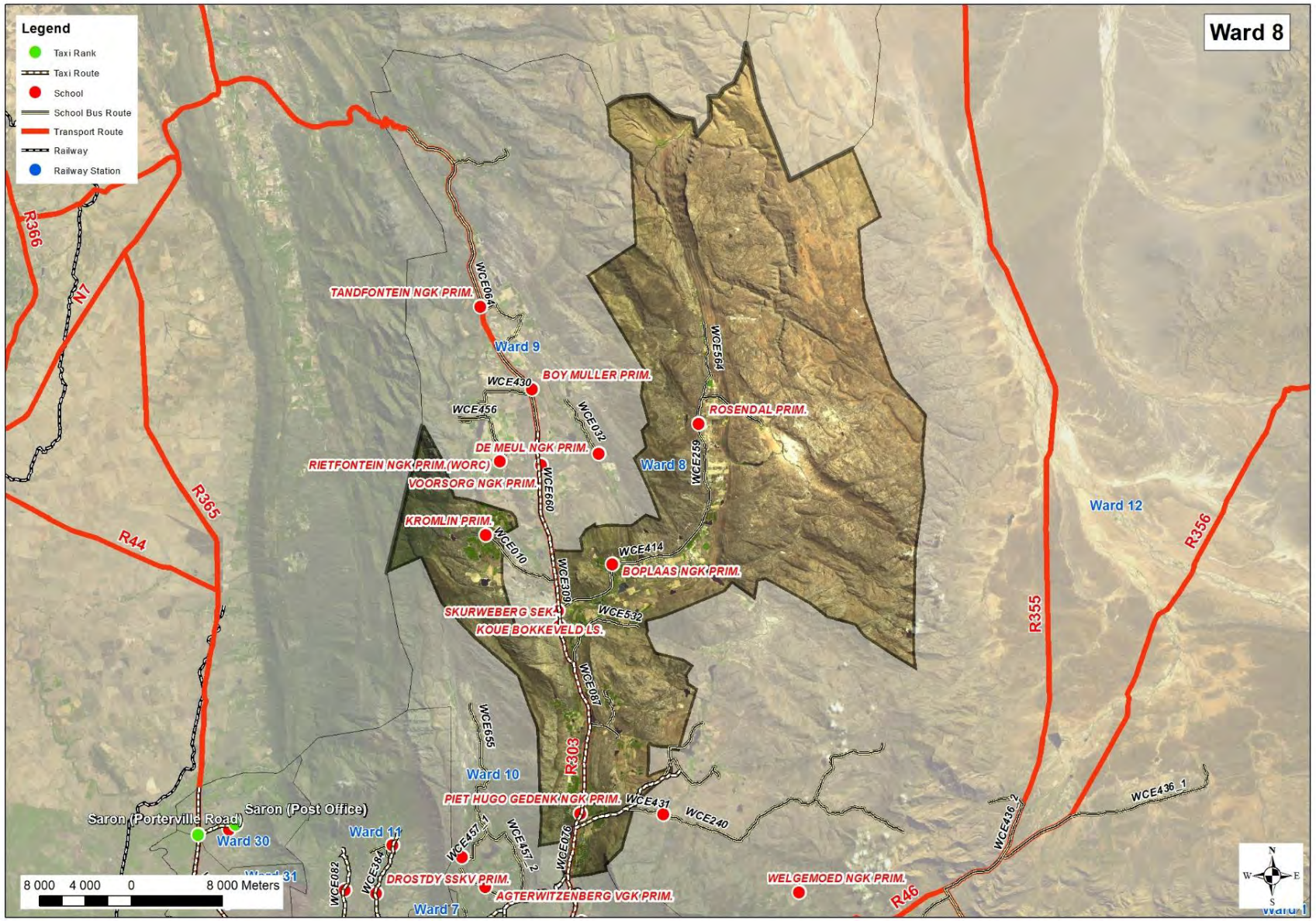
8.1 Electricity Supply

	Sources of energy for lighting (% of households)	Sources of energy for cooking (% of households)	Sources of energy for heating (% of households)
Electricity	94.35	92.39	40.22
Gas	0.33	2.17	0.98
Paraffin	1.14	2.66	0.38
Candles	3.42	N/A	N/A
Wood	N/A	2.12	57.17
Coal	N/A	0.00	0.00
Animal dung	N/A	0.16	0.00
Solar	0.27	0.11	0.11
None	0.49	0.16	1.14

(Source: Stats SA, 2011)

9. Transport

9.1 Map of transportation routes



<table>
<tr><td>9.2 Areas of high accidents</td><td>Information not available</td></tr>
<tr><td>9.3 Types of transportation</td><td>There are a number of trucks, cars, buses use this area.</td></tr>
<tr><td>9.4 Hazardous materials or cargo:</td><td>1. Any hazardous materials transported through the areas: Hazardous substances are transported along the main and secondary roads.</td></tr>
<tr><td colspan="2">10. Housing</td></tr>
<tr><td>10.1 Types of Housing:</td><td>1. Area mainly agricultural, e.g. farm houses</td></tr>
<tr><td colspan="2">11. Water and Sanitation</td></tr>
<tr><td>11.1 Provision of water (formal residential areas)</td><td>Unknown</td></tr>
<tr><td rowspan="2">11.2 Provision of water in informal settlements and areas without piped water</td><td>1. Number of taps available (incl. the number of people using the taps): Unknown</td></tr>
<tr><td>1. Are the taps in working order? Unknown</td></tr>
<tr><td>11.3 Sewerage and sanitation systems in formal areas</td><td>3.1 Formal sewerage: Unknown</td></tr>
<tr><td rowspan="2">11.4 Sewerage and sanitation systems in informal settlements and areas without formal sanitation</td><td>1. Number, type, and frequency of cleaning of toilets: Unknown</td></tr>
<tr><td>2. Are the toilets in working order? Unknown</td></tr>
<tr><td>11.5 Rubbish Removal</td><td>
<table>
<tr><th>Methods of Waste Disposal for Ward 8</th><th>Number of households</th></tr>
<tr><td>Removed by the local municipality once a week</td><td>856</td></tr>
<tr><td>Removed by the local municipality less than once a week</td><td>398</td></tr>
<tr><td>Communal refuse dump</td><td>488</td></tr>
<tr><td>Own refuse dump</td><td>81</td></tr>
<tr><td>No rubbish disposal</td><td>6</td></tr>
<tr><td>Other</td><td>9</td></tr>
</table>
(Source: Stats SA, 2011)
</td></tr>
</table>

12. Municipal Infrastructure:	
12.1 Storm water drainage	No
12.2 Community Halls	Bronaar Community Centre Rocklands Recreational Hall Morester Sports Club
13. Religious Institutions	
13.1 Churches, Mosques, synagogues	No
14. Correctional Service Centres	
14.1 List of Correctional Service Centres	None

Historical Data:

Year	Type of incident	Impact and number of people affected:
1969	Earthquake	Severe infrastructural damages over most parts of the municipality 11 Fatalities in Ceres and Tulbagh
2003-2005	Severe drought	This ward was declared a disaster area. Fodder scheme was implemented for stock farmers

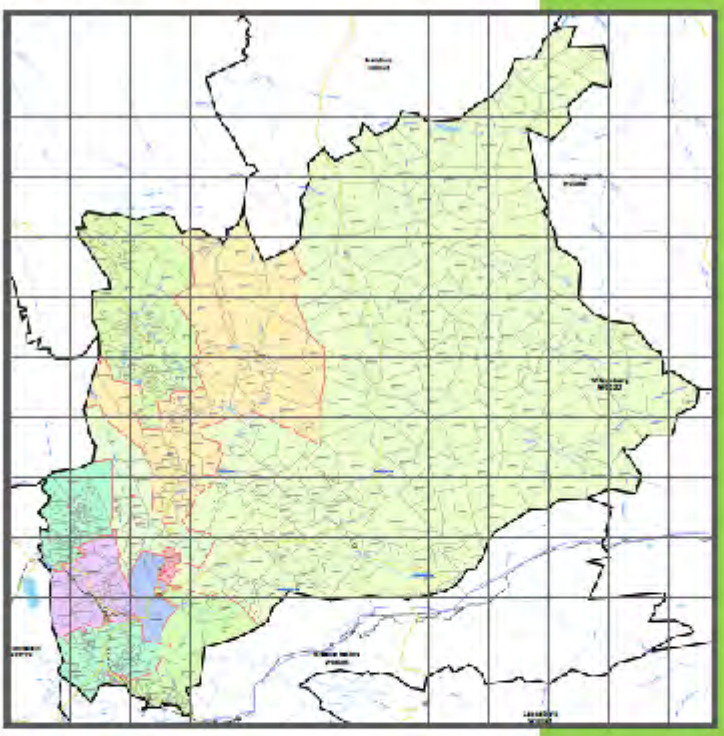
Description of identified Risks:

Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
HUMAN INDUCED HAZARDS	Public Unrest: Farm worker unrest and protests for higher wages.	Sporadically		This has a significant impact on farm productivity and local economy. Destruction of property, equipment and crops.	X		X	1.1.3
TECHNOLOGICAL HAZARDS	Transportation of hazardous loads along all major and secondary roads	Daily risk of hazardous loads travelling through the area	Along major and secondary roads	Accidents and spillages of hazardous substances. Depending on the substance this could cause: • health problems • environmental issues (pollution) • Fire			X	1.2.4
	Dam failure: The failure of large farm dam walls.	Rare, but the impact would be significant		A dam failure would result in: • significant damage to farm land • Loss of life • Damage to property			X	1.2.6
	Multi Hazard Installations: There a number of hazardous substances found within this area The types of substances includes: • Ammonia • Petrol/diesel • Pesticides • Fertilizers • LP Gas	Incidents are rare but the impact can be severe	• Ceres Koelkamers, Op die Berg Industrial area (2.5 tonnes of Ammonia)	An incident at one of these facilities could resulting in the following: • Loss of life and injuries • Damage to property and infrastructure • Fire and explosions • Pollution (air, water or land)		X	X	1.2.7
BIOLOGICAL	Veld Fires: Veld fires can be started naturally or by humans. Veld fires due to people dropping of unextinguished cigarette butts.	This risk is higher during summer	• Along the interface between natural veld and agricultural areas • Along road Reserves	• Threat to biodiversity due to areas burning too often • Destroy crops and agricultural land. This can have social and economic impacts			X	1.3.1
	Human diseases: TB and HIV – an increase in the number of HIV and TB patients. Witzenberg was identified as having the highest HIV rate in the area.		Ward-wide	Disease, loss of life, impact on medical services			X	1.3.2

Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
GEOLOGICAL HAZARDS	Earthquake: The risk of earthquakes was highlight as a risk for the whole of Witzenberg area. The risk of injuries, death and damages is increased due to poor building methods.		Whole municipal area	Loss of life, injury and damages to property and infrastructure			X	1.4.1
ENVIRONMENTAL DEGRADATION	Air pollution resulting from fires. This includes: • Veld fires			Health risk			X	1.5.1
	Erosion	This occurs specifically during times of drought		Degradation and eroding away from arable land			X	1.5.4
HYDRO-METEOROLOGICAL HAZARDS	Snowfalls	Winter	Highly and mountainous areas	Farms are cut off and emergency vehicles cannot access areas.			X	1.6.2
	Drought and water scarcity due to changes in climate in weather patterns		Ward-wide	Impact farm productivity and economy of the area			X	1.6.3

CAPE WINELANDS DISTRICT MUNICIPALITY
WITZENBERG MUNICIPALITY

WARD BASED RISK ASSESSMENT



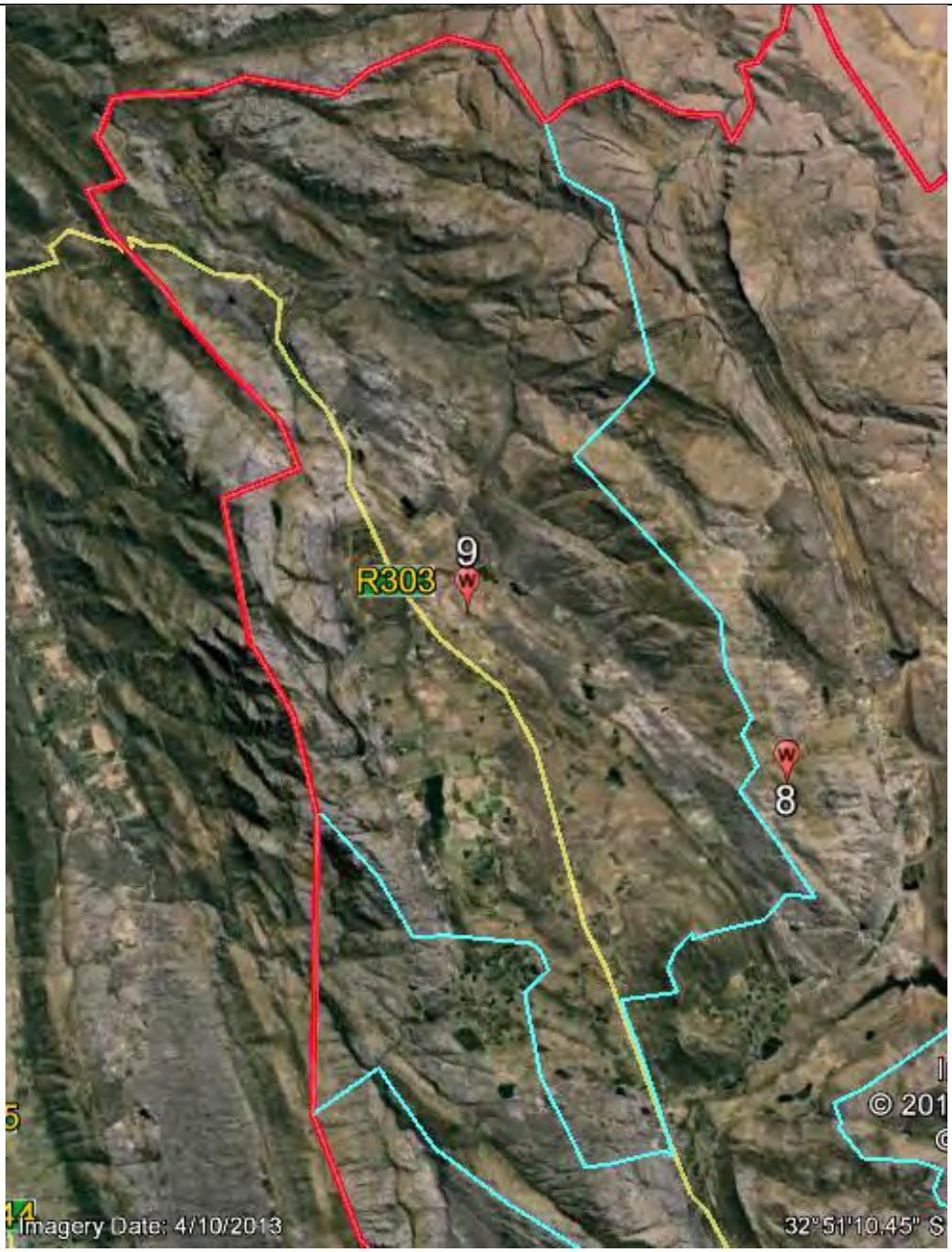
Risk Assessment Background:

Description of Area

<table>
<tr><td>Ward Number</td><td>9</td></tr>
<tr><td>Size of Ward</td><td>774.44 km²</td></tr>
<tr><td rowspan="3">Population of Ward:</td><td>Number of people: 10218</td></tr>
<tr><td>Race:

<table>
<tr><th>Race</th><th>Total</th></tr>
<tr><td>Black African</td><td>4076</td></tr>
<tr><td>Coloured</td><td>5558</td></tr>
<tr><td>Indian or Asian</td><td>9</td></tr>
<tr><td>White</td><td>569</td></tr>
<tr><td>Other</td><td>7</td></tr>
<tr><td>Total</td><td>10218</td></tr>
</table>
</td></tr>
<tr><td>Age groups (years completed):

<table>
<tr><th>0-10</th><th>11-20</th><th>21-30</th><th>31-40</th><th>41-50</th><th>51-60</th><th>61-70</th><th>71-80</th><th>81-90</th><th>91-100</th><th>>100</th></tr>
<tr><td>1411</td><td>1520</td><td>2737</td><td>2000</td><td>1335</td><td>732</td><td>304</td><td>138</td><td>30</td><td>9</td><td>2</td></tr>
</table>
</td></tr>
</table>

Map of Ward	

1. Natural Environment	
Description of Ward:	Mountains: This ward is made up predominately of the Koue Bokkeveld Mountains and a portion of the Koue Bokkeveld Valley.
	Rivers: The Leeu and Twee Rivers are found in this ward. There are also a number of non-perennial rivers in the area.
	Dams: There are a number of farm dams of varying sizes in this ward.
2. Spatial Dimension	
Land Use Zones Residential (low income housing, informal settlements, formal housing), Commercial, CBD, Industrial, Agricultural	The majority of this ward is made up of mountainous areas and agricultural land. In the south of the ward is Op-die-Berg which comprises of: Residential area: formal houses including low income and RDP houses Commercial: There are a few shops and small businesses in the area.
3. Economic Dimension	
3.1 Employment :	Employment: Unknown
	Unemployment: Unknown
	Reliance on grants and subsidies: Unknown
3.2 Types of Economic Activities:	Commercial: A number of small businesses operating in this area such as shops. Agriculture: the major economic activity for this area
4. Health	
4.1 Medical and health services:	Clinics: There is a mobile clinic that services this area.
	Hospitals (Private and Public): The closest hospitals are located in Ceres.
	Ambulance: Emergency Medical Service's ambulances service this area. They are dispatched from Ceres.
	Environmental Health: The Environmental Health Officer for this area is located at the CWDM Office in Munnik Street, Ceres.

5. Education	
5.1 Schools:	1. Crèches: Donkerbos Creche, Donker Bos Farm Goedgedink Creche, Tandfontein Estate Happy Faces, Wydekloof Farm Happy Faces, Langrivir Farm Kabouterjieland Bewaarskool, Die Bos Farm Keunje Day Care Centre, Keunje Farm Ou Nessie, Rietfontein Farm Op Die Berg Afterschool, 1 Kerk Street, Op die Berg Trappies Op Die Berg, Op die Berg
	2. Pre-primary Schools: The crèches look after children up until primary school level
	3. Primary Schools: Boy Muller Primary, Koue Bokkeveld De Meul Primary, De Meul Farm Koue Bokkeveld Primary, Protea Lane, Op die Berg Rietfontein Primary, Rietfontein Farm Tandfontein Primary, Tandfontein Farm Voorsorg Primary, Voorsorg Farm
	4. High Schools: Skurweberg Secondary R303, Op die Berg
6. Tourism	
6.1 Tourist Attractions:	Agri Tourism
7. Safety and Security	
7.1 Services:	1. South African Police Services: Located in Prince Alfred Hamlet
	2. Neighbourhood Watch: None
	3. Fire Services: The Witzenberg and Cape Winelands Fire Departments respond from Ceres.
7.2 Crime	1. Description of crime rate and causes of crime: The top crimes for the area serviced by (and provided by) Prince Alfred Hamlet SAPS are as follows: • Copper theft • Assault • Drugs • Burglary (Houses) • Murder

8. Electricity

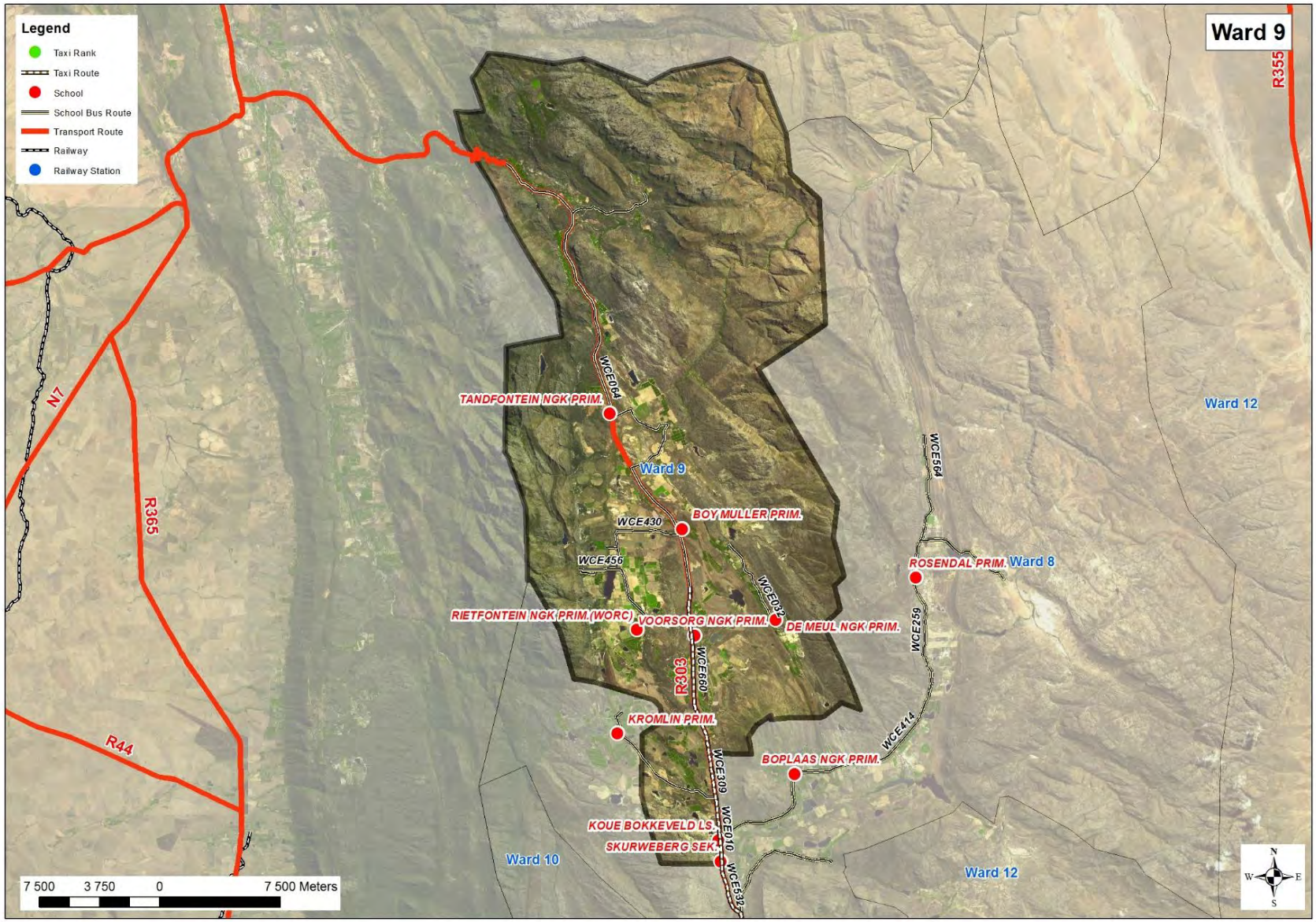
8.1 Electricity Supply

	Sources of energy for lighting (% of households)	Sources of energy for cooking (% of households)	Sources of energy for heating (% of households)
Electricity	96.35	92.07	45.92
Gas	0.11	3.54	0.57
Paraffin	0.00	1.03	0.06
Candles	2.91	0.00	0.00
Wood	0.00	2.85	49.74
Coal	0.00	0.17	0.00
Animal dung	0.00	0.23	0.00
Solar	0.57	0.00	0.17
Other	0.00	0.11	0.00
None	0.00	0.00	3.54

(Source: Stats SA, 2011)

9. Transport

9.1 Map of transportation routes



<table>
<tr><td>9.2 Areas of high accidents</td><td>Information not available</td></tr>
<tr><td>9.3 Types of transportation</td><td>There are a number of trucks, cars and buses that serve this area.</td></tr>
<tr><td>9.4 Hazardous materials or cargo:</td><td>1. Any hazardous materials transported through the areas: Hazardous substances are transported along the main and secondary roads.</td></tr>
<tr><td colspan="2">10. Housing</td></tr>
<tr><td rowspan="3">10.1 Types of Housing:</td><td>1. Formal (incl. Low income and RDP): There is a mixture of formal houses (including low income and RDP houses) in this area.</td></tr>
<tr><td>2. Informal: None</td></tr>
<tr><td>3. Back yard dwellers: unknown</td></tr>
<tr><td colspan="2">11. Water and Sanitation</td></tr>
<tr><td>11.1 Provision of water (formal residential areas)</td><td>Yes, the formal houses have water supplied.</td></tr>
<tr><td rowspan="2">11.2 Provision of water in informal settlements and areas without piped water</td><td>1. Number of taps available (incl. the number of people using the taps): Not applicable</td></tr>
<tr><td>1. Are the taps in working order? Not applicable</td></tr>
<tr><td>11.3 Sewerage and sanitation systems in formal areas</td><td>3.1 Formal sewerage: Yes</td></tr>
<tr><td rowspan="2">11.4 Sewerage and sanitation systems in informal settlements and areas without formal sanitation</td><td>1. Number, type, and frequency of cleaning of toilets: Not applicable</td></tr>
<tr><td>2. Are the toilets in working order? Not applicable</td></tr>
<tr><td>11.5 Rubbish Removal</td><td>
<table>
<tr><th>Methods of Waste Disposal for Ward 9</th><th>Number of households</th></tr>
<tr><td>Removed by the local municipality once a week</td><td>554</td></tr>
<tr><td>Removed by the local municipality less than once a week</td><td>331</td></tr>
<tr><td>Communal refuse dump</td><td>801</td></tr>
<tr><td>Own refuse dump</td><td>58</td></tr>
<tr><td>No rubbish disposal</td><td>4</td></tr>
<tr><td>Other</td><td>4</td></tr>
</table>
(Source: Stats SA, 2011)
</td></tr>
</table>

12. Municipal Infrastructure:	
12.1 Storm water drainage	Yes, there is storm water drainage in residential areas
12.2 Community Halls	Wydekloof Community Hall Op die Berg VGK Hall
13. Religious Institutions	
13.1 Churches, Mosques, Synagogues	Dutch Reformed Church
14. Correctional Service Centres	
14.1 List of Correctional Service Centres	None

Historical Data:

Year	Type of incident	Impact and number of people affected:
1969	Earthquake	Severe infrastructural damages over most parts of the municipality. 11 Fatalities in Ceres and Tulbagh
2003-5	Severe drought	Declared disaster and fodder scheme implemented for stock farmers

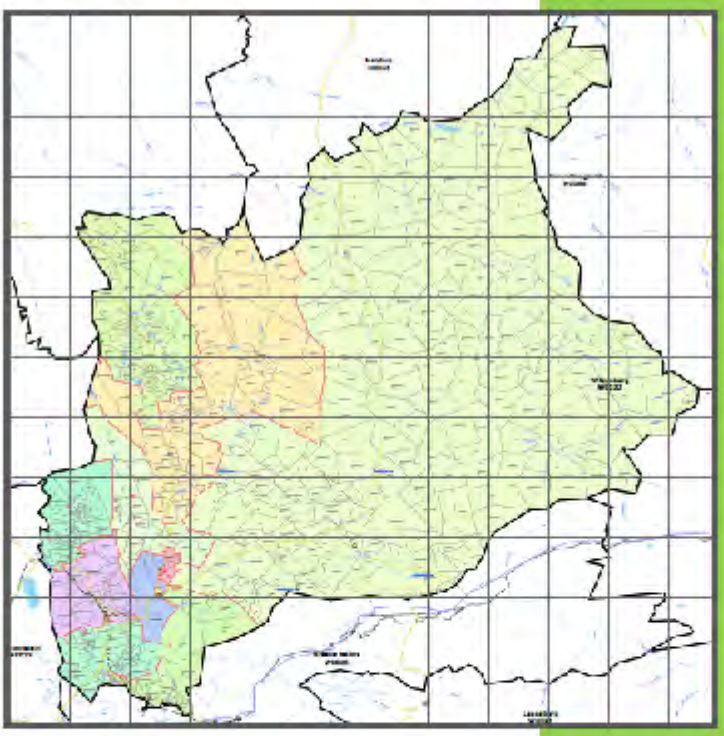
Description of identified Risks:

Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
HUMAN INDUCED HAZARDS	Crime: Great concern expressed on criminality due to lack of street lighting in Op die Berg (new extension)	This occurs frequently throughout the year	• Op die Berg town (new extension)	Loss of property and money, injury, rape, etc.		X		1.1.5
	Children from the ward go and swim in the nearby river and dams. This can lead to children drowning and health risks	During summer months		Loss of life, health		X		1.1.10
TECHNOLOGICAL HAZARDS	Structural fires both formal and informal. The risk of fires is increased by: • The proximity of houses to each other. There is not a safe distance between houses. • Emergency vehicles are unable to respond to areas as distance is a factor	There is a higher risk of fire during the winter months		People lose all their possessions. Fires were also seen as a large cause of air pollution.	X	X	X	1.2.1
	Transportation of hazardous loads along all major and secondary roads	Daily risk of hazardous loads travelling through the area	Along major and secondary roads	Accidents and spillages of hazardous substances. Depending on the substance this could cause: • health problems • environmental issues (pollution) • Fire			X	1.2.4
	Traffic accidents in main and major roads in the area.		Along major and secondary roads		X	X	X	
BIOLOGICAL HAZARDS	Veld fires: Veld fires due to illegal dumping/littering in open spaces as well as human behaviour. Town in close proximity to mountainous area.	This risk is higher during summer		Environmental degradation	X	X	X	1.3.1
GEOLOGICAL HAZARDS	Earthquake: The risk of earthquakes was highlighted as a risk for the whole of Witzenberg area. The risk of injuries, death and damages is increased due to poor building methods.		Whole municipal area	Loss of life, injury and damages to property and infrastructure			X	1.4.1

Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
ENVIRONMENTAL DEGRADATION	Air pollution resulting from fires. This includes: • Veld fires • Gravel roads lead to dust pollution	This occurs throughout the year		Health risk			X	1.5.1
	Water pollution by dumping rubbish in rivers	Throughout the year		Health risk		X		1.5.3

CAPE WINELANDS DISTRICT MUNICIPALITY
WITZENBERG MUNICIPALITY

WARD BASED RISK ASSESSMENT



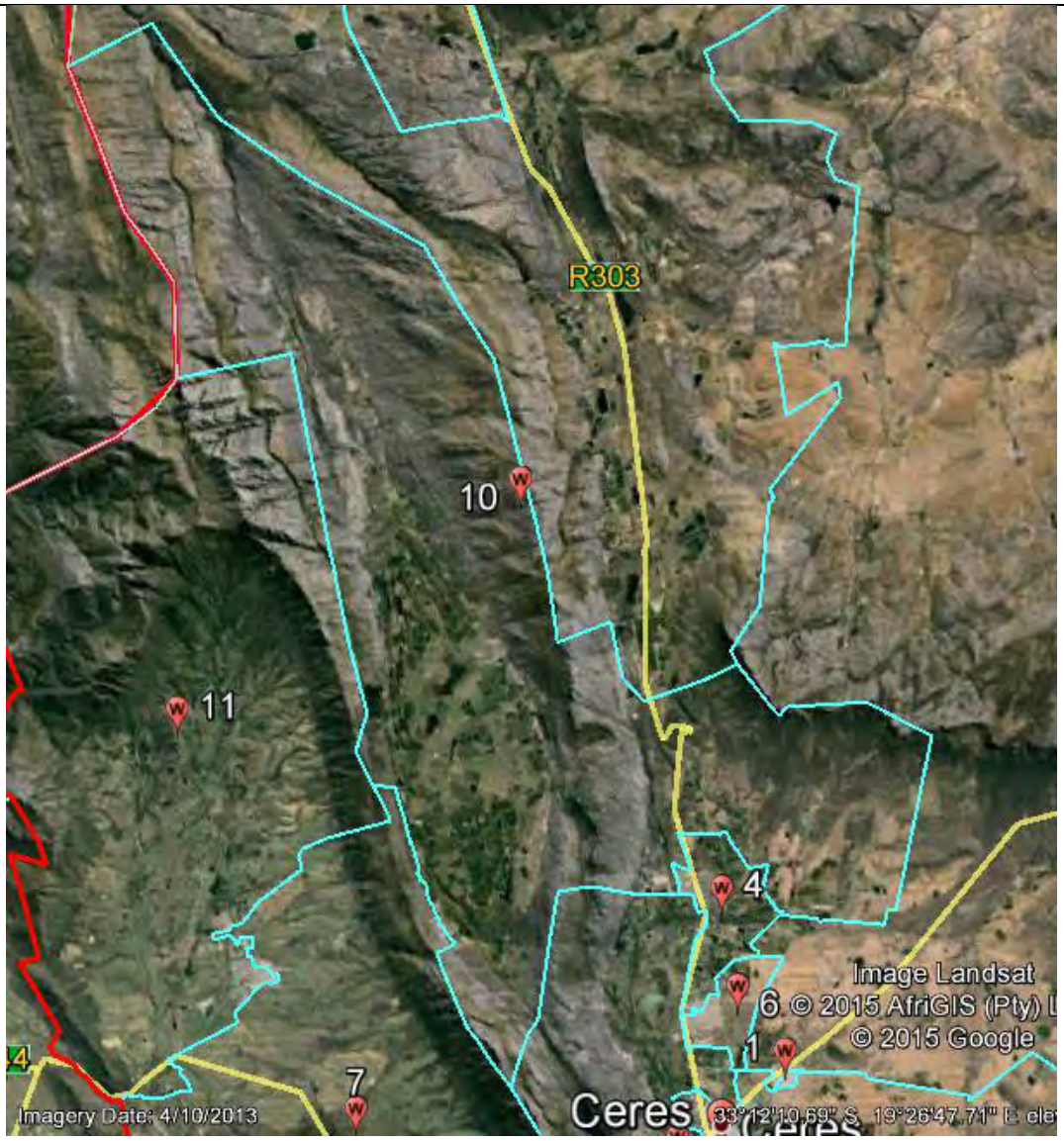
Risk Assessment Background:

Description of Area

<table>
<tr><td>Ward Number</td><td>10</td></tr>
<tr><td>Size of Ward</td><td>343.86 km²</td></tr>
<tr><td rowspan="3">Population of Ward:</td><td>Number of people: 10110</td></tr>
<tr><td>Race:

<table>
<tr><th>Race</th><th>Total</th></tr>
<tr><td>Black African</td><td>2644</td></tr>
<tr><td>Coloured</td><td>7176</td></tr>
<tr><td>Indian or Asian</td><td>3</td></tr>
<tr><td>White</td><td>241</td></tr>
<tr><td>Other</td><td>46</td></tr>
<tr><td>Total</td><td>10110</td></tr>
</table>
</td></tr>
<tr><td>Age groups (years completed):

<table>
<tr><th>0-10</th><th>11-20</th><th>21-30</th><th>31-40</th><th>41-50</th><th>51-60</th><th>61-70</th><th>71-80</th><th>81-90</th><th>91-100</th><th>>100</th></tr>
<tr><td>1946</td><td>1769</td><td>2229</td><td>1794</td><td>1237</td><td>703</td><td>309</td><td>79</td><td>37</td><td>3</td><td>4</td></tr>
</table>
</td></tr>
</table>

Map of Ward	R303 10 11 4 6 1 7 Image Landsat © 2015 AfriGIS (Pty) © 2015 Google Imagery Date: 4/10/2013 Ceres

1. Natural Environment	
Description of Ward:	Mountains: The ward is comprised of the Agter Witzenberg Valley with the Skurweberg Mountains in the east and the Witzenberg Mountains to the west.
	Rivers: A number of rivers flow through this ward. They include: • Modder River • Koekedou River • Molen River • Baviaans River • Droëlands River
	Dams or reservoirs: the ward has a number of large and small farm dams
2. Spatial Dimension	
Land Use Zones Residential (low income housing, informal settlements, formal housing), Commercial, CBD, Industrial, Agricultural	The Ward is made up of the following land use zones: 1) Mostly agricultural 2) Residential- this includes low income RDP housing as well as an informal settlement
3. Economic Dimension	
3.1 Employment :	Employment: Unknown
	Unemployment: Unknown
	Reliance on grants and subsidies: Unknown
3.2 Types of Economic Activities:	Commercial: A number of small businesses operating out of residential buildings are found in this area. These include spaza shops, shebeens, etc.
4. Health	
4.1 Medical and Health Services:	Clinics: There is one clinic servicing the PA Hamlet Community. PA Hamlet Clinic is located in the adjacent ward (4).
	Hospitals (Private and Public): The closest hospital is located in Ceres.
	Ambulance: Emergency Medical Service's ambulances service this area. They are dispatched from Ceres.
	Environmental Health: The Environmental Health Officer for this area is located at the CWDM Office in Munnik Street, Ceres.

5. Education	
5.1 Schools:	1. Crèches: Die Eike Crèche, Die Eike Farm Woelwaters Day Care, Paardekloof Estate
	2. Pre-primary Schools: Unknown
	3. Primary Schools: Agterwitzenberg VGK Primary, Die Eike Die Eike VGK Primary, Die Eike Farm Koelfontein NGK Primary, Koelfontein Paardekloof NGK Primary, Paardekloof Estate
	4. High Schools: The closest high school is in Bella Vista
6. Tourism	
6.1 Tourist Attractions:	Agri-tourism
7. Safety and Security	
7.1 Services:	1. South African Police Services: Located in PA Hamlet (Ward 4)
	2. Neighbourhood Watch: Unknown
	3. Fire Services: The Witzenberg and Cape Winelands Fire Departments respond from Ceres.
7.2 Crime	1. Description of crime rate and causes of crime: The top crimes for the area serviced by (and provided by) Prince Alfred Hamlet SAPS are as follows: • Copper theft • Assault • Drugs • Burglary (Houses) • Murder

8. Electricity

8.1 Electricity Supply

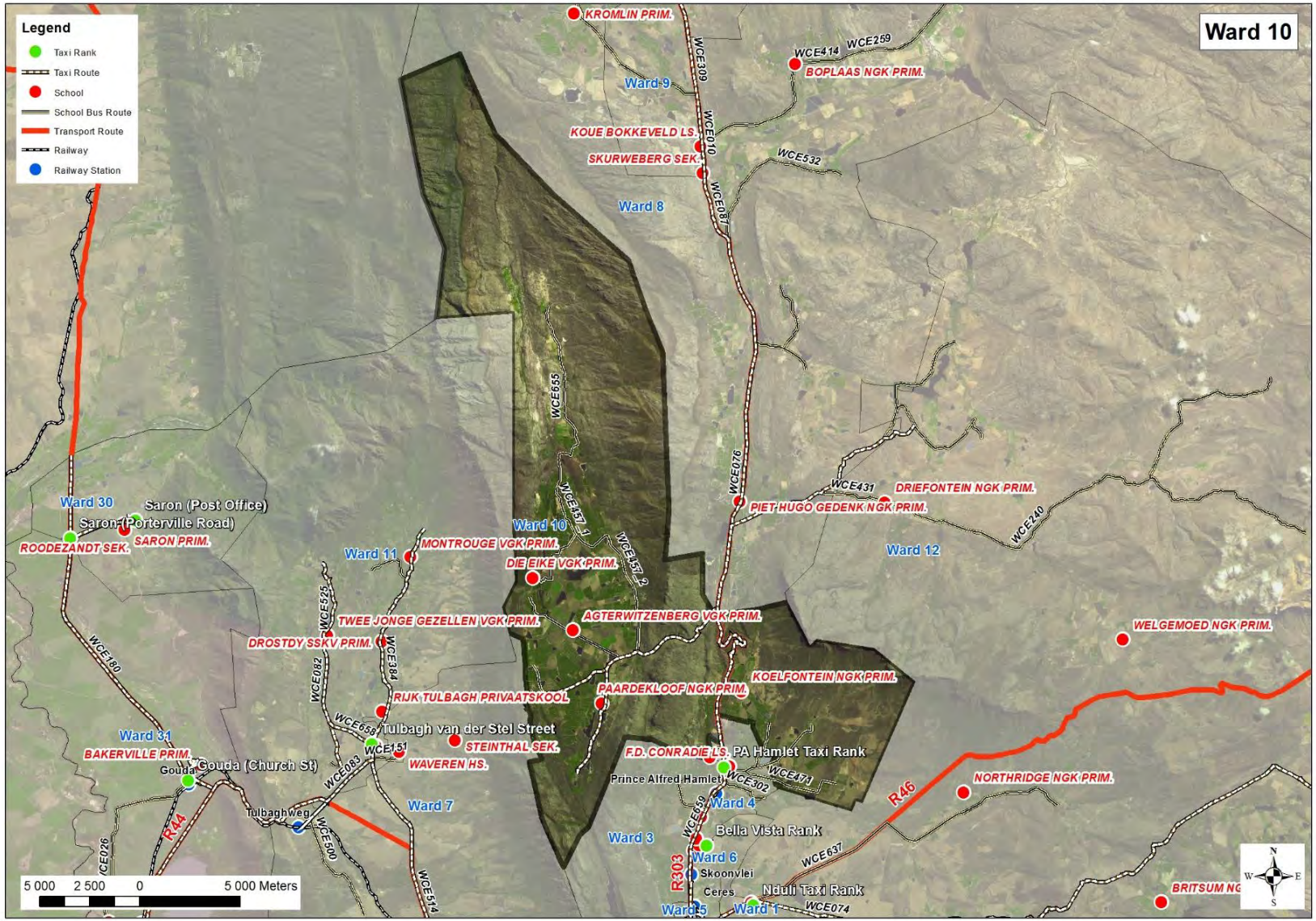
This area is supplied with electricity. The informal settlement is supplied with electricity although it is unknown whether there are houses that have illegal electricity connections.

	Sources of energy for lighting (% of households)	Sources of energy for cooking (% of households)	Sources of energy for heating (% of households)
Electricity	96.65	93.78	61.72
Gas	0.09	0.56	0.30
Paraffin	0.17	1.72	1.24
Candles	1.97	0.00	0.00
Wood	0.00	3.61	34.42
Coal	0.00	0.00	0.00
Animal dung	0.00	0.00	0.00
Solar	1.07	0.34	0.47
None	0.09	0.09	1.89

(Source: Stats SA, 2011)

9. Transport

9.1 Map of transportation routes



<table>
<tr><td>9.2 Areas of high accidents</td><td>The Gydo Pass is situated in the ward and a potential hazard
The annual King of the Mountains Drag Race is held in the pass.</td></tr>
<tr><td>9.3 Types of transportation</td><td>Residents within this area use either private cars or mini-bus taxis. A number of trucks also move through the area.</td></tr>
<tr><td>9.4 Hazardous materials or cargo:</td><td>1. Any hazardous materials transported through the areas: Hazardous materials transported through the area with Ammonia, LP gas, fertilisers, and pesticides to serve farms.</td></tr>
<tr><td colspan="2">10. Housing</td></tr>
<tr><td rowspan="3">10.1 Types of Housing:</td><td>1. Formal (incl. Low income and RDP): The houses in this area are RDP houses</td></tr>
<tr><td>2. Informal: Informal houses are located in the Phase 5 Informal Settlement.</td></tr>
<tr><td>3. Back yard dwellers: A large number of houses have back yard dwellers</td></tr>
<tr><td></td><td>4. Farm homesteads and workers’ houses</td></tr>
<tr><td colspan="2">11. Water and Sanitation</td></tr>
<tr><td>11.1 Provision of water (formal residential areas)</td><td>Yes, the formal houses have water supplied.</td></tr>
<tr><td rowspan="2">11.2 Provision of water in informal settlements and areas without piped water</td><td>1. Number of taps available (incl. the number of people using the taps): Unknown</td></tr>
<tr><td>1. Are the taps in working order? Unknown</td></tr>
<tr><td>11.3 Sewerage and sanitation systems in formal areas</td><td>3.1 Formal sewerage: Yes</td></tr>
<tr><td rowspan="2">11.4 Sewerage and sanitation systems in informal settlements and areas without formal sanitation</td><td>1. Number, type, and frequency of cleaning of toilets: Unknown</td></tr>
<tr><td>2. Are the toilets in working order? Unknown</td></tr>
<tr><td>11.5 Rubbish Removal</td><td>
<table>
<tr><th>Methods of Waste Disposal for Ward 10</th><th>Number of households</th></tr>
<tr><td>Removed by the local municipality once a week</td><td>1508</td></tr>
<tr><td>Removed by the local municipality less than once a week</td><td>203</td></tr>
<tr><td>Communal refuse dump</td><td>154</td></tr>
<tr><td>Own refuse dump</td><td>263</td></tr>
<tr><td>No rubbish disposal</td><td>16</td></tr>
<tr><td>Other</td><td>186</td></tr>
</table>
(Source: Stats SA, 2011)
</td></tr>
</table>

12. Municipal Infrastructure:	
12.1 Storm water drainage	Storm water drainage in residential areas excluding the informal settlement.
12.2 Community Halls	Die Eike Community Hall
13. Religious Institutions	
13.1 Churches, Mosques, synagogues	Unknown
14. Correctional Service Centres	
14.1 List of Correctional Service Centres	None

Historical Data:

Year	Type of incident	Impact and number of people affected:
1969	Earthquake	Severe infrastructural damages over most parts of the municipality 13 Fatalities in Ceres and Tulbagh
	Veld fires	

Description of identified Risks:

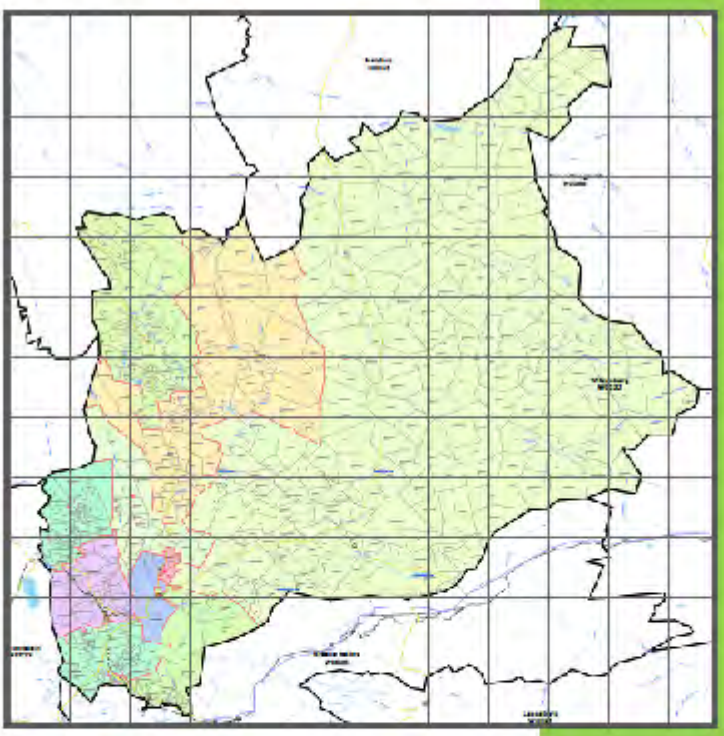
Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
HUMAN INDUCED HAZARDS	Drug abuse: Drug abuse was highlight as a problem amongst the youth.	Throughout the year	• Phase 5	This results in social and criminal problems		X		1.1.1
	Public Unrest: This includes service delivery protests, farm worker unrest.	Sporadically		This has an impact on service delivery.	X		X	1.1.3
	Crime: The crime taking place in this ward includes: • Selling of drugs • Burglaries and theft • Murder • Rape	This occurs frequently throughout the year	• Phase 5	Loss of property and money		X		1.1.5
	Dumping: There is an number of forms of dumping that is prevalent within this ward and it includes: • Dumping of rubble in storm water drainage system • Illegal dumping of refuse and household waste in open areas and along roads	This occurs frequently throughout the year	• Bazil Street • Walter Sisulu Street • Opposite Phase 4 and 5	This results in health issues especially in children who play in the rubbish. The blocking of storm water drains results in localised flooding during heavy rainfall	X	X		1.1.7
	Sewerage blockages due to incorrect materials being flushed down toilets or put into the sewers.	This occurs frequently throughout the year		This results in sewerage flowing into the streets and causes health issues. In particular, children are most at risk to diseases as they play in the dirty water.	X	X		1.1.8
	Lack of /broken basic amenities this included: • Lack of access to electricity	Phase 5		Residents resort to dangerous illegal electricity connections. This can result in fires.		X		1.1.11
	Alcohol abuse: The misuse of alcohol amongst youth and minors	This occurs frequently throughout the year		This results in antisocial behaviour and violence		X		1.1.12
TECHNOLOGICAL HAZARD	Structural fires both formal and informal. The risk of fires is increased by: • The proximity of houses to each other. There is not a safe distance between houses. • The presence of backyard dwellers and informally built extension to RDP houses •		• In Phase 5	People lose all their possessions. Fires were also seen as a large cause of air pollution.	X	X	X	1.2.1
	Fires resulting from use of candles, paraffin, gas and illegal electricity cables.		• Phase 5	Loss of life and property		X		1.2.3

Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
TECHNOLOGICAL HAZARD	Transportation of hazardous loads along all major and secondary roads	Daily risk of hazardous loads travelling through the area	Along R303 and secondary roads	Accidents and spillages of hazardous substances. Depending on the substance this could cause: • health problems • environmental issues (pollution) • Fire • Explosions	X		X	1.2.4
	Traffic accidents in main and major roads in and rounding the area.	Continuous	R303, residential roads	Death, injuries, damage	X		X	
	Multi Hazard Installations: Fuel storage, cold storage facilities storing large quantities of hazardous substances are situated in this area.	Continuous	Ward-wide on farms	An incident at one of these facilities could resulting in the following: • Loss of life and injuries • Damage to property • Fire and explosions • Pollution (air, water or land)			X	1.2.7
	Load shedding: Rotating power outages	Frequently	Across the community	There are significant consequence to load shedding: • Disruption and impacts on the economy • Severe disruption to traffic • Increase in crime • interruptions to critical infrastructure and processes such as sewerage treatment and water purification • Interruption to industrial and agricultural processes			X	1.2.8
BIOLOGICAL HAZARDS	Veld fires: Veld fires can be started naturally or by humans. Veld fires due to illegal dumping/littering in open spaces as well as people dropping of unextinguished cigarette butts.	This risk is higher during summer	• Along the urban fringe • Along the interface between natural veld and urban or agricultural areas • Along Rail and Road Reserves	• People lose all their possessions • Threat to biodiversity due to areas burning too often • Destroy crops and agricultural land. This can have social and economic impacts		X	X	1.3.1
	Human diseases: TB and HIV – an increase in the number of HIV and TB patients. Witzenberg was identified as having the highest HIV rate in the area.		Municipal-wide	Disease, deaths, impact on medical services	X		X	1.3.2

Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
GEOLOGICAL HAZARDS	Earthquake: The risk of earthquakes was highlighted as a risk for the whole of Witzenberg area. The risk of injuries, death and damages is increased due to poor building methods.		Whole municipal area	Loss of life, injury and damages to property and infrastructure			X	1.4.1
ENVIRONMENTAL DEGRADATION	Air pollution resulting from fires. This includes: • Illegal burning of waste and refuse • Veld fires	This occurs throughout the year.		Health risk		X	X	1.5.1
HYDRO-METEOROLOGICAL HAZARDS	Windstorms	Winter	Phase 5	Roofs of houses will be blown off		X		1.6.1

CAPE WINELANDS DISTRICT MUNICIPALITY
WITZENBERG MUNICIPALITY

WARD BASED RISK ASSESSMENT



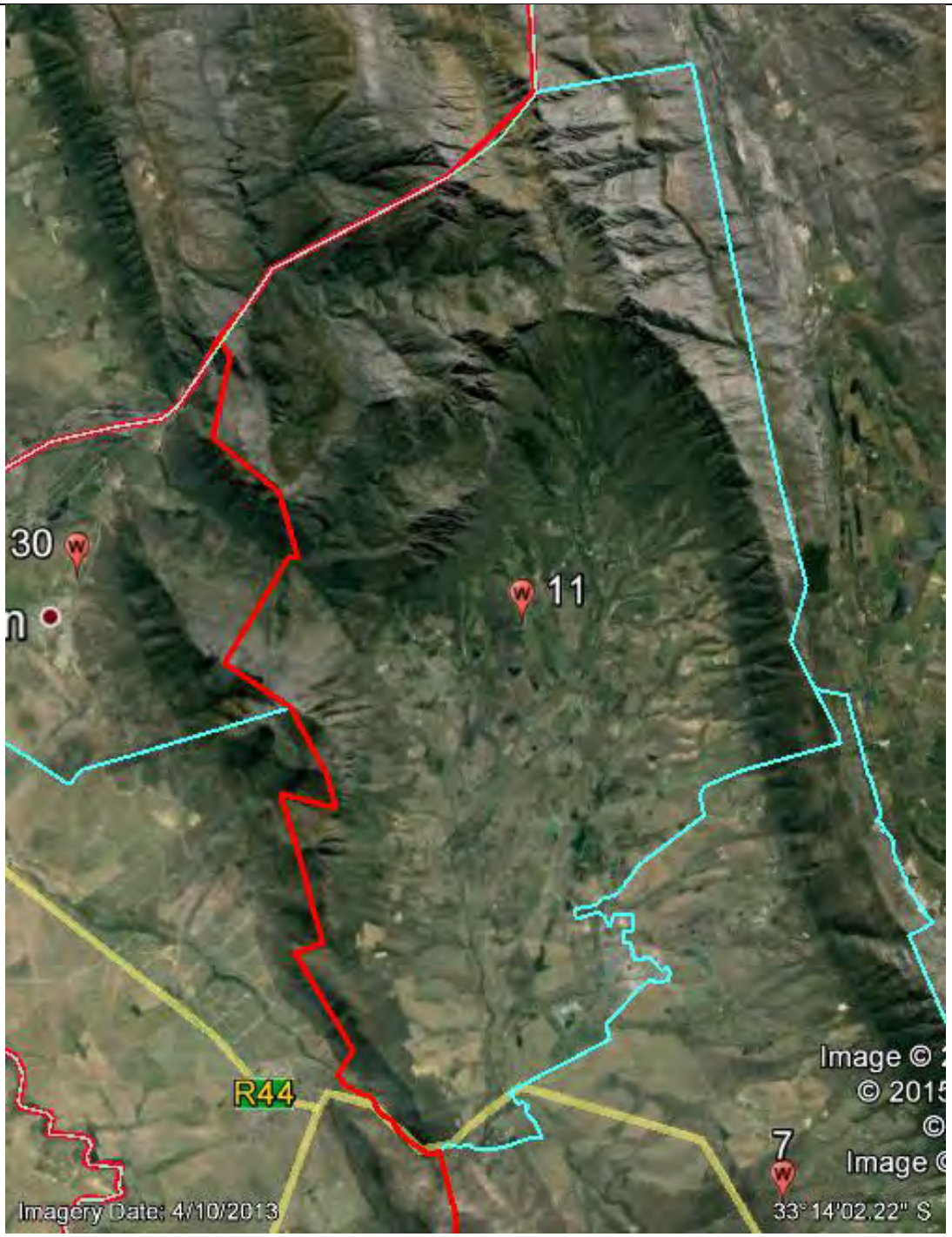
Risk Assessment Background:

Description of Area

<table>
<tr><td>Ward Number</td><td>11</td></tr>
<tr><td>Size of Ward</td><td>268.05 km²</td></tr>
<tr><td rowspan="3">Population of Ward:</td><td>Number of people: 12281</td></tr>
<tr><td>Race:

<table>
<tr><th>Race</th><th>Total</th></tr>
<tr><td>Black African</td><td>2788</td></tr>
<tr><td>Coloured</td><td>8428</td></tr>
<tr><td>Indian or Asian</td><td>23</td></tr>
<tr><td>White</td><td>979</td></tr>
<tr><td>Other</td><td>63</td></tr>
<tr><td>Total</td><td>12281</td></tr>
</table>
</td></tr>
<tr><td>Age groups (years completed):

<table>
<tr><th>0-10</th><th>11-20</th><th>21-30</th><th>31-40</th><th>41-50</th><th>51-60</th><th>61-70</th><th>71-80</th><th>81-90</th><th>91-100</th><th>>100</th></tr>
<tr><td>2431</td><td>1991</td><td>2438</td><td>1834</td><td>1718</td><td>1038</td><td>548</td><td>195</td><td>80</td><td>2</td><td>7</td></tr>
</table>
</td></tr>
</table>

Map of Ward	

1. Natural Environment	
Description of Ward:	Mountains: The Tulbagh Valley is surrounded by mountains. The Witzenberg Mountains are situated in the east of the ward. The Groot Winterhoek Mountains are in the North and the Obiqua Mountains in the west.
	Rivers: There are a number of perennial and non-perennial rivers in this ward. The perennial rivers include: • Klein Berg • Roodezand River • Klip River • Boontjies River
	Dams: There are a large number of farm dams of varying sizes in this area.
2. Spatial Dimension	
Land Use Zones Residential (low income housing, informal settlements, formal housing), Commercial, CBD, Industrial, Agricultural	The Ward is made up of the following land use zones: 1) Residential: this includes formal houses (high, middle and low income houses) as well as an informal settlement namely, Chris Hani. The low income housing and informal settlement has either extended their houses or back yard dwellers. 2) Agriculture 3) CBD: the Tulbagh CBD is situated in this ward 4) Industrial
3. Economic Dimension	
3.1 Employment :	Employment: Unknown
	Unemployment: Unknown
	Reliance on grants and subsidies: Unknown
3.2 Types of Economic Activities:	Commercial: 1) A number of small businesses operating out of residential buildings are found in this area. These include spaza shops, shebeens etc 2) Formal businesses situated in the CBD of Tulbagh. Industrial: there are a number of factories in this area Agriculture: there are a large number of wine farms in the Tulbagh Valley Tourism: the historical town of Tulbagh has a large tourism industry
4. Health	
4.1 Medical and health services:	Clinics: The Tulbagh clinic servicing the Tulbagh Community.
	Hospitals (Private and Public): The closest hospital is located in Ceres.
	Ambulance: Emergency Medical Service's ambulances service this area. An Ambulance station is situated in Steinthal Street, Tulbagh.
	Environmental Health: The Environmental Health Officer for this area is located at the Witzenberg Municipal Office in Plein Street, Tulbagh.

5. Education	
5.1 Schools:	1. Crèches: De Agen Crèche, Tulbagh Farming area Del Monte Crèche, Tulbagh Farming are Tulbagh Kinderversorgingsoord, Eike Avenue, Tulbagh Tulpieland Day Care, Buitekant Street, Tulbagh
	2. Pre-primary Schools: Unknown
	3. Primary Schools: Drostdy SSKV Primary, Kaaldraai Pass Montrouge VGK Primary, Montrouge Twee Jonge Gezellen VGK Primary
	4. High Schools: Rijk Tulbagh Private School, Rijks Ridge Farm Tulbagh High School, Mark Street Steinthal Secondary
6. Tourism	
6.1 Tourist Attractions:	Tourist attractions within the ward include local arts and crafts for tour groups, Oude Kerk Volksmuseum, Tulbagh Museum (Earthquake Museum), restaurants, Wine Estates and accommodation.
7. Safety and Security	
7.1 Services:	1. South African Police Services: Located in Piet Retief Street.
	2. Neighbourhood Watch: Unknown
	3. Fire Services: A satellite fire station is located at the Kliprivier Caravan Park in Tulbagh.
7.2 Crime	1. Description of crime rate and causes of crime: The top crimes for the area serviced by (and provided by) Tulbagh SAPS are as follows: • Burglary (Houses) • Assault • Theft from motor vehicles • Theft • Malicious damage to property

8. Electricity

8.1 Electricity Supply

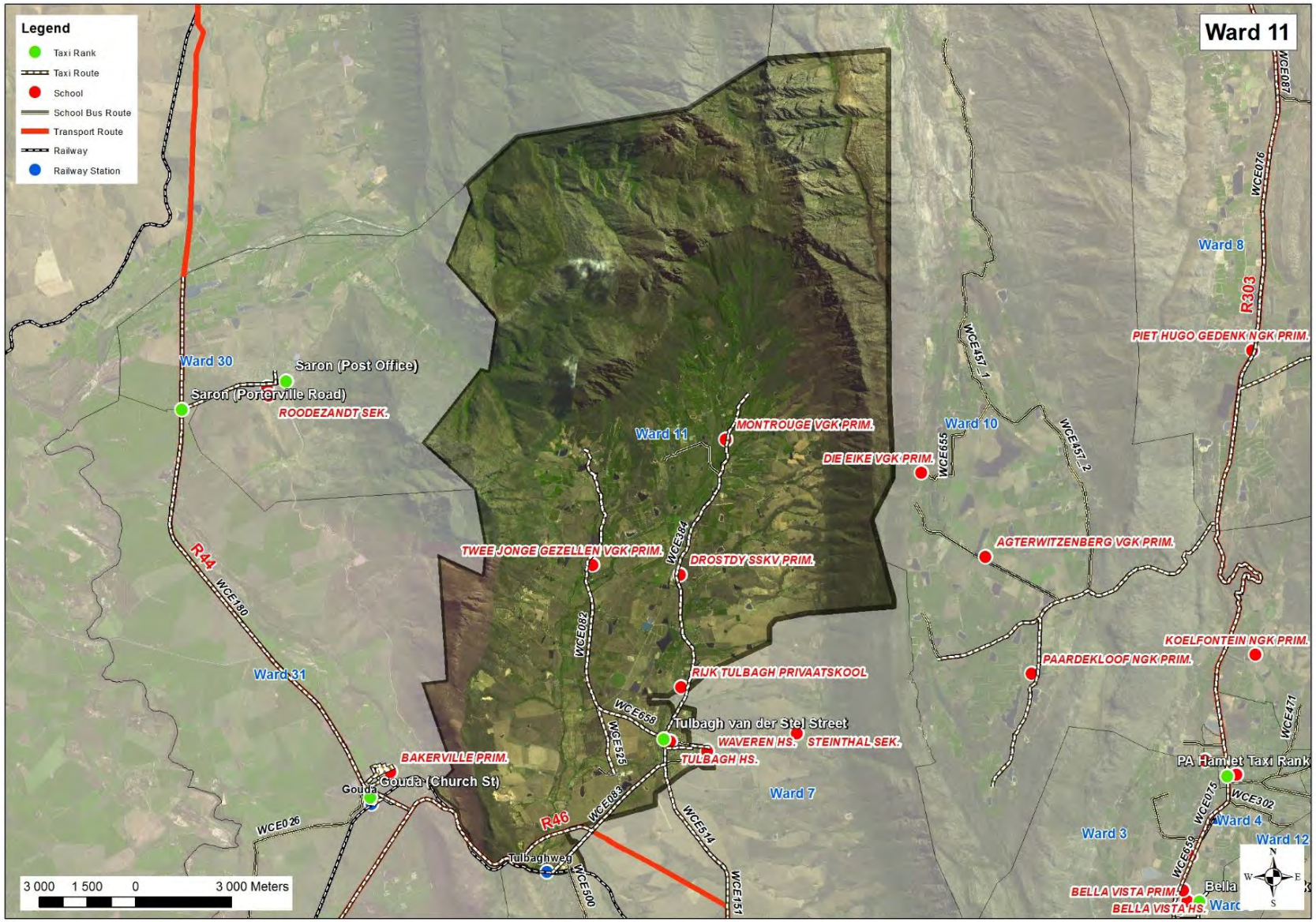
Yes, there is electricity supplied except for Informal settlements and backyard dwellings which utilise illegal electricity connections to get electricity into structures.

	Sources of energy for lighting (% of households)	Sources of energy for cooking (% of households)	Sources of energy for heating (% of households)
Electricity	86.14	82.16	63.64
Gas	0.33	4.66	0.85
Paraffin	7.03	9.10	7.76
Candles	5.36	N/A	N/A
Wood	N/A	3.59	13.40
Coal	N/A	0.06	0.03
Animal dung	N/A	0.03	0.03
Solar	0.21	0.12	0.12
None	0.91	0.27	14.16

(Source: Stats SA, 2011)

9. Transport

9.1 Map of transportation routes



<table>
<tr><td>9.2 Areas of high accidents</td><td>Information not available</td></tr>
<tr><td>9.3 Types of transportation</td><td>The R46 is utilised by a large number of trucks, cars, taxis and buses. The railway line follows the boundary of the ward in the south. This railway carries both passenger and cargo trains. Residents within this area use either private cars or mini-bus taxis. The taxi rank is in Van der Stel Street.</td></tr>
<tr><td>9.4 Hazardous materials or cargo:</td><td>1. Any hazardous materials transported through the areas: Large quantities of hazardous substances move through this ward via road and rail. These substances include ammonia, fuel, LP gas, etc.</td></tr>
<tr><td colspan="2">10. Housing</td></tr>
<tr><td rowspan="3">10.1 Types of Housing:</td><td>1. Formal (incl. Low income and RDP): The houses in this area are formal and low income houses</td></tr>
<tr><td>2. Informal: Informal houses are located in the Chris Hani informal settlement</td></tr>
<tr><td>3. Back yard dwellers: A number of houses have back yard dwellers.</td></tr>
<tr><td colspan="2">11. Water and Sanitation</td></tr>
<tr><td>11.1 Provision of water (formal residential areas)</td><td>Yes, the formal houses have water supplied.</td></tr>
<tr><td rowspan="2">11.2 Provision of water in informal settlements and areas without piped water</td><td>1. Number of taps available (incl. the number of people using the taps): Unknown</td></tr>
<tr><td>1. Are the taps in working order? Unknown</td></tr>
<tr><td>11.3 Sewerage and sanitation systems in formal areas</td><td>3.1 Formal sewerage: Yes</td></tr>
<tr><td rowspan="2">11.4 Sewerage and sanitation systems in informal settlements and areas without formal sanitation</td><td>1. Number, type, and frequency of cleaning of toilets: Unknown</td></tr>
<tr><td>2. Are the toilets in working order? Unknown</td></tr>
<tr><td>11.5 Rubbish Removal</td><td>
<table>
<tr><th>Methods of Waste Disposal for Ward 11</th><th>Number of households</th></tr>
<tr><td>Removed by the local municipality once a week</td><td>2498</td></tr>
<tr><td>Removed by the local municipality less than once a week</td><td>313</td></tr>
<tr><td>Communal refuse dump</td><td>93</td></tr>
<tr><td>Own refuse dump</td><td>292</td></tr>
<tr><td>No rubbish disposal</td><td>14</td></tr>
<tr><td>Other</td><td>74</td></tr>
</table>
(Source: Stats SA, 2011)
</td></tr>
</table>

12. Municipal Infrastructure:	
12.1 Storm water drainage	All residential areas have storm water drainage except informal settlement.
12.2 Community Halls	Tulbagh Town Hall
13. Religious Institutions	
13.1 Churches, Mosques, synagogues	Anglican Church, Marais Street A.M.E. Church, Michael Street A.G.S. Church Gabema Street New Apostolic Church N.G Church, Waveren Street Old Apostolic Church Karee Street V.G. Church, Rijk Tulbagh Street
14. Correctional Service Centres	
14.1 List of Correctional Service Centres	The Obiqua Prison is located in this ward.

Historical Data:

Year	Type of incident	Impact and number of people affected:
1969	Earthquake	Severe infrastructural damage over most parts of the municipality 11 Fatalities in Ceres and Tulbagh
1994	Train collision	Nuwekloof Pass, passenger and goods trains collided. Number of minor injuries
2014/2015 Fire Season	Veld fire	Large area of mountain vegetation were destroyed in a veld fire

Description of identified Risks:

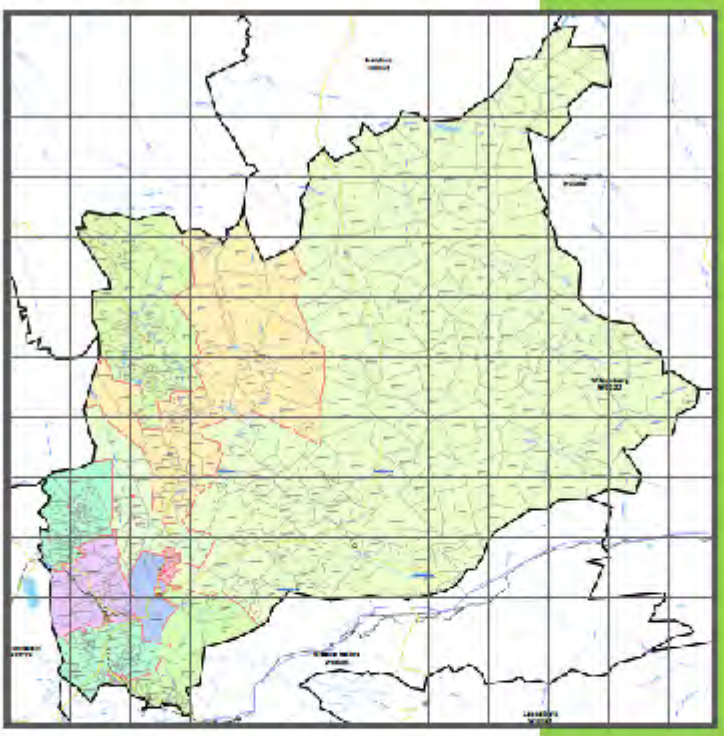
Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
HUMAN INDUCED HAZARDS	Drug abuse Drug abuse was highlight as a problem.	Throughout the year		This results in social and criminal problems		X	X	1.1.1
	Public Unrest This includes service delivery protests, farm worker unrest. This is due to: • Poverty • The need for housing	Sporadically		This has an impact on service delivery			X	1.1.3
	Xenophobia This is due to an influx of foreigners in to the area as well as the illegal occupation of houses and plots.	Sporadically					X	1.1.4
	Crime Theft which is assumed that this due to drug addiction and unemployment.	This occurs frequently throughout the year	Ward wide	Loss of property and money		X		1.1.5
	Dumping: There is an number of forms of dumping that is prevalent within this ward and it includes: • Dumping of rubble in storm water drainage system • Illegal dumping of refuse in open areas and along roads	This occurs frequently throughout the year	• In the vicinity of Asla Camp	This results in health issues especially in children who play in the rubbish. The blocking of storm water drains results in localised flooding during heavy rainfall		X	X	1.1.7
	Sewerage blockages due to incorrect materials and items such as newspaper being flushed down toilets or put into the sewers. Sewerage running into the streets due to blocked drains.	This occurs frequently throughout the year	• Near the public toilets • Rossouw Street	This results in sewerage flowing into the streets and causes health issues. In particular, children are most at risk to diseases as they play in the dirty water.		X		1.1.8
	Illegal slaughter of animals within residential areas. This also includes slaughtering of animals for profit.		• Chris Hani Informal	This can result in health problems			X	1.1.9
	Lack of /broken basic amenities this included: • Lack of access to electricity • Too few or broken toilets available • A lock of working street lights		• Chris Hani area • Jooste Street • Rossouw Street	Residents resort to dangerous illegal electricity connections. This can result in fires. People can be electrocuted. Broken and lack of toilets results in health problems The lack of street lights makes residents fear to go out to the toilets at night.		X	X	1.1.11
	Alcohol abuse	This occurs frequently throughout the year		This results in antisocial behaviour and violence			X	1.1.12

Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
TECHNOLOGICAL HAZARDS	Structural fires both formal and informal. The risk of fires is increased by: • The proximity of houses to each other. There is not a safe distance between houses. • Emergency vehicles are unable to respond to areas as there are no access routes. • The presence of backyard dwellers and informally built extension to RDP houses •	There is a higher risk of fire during the winter months	Chris Hani Informal	People lose all their possessions. Fires were also seen as a large cause of air pollution.	X	X	X	1.2.1
	Fires resulting from use of candles, paraffin, gas and illegal electricity cables.	This risk is more severe during winter as people are more reliant on electricity	• Chris Hani • Alsa Camp • Obiqua Circle	Loss of life and property Health and fire risks for people making food on open fires		X	X	1.2.3
	Transportation of hazardous loads along all major and secondary roads and via rail.	Daily risk of hazardous loads travelling through the area	Along major and secondary roads and railway	Accidents and spillages of hazardous substances. Depending on the substance this could cause: • health problems • environmental issues (pollution) • Fire • Explosions			X	1.2.4
	Traffic accidents in main and major roads in and rounding the area.	Frequently	Along major and secondary roads and residential roads.	Children playing in the streets can be knocked over. Injuries and fatalities of motor vehicle occupants. Disruption to traffic due to road closures		X	X	1.2.5
	Load shedding: Rotating power outages	Frequently	Across the community	There are significant consequence to load shedding: • Disruption and impacts on the economy • Severe disruption to traffic • Increase in crime • interruptions to critical infrastructure and processes such as sewerage treatment and water purification • Interruption to industrial and agricultural processes			X	1.2.8
	Train accidents: The existing north south main railway line runs through the rural parts of the ward. Pedestrians crossing the railway lines, level crossings.	Current	Main railway line	An incident at one of these facilities could resulting in the following: • Loss of life and injuries • Damage to property • Fire and explosions • Pollution (air, water or land)			X	1.2.9

Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
BIOLOGICAL HAZARDS	Veld fires: Veld fires can be started naturally or by humans. Veld fires due to illegal dumping/littering in open spaces as well as people dropping of unextinguished cigarette butts.	This risk is higher during summer	• Along the urban fringe • Along the interface between natural veld and urban or agricultural areas • Along rail and road reserves	• People lose all their possessions • Threat to biodiversity due to areas burning too often • Destroy crops and agricultural land. This can have social and economic impacts		X	X	1.3.1
	Human diseases: TB and HIV – an increase in the number of HIV and TB patients. Witzenberg was identified as having the highest HIV rate in the area.		Municipal-wide	Disease, loss of life, impact on medical services	X		X	1.3.2
GEOLOGICAL HAZARDS	Earthquake: The risk of earthquakes was highlight as a risk for the whole of Witzenberg area. The risk of injuries, death and damages is increased due to poor building methods.		Whole municipal area	Loss of life, injury and damage to property and infrastructure			X	1.4.1
ENVIRONMENTAL DEGRADATION	Air pollution resulting from fires. This includes: • Fires for household activities • Illegal burning of waste and refuse • Veld fires	This occurs throughout the year but is more prevalent in winter when fires are used for heating purposes.		Health risk			X	1.5.1
	Ground pollution from sewerage due to : • non-existent sewerage systems within informal settlements • blockages within the sewerage network • interruption of sewerage treatment process by load shedding			Uncontrollable leakages and spillages. This not only results in pollution of the environment but also can be a health hazard		X	X	1.5.2
	Water pollution: Dumping of household waste into the river has resulted in the river becoming very polluted.		Chris Hani Informal	The pollution of the river can be a health hazard as well as have implication for farms downstream that may use the water for irrigation.		X	X	1.5.3
HYDRO-METEOROLOGICAL HAZARDS	Riverine Flooding	During heavy rainfall	Along the river through Chris Hani area	Houses become inundated with water.		X		1.6.1

CAPE WINELANDS DISTRICT MUNICIPALITY
WITZENBERG MUNICIPALITY

WARD BASED RISK ASSESSMENT



Risk Assessment Background:

Description of Area

<table>
<tr><td>Ward Number</td><td>12</td></tr>
<tr><td>Size of Ward</td><td>6990.89 km²</td></tr>
<tr><td rowspan="3">Population of Ward:</td><td>Number of people: 8870</td></tr>
<tr><td>Race:

<table>
<tr><th>Race</th><th>Total</th></tr>
<tr><td>Black African</td><td>3755</td></tr>
<tr><td>Coloured</td><td>4323</td></tr>
<tr><td>Indian or Asian</td><td>35</td></tr>
<tr><td>White</td><td>696</td></tr>
<tr><td>Other</td><td>61</td></tr>
<tr><td>Total</td><td>8870</td></tr>
</table>
</td></tr>
<tr><td>Age groups (years completed):

<table>
<tr><th>0-10</th><th>11-20</th><th>21-30</th><th>31-40</th><th>41-50</th><th>51-60</th><th>61-70</th><th>71-80</th><th>81-90</th><th>91-100</th><th>>100</th></tr>
<tr><td>1527</td><td>1207</td><td>1882</td><td>1328</td><td>672</td><td>295</td><td>114</td><td>34</td><td>8</td><td>3</td><td>3</td></tr>
</table>
</td></tr>
</table>

Map of Ward	

1. Natural Environment	
Description of Ward:	Mountains: There are a number of mountains in this ward. This includes: • Hexrivierberg Mountain • Bontberg Mountain • Baviaansberg Mountain • Waboomberg Mountain • Matroosberg Mountain • Bloukrans Mountain
	Rivers: There are a number of perennial and non-perennial rivers in this ward. The perennial rivers include: • Skaaprivier • Smalblaarrivier • Bokrivier • Doringrivier • Grootrivier • Tankwarivier • Ongeluksrivier
	Dams: There are a number of large storage dams situated in this area along with farm dams of various sizes. The large storage dams include: • Verkeerdevlei Dam: This dam has a storage capacity of 5.5 million m³. This dam is used for irrigation purposes. • Oudebaaskraal: This dam has a storage capacity of 34 million m³. This dam is located on the Tankwa River. This dam is used for irrigation purposes. • Lakenvlei: This dam has a storage capacity of 10.3 million m³. This dam is located on the Sandspruit River. This dam is used for irrigation purposes.
2. Spatial Dimension	
Land Use Zones Residential (low income housing, informal settlements, formal housing), Commercial, CBD, Industrial, Agricultural	The Ward is made up of the following land use zones: 1) Residential- this includes formal, low income housing as well as informal settlements. The majority of the low income housing has either extended their houses or back yard dwellers. 2) Agriculture – farms situated in ward.
3. Economic Dimension	
3.1 Employment :	Employment: Unknown
	Unemployment: Unknown
	Reliance on grants and subsidies: Unknown
3.2 Types of Economic Activities:	Commercial: A number of small businesses operating out of residential buildings are found in this area. These include spaza shops, shebeens etc. Agriculture: a large part of the ward is made up of agricultural land Tourism

4. Health	
4.1 Medical and health services:	Clinics: There is one clinic servicing the Nduli Community. Nduli Clinic is located in Chris Hani Drive.
	Hospitals (Private and Public): The closest hospital is located in Ceres.
	Ambulance: Emergency Medical Service's ambulances service this area. They are dispatched from Ceres.
	Environmental Health: The Environmental Health Officer for this area is located at the CWDM Office in Munnik Street, Ceres.
5. Education	
5.1 Schools:	1. Crèches: Bambi Day Care Centre, Lakenvlei Farm Goldilocks Day Care, Langabuya Road, Nduli Leer en Probeer Crèche, Laastedrif Farm Leeuwfontein Bewaarskool, Leeuwfontein Farm North Ridge Crèche, North Ridge Farm
	2. Pre-primary Schools: Unknown
	3. Primary Schools: Britsum NGK Primary, De Eiken, Prince Alfred Hamlet Driefontein NGK Primary School, Driefontein, Prince Alfred Hamlet Laastedrif NGK Primary, Laastedrif, Ceres Matjiesrivier NGK Primary, Matjiesrivier, Ceres Nduli Primary School, Chris Hani Drive, Nduli Northridge NGK Primary, Northridge Farms, Ceres Wanganella NGK Primary, Wanganella Farm, Ceres Welgemoed NGK Primary, Warmbokkeveld Welvaart NGK Primary, Welvaart, Warmbokkeveld
	4. High Schools: Iingcinga Zethu Secondary, Bokoloshe Aveue, Nduli
6. Tourism	
6.1 Tourist Attractions:	Tourist attractions within the Ward include local arts and crafts for tour groups. Snow, Klondyke Cherry Farm, Aquila Game Reserve, Inverdoorn Game Reserve, Tankwa Farm Stall, Kagga Kamma Nature Reserve, Matroosberg Nature Reserve.

7. Safety and Security

7.1 Services:	1. South African Police Services: Located in Ceres
	2. Neighbourhood Watch: Unknown
	3. Fire Services: A satellite fire station is located in Chris Hani Drive, Nduli and the CWDM Fire Services situated in Munnik Street, Ceres.
7.2 Crime	1. Description of crime rate and causes of crime: The top crimes for the area serviced by (and provided by) Ceres SAPS are as follows: • Burglary (Houses) • Assault • Malicious damage to property • Drugs

8. Electricity

8.1 Electricity Supply

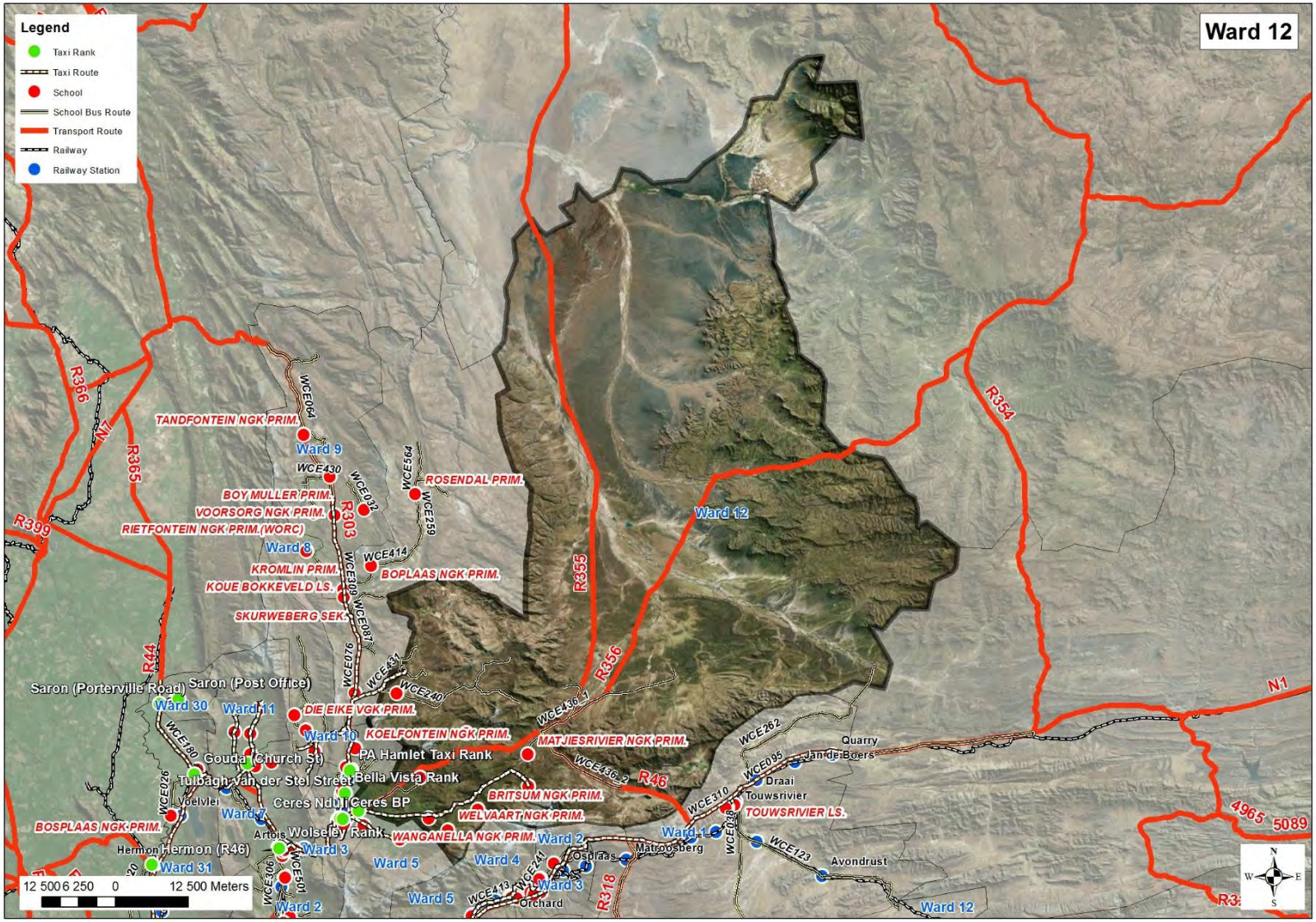
Yes, The low income housing has electricity. Informal settlement and backyard dwellers utilises illegal electricity connections to get electricity into structures.

	Sources of energy for lighting (% of households)	Sources of energy for cooking (% of households)	Sources of energy for heating (% of households)
Electricity	91.72	87.27	69.96
Gas	0.46	3.45	1.43
Paraffin	1.30	2.69	8.49
Candles	4.62	N/A	N/A
Wood	N/A	5.71	13.53
Coal	N/A	0.00	0.00
Animal dung	N/A	0.00	0.00
Solar	1.81	0.84	0.80
None	0.08	0.04	5.76

(Source: Stats SA, 2011)

9. Transport

9.1 Map of transportation routes



<table>
<tr><td>9.2 Areas of high accidents</td><td>Information not available</td></tr>
<tr><td>9.3 Types of transportation</td><td>The R46 is utilised by a large number of trucks, cars, taxis and buses. The railway line goes through a portion of the ward in the south. This railway carries both passenger and cargo trains. Residents within this area use either private cars or mini-bus taxis. The Nduli taxi rank falls in this ward.</td></tr>
<tr><td>9.4 Hazardous materials or cargo:</td><td>1. Any hazardous materials transported through the areas: Large quantities of hazardous substances move through this ward via road and rail. These substances include ammonia, fuel, LP gas, etc.</td></tr>
<tr><td colspan="2">10. Housing</td></tr>
<tr><td rowspan="3">10.1 Types of Housing:</td><td>1. Formal (incl. Low income and RDP): The houses in this area are RDP houses and farm houses.</td></tr>
<tr><td>2. Informal: Informal houses are located in the Mooiblom Informal Settlement.</td></tr>
<tr><td>3. Back yard dwellers: A large number of RDP houses have back yard dwellers</td></tr>
<tr><td colspan="2">11. Water and Sanitation</td></tr>
<tr><td>11.1 Provision of water (formal residential areas)</td><td>Yes, the formal houses have water supplied.</td></tr>
<tr><td rowspan="2">11.2 Provision of water in informal settlements and areas without piped water</td><td>1. Number of taps available (incl. the number of people using the taps): Unknown</td></tr>
<tr><td>1. Are the taps in working order? Unknown</td></tr>
<tr><td>11.3 Sewerage and sanitation systems in formal areas</td><td>3.1 Formal sewerage: Yes</td></tr>
<tr><td rowspan="2">11.4 Sewerage and sanitation systems in informal settlements and areas without formal sanitation</td><td>1. Number, type, and frequency of cleaning of toilets: Unknown</td></tr>
<tr><td>2. Are the toilets in working order? Unknown</td></tr>
<tr><td>11.5 Rubbish Removal</td><td>
<table>
<tr><th>Methods of Waste Disposal for Ward 12</th><th>Number of households</th></tr>
<tr><td>Removed by the local municipality once a week</td><td>995</td></tr>
<tr><td>Removed by the local municipality less than once a week</td><td>64</td></tr>
<tr><td>Communal refuse dump</td><td>128</td></tr>
<tr><td>Own refuse dump</td><td>1140</td></tr>
<tr><td>No rubbish disposal</td><td>20</td></tr>
<tr><td>Other</td><td>33</td></tr>
</table>
(Source: Stats SA, 2011)
</td></tr>
</table>

12. Municipal Infrastructure:	
12.1 Storm water drainage	Yes, formal residential areas have storm water drainage.
12.2 Community Halls	Nduli Community Hall Bo-Swaarmoed Community Hall
13. Religious Institutions	
13.1 Churches, Mosques, synagogues	Unknown
14. Correctional Service Centres	
14.1 List of Correctional Service Centres	The Warm Bokkeveld Prison is located in this ward

Historical Data:

Year	Type of incident	Impact and number of people affected:
1969	Earthquake	Severe infrastructural damages over most parts of the municipality 11 Fatalities in Ceres and Tulbagh
2003-5	Severe drought	Disaster declared and fodder scheme implemented for stock farmers
2007	Xenophobia	There was small scale incidents of xenophobia
2008	Xenophobia	22 foreign nationals moved out of Nduli on 23 May 2008 due to fears for their safety following xenophobic violence (this information is not ward specific but rather for the area of Nduli).
November-December 2012 and January 2013	Farmworker Unrest	Protests by farm labourers occurred in the area.

Description of identified Risks:

Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
HUMAN INDUCED HAZARDS	Drug abuse Drug abuse was highlight as a problem amongst the youth. It is thought to the result of unemployment and poverty	Throughout the year	Nduli area of ward 12	This results in social and criminal problems	X	X	X	1.1.1
	Gangsterism The formation of gangs and gang activity is a result of social poverty.	This occurs frequently throughout the year	Urban area of Nduli	This was identified as leading to criminal activities such as theft, the use of drugs	X		X	1.1.2
	Public Unrest This includes service delivery protests, farm worker unrest. This is due to: • Poverty • The need for housing	Sporadically		This has an impact on service delivery			X	1.1.3
	Xenophobia This is due to an influx of foreigners in to the area as well as the illegal occupation of houses and plots.	Sporadically					X	1.1.4
	Crime Theft which is assumed that this due to drug addiction and unemployment. Stock and telephone cable theft in remote Ceres Karoo areas	This occurs frequently throughout the year	The Nduli Section of ward 12 Remote rural area	Loss of property and money Agricultural losses and telecommunication interruptions		X	X	1.1.5
	Illegal electricity cables were highlighted as risk in terms of health	Continuously	Informal settlements and back yard dwellers	Fire fighters are injured when responding to fire calls. A consequence of illegal electrical connections is that people can get electrocuted.	X		X	1.1.6
	Dumping: There is an number of forms of dumping that is prevalent within this ward and it includes: • Dumping of rubble in storm water drainage system • Illegal dumping of refuse in open areas and along roads • Dumping of household rubbish next to the rubbish skips	This occurs frequently throughout the year	• Mooiblom Street • Near the library	This results in health issues especially in children who play in the rubbish. The blocking of storm water drains results in localised flooding during heavy rainfall	X	X	X	1.1.7
	Sewerage blockages due to incorrect materials and items such as newspaper being flushed down toilets or put into the sewers. Sewerage running into the streets due to blocked drains.	This occurs frequently throughout the year		This results in sewerage flowing into the streets and causes health issues. In particular, children are most at risk to diseases as they play in the dirty water.	X	X		1.1.8
	Illegal slaughter of animals within residential areas. This also includes slaughtering of animals for profit.		Nduli	This can result in health problems			X	1.1.9

Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
HUMAN INDUCED HAZARDS	Lack of /broken basic amenities this included: • Lack of access to electricity			Residents resort to dangerous illegal electricity connections. This can result in fires. People can be electrocuted.		X	X	1.1.11
	Alcohol abuse	This occurs frequently throughout the year		This results in antisocial behaviour and violence			X	1.1.12
	Biological Waste: Dumping of aborted foetuses in rubbish skips	Frequently	• At the Main Road • At the skip in Mooiblom	This can have health risks.	X	X		1.1.15
TECHNOLOGICAL HAZARD	Structural fires both formal and informal. The risk of fires is increased by: • The proximity of houses to each other. There is not a safe distance between houses. • Emergency vehicles are unable to respond to areas as there are no access routes. • The presence of backyard dwellers and informally built extension to RDP houses •	There is a higher risk of fire during the winter months	Nduli area of ward 12	People lose all their possessions. Fires were also seen as a large cause of air pollution.	X	X	X	1.2.1
	Fires resulting from use of candles, paraffin, gas and illegal electricity cables.	This risk is more severe during winter as people are more reliant on electricity	• Mooiblom Street	Loss of life and property	X	X	X	1.2.3
	Transportation of hazardous loads along all major and secondary roads	Daily risk of hazardous loads travelling through the area	Along major and secondary roads	Accidents and spillages of hazardous substances. Depending on the substance this could cause: • health problems • environmental issues (pollution) • Fire			X	1.2.4
	Traffic accidents in main and major roads in and around the area.	Frequently	Along major and secondary roads and residential roads.	Children playing in the streets can be knocked over. Injuries and fatalities of motor vehicle occupants. Disruption to traffic due to road closures		X	X	1.2.5
	Load shedding: Rotating power outages	Frequently	Across the community	There are significant consequence to load shedding: • Disruption and impacts on the economy • Severe disruption to traffic • Increase in crime • interruptions to critical infrastructure and processes such as sewerage treatment and water purification • Interruption to industrial and agricultural processes			X	1.2.8

Category of Identified Risk	Name and Description	When is the risk experienced and how often	Identified areas for the risk	Consequences	Identified by			Ref.
					Ward Committee	Community	Officials	
BIOLOGICAL HAZARDS	Veld fires: Veld fires can be started naturally or by humans. Veld fires due to illegal dumping/littering in open spaces as well as people dropping of unextinguished cigarette butts.	This risk is higher during summer	• Along the urban fringe • Along the interface between natural veld and urban or agricultural areas • Along Rail and Road Reserves	• People lose all their possessions • Threat to biodiversity due to areas burning too often • Destroy crops and agricultural land. This can have social and economic impacts		X	X	1.3.1
	Human diseases: TB and HIV – an increase in the number of HIV and TB patients. Witzenberg was identified as having the highest HIV rate in the area.		Municipal-wide	Disease, loss of life, impact on medical services	X		X	1.3.2
GEOLOGICAL HAZARDS	Earthquake: The risk of earthquakes was highlight as a risk for the whole of Witzenberg area. The risk of injuries, death and damages is increased due to poor building methods.		Whole municipal area	Loss of life, injury and damages to property and infrastructure			X	1.4.1
ENVIRONMENTAL DEGRADATION	Air pollution resulting from fires. This includes: • Fires for household activities • Illegal burning of waste and refuse • Veld fires	This occurs throughout the year but is more prevalent in winter when fires are used for heating purposes.	Urban area of Nduli	Health risk			X	1.5.1
	Ground pollution from sewerage due to : • non-existent sewerage systems within informal settlements • blockages within the sewerage network • interruption of sewerage treatment process by load shedding			Uncontrollable leakages and spillages. This not only results in pollution of the environment but also can be a health hazard		X	X	1.5.2

WITZENBERG

MUNISIPALITEIT UMASIPALA MUNICIPALITY

- MEMORANDUM -

AAN / TO : The Municipal Manager
Director Corporate Services

VAN / FROM : Manager Traffic Services

DATUM / DATE : 20 May 2019

VERW. / REF : Progress report Taxi conflict between illegal (CATA) and legal (CODETA) operators.

Purpose

The purpose of this memorandum is to inform the Executive regarding the conflict situation within the Witzenberg Transport System.

Background

On Friday, one of the Witzenberg CODETA taxi owners was shot and killed. The killing of the member has intensified the existing tension between the legal and illegal operators.

Interventions

Since the shooting incident the following interventions were implemented by Law Enforcement Agencies and other Organs of State such as the Department of Transport and the SAPS Cluster.

On Sunday 19 May 2019 a meeting took place with agencies and Stakeholders involving the following:

- The Provincial Regulatory Entity (Mediation)
- Provincial Taxi Intervention Unit
- SAPS Station Commanders
- Worcester Cluster
- Provincial Traffic
- Witzenberg Traffic
- Crime Intelligence
- POPS

Discussion Points

- The Department of Transport made it clear that they won't engage with any illegal operators.
- The CATA objective is to destabilize the Public Transport systems in rural communities and they are highly organized and strategic when they destabilize the transport system. Their approach to target rural areas are mainly due to the Metro's and bigger towns Transport Market being saturated.

Interventions by the Department of Transport:

- They will prioritize the Witzenberg matter on the Provincial Joints because taxi violence is currently a standing item.
- Training will be given to SAPS by the PRE regarding Public Transport.
- Their mediation team will engage with the parties involved in the current conflict.
- Follow up meeting is scheduled for Friday the 24th of May.
- It is also the intention to establish a Transport Priority Committee for Witzenberg.
- The planning Authority was advised not to engage with CATA and they need to be referred to the Department of Transport for any enquiries.
- Last year 80 people got killed due to rivalry between the two factions CATA and CODETA.
- Any threat against any Organ of State, Officials or Law Enforcement needs to be taken seriously and interventions need to be put in place by affected parties.

Enforcement Interventions:

- Daily integrated operations between SAPS, POPS, Provincial Traffic and Witzenberg Traffic & Law Enforcement.
- The Department of Transport's stance is clear that vehicles needs to be impounded because if the current modus operandi continues the illegal operators will have a sense of entitlement to be part of the Integrated Transport system of Witzenberg.

Feedback of Operation dated 19/05/2019

Deployment:

• SAPS	:	17 Members x 5 Vehicles
• POPS	:	9 Members x 2 Vehicles
• Provincial Traffic	:	2 Members x 2 Vehicles
• Municipal Traffic	:	7 Members x 4 Vehicles
• Law Enforcement	:	3 Members

Two static VCP's were held on the following locations:

- R46
- R303

Vehicles Searched	:	132
Traffic Violations Issued	:	47
Value	:	R68600.00
Minibus taxi's searched	:	26
Vehicles Suspended	:	4

Operations are also planned at irregular hours and this morning an Operation between all the agencies took place from 05h00 until 08h30, focussing on illegal taxi operations and other Public Transport related issues.

Conclusion

With reference to the current situation emphasis needs to be placed on the safety of the Executive and Traffic and Law Enforcement Officers. The current integrated Enforcement Strategy needs to continue to prevent that the Witzenberg Traffic & Law Enforcement Services are isolated.

In terms of impoundment the Department of Transport requested the Planning Authority to avail a temporary holding facility. I need to sensitise the Executive strongly against this request because the Municipality could be exposed to unnecessary financial expenditure and unnecessary risk in terms of retaliation by the illegal taxi operators within Witzenberg.

The contents of this memorandum is for your information and further consideration.

Yours sincerely

MJ Green
MANAGER TRAFFIC SERVICES

WITZENBERG

MUNISIPALITEIT UMASIPALA MUNICIPALITY

- MEMORANDUM -

AAN / TO : Council

VAN / FROM : Municipal Manager

DATUM / DATE : 22 May 2019

VERW / REF : 17/07/5

PROJECT: INSTALLATION OF CCTV CAMERAS ALONG VOORTREKKER ROAD, VOS STREET CERES (R46 CERES TO NDULI) AND VOORTREKKER AND OLIENHOUT STREET IN PRINCE ALFRED HAMLET

PURPOSE

To consider recommending to Council that an agreement be entered into with the Ceres Business Initiative in terms whereof close circuit television cameras be installed along **VOORTREKKER ROAD, VOS STREET CERES (R46 CERES TO NDULI) AND VOORTREKKER AND OLIENHOUT STREET IN PRINCE ALFRED HAMLET** and to contribute to the operational cost thereof.

BACKGROUND

The Ceres Business Initiative, the Agricultural sector and Witzenberg Municipality identified the need for a joint venture to improve the security of its communities within the Ceres district. A task team consisting of the three the parties was appointed and tasked to investigate and present a report on how to address the security concerns. The tasked team, under the chairmanship of the Manager Traffic Services visited the control rooms of similar projects in Cape Town and Worcester and also visited a similar project although smaller in size in Bonnievale. They concluded that the only way to address the security concerns was by way of CCTV cameras on the main corridors of the Ceres area starting from the Zipslide in Ceres to Nduli and along Vos Street to Olienhout Street in Prince Alfred Hamlet.

In terms of the investigation there will be 22 sites and 45 cameras. A site will have more than one camera and is normally at a inter section of a particular road for example at the corner of Vos and Voortrekker Road. The purpose thereof is to cover all the areas for the effective security monitoring. Some of the cameras will have the number plate recognition facility and others the high vision IP (monitoring cameras). The whole idea with the cameras is to reduce crime related activities in Ceres, identifying drug trafficking activities, reducing vandalism activities to public structures / buildings and in general allowing residents and visitors to enjoy a safe environment. The route identified by the task team for the installation of the cameras is as per annexure "....." hereto. Solar panels will also be erected at the various cameras which will enable the system to be operational and effective in the event of Eskom downtime.

Quotations were requested and received from various Service Providers. LTS Security was selected as the preferred bidder because of their experience and involvement in a similar project. They are also involved in the Worcester project and will be responsible for the installation of the cameras as well as the control room and responsive unit. The control room will send a report to the relevant authorities and will also dispatch their responsive unit to the scene of an incident. The capital investment for the project will be R1.056 million and the operational cost R69 575,00 per month. CBI has accepted responsibility for the capital investment.

STRUCTURE AND DURATION

The proposal is that a private company namely Witzenberg Security Forum PTY (Ltd) be registered. The company will further be registered for VAT and SARS Tax exemptions in terms of Section 18 (a). The stakeholders of the company will be CBI, the Municipality and Agriculture. The company will consist of 5 directors, one from each stakeholder with an independent Chair and Vice Chair. The company will contract the services of the service provider. It will be the responsibility of the service provider to manage the activities of the project including SAPS and Law Enforcement. The directors will meet monthly with the service providers to discuss the progress and challenges. CBI will be responsible for the managing of the financial affairs from the stakeholder to the service provider.

LEGAL IMPLICATION

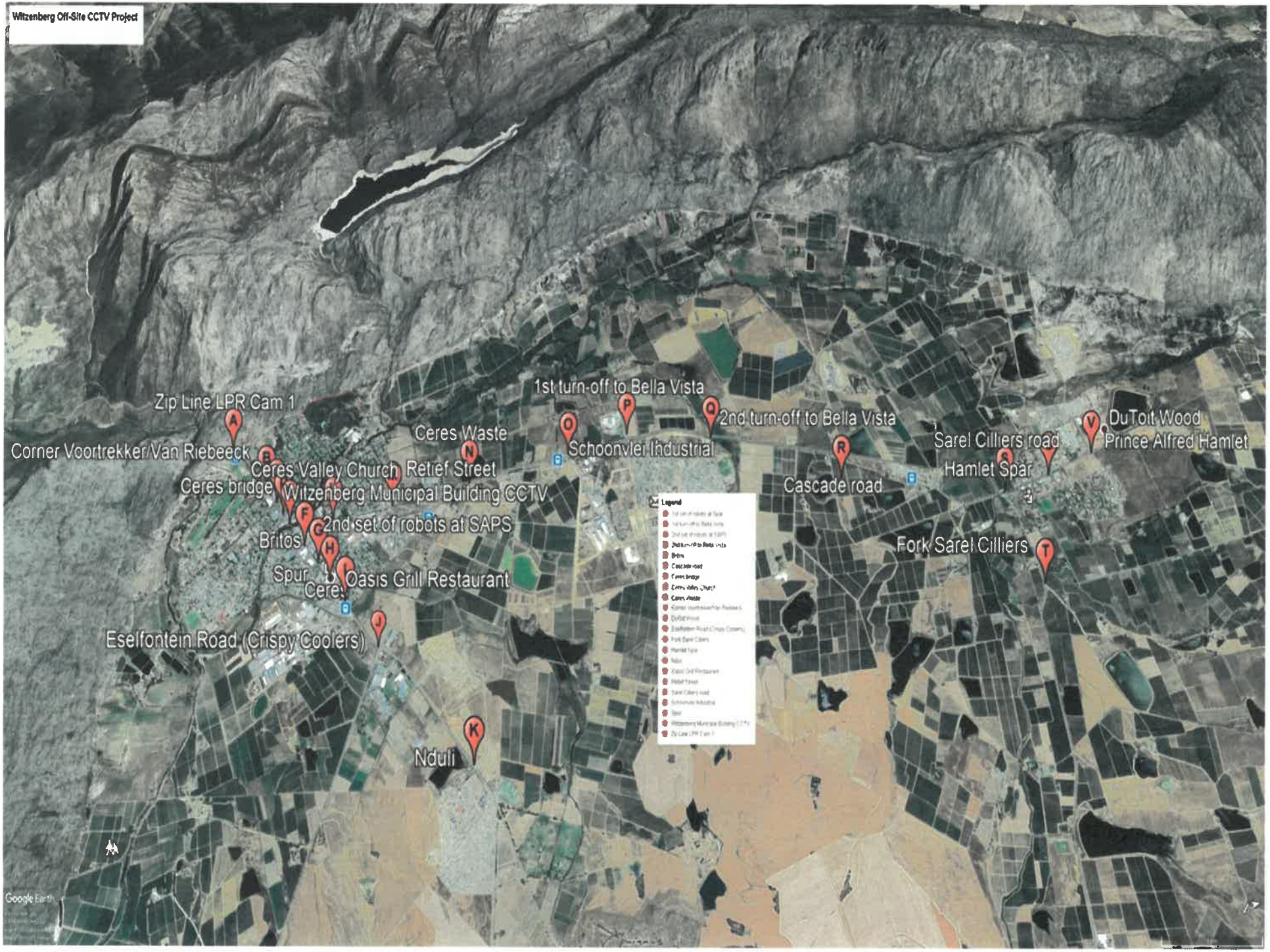
Council must approve of the project and provide for it in the budget. Provincial roads and transport must give approval for the installation of the cameras on the provincial roads.

FINANCIAL IMPLICATION

If Council so approves of the project the Municipality will be responsible for a monthly contribution in the amount of R50 000,00. This commitment will be for a period of three years. The amount will escalate with 7% for the outer two years.

RECOMMENDATION

For consideration.


Witzenberg Off-Site CCTV Project
Zip Line LPR Cam 1
Corner Voortrekker/Van Riebeeck
Ceres bridge
Ceres Valley Church
Retief Street
Witzenberg Municipal Building CCTV
2nd set of robots at SAPS
Britos
Spur
Ceres
Oasis Grill Restaurant
Eselfontein Road (Crispy Coolers)
Nduli
Ceres Waste
1st turn-off to Bella Vista
Schoonvlei Industrial
2nd turn-off to Bella Vista
Cascade road
Sarel Cilliers road
Hamlet Spar
Fork Sarel Cilliers
DuToit Wood
Prince Alfred Hamlet
Legend
Google Earth



DRAFT
POLICY FOR THE MANAGEMENT OF BUSINESS PROPERTY FOR LOCAL ECONOMIC PURPOSES WITH ITS AIM OF CAPACITATING PREVIOUS DISADVANTAGE COMMUNITIES

Approved by Council
Date

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INTRODUCTION

WHEREAS the Municipality has the right to govern, on its own initiative, the local government affairs of its community, subject to national and provincial legislation, as provided for in Section 151(3) of the Constitution and Section 4(1)(a) of the Systems Act.

AND WHEREAS the Municipality has executive and legislative authority in respect of, and has the right to administer the matters provided for in Sections 156(1) and 229 of the Constitution, Sections 8(1) and 11(1) of the Systems Act and Section 83(1) of the Structures Act.

AND WHEREAS the municipal council makes decisions concerning the exercise of all the powers and the performance of all the functions of the Municipality, save for those matters excluded by legislation in accordance with Section 160(1)(a) of the Constitution;

AND WHEREAS the Municipality has the right to do anything reasonably necessary for, or incidental to, the effective performance of its functions and the exercise of its powers in terms of Section 156(5) of the Constitution and Section 8(2) of the Systems Act;

AND WHEREAS the municipal council, within the Municipality's financial and administrative capacity and having regard to practical considerations, has the duty to use the resources of the Municipality in the best interests of the local community in terms of Section 4(2)(a) of the Systems Act; and

AND WHEREAS there is a need to provide a policy framework for the management of the Municipality's business property, to establish processes for empowering previous disadvantage people in order to regulate the use, sale and lease thereof and to establish criteria within which property transactions may be regulated;

AND WHEREAS municipalities have a constitutional mandate to undertake a developmental approach in implementing policies and programmes; therefore municipalities are to exercise powers and functions to maximize the impact of social development, meeting needs of poor and ensuring growth of the local economy;

AND WHEREAS Council has identified a big need within certain communities within its jurisdiction to develop themselves economically;

AND WHEREAS the Municipality has excepted its role and responsibility to redress the economic inequalities in its communities;

NOW THEREFORE this policy provides as follows:

DEFINITIONS

In this Policy a word or expression to which a meaning has been assigned in the Local Government: Municipal Finance Management Act (nr 56 of 2003) has the same meaning as in the Act, and means:

"Basic municipal service"
The amount or level of any municipal service that is necessary to ensure an acceptable and reasonable quality of life and which, if not provided, would endanger public health or safety of the environment and for the purposes of this Policy includes but is not restricted to electricity, refuse collection, sanitation, local roads, stormwater drainage, fire services and water services.

"Community value"
The extent of benefit or gain generated when resources, input, processes or policies are combined to improve the lives of individuals or society as a whole.

"Competitive process"
A call for alternative proposals, a closed tender, a public tender or a public auction.

"Council" *or* ***"Municipal Council"***
A municipal council referred to in Section 18 of the Local Government: Municipal Structures Act (nr 117 of 1998) and for the purpose of this Policy, the municipal council of the Witzenberg Municipality, including its duly authorised nominee.

"Fair market value"
The value at which a knowledgeable willing buyer would buy and a knowledgeable willing seller would sell the asset in an arm's length transaction.

"Household"
Any persons living together as (life) partners and their dependants.

"Local Economic Development" LED is an approach towards economic development which supports local collaborations, thereby achieving sustainable economic growth and development and bringing economic benefits for all residents in a local municipal area.

"Long term"
A period longer than 3 years.

"MFMA"
The Local Government: Municipal Finance Management Act (nr 56 of 2003).

"Municipality"
The Witzenberg Local Municipality.

"National Treasury's Guidelines"
The official guidelines on supply chain management issued by the Minister in terms of Section 168 of the MFMA.

"Notice boards"
The official notice boards at the municipal offices and municipal libraries and any place which the municipality may identify form time to time.

"Previous Disadvantage People (PDI)" means black people, women and people with disabilities who -

are citizens of the Republic of South Africa by birth or descent; or became citizens of the Republic of South Africa by naturalisation before 27 April 1994; or after 26 April 1994 and who would have been entitled to acquire citizenship by naturalisation prior to that date but who were precluded by apartheid policies;

"Right to use, control, manage"
A right to use, control or manage the asset for a period exceeding one calendar month without ceding legal ownership in the asset.

"Structures Act"
The Local Government: Municipal Structures Act (nr 117 of 1998).

"Supply Chain Management Policy"
The Supply Chain Management Policy of the Witzenberg Municipality approved and adopted by Council as amended from time to time.

"Systems Act"
The Local Government: Municipal Systems Act (nr 32 of 2000).

"the Constitution"
The Constitution of the Republic of South Africa, 1996.

"The Regulations"
Local Government: Municipal Finance Management Act (nr 56 of 2003) Municipal Asset Transfer Regulations (MATR).

"Transfer"
Transfer of ownership as a result of sale or other transaction (e.g. exchange, donation, ect).

APPLICATION OF THE POLICY

1. This policy **applies** to:

   (a) the transfer, disposal or leaseing of business property by the Municipality to PDI's;
   (b) the granting by the Municipality of rights to use, control or manage business property;

2. This Policy **does not apply** to:

   (a) immovable property transactions that falls outside the scope of this policy, and
   (b) Industrial land, churh plots and residential plots;

GENERAL PRINCIPLES

3. The Municipality may:

   (a) alienate or let or permit to be built upon, occupied or enclosed any immovable property owned by the Municipality;

(b) sell immovable property only at market related prices expect when the public interest or the plight of the poor demand otherwise in terms of Regulation 40(b)(i) of The Municipal Supply Chain Regulations, 2005.

4. No application for the purchase, or lease of immovable property shall be processed unless the prescribed application form has been completed and all supporting documentation has been submitted.

DISPOSAL OR TRANSFER OF BUSINESS PROPERTY

5. The Municipality will move from the premises that all applications for municipal property use or transfer will be considered on the prescripts of The Constitution of South Africa and Section 5 of the Municipal Finance Management Act in that it will be fair, equitable, transparent, competitive and consistent.

6. The Municipality may not transfer ownership as a result of a sale or other transaction or otherwise permanently dispose of a municipal immovable property needed to provide the minimum level of basic services, save where the transfer is to another organ of state, as provided for in section 14(6) of the MFMA read with Regulation 24 in Chapter 3 of the MATR. Council must therefore firstly decide on reasonable grounds that the property in question is not needed to provide the minimum level of basic services.

7. A decision by the municipal council that a specific immovable property is not needed to provide the minimum level of basic municipal services, may not be reversed by the Municipality after that immovable property has been sold, transferred or otherwise disposed of in accordance with Section 14(3) of the MFMA.

8. When considering the letting, disposal or transfer of municipal property, preference will be given to the prevailing land use of the property and that of the specific area.

9. **Process for purchasing land from the Municipality**

9.1 The Applicant must complete the application form and submit the completed form with all supporting documents to the Municipal Office at 50 Voortrekker Street, Ceres, 6835 at the archives department or e-mail the completed form to admin@witzenberg.gov.za.

9.2 This application form and all supporting documents will be electronically captured and send to the relevant department and official to manage the process.

9.3 This application form and all supporting documents will be then be circulated to the Technical Department, Community Department and Legal Department for comment.

9.4 A memorandum will be drafted that contains all comments from mentioned departments in 8.3 and it will then be tabled at the Corporate Committee and Committee for Local Economic Development whom will make a recommendation to Council.

9.5 Council must then make a in principle decision if the support the application or not.

9.5.1 If Council does not support the application, it will be the end of the process and the applicant will be notified accordingly.

9.5.2 If Council support the application, the in principle decision will be advertised.

9.6 Council's in principle decision will be advertised for public comment and or objections in the local newspaper, municipal notice boards, and strategic places in close proximity to the land in question and the municipal website.

9.7 After the closing date as set out in the advertisement objections (if any) and comments will be tabled by the relevant official at the next council meeting.

9.8 Council must then consider all comments and objections make a final decision on the application.

LEASING OF MUNICIPAL IMMOVABLE PROPERTY

10. **Process for leasing land from the Municipality**

10.1 The Applicant must complete the application form and submit the completed form with all supporting documents to the Municipal Office at 50 Voortrekker Street, Ceres, 6835 at the archives department or e-mail the completed form to admin@witzenberg.gov.za.
10.2 This application form and all supporting documents will be electronically captured and send to the relevant department and official to manage the process.
10.3 This application form and all supporting documents will be then be circulated to the Technical Department, Community Department and Legal Department for comment.
10.4 A memorandum will be drafted that contains all comments from mentioned departments in 9.3 and it will then be tabled at the Corporate Committee and Committee for Local Economic Development whom will make a recommendation to Council.
10.5 Council must then make an in principle decision if the support the application or not.
10.5.1 If Council does not support the application, it will be the end of the process and the applicant will be notified accordingly.
10.5.2 If Council support the application, the in principle decision will be advertised.
10.6 Council's in principle decision will be advertised for public comment and or objections in the local newspaper, municipal notice boards, and strategic places in close proximity to the land in question and the municipal website.
10.7 After the closing date as set out in the advertisement objections (if any) and comments will be tabled by the relevant official at the next council meeting.
10.8 Council must then consider all comments and objections make a final decision on the application. .

RENTAL AND PURCHASE PRICE OF LAND

11. The fair market value for transfer purposes will be that of the General Valuation Role of Witzenberg Municipality.

12. The rental amount of the immovable property shall be determined by an independent Estate Agent within the jurisdiction of Council.

13. When and if Council deviates from the market related rental or selling price it will be determined in consultation with the Municipal Manager.

14. All application must be considered by Council on its own merit.

CONDITIONS OF SALE

15. All costs pertaining to a transaction shall be borne by the purchaser, e.g. transfer, survey, advertisements, valuation, rezoning, relocation or provision of services where necessary, etc. The Municipality may, however, waive its right to claim the costs should it be to its advantage to bear the costs. Where necessary, a deposit to cover the costs may be required.

16. Should existing services need to be relocated or secured by means of the registration of a servitude in favour of the Municipality as a result of the sale or lease of immovable property all related costs shall be for the account of the purchaser. The Municipality may, however, waive its right to claim the costs should it be to its advantage to bear the costs. Where necessary, a deposit to cover the costs may be required.

17. Where immovable property is transferred for business opportunity, a condition must be included in the Deed of Sale stipulating that such business must be up and running within two years from date of registration. Likewise a condition must be included in the agreement to provide for forfeiture in the event that the business is not up and running within the required time period, unless a written extension has been granted by the Municipality.

18. Save with prior approval, the immovable property alienated may only be used for the purpose for which it was originally sold and purposes permitted by town planning scheme regulations pertaining to such purposes.

19. The agreement of sale shall be finalised and concluded within 90 days from the date of the Municipality's official written request and registration must be affected within 90 days of signature of the agreement by both parties; failure to comply shall cause the sale to lapse.

20. The agreement must contain a suspensive condition in respect of immovable property which is sold subject to approval in terms of land use planning legislation.

21. Where applicable, existing services shall be secured by means of the registration of a servitude in favour of the Municipality and the costs shall be for the account of the purchaser.

22. A 10% deposit will be due and payable by the purchaser upon signature of the deed of sale.

23. If an application has been approved by Council, the Municipal Manager will be authorised to waive 50 % of the service connection fees or any costs incidental to the setting up of the business.

CONDITIONS OF LEASE

24. All costs pertaining to a transaction e.g. survey, advertisements, valuation, relocation or provision of services where necessary, shall be borne by the Lessee. The Municipality may, however, waive its right to claim all or any portion of the costs. Where necessary a deposit to cover the costs may be required.

25. An agreement for the lease of municipal immovable property shall be in writing, stipulating the terms and conditions of the contract or agreement, which shall include provisions providing for:

    (a) the termination of the contract or agreement in the case of non- or underperformance;
    (b) dispute resolution mechanisms to settle disputes between the parties;
    (c) a periodic review of the contract or agreement once every three years in the case of a contract or agreement for longer than three years;
    (d) any other matters that may be prescribed,

(e) rental amount; and
(e) escalation

26. No immovable property shall be sub-let and no lease may be ceded or assigned without the prior written approval of the Municipality.

27. Rental, except where it is decided otherwise by the Municipality shall escalate annually by a percentage fixed in accordance with the prevailing consumer price index (all items).

28. The lessee shall, as a rule, be liable for the payment of rates, taxes and service charges in respect of the properties listed in the current valuation role. Rentals lower than market value may be considered by granting a rebate on rates in accordance with the rates policy of the Municipality.

29. The lessee shall indemnify the Municipality against any possible claims arising from the lease or use of the immovable property.

30. Where land is leased for business opportunity, a condition shall be included in the lease agreement stipulating that such business shall be up and running within one year from date of conclusion of the lease agreement. Likewise a suspensive condition shall be included in the lease agreement to provide for cancellation in the event that the business is not up and running within one year, unless a written extension has been granted by the Municipality.

31. Save with prior written approval of the Municipality the property may only be used for the purpose for which it was let.

32. The Municipality shall at all reasonable times be entitled to enter and inspect the immovable property.

33. The lessee shall be responsible for maintaining the leased property including all improvements thereon to the satisfaction of the Municipality.

34. Improvements provided by the Lessee and which the Council wishes to retain, shall revert, free of charge, to the Municipality once the lease period has terminated and/or in the event the agreement, due to breach of conditions, has been cancelled. Alternatively, agreement may be reached to the effect that the Lessee may remove any improvements erected from its own funds within three months of termination of the lease agreement, failing which such improvements shall revert to the Municipality free of charge without damage and if provided for in the agreement. The Lessee shall be liable for the cost involved in the removal of such improvements not required by the Municipality.

35. Immovable property let by the Municipality shall be inspected at least once a year by the Municipality to ensure compliance with the terms and conditions of the agreement of sale or lease.

36. The Municipality reserves the right, where necessary, to resume immovable property let, or portion thereof, and to cancel an existing lease in its entirety where such immovable property is required for operational purpose, in the interest of the community.

WITZENBERG

APPLICATION FORM FOR MUNICIPAL PROPERTY

The following application form consist of 2 pages and must be fully completed. If there is a section that is not applicable, indicate "not applicable".

Information of applicant (to whom correspondence will be sent):			
Date of application:			
Contact Person:			
Entity of applicant (Company, Sole Proprietor, Partnership, Co-operative, NGO, Individual)			
Address:			
Postal address			
Contact Number:		Email	

Is the Application for: (mark with an "x"	**Is the application for: (indicate with "yes" or "no"**		**Description of land applied for (erf number, location, street number)**
Vacant Municipal Land	**Renting?**		
	Buying?		
Municipal land with occupied buildings on, but with available space	**Renting?**		
	Buying?		

Short description of proposed plan for the applied municipal land (you may attach additional information to this document)

What municipal services is needed for the business at the Municipal land? (mark with an "x"	
Electrical connection	
Water	
Sewage	

How will the proposed project on the municipal land be funded? (mark with an "x"		**Describe indicated funding**
100% own funding		
Partially funded		
No funds available		

Business information (mark with an "x")		
Current established business/Company?	Yes	No
Start-up business/company	Yes	No
No business/company	Yes	No

Current established business/company (This information should only be filled in if you have answered yes for current established or start-up business)	
How many years have the business/company been operational?	
What is the monthly income of the business? (before expenditure)	
What is the total monthly expenditure?	
Provide a short overview of the monthly expenditure items	
How many employees work in the business/company?	
How many clients or contracts do you service or sell products to per month?	

The following documents must be attached to the application if the applicant is a Company, Sole Proprietor, Partnership, Co-operative or a NGO		
Business registration & tax clearance certificate	Is this document attached?	Yes/No
The following documents must be attached by all applicants		
Certified copy of ID (all applicants)	Is this document attached?	Yes/No
Business plan (all applicants)	Is this document attached?	Yes/No

Requirements for content of the business plan (all sections must be included)		
Name of business or individual & contact information	Is this included in the business plan?	Yes/No
Description of business (if applicant is a business/NGO) - Type of business, goals of the business/NGO - Product/service that the business/NGO offer	Is this included in the business plan?	Yes/No
Client base (if applicant is a business/NGO) - Overview of the contracts or clients that are you servicing (target market)	Is this included in the business plan?	Yes/No
Management - Experience of the owner/applicant - Qualifications or training received	Is this included in the business plan?	Yes/No
Overview of Project plan for the municipal land - Erf number or street number - What the plan entail& who the target market or clients will be - How will the applicant & community benefit& how many jobs can be created - Research conducted to determine viability of proposed project plan - Budget for the proposed project plan - Overview of funding: comprehensive description of how plan will be funded	Is this included in the business plan?	Yes/No
Management experience - Experience in the proposed project - Any training conducted in the field of the proposed project	Is this included in the business plan?	Yes/No

Please submit the completed form at the archives department at 50 Voortrekker Street, Ceres, 6835 or e-mail it to admin@witzenberg.gov.za

FULL NAME IN BLOCK LETTERS **SIGNATURE** **DATE**

"ANNEXURE A"

Hennie Taljaard

From: Wynand du Plessis <wynandd@ghfruit.co.za>
Sent: 14 January 2019 10:48 AM
To: Hennie Taljaard
Subject: Carson straat stegie

Importance: High

More Hennie
Na gelang van ons telefoniese gesprek vroeër:

Ons is die eienaars van Carson straat 15. N gedeelte van ons erf grens aan die munisipale stegie wat langs ons huis verby gaan. Aan die een kant is n gedeelte van die stegie reeds verkoop aan Dr Freeman en is reeds deel gemaak van hulle erf. Soos genoem is die stegie nie 100% veilig nie, en het ons al verskeie kere persone daar opgemerk wat dit onveilig maak vir almal. Dit is tans ook die stortings terrein van klomp tuinvullis wat die gevaar vir slange ook groter maak.Daar is wel n hek op aan Carson straat se kant, maar die erf van Joubert(Carson str 11) is van so n aard dat daar enige iemand kan oorklim en toegang verkry tot die res van die stegie.

Graag wil ek hiermee n versoek rig en vra of ons as eienaars van Carson straat 15 ons gedeelte van die stegie weerskante kan toemaak(eie onkoste) met vibrecrete panele sodat dit meer veiliger kan wees en sodoende ongewensde persone/slange daar uit te hou. Ons is dan bereid om die gedeelte van die stegie te onderhou en netjies/skoon te hou.

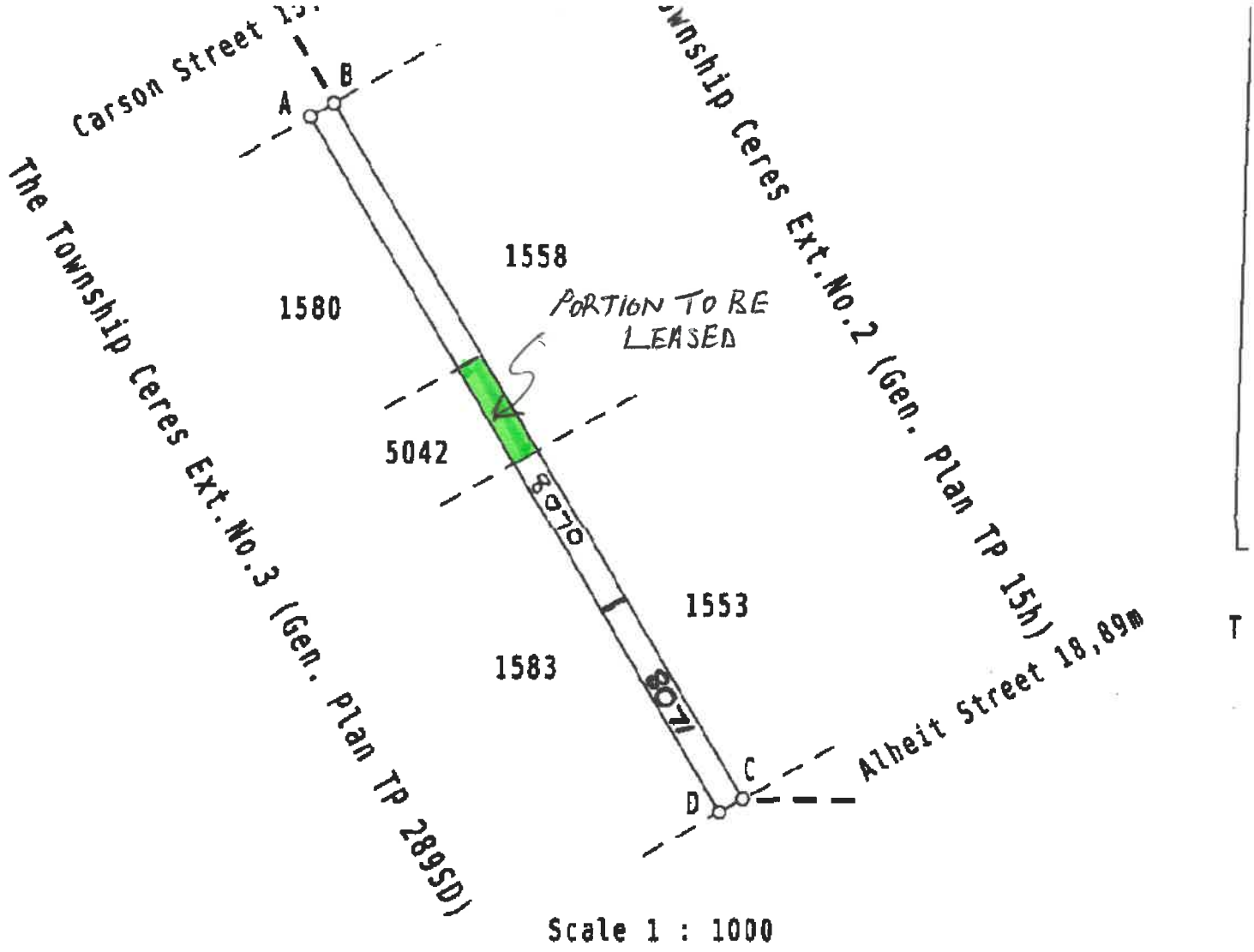
Dringende aandag hieraan sal wardeer word. Hoor graag van jou.

Kind Regards/Groete
Wynand du Plessis

GOEDE HOOP VRUGTE

Tel: +27 23 3155293
Fax: +27 23 3155107
Sel: 082 871 5862
Skype: Wynand.du.plessis1

"ANNEXURE B"



Scale 1 : 1000

WITZENBERG

MUNISIPALITEIT UMASIPALA MUNICIPALITY

- MEMORANDUM -

TO: Committee for Corporate Services
FROM: Manager: Town Planning and Building Control
DATE: 7 March 2019
REF: 15/4/R

REQUEST FOR LEASE AGREEMENT – PORTION OF ERF 8069, CERES

Purpose:

To request Council's approval for entering into a lease agreement with the owner of Erf 5042 (Wynand du Plessis) for a portion of Erf 8069, Ceres.

The written request from Mr Wynand du Plessis is attached as **Annexure A**.

Background & Deliberation:

The subject land (Erf 8069) represents a narrow 3m strip of land traversing residential properties located in Carson Street. The strip of land previously functioned as a "steeg" (lane) that connected Carson with Alheit Street. In 2008 a portion (on the Alheit Street side) was closed and sold to an adjacent owner. The remaining portion was closed with a gate on Carson Street.

Mr Wynand du Plessis motivates that the strip of land is not safe and is a dumping place. He is requesting Council's permission to close the portion situated adjacent his erf which he undertakes to maintain and keep clean.

Annexure B shows the portion to be leased.

✉ 44 Ceres 6835 ☎ (023) 316 1854 ③ (023) 316 1877 admin@witzenberg.gov.za



Figure 1: Photo showing the subject lane as seen from Carson Street.

Technical: Input

Manager: Electrotechnical (Pierre van den Heever)

Na n opterrein inspeksie is daar bepaal dat daar wel ou straatligte is, maar toegang is moeilik agv aangrensende huiseienaars se hek om toegang te keer.

Die ontkoppeling (en veiligmaking) van die betrokke kabel is baie maklik en sou die betrokke aansoeker bereid wees om die bestaande straatlig pale op eie koste te verwyder en by die Munisipale store terugtebesorg, sal daar geen kostes betrokke wees vir elektries.

Sou die aansoeker egter verkies dat die Munisipaliteit die pale moet verwyder kan hulle n kwotasie aanvra by die elektriese departement.

Manager: Roads and Stormwater (Elton Lintnaar)

Geen beswaar.

Manager: Water and Sewerage (Nathan Jacobs)

Geen Beswaar.

Community Value

The land has no value to the community because it is only 3m wide and practically cannot be used for anything. It is considered that it has become unsafe and a nuisance to surrounding property owners.

From a technical point of view the strip of land serves no purpose and is not needed for the provision of a minimum level of basic services.

Legislation:

A lease agreement must be entered into.

Recommendation:

For Council to consider the following:

a) Portion of Erf 8069 Ceres is leased to the owner of Erf 5042, Mr Wynand du Plessis, as it is not required for provision of minimum level of basic services (MFMA Section 14.2 a).

b) Entering into a lease agreement for a ten-year period for the purposes of enclosing the land for the benefit of Erf 5042;

c) Giving an option for renewal of the new lease agreement, on the discretion of the Municipality;

d) The fair market value is not applicable due to the economic and community value that are received in exchange for the lease of the asset (MFMA Section 14.2 b). Council must determine the rental amount.

e) The owner of Erf 5042 is responsible for maintaining the strip of land;

f) The owner of Erf 5042 is responsible for removing the existing lamp post at his own cost;

g) Portion of Erf 8069 Ceres will stay the property of the Municipality after the Lease agreement expires and or is cancelled.

h) That the Municipal Manager is authorised to sign the lease agreement on behalf of the Council.

MANAGER: TOWN PLANNING AND BUILDING CONTROL
H TALJAARD

STADT BEELITZ
Der Bürgermeister
Stadt mit Köpfchen!

Stadtverwaltung Beelitz I Berliner Straße 202 I 14547 Beelitz

Witzenberg Municipality

Mit den Orts- und Gemeindeteilen:
Beelitz I Beelitz-Heilstätten
Birkhorst I Buchholz
Busendorf I Elsholz
Fichtenwalde I Kanin
Klaistow I Körzin I Reesdorf
Rieben I Salzbrunn I Schäpe
Schlunkendorf I Schönefeld
Wittbrietzen und Zauchwitz

Stadtverwaltung Beelitz
Berliner Straße 202
14547 Beelitz
Telefon 033204 - 391 - 0
Telefax 033204 - 391 - 35
Besuchen Sie uns im Internet unter
www.beelitz.de

Beelitz, den 21.03.2019
Auskunft erteilt
Herr Michael Steinland
Telefon 033204-39158
E-Mail steinland@beelitz.de

Thematic Municipal Partnership Witzenberg – Beelitz – General Agreement

Dear Sir or Madam,

In our opinion, there are a series of functional and structural commonalities between your municipality and Beelitz.

For that reason, we would like to arrange a thematic municipal partnership with your community that would enable us to work jointly on future questions.
A relevant corresponding proposal has already been forwarded to you.

In this context, we have tasked Mr. Peter Kirsten to contact you directly in order to check the possibilities of a potential partnership. Mr. Kirsten's corresponding expenses will, according to our agreement with Mr. Kirsten, be carried by the city of Beelitz.

I would be very pleased to see our two communities working together in the future.

Should you have any questions or queries, please do not hesitate to contact me or Mr. Michael Steinland.

With kind regards,

Bernhard Knuth
Mayor

Bernhard Knuth
Bürgermeister

Stadtverwaltung Beelitz
Berliner Str. 202
14547 Beelitz

Sprechzeiten:
Mo 9-12 Uhr und 13-15 Uhr
Di 9-12 Uhr und 13-18 Uhr
Do 9-12 Uhr und 13-17 Uhr

Bankverbindung:
Mittelbrandenburgische Sparkasse
BLZ 160 500 00
Konto 352 606 2128
IBAN DE58160500003526062128
BIC WELADED1PMB

Historischer Stadtkern im Land Brandenburg

Theme-related municipal development agreement between the municipality Witzenberg, Western Cape, Republic of South Africa and the municipality Beelitz, state Brandenburg, Federal Republic of Germany as part of the Agenda 2030

Preamble:

The Municipalities of Witzenberg and Beelitz are both in the vicinity of a metropolitan area- Cape Town and Berlin, respective, in a rural area.
The economy is very much embossed by the production of agricultural products like Grapes and vineyards, vegetables and fruits (please specify) in Witzenberg and Asparagus, berries and pumpkins in Beelitz.

Witzenberg is very scenic diverse and lies in the Cape Floral Kingdom, the smallest of the six floral kingdoms of the world. The floral kingdom is, with about 9000 plant species very divers and about 70% of these species are endemic.

Beelitz is also located in a very scenic and diverse area. The biggest part of the municipality area is part of the "Naturpark Nuthe-Nieplitz".
With the high diversity in both municipalities they have on the one hand a high potential for the usage of natural ressources, like tourism and a high responsibility for the sustainability of the usage of the ressources and the preservation and strengthening of the biodiversity on the other hand.

With the signature agree the mayor of Witzenberg, Mrs./Mr. ..... head office at....., and the mayor of Beelitz, Mr. Bernhard Knuth, head office at Berliner Strasse 202, 14547 as elected representatives of the related municipalities a theme-related municipal development agreement as part of the agenda 2030.

1. Legal basis:
   -xxx
   -xxx
   -xxx
   -internal terms, conditions, regulations, regulating work in both municipalities
   •municipal constitution of the state Brandenburg
   •administrative provisions of the state Brandenburg

2. Contact Person:

   The municipalities committ to name each one contact person in the administration.
   These contact person guarantee the transfer of the information and coordinate the project realisation.
   Both project partner decide in their own responsibility to add further person and / or institutions, participating at the project execution.

   For the Beelitz municipality it is:

   - The coordinator of municipal development policy Mr. Michael Steinland
   - The coordinator on the African side Mr. Peter Kirsten

   For the Witzenberg municipality it is:

- XXX

For changes, the both municipalities will inform each other.

3. Goals of the development partnership

   - Performance of a contribution for the achievement of the goals of the agenda 2030

   - Agreements of cooperation strategies of the mutual work of both administrations to design, drive forward and execute projects and development programs of the rural development

   - Strengthening of the mutual cooperation between the administration , the economy and the civil society of both areas

   - Promotion of the contribution of the civil society on the activities of the administrations

4. Subjekts of the development partnership

   The development partnership concentrates on joint contributions regarding the following three Sustainable Development Goals -SDG´s of the Agenda 2030:

   - SDG 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture
     The major concern is focussing on 2.4.: By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality.

   - SDG 11: Make cities and human settlements inclusive, safe, resilient and sustainable

   - SDG 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

5. Financing

   Both partners commit to look for search of financial options for the specific projects within the framework of that agreement.

6. Validity period of the Agreement

That contract will come into action with the signature of the two legally representatives of both partnership municipalities and the ratification in Witzenberg and the decision of the Stadtverordnetenversammlung of the municipality Beelitz.
This agreement is valid until a new version comes into action.

In mutual agreement will the above existing agreement signed in the city of ..... on the xx.xx.2019 by the

XXX	Bernhard Knuth
XXX	mayor of the Municipality Beelitz

World Choir Games



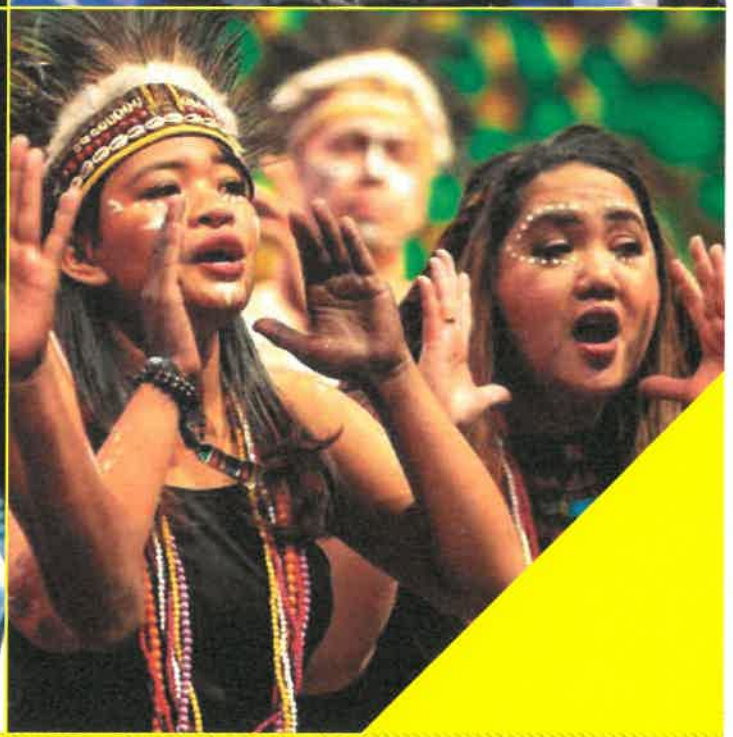












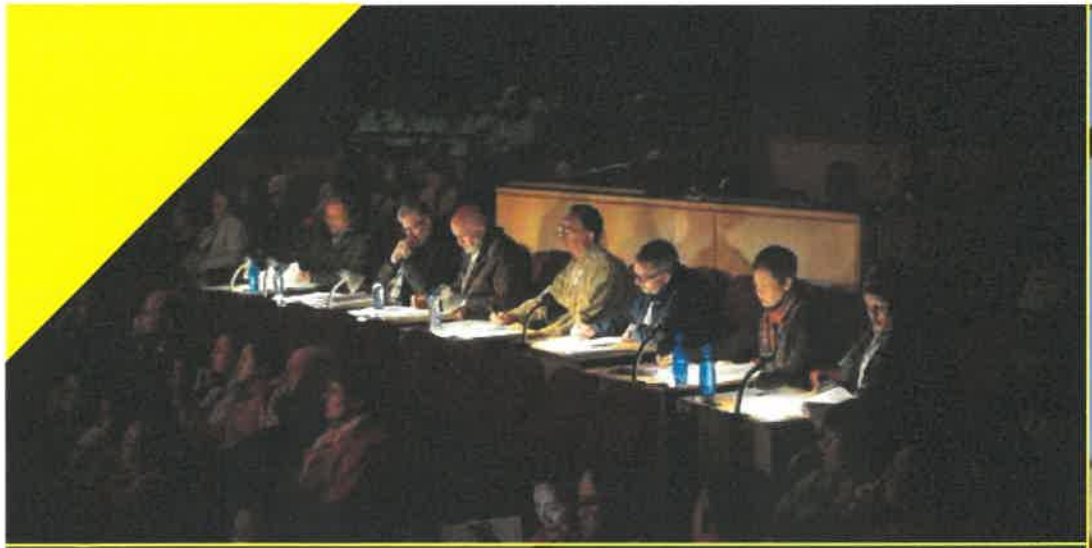
World Choir Games 2020
Flanders, Belgium

INTERKULTUR
Ruhberg 1, 35463 Fernwald, Germany
phone: +49 (0)6404 69749-25
www.wcg2020.com

/worldchoirgames
#wcg2020

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KOOR & STEM

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AN INTERKULTUR EVENT

World Choir Games

TSHWANE 2018 SOUTH AFRICA

10th WORLD CHOIR GAMES

July 4 – 14, 2018 · Tshwane, South Africa



PARTICIPANT INFORMATION

in cooperation with

GAUTENG

CITY OF TSHWANE

10th WORLD CHOIR GAMES

July 4 – 14, 2018 · Tshwane, South Africa







GREETING



Cordial invitation to the 10th World Choir Games!

The choral olympic movement offers an occasion for great joy: our World Choir Games - the world's largest choral competition - are celebrating their 10th anniversary!

Founded in 2000 in Linz, Austria, this most innovative biannual event of the international choral scene then travelled to Busan (Republic of Korea), Bremen (Germany, Xiamen (China), Graz (Austria), Shaoxing (China), Cincinnati (USA), and Sochi (Russia) and is now discovering South Africa.

In July 2018 we are happy to welcome the singers of the world to Tshwane, the modern capital of South Africa, and look forward to eleven days of unique and memorable experiences and encounters with the rich culture of Africa and the choral olmpyic movement under our motto „Participation is the highest honor".

At the same time, we are excited to celebrate with all of you the 30th anniversary of INTERKULTUR, the organization that has contributed to the meeting of choirs and the international understanding in almost 200 events.
We can't wait to see you in Tshwane!

Yours,
Günter Titsch

WELCOME TO THE CITY OF TSHWANE



The City of Tshwane is a large, sprawling metropolis, with Pretoria as the central suburb. Its 6 368km² spread makes it the third-largest city in the world after New York and Tokyo. Despite its size, Tshwane has a warm and welcoming presence. Tshwane is the original name of the area.

With a population of more than 2.5-million, the City of Tshwane is made up of multiple towns and suburbs, as well as large tracts of rural areas - from the CBDs of Pretoria, Centurion and Akasia, to the townships of Soshanguve, Mamelodi, Mabopane, Atteridgeville, Ga-Rankuwa; the outlying districts of Winterveld, Hammanskraal, Temba and Pienaarsrivier - to the rural areas of the Crocodile River, Cullinan and Bronkhorstspruit, Tshwane is indeed a sprawling metropolis.







TSHWANE, SOUTH AFRICA

Our History

Tshwane's history is tied to that of South Africa: it was the centre of the apartheid government and the focus of the struggle against oppression. Now it is the seat of the country's democratic government. Tshwane is also home to the Union Buildings that all South Africa's presidents take their oath of office in. The Union Buildings were designed by Sir Herbert Baker as a symbolic representation of the Union of South Africa of 1910.

The mid 1800s saw new arrivals to the area as Voortrekkers, descendants from Dutch, German and French settlers, moved out of the British-governed Cape colony in search of place of their own. They settled in the region and, in 1855, Pretoria was founded by Voortrekker leader Marthinus Pretorius. It became the capital of the South African Republic from 1860.In 1961 South Africa became a Republic, with Pretoria as the capital.

Modern Tshwane

For the City of Tshwane, a milestone was the 2000 amalgamation of the municipality with 13 other smaller municipalities. This was a step towards reconciling the city's residents and deepen socio-economic transformation. The City adopted the slogan Re a Tshwana, We are the same. The City of Tshwane has proven to be a leader in academic excellence and scientific research and development. Approximately 90% of all research and development in South Africa is conducted in Tshwane by institutions such as Armscor, the Medical Research Council, the Council for Scientific and Industrial Research, the Human Sciences Research Council and educational institutions such as the University of Pretoria, the University of South Africa and Tshwane University of Technology. Tshwane is also home to 134 foreign embassies and missions, the largest concentration in the world outside of Washington, DC.





PARTICIPATION OVERVIEW



The artistic concept for the competitions in the World Choir Games is based on experience gained from more than 150 INTERKULTUR international competitions and the previous nine World Choir Games.
To ensure your participation will be an artistic success, INTERKULTUR team members, together with the local organizing committee, are available to assist your organization throughout registration and on-site at the Games.

A – THE COMPETITIONS

The World Choir Games invites all non-professional choirs of the world to participate. The Games offer fair and realistic competition to experienced competitive choirs as well as choirs with relatively little international experience.
The World Choir Games offer The Champions Competition and The Open Competition. These two competitions allow choirs the opportunity to participate at the appropriate level.

AI – The Champions Competition

The Champions Competition is for choirs with international competitive experience and/or comparable credentials (see A1 in the Competition Information booklet).

AII – The Open Competition

In the spirit of "Participation is the highest honor", choirs, regardless of their present artistic level of achievement, have the opportunity to participate in The Open Competition to gather valuable experience in international competition.
A complete description of the competitions can be found in the "Competition Information" booklet.



B – NON-COMPETITIVE EVALUATION

BI – Evaluation Performance for non-competing choirs

Choirs who choose not to be placed in competition, but seek to be part of the international experience of the can participate in the non-competitive evaluation activities.

Choirs will sing a program of three pieces for a maximum performance time of 15 minutes in front of a panel of international experts. At the conclusion of the program there will be a brief internal consultation of the panel of choral experts. Finally, the program will be discussed with the choir in an open and amicable atmosphere.
Performance coaching and recommendations will be given for future participation in international competitions. The choirs will receive an official certificate of participation.

BII – Individual Coaching

All participants, whether taking part in the competitions or not, are given the opportunity to participate with their choir in a session with a noted international choir director.

Choirs interested in making use of this opportunity are required to prepare one piece of choral music. An international renowned choral music expert will then rehearse the piece with the choir to provide new artistic ideas and impetus. Choirs not participating in the competition will be presented a certificate and a recommendation for their future participation in international choral competitions.



C – FESTIVAL

CI - Friendship Concerts

In addition to their competitive or non–competitive participation, choirs may perform in a friendship concert with other choirs in public venues in and around the city of Tshwane.

These free public concerts provide opportunities to choirs to showcase their musical traditions and costumes of their native land. Choirs, instrumental groups, and dance companies not participating in any other category may also register to only participate in multiple friendship concerts.

CII – Festival Stage Choir Closing Ceremony, July 14

The Closing Ceremony will become a stage for Choral fireworks, as flags of the participating countries are assembled and the colors of the World Choir Games are handed to the Mayor of the next host city. Under the title "CHORAL FIREWORKS", a massed choir, especially put together for this event, soloists and a full symphony orchestra will perform folk songs from all continents, popular songs, and traditionally "We are the World" to allow the audience to sing and dance along and conclude the brilliant event.

Currently this project is fully booked. Waiting list: mail@worldchoirgames.com

Choirs who wish to be part of this mass choir, need to register for this activity. These choirs will have to attend compulsory rehearsal sessions with choirs from around the world. Please note that the artistic committee will have the final say in the selection of choirs. Choirs will be required to rehearse the music and arrive prepared for the mass choir rehearsals.

The departure for participating choirs will be on July 15, 2018.

D – WORKSHOPS

The World Choir Games will also offer workshops, seminars and open rehearsal sessions. During these workshops, choirs, conductors, and individuals will be introduced to international choral literature, singing styles, and performance practices. New choral experiences will be created by mixing with other singers, getting instructions from the workshop leader and performing in this creative environment might open the eyes and ears of the choristers to new choral experiences.

EVENT CALENDAR

		PART I					DAY OFF
	July 3, 2018 Tuesday	**July 4, 2018** Wednesday	**July 5, 2018** Thursday	**July 6, 2018** Friday	**July 7, 2018** Saturday	**July 8, 2018** Sunday	**July 9, 2018** Monday
OFFICIAL EVENTS	Arrivals						Depar arrivals or ext
						Award Ceremonies Part I-II morning	Congress of the World Choir council
		Opening Event 19:30 h			Award Ceremonies Part I-I evening		Day off
COMPETITIONS, EVALUATIONS & CONCERTS	Official rehearsals						
			Evaluation Performances (for non-competing choirs) Individual Coachings				
	Qualification Concerts						Qualificatic
			THE OPEN COMPETITION 2, 3, 7, 9, 11, 13, 14, 16, 17, 22, 24, 25, 27				
			THE CHAMPIONS COMPETITION 2, 3, 7, 9, 11, 13, 14, 16, 17, 22, 24, 25, 27				
			Celebration Concerts	Celebration Concerts			Celebration Concerts
	Friendship Concerts						
			Workshops & Seminars				

PART II					
July 10, 2018 Tuesday	**July 11, 2018** Wednesday	**July 12, 2018** Thursday	**July 13, 2018** Friday	**July 14, 2018** Saturday	**July 15, 2018** Sunday
tures, tension of stay					Departure or later
Parade of Nations Early evening				Award Ceremonies Part II-II morning	
			Award Ceremonies Part II-I evening	Closing Ceremony 19:30 h	
Official rehearsals					
	Evaluation Performances (for non-competing choirs) Individual Coachings				
n Concerts					
	THE OPEN COMPETITION 1, 4, 5, 6, 8, 10, 12, 15, 18, 19, 20, 21, 23, 26				
	THE CHAMPIONS COMPETITION 1, 4, 5, 6, 8, 10, 12, 15, 18, 19, 20, 21, 23, 26				
	Celebration Concerts	Celebration Concerts			
	Workshops & Seminars				

as of March 2017





GENERAL CONDITIONS OF PARTICIPATION

GENERAL INFORMATION

Choirs and conductors may register for a maximum of 3 activities per part of the World Choir Games (one or more competition categories, evaluation activities). Choirs that are interested to participate in the Festival Stage Choir should not add more than 1 competition category to this activity. The organizers will make every effort to schedule all activities requested. If it is impossible to accommodate all categories due to scheduling reasons, the fees for those unscheduled activities will be refunded.

For choirs that choose to participate in A, B or D, a performance in one Friendship Concert is free of charge.

1. REGISTRATION DEADLINES

The final deadline for registration is **December 1, 2017**.
Early Bird deadline is September 15, 2017.

2. REGISTRATION FEES

The following registration fees have to be paid per choir/ensemble:

Early Bird – September 15, 2017

For Early Bird registration the fee per selected activity* is EUR 250,00.

Regular – December 1, 2017

For registration until the regular deadline the fee for the first activity* is EUR 500,00 and EUR 250,00 for each additional activity.

* Activities refer to competition participation (1 category = 1 activity), Evaluation Performance, Individual Coaching, Festival Stage Choir, Festival Participation (only concerts). For choirs participating in the competitions and evaluation activities, the performance in a concert is free of charge.

Details for wire transfer

To reserve your participation in the event, the registration fee must be paid in full and accompanied by the completed registration forms. Banking fees are the responsibility of the registrant. Please remit the registration fee to the following bank account:

Account holder: INTERKULTUR
Name of bank: Deutsche Bank AG
Address: Marktplatz 4, D-35390 Giessen
Bank code: 513 700 24

Account number: 0280 420 01
SWIFT-Code (BIC): DEUTDEDB513
IBAN for EU countries: DE59 5137 0024 0028 0420 01
Purpose: T18+name of choir (please state in full)

In case a choir cancels its participation or individual activities, the registration fee will not be refunded.

3. EVENT PACKAGE TERMS AND CONDITIONS

Travel

Transportation and all related travel expenses are the sole responsibility of the choir members and additional persons. All sightseeing excursions must be booked separately and will be for the group's own account.

Event Package Terms and Conditions

INTERKULTUR offers participants of its events a special service with the event package: We take care of all the details and offer an event package through authorized agencies of INTERKULTUR. This package includes, amongst others, accommodation in different hotel categories as well as other local services. For local choirs that do not require overnight stay, a special event package without hotel services is of course also available.

To guarantee your organization's reservation, it is recommended that you take advantage of the early bird registration dates. We cannot guarantee your requested accommodation category if your registration is received after September 15, 2017.

Where the registration forms are not completed in full, the event package will be booked and automatically invoiced for "standard" accommodations.

Travel, Accommodation and Exclusivity Clause

a) Accommodations and touring services for participants (and accompanying persons) to the event are available through official travel agents and tour operators authorized as official providers by the organizer, INTERKULTUR. These agents and operators have secured the hotel room allocations in Tshwane, as well as the legally required insurance coverage, liability protection and all other requirements.
As official providers, the agents and tour operators have the exclusive right to make individual tour offers to participants in the including the official "Event Package".
Participants will be provided with a "Participant Information" booklet. The organizer will pass on the choirs' contact information to the official providers.
b) For security and event management purposes, participation in the event requires that accommodations for the event are booked exclusively through the selected and authorized travel agents. This is an exclusive condition and is part of the general rules for participation. Exceptions and exemptions must be confirmed in writing by the organizing committee. Choral organizations not in compliance with this requirement will forfeit all fees paid and the right to compete in the event.
c) Registration for the event is legally binding for the participant in terms of obligations to the authorized travel agents.
A travel agreement becomes legally binding once the travel agent confirms the registration. Registration fees are non-refundable.
d) Participation in the event will only be possible if all fees and the Event Package (including agency costs for tourism services) have been paid in full and without deductions.
The organizer reserves the right to deny permission to participate in the event to any choral organization not in compliance with these terms. Costs arising out of any such situations will be at the participants' expense.

Organizer

Organizers are the INTERKULTUR Management GmbH (Platz der Einheit 1, 60327 Frankfurt, Germany), through the support of the Gauteng Tourism Authority and City of Tshwane.

Liability of the Organizer

INTERKULTUR is responsible for the artistic and musical design and the execution of the events. Its liability comprises all organizational matters of the festival, the concerts and special events. Any liability with regard to the organizer's liability is expressly excluded. Any liability of such kind would be that of the authorized agencies and/or the management of the respective congress or concert halls, catering and transport companies.
As travel operators, the authorized travel agents are liable in accordance with the corresponding travel laws and on the basis of the "Allgemeinen Reisebedingungen" (ARB) ("General Conditions for Travel"). With his/her signature on the registration for the event, the signatory accepts the terms of the "Allgemeinen Reisebedingungen" (ARB) and the organizer's liability for him/herself and for all persons registered.

Language of correspondence

The official language of the event is English. Moderation (participant information, translations) of the events, the printed material and other publications will be produced in this language.
Participants are requested to conduct all correspondence and communication relating to registration or organization of artistic programs exclusively in English.

Please make sure that your choir is accompanied by at least one English-speaking person who can assist with translation.

Official documents are available on the internet at Interkultur.com in the following languages: English, German, Chinese, and Russian. In the event of doubts or disputes, the printed English version is authentic and legally binding.

Subcontracted Services

The organizer reserves the right to award contracts for services other than tourism services to carefully selected and experienced agencies. These agencies will then operate as subcontractors.

Rejection

The organizer reserves the right to reject registrations for artistic or organizational reasons. If a choir is rejected due to one of these reasons, the registration fee will be refunded.

Pictorial and Sound Recordings

All rights regarding the audio and audiovisual recordings of the event ("Recordings") as well as their exploitation are herewith being granted exclusively to INTERKULTUR by the choir/ artists. All rights granted to INTERKULTUR hereunder may be exploited by INTERKULTUR in perpetuity without any limitation as to time, territory and/or manner of exploitation free of any rights of third parties. Without limiting the generality of the foregoing, this includes in particular the following exclusive rights in the Recordings which can also be transferred by INTERKULTUR to a third party at INTERKULTUR's discretion: INTERKULTUR shall be exclusively entitled to reproduce the Recordings wholly or partly by way of producing vinyl discs, music cassettes, compact discs, DATs, Mini Discs, Digital Compact Cassettes or other sound carriers and by producing video cassettes, picture discs, compact disc videos, DVDs or other audio-visual carriers or other data carriers or by means of other technical devices and to sell or otherwise distribute these reproductions by retail, wholesale or other distribution channels such as clubs, mail order or TV-response. This also includes the right to exploit the Recordings in the context of online and especially Internet registrations of any kind and of any system, regardless of the way of transmission and business model, and to use, upload and distribute these Recordings in data bases, networks (e.g. Internet and all its services) or anything similar of any kind and especially to disseminate and transmit these Recordings to users of databases/ networks via cable or other ways of transmission for the purpose of perception and/ or reproduction and/ or distribution against payment or free of charge. This also includes the right to publicly perform or broadcast the Recordings by private or public broadcast stations, including digital radio services, via cable, satellite or other technical transmission services either against payment or free of charge (including the right to collect in INTERKULTUR's own name broadcast fees accruing in connection with the public performance or broadcast of the Recordings). INTERKULTUR's rights also include the right to edit and/or alter the Recordings (e.g. by producing mixes or remixes), to couple the Recordings with other recordings (e.g. with recordings of other artists) and the right to release and sell the Recordings on so-called "special product" audio- or audio-visual carriers. Furthermore, INTERKULTUR shall be entitled to grant synchronisation rights in the Recordings for movies, videos, TV and/or movie commercials, image films etc., to translate them into other languages, to use them for multimedia purposes of any kind or to rearrange them in any other way (e.g. to create remixes or do sampling). This also includes the exclusive right to use the Recordings in games /PC games as well as other and also interactive multimedia productions (incl. so called "websites") for goods, services and advertising purposes of any kind.

Finally, this includes the non-exclusive right to use the choir's /artist's name as well as images of the choir / artist in the context of the exploitation and the advertising and promotion measures mentioned above. INTERKULTUR does not pay any money to the ARTIST for the exclusive grant of rights mentioned above. The ARTIST accepts explicitly that the positive promotion effect resulting from an exploitation of the Recordings by INTERKULTUR represents an adequate return service for this transfer of rights. In case of a commercial release of the Recordings on CD, the parties will negotiate separately in good faith about an adequate royalty to be payable to the Artist according to standard business practice.

Individual Concerts and Performances

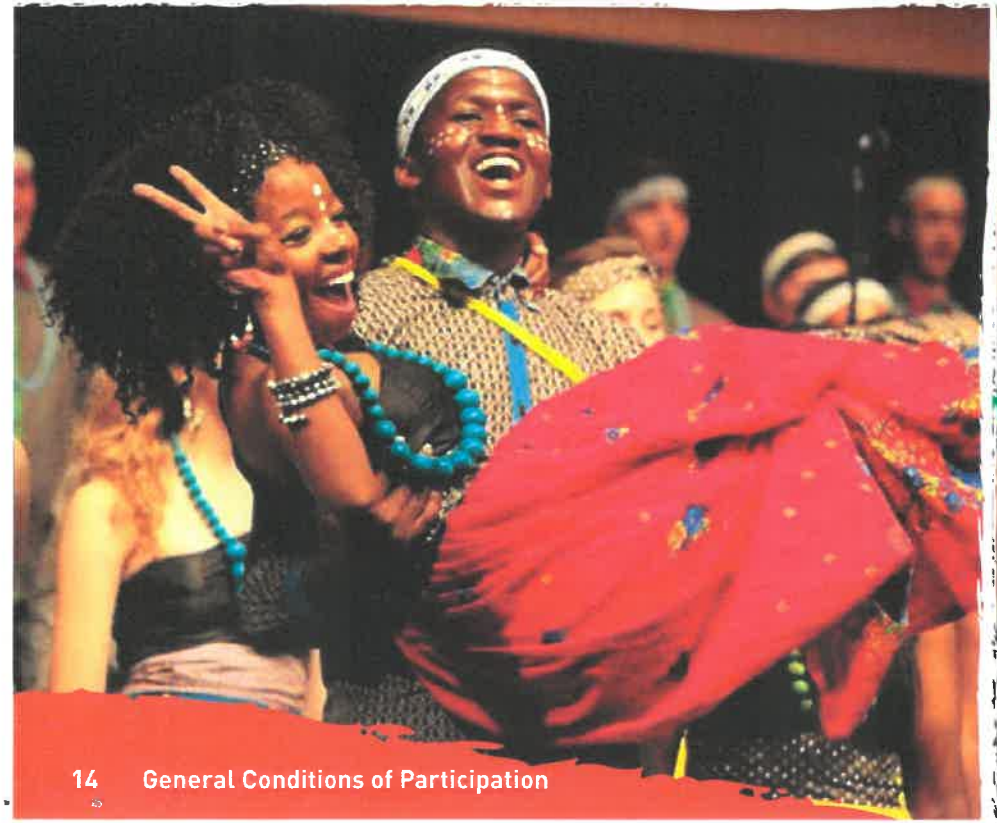
Participating choirs are not allowed to give further concerts or performances during their stay at the event without the organizer's advance approval.

Changes to the Participant Information

The organizer reserves the right to make changes and amendments to the existing information material and/or the information booklet in the event of unforeseen technical, organizational or artistic circumstances or act(s) of God. The organizer also reserves the right to make changes to the program contents and schedule.

Imprint

Content: Prof. Dr. Ralf Eisenbeiß, Jelena Dannhauer, City of Tshwane, Alta Maré, Ali Mpofu
Layout: Ina Irmisch





REGISTRATION

Early Bird deadline is September 15, 2017. The final deadline for registration is **December 1, 2017** and the following documents must be provided together with the registration forms on or before the respective deadline.

Registration Checklist

The following documents must be provided together with the registration forms by deadline:

- ☐ REGISTRATION FORMS DULY COMPLETED
- ☐ REGISTRATION FEE (PLEASE ENCLOSE PROOF OF PAYMENT). The amount may also be paid with Visa or MasterCard (see registration forms).
- ☐ AUDIO RECORDING: Please send an .mp3, WAV, WMA, or CD with at least three (3) pieces (preferably a cappella) not older than two years. Please write the titles and composers of the pieces as well as the date of recording
- ☐ SHORT BIOGRAPHY OF CHOIR: Please send the biography in English as an editable text document (e.g. Word)
- ☐ PHOTOGRAPH OF CHOIR: Make sure that it is suitable for reproduction (landscape format, as a file jpg or bmp, no PDF format, min. 300 dpi, as original min. 12 x 7,5 cm). The picture should not be older than two years.

For participation in the competition and evaluation activities

- ☐ A separate page of the registration form for each competition category in which it intends to participate
- ☐ PROOF OF QUALIFICATION for participation in The Champions Competition
- ☐ MUSIC SCORES OF COMPETITION REPERTOIRE: Scores sent as PDF or similar files will not be accepted. Seven (7) copies for The Champions Competition, five (5) copies for The Open Competition, three (3) for Evaluation Performance & one (1) for Individual Coaching are required.





World Choir Games 2018
Tshwane, South Africa

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www.wcg2018.com





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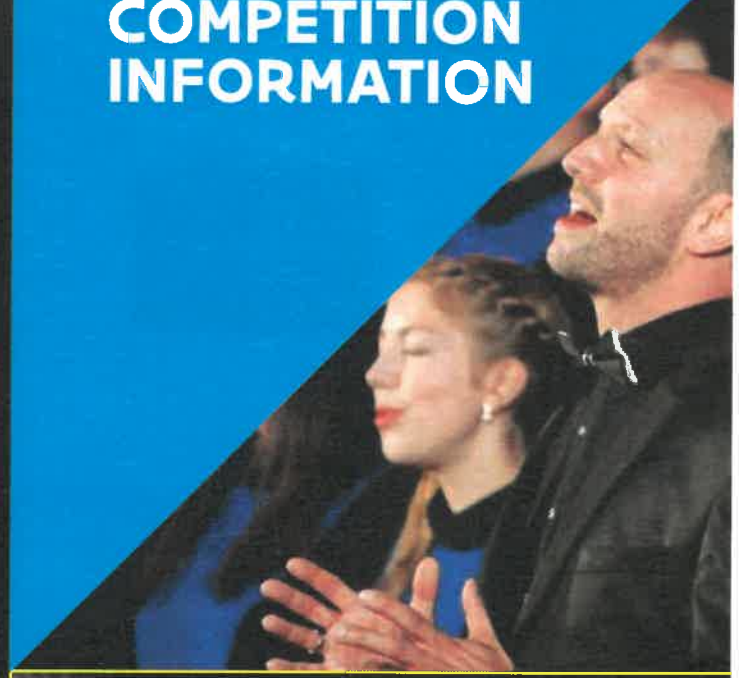
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World Choir Games

FLANDERS 2020



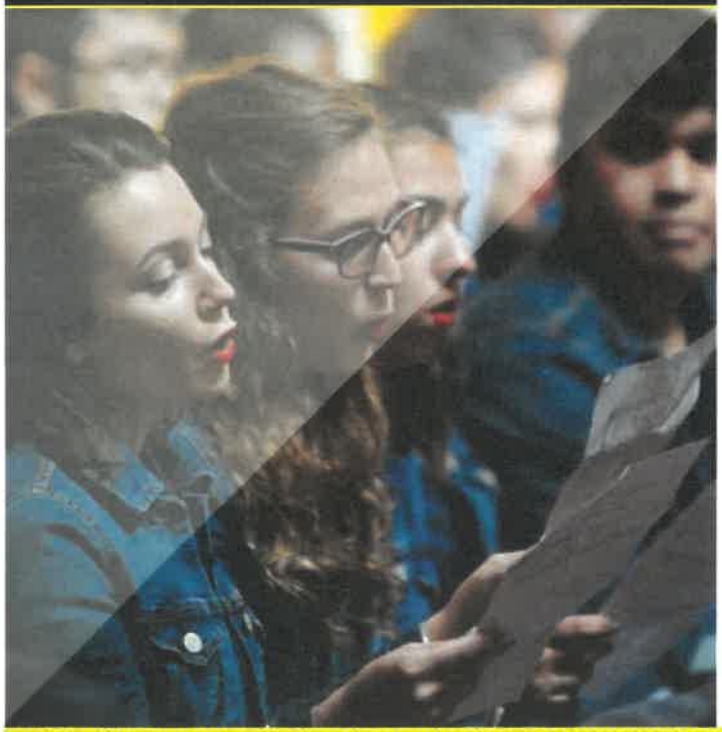
COMPETITION INFORMATION





AN INTERKULTUR EVENT





EVENT CALENDAR

		WORLD CHOIR GAMES PART 1			
	July 4, 2020 Saturday	**July 5, 2020** Sunday	**July 6, 2020** Monday	**July 7, 2020** Tuesday	**July 8, 2020** Wednesday
OFFICIAL EVENTS	Arrivals				
		Opening Event			Awards Ceremonies Part I-I/ 20:00 The Open Competition
COMPETITIONS , EVALUATIONS & CONCERTS	Official rehearsals				
			Evaluation Performances & Individual Coachings		
		Stage Rehearsals	THE OPEN COMPETITION 2, 3, 6, 8, 10, 12, 13, 14, 16, 17, 22, 24, 25, 27		
			THE CHAMPIONS COMPETITION 2, 3, 6, 8, 10, 12, 13, 14, 16, 17, 22, 24, 25, 27		
			Celebration Concerts		
			Workshops		

as of November 2018

	DAY OFF	WORLD CHOIR GAMES PART 2					
July 9, 2020 Thursday	**July 10, 2020** Friday	**July 11, 2020** Saturday	**July 12, 2020** Sunday	**July 13, 2020** Monday	**July 14, 2020** Tuesday	**July 15, 2020** Wednesday	**July 16, 2020** Thursday
	Departures, arrivals or extension of stay						Departure or later
Awards Ceremonies Part I-II / 10:00 **The Champions Competitions**	**Congress of the World Choir Council**	Parade of Nations				Awards Ceremonies Part II-II / 10:00 **The Champions Competition**	
					Awards Ceremonies Part II-I / 20:00 **The Open Competition**	Closing Ceremony	
	Official rehearsals						
			Evaluation Performances & Individual Coachings				
		Stage Rehearsals	THE OPEN COMPETITION 1, 4, 5, 7, 9, 11, 15, 18, 19, 20, 21, 23, 26				
			THE CHAMPIONS COMPETITION 1, 4, 5, 7, 9, 11, 15, 18, 19, 20, 21, 23, 26				
			Celebration Concerts				
Friendship Concerts							
			Workshops				

COMPETITION STRUCTURE



WORLD CHOIR GAMES – THE CHAMPIONS COMPETITION

Choirs competing in The Champions Competition are by the decision of the Artistic Committee.
Non-professional choirs can register, submit qualifications or be delegated. This competition is for choirs that have corresponding international competitive experience and have already proven their ability in concerts and international choral competitions. The competition is evaluated by an international jury according to the evaluation system of the World Choir Games (100 points system).
Choirs are awarded Bronze, Silver or Gold Medals depending on the number of points. The gold medal choir with the highest number of points, in each category, will be awarded the title "Champion of the World Choir Games".

Recommended for

- Choirs* with national and/or international competitive experience and a proven level of achievement or proof of comparable artistic level
- Choirs that are listed in the top 500 of the MUSICA MUNDI World Ranking List (List available at Interkultur.com)
- Choirs that have been awarded a Gold Medal at the World Choir Games since 2015
- Choirs that have been awarded a Golden Diploma at the MUSICA MUNDI choir competitions since 2015
- Choirs that have received a recommendation diploma for The Champions Competition in a previous INTERKULTUR event
- Choirs that have received a 1st, 2nd or 3rd prize in national or international choir competitions, or an evaluation comparable to the Golden Diploma of the INTERKULTUR choir competitions since 2015 (The competition must be recognized by the Artistic Committee and a copy of the certificate must be submitted with the registration.)
- Choirs that have been delegated by national and provincial cultural ministries or national and provincial choral associations (An official letter of delegation must be submitted with the registration.)
- Choirs that have been delegated by a member of the World Choir Council

Admitted by The Artistic Committee of the World Choir Games

Jury A jury of seven international music experts will evaluate The Champions Competition.

Evaluation system The Champions Competition is evaluated on a 100 point system.
Number of points:
40.00 – 60.00 Bronze medal 60.01 – 80.00 Silver medal 80.01– 100.00 Gold medal

Champion of the World Choir Games The choir receiving the Gold Medal with the most points will be awarded the title **"Champion of the World Choir Games"**



WORLD CHOIR GAMES – THE OPEN COMPETITION

In the spirit of the World Choir Games, "Participation is the highest honor". Therefore, any non-professional choir may participate regardless of their present artistic level of achievement. The choirs will be evaluated by an international jury in accordance with the general MUSICA MUNDI evaluation system (30 points system) and awarded Gold, Silver and Bronze Diplomas. The choir receiving the Gold Diploma with the most points will be awarded the title "Winner of the World Choir Games – The Open Competition."
The title can be given to only one choir per category. In case of a tie, the jury will determine which choir will be the Winner of the "World Choir Games – The Open Competition"

Recommended for
- Any non-professional choir regardless of experience at national and international choral competitions
- Choirs that have received a recommendation diploma for The Open Competition at one of the past INTERKULTUR events

Admitted by The Artistic Committee of the World Choir Games

Jury A jury of international music experts will evaluate the World Choir Games – The Open Competition.

Evaluation system MUSICA MUNDI evaluation system (30 points)
Number of points:
1.00 – 10.49 Bronze Diplomas levels 1-10
10.50 – 20.49 Silver Diplomas levels 1-10
20.50 – 30.00 Golden Diplomas levels 1-10

Awards The choir scoring the highest overall number of points per category with a golden diploma in each category will be awarded the title **"Winner of the World Choir Games – The Open Competition"**.

THE CATEGORIES

GENERAL CATEGORIES (1 – 13)

Basic Information

The multiple categories offer each choir the opportunity to express its own traditions and strengths.

- A program should reflect the choral music activities of different countries.
- At the same time, the World Choir Games encourage choirs to take an interest in cultural and musical traditions elsewhere in the world and to perform at least one piece that does not have its origins in their native culture.
- Thoughtful consideration should be given to the dramatic arc of the overall program.
- The character and degree of difficulty of the program for Children's and Youth categories should correspond with the age of the singers.

Categories 1 – 13



1 **Young Children's Choirs** S(S)A(A), girls and boys ages 6 – 12
2 **Children's Choirs** S(S)A(A), girls and boys ages 10 – 16
3 **Youth Choirs of Equal Voices** (girls and boys / S(S)A(A) ages 12-22 OR T(T) B(B) ages 14-25)
4 **Mixed Youth Choirs** (girls, boys and young men) OR Mixed Boys Choirs (boys and young men) / ages 10-25)
5 **University and College Choirs** (mixed and equal voices), ages 18 – 30
6 **Vocal Ensembles** (mixed and equal voices)
7 **Mixed Chamber Choirs**
8 **Mixed Choirs**
9 **Female Chamber Choirs**
10 **Female Choirs**
11 **Male Chamber Choirs**
12 **Male Choirs**
13 **Senior Choirs 55+**

ARTISTIC REQUIREMENTS FOR CATEGORIES 1 – 13*

	THE OPEN COMPETITION	THE CHAMPIONS COMPETITION
	In these categories compositions of a different character should be performed. Also, a choir should not perform 4 pieces that belong to the same thematic category, e.g. 4 compositions with sacred content.	
Program must include	4 compositions of the choir's choice.	1) one composition by a composer from the country, language area or cultural environment of the participating choir 2) one composition by a composer who does not come from the country, language area or cultural environment of the participating choir 3) one composition by a living composer (at the time of registration) - for choirs participating in categories 3-13: only original compositions are permitted. 4) one composition of the choir's choice
Number of pieces	4	4
Duration of the program	The minimum actual singing time should be at least 8 minutes and must not exceed 15 minutes.	The minimum actual singing time should be at least 12 minutes and must not exceed 20 minutes.
Instrumental accompaniment	Three compositions may be performed with original instrumental accompaniment. At least one piece has to be performed a cappella.	**Categories 1 – 5:** 2 pieces may be performed with original accompaniment. **Categories 6 – 13:** 1 piece may be performed with original accompaniment.
Part of event	**Part I (July 5 – 9):** categories 2, 3, 6, 8, 10, 12, 13 **Part II (July 11 – 15):** categories 1, 4, 5, 7, 9, 11	

* Depending on the number of registrations the Artistic Committee reserves the right to split the following categories up:
Category 3: in to S(S)A(A) and T(T)B(B)
Category 4: in to Mixed Youth and Mixed Boys Choirs
Categories 6&13: in to mixed and equal voices

THE CATEGORIES

THEMATIC CATEGORIES (14 – 27)

CATEGORY 14

CATEGORY 14 – MUSICA SACRA A CAPPELLA

	THE OPEN COMPETITION	THE CHAMPIONS COMPETITION
Program must include	Compositions of sacred music of the choir's choice.	Compositions of sacred music: 1) by a composer born before 1809 2) by a composer born between 1809 and 1873 3) by a composer who is alive at the time of registration 4) of the choir's choice Only original compositions are permitted.
Number of pieces	4	4
Duration of the program	The maximum actual singing time must not exceed 15 minutes.	The maximum actual singing time must not exceed 20 minutes.
Instrumental accompaniment	Instrumental accompaniment is not permitted.	
Part of event	**Part I (July 5 – 9)**	

CATEGORY 15

CATEGORY 15 – MUSICA SACRA WITH ACCOMPANIMENT

	THE OPEN COMPETITION	THE CHAMPIONS COMPETITION
Program must include	Compositions of sacred music of the choir's choice.	Compositions of sacred music: 1) by a composer born before 1809 2) by a composer born between 1809 and 1873 3) by a composer who is alive at the time of registration 4) of the choir's choice Only original compositions are permitted.
Number of pieces	4	4
Duration of the program	The maximum actual singing time must not exceed 15 minutes.	The maximum actual singing time must not exceed 20 minutes.
Instrumental accompaniment	Minimum one piece has to be accompanied.	Minimum 1 and maximum 2 pieces have to be performed with accompaniment (tuned instruments).
Part of event	**Part II (July 11 – 15)**	

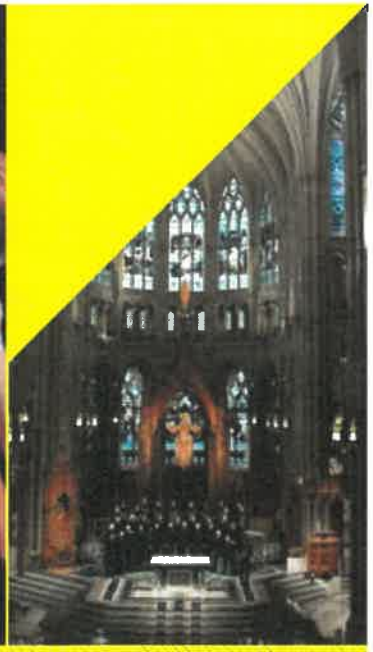
CATEGORY 16

CATEGORY 16 – MUSIC OF SPIRIT AND FAITH

	THE OPEN COMPETITION	THE CHAMPIONS COMPETITION
	This category welcomes music of all religions, churches and denominations, as well as general songs of spirit and faith that are not affiliated with a religion, church or denomination. Choral music which in style and content belongs to Musica Sacra, Gospel, or Spiritual is not permitted in this category.	
Program must include	Compositions of the choir's choice	
Number of pieces	unlimited	
Duration of the program	The maximum actual singing time must not exceed 15 minutes.	
Instrumental accompaniment	All pieces may be accompanied.	
Part of event	**Part I (July 5 – 9)**	







THE CATEGORIES

THEMATIC CATEGORIES (14 – 27)

CATEGORY 17 – MUSICA CONTEMPORANEA (CONTEMPORARY MUSIC) - EQUAL VOICES
CATEGORY 18 – MUSICA CONTEMPORANEA (CONTEMPORARY MUSIC) - MIXED VOICES

CATEGORIES 17/18

	THE OPEN COMPETITION	THE CHAMPIONS COMPETITION
	This category features contemporary compositions of the 20th and 21st centuries and the immediate present.	
Program must include	Compositions of the choir's choice by a composer born after 1925. Only original compositions are permitted. Choral music which in style and content belongs to jazz, musical theatre or pop music is not permitted in this category.	1) One premier performance composition. (A declaration explaining that the piece is dedicated to or will be performed for the first time at the 11th World Choir Games 2020 must be attached to the registration forms.) 2) One composition by a composer who is alive at the time of registration and comes from the country or cultural area of the participating choir. 3) One composition by a composer who is alive at the time of registration and does not come from the language or cultural area of the participating choir (see also chapter competition rules AI). 4) One composition of the choir's choice by a composer born 1950 or later. Only original compositions are permitted. Choral music which in style and content belongs to jazz, musical theatre or pop music is not permitted in this category.
Number of pieces	4	4
Duration of the program	The maximum actual singing time must not exceed 15 minutes.	The maximum actual singing time must not exceed 20 minutes.
Instrumental accompaniment	Instrumental accompaniment is permitted for all compositions. Reductions in orchestration are permitted.	A maximum of two compositions may be performed with original instrumental accompaniment.
Part of event	**Category 17: Part I (July 5 – 9)** **Category 18: Part II (July 11 – 15)**	

BASIC INFORMATION FOR CATEGORIES 19, 20, 22, 23, 24, 27

CATEGORY 19

Instrumental accompaniments including electronic instruments with their own amplification are permitted. The amplification of voices and instruments is permitted. Equipment suited to the respective venues will be made available on-site. All forms of full playback are prohibited but the instrumental accompaniments in these categories may be performed via playback (minus one track).

CATEGORY 19 – JAZZ

	THE OPEN COMPETITION	THE CHAMPIONS COMPETITION
Program must include	The choir's choice of jazz compositions of varying style is encouraged. Improvisations by the vocalists are desirable but not compulsory. Instrumental solos must be kept to a minimum as only the performance of the choir will be evaluated. Accompanists and/or instrumentalists are the responsibility of the choir.	
Number of pieces	4	
Duration of the program	The maximum actual singing time must not exceed 15 minutes.	
Instrumental accompaniment	All compositions may be accompanied.	
Part of event	**Part II (July 11 – 15)**	

CATEGORY 20

CATEGORY 20 – GOSPEL

	THE OPEN COMPETITION	THE CHAMPIONS COMPETITION
Program must include	The choir's choice of Gospel compositions. In this category all styles of Gospel (African Gospel, Black Gospel, etc) may be performed and in case sheet music is not available, a short description of the program or the lyrics must be provided for the jury (in English).	
Number of pieces	unlimited	
Duration of the program	The maximum actual singing time must not exceed 15 minutes.	
Instrumental accompaniment	All compositions may be accompanied.	
Part of event	**Part II (July 11 – 15)**	

THE CATEGORIES

CATEGORY
21

CATEGORY 21 – SPIRITUAL

	THE OPEN COMPETITION	THE CHAMPIONS COMPETITION
Program must include	The choir's choice of Spirituals. Spirituals are religious compositions originally transmitted orally, which have been transcribed and arranged primarily for a cappella choral singing. This category is commonly interpreted as the African-American Spiritual derived from slave songs and hymns.	
Number of pieces	4	
Duration of the program	The maximum actual singing time must not exceed 15 minutes.	
Instrumental accompaniment	Instrumental accompaniment is not permitted.	
Part of event	**Part II (July 11 – 15)**	







CATEGORY 22 – POP ENSEMBLES
CATEGORY 23 – POP CHOIRS

	THE OPEN COMPETITION	THE CHAMPIONS COMPETITION
	Pop, Rock and Light Entertainment selections from the 20th century through the present day will be performed. The style and content must not fit into the jazz, gospel, spiritual or folklore categories. It should be focused on the vocal and/or instrumental part. Choreographic elements may be integrated into performances but only the singing and playing will be evaluated by the international jury.	
Number of singers	**Category 22:** min. 4; max. 36 **Category 23:** min. 37	
Program must include	Popular choral compositions of the choir's choice.	
Number of pieces	4	
Duration of the program	The maximum actual singing time must not exceed 15 minutes.	
Instrumental accompaniment	A minimum of one composition has to be performed a cappella.	
Part of event	**Category 22: Part I (July 5 – 9)** **Category 23: Part II (July 11 – 15)**	

CATEGORY 24

CATEGORY 24 – SCENIC POP/SHOW CHOIRS

	THE OPEN COMPETITION	THE CHAMPIONS COMPETITION
	Pop, Rock and Light Entertainment selections from the 20th century through the present day will be performed. The style and content must not fit into the jazz, gospel, spiritual or folklore categories.	
Program must include	Popular choral compositions of the choir's choice. The jury will evaluate the music as well as the scenic performance and/or choreography. The content of movements and singing should be cohesive.	
Number of pieces	unlimited	
Duration of the program	The maximum actual singing time must not exceed 15 minutes.	
Instrumental accompaniment	All compositions may be accompanied.	
Part of event	**Part I (July 5 – 9)**	

THE CATEGORIES

BASIC INFORMATION FOR CATEGORIES 25 – 27

CATEGORY 25

In these categories choirs should interpret the folklore of its native country or its different ethnic groups.
A choir whose work is dedicated to the cultures of another people may also perform. Combining national folk songs from several countries is not permitted (potpourris). For example: A choir from Germany should not combine songs from Germany, France, Russia and a Spiritual.

CATEGORY 25 – FOLKLORE A CAPPELLA

	THE OPEN COMPETITION	THE CHAMPIONS COMPETITION
Program must include	In the folklore categories, melodies must be used that already exist and belong to the folklore of the country or an ethnic group. These may be performed in different ways - original or in various arrangements. New compositions without such reference, even those written in the folkloric style of the country, may not be performed in these categories. Original performance interpretations are welcome. Choreographic elements may be integrated into performances but only the singing will be evaluated by the international jury. Amplification and playback are not allowed. In case sheet music is not available, a short description of the program must be provided for the jury (in English).	
Number of pieces	unlimited	
Duration of the program	The maximum actual singing time must not exceed 15 minutes.	
Instrumental accompaniment	Instrumental accompaniment with tuned instruments is not permitted.	
Part of event	**Part I (July 5 – 9)**	

CATEGORY 26

CATEGORY 26 – FOLKLORE WITH ACCOMPANIMENT

	THE OPEN COMPETITION	THE CHAMPIONS COMPETITION
Program must include	In the folklore categories, melodies must be used that already exist and belong to the folklore of the country or an ethnic group. These may be performed in different ways - original or in various arrangements. New compositions without such reference, even those written in the folkloric style of the country, may not be performed in these categories. Original performance interpretations are welcome. Choreographic elements may be integrated into performances but only the singing will be evaluated by the international jury. Amplification and playback are not allowed. In case sheet music is not available, a short description of the program must be provided for the jury (in English).	
Number of pieces	unlimited	
Duration of the program	The maximum actual singing time must not exceed 15 minutes.	
Instrumental accompaniment	original, country specific instrumental accompaniment with tuned instruments Not tuned, sound producing instruments (e.g. percussion) may also be used, but not exclusively.	
Part of event	**Part II (July 11 – 15)**	

CATEGORY 27

CATEGORY 27 – SCENIC FOLKLORE

	THE OPEN COMPETITION	THE CHAMPIONS COMPETITION
Program must include	Folklore of the choir's choice with choreography. In the folklore categories, melodies must be used that already exist and belong to the folklore of the country or an ethnic group. These may be performed in different ways - original or in various arrangements. New compositions without such reference, even those written in the folkloric style of the country, may not be performed in these categories. The content of movements and singing should be cohesive. The jury will evaluate the musical as well as the scenic performance. Instrumental accompaniment may also be sound recording (playback). Amplification of voices and instruments is permitted. The performance in traditional costumes typical of the country is recommended. In case sheet music is not available, a short description of the program must be provided for the jury (in English).	
Number of pieces	unlimited	
Duration of the program	The maximum actual singing time must not exceed 15 minutes.	
Instrumental accompaniment	Any kind of accompaniment and traditional instruments are permitted.	
Part of event	**Part I (July 5 – 9)**	

CATEGORY OVERVIEW

PART I (JULY 5 – 9) / PART II (JULY 11 – 15)



Category	Category Name	Age limit	Number of singers	Maximum Singing Time (minutes)		Number of compositions		Max. number of pieces with accompaniment		Ampli-fication permitted	PART OF WCG
				OC	CC	OC	CC	OC	CC		
GENERAL CATEGORIES											
1	Young Children's Choirs, S(S)A(A), girls and boys	6 – 12	unlimited	15	20	4	4	3	2	no	II
2	Children's Choirs, S(S)A(A), girls and boys	10 – 16									I
3	Youth Choirs of Equal Voices, S(S)A(A), (girls and boys / ages 12-22) OR T(T) B(B) (ages 14-25)	12 – 25									I
4	Mixed Youth Choirs SA(T)B, (girls, boys and young men) OR Mixed Boys Choirs (boys and young men) ages 10-25	10 – 25									II
5	University and College Choirs	18 – 30									II
6	Vocal Ensembles (mixed and equal voices)	18+	min. 4 / max. 12						1		I
7	Mixed Chamber Choirs		min. 13 / max. 36								II
8	Mixed Choirs		min. 37								I
9	Female Chamber Choirs		min. 13 / max. 30								II
10	Female Choirs		min. 31								I
11	Male Chamber Choirs		min. 13 / max. 30								II
12	Male Choirs		min. 31								I
13	Senior Choirs 55+	55+	unlimited								I

Category	Category Name	Age limit	Number of singers	Maximum Singing Time (minutes)		Number of compositions		Max. number of pieces with accompaniment		Ampli-fication permitted	PART OF WCG
				OC	CC	OC	CC	OC	CC		
THEMATIC CATEGORIES											
14	Musica Sacra a cappella	-	unlimited	15	20	4	4	-	-	no	I
15	Musica Sacra with accompaniment							4	2		II
16	Music of Spirit and Faith				15	un-limited	un-limited	all	all		I
17	Musica Contemporanea equal voices (contemporary music)				20	4	4		2		I
18	Musica Contemporanea mixed voices (contemporary music)										II
19	Jazz				15				all	yes	II
20	Gospel					un-limited	un-limited				II
21	Spiritual					4	4	-	-	no	II
22	Pop Ensembles		min. 4 / max. 36					3	3	yes	I
23	Pop Choirs		min. 37								II
24	Scenic Pop / Show Choirs		unlimited			un-limited	un-limited	all	all		I
25	Folklore a cappella							-	-	no	I
26	Folklore with accompaniment							all	all		II
27	Scenic Folklore									yes	I

COMPETITION RULES

1. General Rules

a) All non-professional choirs are welcome to compete in this event. With the exception of the conductors, its members must all be amateurs, e.g. they are not allowed to earn their livelihood by professional singing.
b) In categories with age limits, a maximum of 20% of the members may exceed the age limit by 5 years. The organizers reserve the right to check the ages of the singers.
c) The order of performances within a category is scheduled at random.

2. Multiple Participation

Per part of the event choirs and conductors may enter in a maximum of two activities.
The organizers will make every effort to schedule all activities. If it is impossible to accommodate all categories due to scheduling reasons, the fees for those unscheduled activities will be refunded.

a) Possibilities of participation

Category	Detail
1 – 13	Choirs may participate in only one of these categories.
14 – 27	Choirs may choose from these categories independent of participation in categories 1 – 13.



b) INDIVIDUAL CHOIR MEMBERS may participate in smaller ensembles formed out of their primary choir but may NOT sing in more than one primary choir (e.g., a singer may not perform in two or more independent mixed choirs).
c) CONDUCTORS are permitted to conduct only one choir per category, however conducting in different categories is allowed. A choir may also perform with several conductors.
d) Choirs participating in multiple categories have to register all categories on the same level (The Open Competition OR The Champions Competition).

3. Music

a) The Artistic Committee decides on the admission of the program to the competition. The approval of the Artistic Committee is usually not given when it comes to opera choirs or when the character of the composition conflicts with a choral interpretation (such as "Nabucco - Prisoners' Choir" by Giuseppe Verdi edited for children's voices, "Träumerei" by Robert Schumann edited for choir). In addition, none of the programs may include topics such as war or glorification of violence and may not be against other nations and nationalities.

b) In The Champions Competition only ORIGINAL ACCOMPANIMENTS are permitted, which means that any reductions in orchestration or transcriptions of other instruments that were not planned by the composer and do not have an accepted performance tradition are excluded from the competition.

c) ACCOMPANIMENT means that at least one tuned instrument is used. In categories requiring a cappella selections, only not tuned instruments may be used (percussion instruments).

d) The use of ORIGINAL COMPOSITIONS means that a piece must be performed in accordance with the composer's original score. Compositions prior to and through the Baroque era may be performed in variations of scoring that correspond with the original musical material. The arrangement of a composition is permitted if it has led to a new composition.
The Artistic Committee reserves the right to reject compositions.

e) USE OF AMPLIFICATION: In case the amplification of voices and instruments is permitted, basic technical equipment and backline will be provided by the organizer. Each choir must submit technical requirements of their performance with their registration form. If these instructions are not submitted, the organizers will not accept responsibility for the production of such instructions.Technically complex requirements, such as the provision of solo mics or headsets for the whole choir cannot be guaranteed. In category C23, Pop Choirs, only general choir amplification and a limited number of solo mics will be provided.

f) CHANGES OF KEY: The jury must be informed in writing if a choir wishes to change the key from what is written in the printed score prior to the competition.

g) After APPROVAL OF PROPOSED PROGRAM by the Artistic Committee, it will be returned for final review and confirmation by the respective choir. The choir must respond within 14 days of delivery with any changes to the program. If there is no response within 14 days, the program will be considered final; therefore neither titles nor performance order may be changed. Changes made without informing the organizer will result in a disqualification. Choirs are responsible for possible performing rights of their program.

h) ACTUAL SINGING TIME: Actual singing time is the duration of the performance time only. It excludes entrance, exit, and applause.

COMPETITION RULES

i) PROGRAMS IN MULTIPLE CATEGORIES: Choirs may NOT sing the same pieces in different categories. - Separate repertoire pages should be filled out for each category of competition for registration.

j) Some categories require a composition which does not originate in the COUNTRY, REGIONAL LANGUAGE OR CULTURAL GROUP of the participating choir.
Examples of compliance:
- Choirs from English-speaking countries should choose compositions written in a different language.
- A Choir from a Baltic Country (Latvia, Lithuania, and Estonia) should not sing a composition from another Baltic country even if the two countries naturally have different cultures and languages.
- A choir from a Slavic country should not select a work from another Slavic nation, even if the two countries naturally have different cultures and languages.
- A choir from Latin and South America should select a piece that does not come from the same region.

k) The World Choir Games follow the ideas and goals of the Olympic ideal. None of the programs listed may include war or glorify violence or content directed against other nations and nationalities. Moreover, the World Choir Games are politically non-party and neutral. Any statement by words or actions which could include political conflict potential is prohibited. At the official events of the World Choir Games (e.g. competitions, Awards Ceremonies, Parade of Nations) only flags and anthems of those States are permitted, that are officially recognized by the United Nations.

4. Sheet Music

a) For The Open Competition five scores and for The Champions Competition seven scores of every composition must be submitted with the registration forms.

b) Scores submitted must conform to internationally recognized sheet music standards (five lines of notes).

c) Scores that do not bear the titles, names of composers etc. printed in the Roman alphabet must bear a transcription into the Roman alphabet (clear handwritten notes suffice).

d) One score remains with the organizer after the competition. Remaining scores may be collected from the organizer after the awards ceremony. Uncollected scores will not be sent by mail.

e) No scores have to be submitted for Celebration or Friendship Concerts.

f) Please note that published choral compositions may only be sung using the original scores or authorized copies. The use of unauthorized copies or handwritten copies is not allowed! All scores must be sent by mail as hardcopy. Scores sent as files (PDF or similar) will not be accepted.

THE CHAMPIONS COMPETITION



JURY AND COMPETITION EVALUATION

1. A jury consisting of seven international choral experts evaluates the competition.

2. The decisions of the jury cannot be contested.

3. The evaluation of the competition is based on the Evaluation System of the World Choir Games.
   In competition the performance of every composition will be evaluated according to the following:
   I) Technical Evaluation
      a) Intonation
      b) Sound quality of the choir
   II) Artistic Evaluation
      c1) Fidelity to the score (in general categories)
      c2) Interpretation practice (in Jazz, Pop categories Music of Spirit and Faith)
      c3) Authenticity (in Folklore categories, Gospel and Spiritual)
      d) Overall artistic impression

4. Each adjudicator will give a maximum of 10 points for each single composition according to criteria a) and c) and for the overall performance according to criteria b) and d) respectively. Using the points given, an intermediate average is determined for the overall technical evaluation (I) and for the overall artistic evaluation (II). The final score given by each individual adjudicator is made up of the total of these intermediate average figures

5. The final result is made up of the total of all final scores of the adjudicators. The lowest and highest figure will be disregarded.

THE CHAMPIONS COMPETITION



Example of a score sheet:

		a)	b)	c)	d)
1	Composition 1	9		9	
2	Composition 2	8		9	
3	Composition 3	7		8	
4	Composition 4	9		8	
	Criteria a) + c): average of 1 – 4	8.25	8	8.5	9
	Intermediate result of technical and artistic evaluation (average of column 1. and 2. as well as 3. and 4.)	8.13		8.75	
	Total number of points given by one adjudicator: (= total of all intermediate results)	16.88			

The adjudicator gives 16.88 points, which are used for the overall evaluation. In this example, the following results were given and count as follows:

adjudicator 1	adjudicator 2	adjudicator 3	adjudicator 4	adjudicator 5	adjudicator 6	adjudicator 7
16,88	17,54	15,34	**18,01**	16,21	**14,01**	17,67

The scores of adjudicator 4 (highest score) and adjudicator 6 (lowest score) are disregarded. The total score will be made up from the remaining scores. In this case the choir will be awarded a Gold Medal with a total of 83.64 points.
In categories for which the number of pieces is not determined, the jury will evaluate only the overall performance according to the above mentioned criteria.

		a)	b)	c)	d)
1	Composition 1				
2	Composition 2				
3	etc.				
	Score for the overall performance	6	8	7	6
	Intermediate result of technical and artistic evaluation (average of column 1. and 2. as well as column)	7		6.5	
	Total score given by one adjudicator: (total of all intermediate results)	13.5			

6. In case a choir exceeds the maximum pure singing time of the respective category, their final score will be reduced.
7. In case of non-observance of the age limit the choir could lose points of the overall result or may even be disqualified.
8. Choirs will receive written copy of their adjudication scores.

AWARDS

Medals In The Champions Competition choirs will receive medals according to their final scores:

1 – 40 Points	Certificate "Successful Participation in the World Choir Games – The Champions Competition"
40.01 – 60 Points	Bronze Medal
60.01 – 80 Points	Silver Medal
80.01 – 100 Points	Gold Medal

Champion of the World Choir Games In the World Choir Games – The Champions Competition, the choir receiving the Gold Medal with the most points will be awarded the title **"Champion of the World Choir Games"**. The title can only be given to one choir per category. In case of a tie, the jury will determine which choir will be the Champion of the World Choir Games.



THE OPEN COMPETITION



JURY AND COMPETITION EVALUATION

1. A jury consisting of five international choral experts evaluates the competition.

2. The decisions of the jury cannot be contested.

3. The evaluation of the competition is based on the Musica Mundi Evaluation System. In competition the performance of every composition will be evaluated according to the following:
   I) Technical Evaluation
      a) Intonation
      b) Sound quality of the choir
   II) Artistic Evaluation
      c1) Fidelity to the score (in general categories)
      c2) Interpretation practice (in Jazz, Pop categories Music of Spirit and Faith)
      c3) Authenticity (in Folklore categories, Gospel and Spiritual)
      d) Overall artistic impression

4. In categories where the number of compositions is determined the jury will evaluate every composition according to criteria a) intonation and c) fidelity to the score or interpretation practice or authenticity. They will evaluate the overall performance according to criteria b) sound quality of the choir and d) overall artistic impression.

5. The jury will decide whether a choir has qualified for a diploma. Choirs receiving no diploma will get a certificate of participation. Choirs that have qualified for a diploma will be given between 1 and 30 points.

6. The final result is made up of the average of all given points or by the average of the intermediate results respectively.
Example:

		a)	b)	c)	d)
1	Composition 1	25		22	
2	Composition 2	27		26	
3	Composition 3	23		25	
4	Composition 4	26		24	
	Criteria a) and c) = average of 1 – 4 Criteria b) and d) = points given for the overall performances	25.25	26	24.25	24
	Total score	24.88			

In categories for which the number of pieces is not determined, the jury will evaluate only the overall performance according to the above mentioned criteria.

		a)	b)	c)	d)
1	Composition 1	21	22	19	20
2	Composition 2				
3	etc.				
	Total score	20.50			

7. In case a choir exceeds the maximum pure singing time of the respective category, their final score will be reduced.

8. In case of non-observance of the age limit the choir could lose points of the overall result or may even be disqualified.

9. Choirs will receive written copy of their adjudication scores.

THE OPEN COMPETITION



AWARDS

Diplomas Choirs taking part in the World Choir Games – The Open Competition will be awarded Bronze, Silver and Golden Diplomas at levels I – X according to their score:

MUSICA MUNDI Evaluation System

Diploma	Level									
	I	II	III	IV	V	VI	VII	VIII	IX	X
bronze	1.00–1.49	1.5–2.49	2.5–3.49	3.5–4.49	4.5–5.49	5.5–6.49	6.5–7.49	7.5–8.49	8.5–9.49	9.5–10.49
silver	10.5–11.49	11.5–12.49	12.5–13.49	13.5–14.49	14.5–15.49	15.5–16.49	16.5–17.49	17.5–18.49	18.5–19.49	19.5–20.49
gold	20.5–21.49	21.5–22.49	22.5–23.49	23.5–24.49	24.5–25.49	25.5–26.49	26.5–27.49	27.5–28.49	28.5–29.49	29.5–30.00

Winner Winner of the World Choir Games – The Open Competition is the choir with the highest score above 20.50 points. If the difference between the scores of two choirs is less than 0.1 point the jury will take a vote on the category winner. If no choir has achieved a score above 20.50 points (Gold I), there will be no category winner.

KLIP RIVER PARK RESORT

MUNICIPAL MANAGER REPORT TO THE MAYORAL COMMITTEE (MAYCO)

2010





Section 78 Investigation as per Municipal Systems Act 2000.
MAY 2010

WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

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1 BACKGROUND AND INTRODUCTION

The Witzenberg Municipality has grappled with the issue of the Klipriver Park Resort since 1996 and have taken various resolutions in this regard. The final decision has proven extremely complex due to community sensitivities and sentimentality, business concerns around the neglect of the resort and the municipalities own lack of management and funding. capacity. Examples of Council vacillation include

1. Council initially resolved on 28 August 2008:
   - That Klipriver Park be retained as a holiday resort.
   - That possible development proposals be requested from consultants and interested parties for consideration and future resolutions.
   - That the report of the developers and interested parties be tabled to Council.

2. The matter of Klipriver Park was again tabled at the Executive Mayoral Committee meeting of 12 February 2009 where the Committee was informed and advised of the problems encountered as well as the prevailing circumstances at Klipriver Park at that time. The Mayco then resolved that the possibility of a lease option on Klipriver Park and the adjacent Municipal land be investigated and made a recommendation to this effect to Council.

3. **RESOLVED**

(a) That council re-affirm the resolutions taken on 28 August 2008 namely:

(i) That Klipriver Park be retained as a holiday resort.

(ii) That possible development proposals be requested from consultants and interested parties for consideration and future resolutions.

(iii) That the report of the developers and interested parties be tabled to Council.

b) That Senior Management further investigates the Public Private Partnership possibilities of Klipriver Park

The global economic recession and the added financial burden being placed on municipalities have NOW forced Council to reconfigure how it delivers effective and efficient municipal services. Council must therefore review, clarify and formalise the purpose of certain non-core services (like resorts), thereby clarifying the contribution a non-core service needs to make. Some of them are supposed to be self funded and self sustainable and should not be subsidised from the rates fund. Such a strategic and policy decision will inform service menus, service levels, and performance requirements and considerations. It will also guide prioritisation and the allocation of resources. In view of this background the Council must now make such a decision in the case of the Klipriver Park Resort

The current management model for the resort has not delivered the desired business and community imperatives and service levels have in fact deteriorated dramatically over the last few years. The Mayoral Committee tasked the Municipal Manager to conduct an investigation of service delivery options as per Section 78 of the Municipal Systems Act 2000 on the Klipriver Park Resort and how to deal with it in future.

Council has in terms of non-core services much more freedom to approve policy decisions on future service delivery and management than its core functions. To a certain extent the Municipality is not able to offer the current service and it is suggested that it should rather reduce diversity and focus on core functions in Tulbagh relating particularly to service delivery and creating enabling business environment for job creation.

2. PROJECT PURPOSE, SCOPE, APPROACH

The purpose of this investigation is to review the implications of continuing with an internal delivery mechanism I.e. whether or not the status quo can realistically provide the means to attaining the optimal internal mechanism and if not, to explore ways through which internal mechanisms can be further improved or developed and/or to also explore the scope for partnerships with other private and public service providers to manage the municipal resort.

The investigation and resultant findings, recommendations and report should finally enable the Council to decide on whether or not to continue with delivering the non-core function (resort) from within, or to sell the asset, outsource it or partner with other institutions.

The investigation was conducted in terms of inter alia the requirements of Section 78 of the Municipal Systems Act. The project consisted of two components i.e. an analysis of *service delivery* requirements, current performance and future environmental factors that may impact on the extent and nature of the management of the resort on the one hand and an analysis of the current and future *capacity* of the municipality in meeting such management requirements. It was therefore a matter of establishing the *gap* between current expectations and the capacity to meet such requirements.

a) In the process the following was done:

   i. A number of planning documents like the IDP and SDBIP were studied for guidance and background purposes.
   ii. Applicable legislation was taken into consideration.
   iii. Budgets and financial results were analysed.
   iv. Recent IDP Hearings input assessed

3. PROJECT ASSUMPTIONS AND PRINCIPLES

The following assumptions and principles were considered:

a) Service requirements were assessed in terms of two or three of the following:

   i. Quantity i.e. its availability to all communities and in terms of the comprehensiveness of the service.
   ii. Quality i.e. the standard of the product that is being provided and in the process uniformity in standards, compliance with legal and statutory requirements and compliance with visitor expectations.
   iii. Reliability i.e. to what extent services have been interrupted or have been functioning below standard levels.
   iv. Affordability.

b) Capacity was assessed in terms of :

   i. Management Capacity: Actual capacity in terms of numbers, skill, competencies and management mechanisms like current strategies, business plans, performance management programs, risk management programs, resources and asset strategies etc.
   ii. Human resources capacity i.e. numbers, human resources management mechanisms and programs.
   iii. Budgets and financial results and plans.

iv. Infrastructure and assets.

c) External environmental factors were assessed in terms of:

i. Visitor expectations
ii. The labour market and conditions.
iii. The economic environment.
iv. External support available.

d) Optional mechanisms and related trends were taken into consideration.

e) Best practices in terms of strategic management, financial management, human resources management, institutional design and asset management were taken into consideration in developing future proposals.

4. KEY CONCLUSIONS

Some of the key conclusions include:

I. The resort is not financially viable. Currently running at a forecasted 2009/10 loss of almost R600 000
II. The community is not benefiting from the huge tourist potential of the resort.
III. The resort must be upgraded and maintenance plans need to be implemented.
IV. The visitors' numbers decreased during the past few years due to economic environment, service quality and decay. Statistics prove that the full tourist benefits are not being realised.
V. The resort is a labour intensive businesses and the personnel expenditure is higher than the excepted norm of 60%. A concern is that although the personnel expenditure at resorts is above the norm, productivity levels are below standard leading to ineffective management.
VI. Limited marketing initiatives exist to advertise the resort.

5. KEY HIGH LEVEL RECOMMENDATIONS

i. That the Council agree in principle to alienate the Klipriver Resort.

ii. That the Councils Alienation of Land Policy be used to dispose of the Klipriver Resort

iii. That the Council pursue long term lease option as opposed to outright sale

6. CAPACITY DEVELOPMENT

Findings and recommendations are being discussed in greater detail in the remainder of the report.

1. BACKGROUND AND INTRODUCTION

The Witzenberg strategic vision, mission and goals

"A united, Integrated, Prosperous municipality, progressively free of poverty and dependency"

- To build a sustainable and environmentally sound Witzenberg
- that through efficient and effective utilization of its current resources
- establishes a platform for the progressive overcoming of poverty, underdevelopment and provides the basis for a prosperous life for all citizens

The municipal area covers 2 851.25 km^2 and include the following areas: Bokfontein, Ceres, Enduli, La Plaisante, Prince Alfred Hamlet, Romansrivier, Skoonvlei, Tulbagh, Wolseley. The Witzenberg municipal area has a population of 83 568 people and a population density of only 29.3 people per km^2.

The Klipriver Park Resort is currently not operating as an economically viable service and this poses serious threat to its future existence. Municipal resorts are regarded as non-core and therefore an investigation was done in terms of section 78 of the Municipal Systems Act, 2000 to determine how the resort should be managed in future.

The purpose of this report is to advise Council on the status quo and the proposed future management structures for the Klipriver Park Resort.

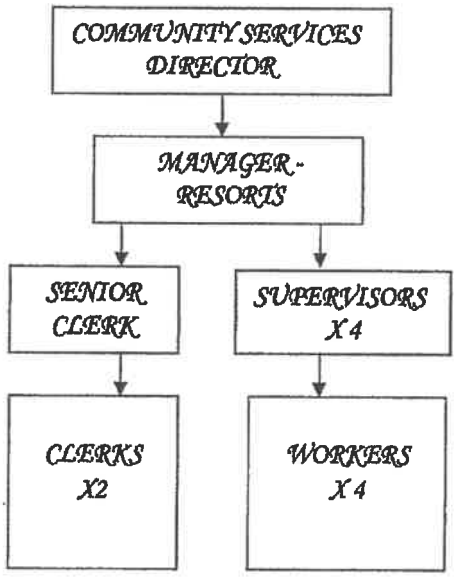
This report was compiled after inspections, site visits, interviews with certain key personnel and tourism and a comprehensive study of financial data, integrated development plan, past studies, occupancy levels, staff establishment and other important literature.

2. KLIPRIVER PARK RESORT

Summary and Introduction

The management of the resort is the responsibility of the Director: Community Services. The workforce allocated to the resort includes 11 employees.

The organisational structure and staff allocated to the resort is as follows



NAME	JOB TITLE
MJ Fortuin	Snr Clerk
AE Martin	Clerk
JCM Adams	Clerk
S Jurgens	Swimming Pool Supervisor
A Swarts	Swimming Pool Supervisor
M Martin	Swimming Pool Supervisor
JC Anthony	Swimming Pool Supervisor
JM Kock	Worker
A September	Worker
K De Bruin	Worker
HS Martins	Worker

Source: Municipal Organisational Structure

Proper supervision of workers has been identified as one of the principle problems within the Community Services Department, The lack of proper supervision is a common fault in all the service units, this leads to poor morale, shoddy work, inefficiency, poor image of the Council, low levels of service delivery and under-utilisation of resources. This is an organisational structure that in some cases takes into account historic structures and staff abilities rather than the strict needs of service delivery including

- Organisational support inadequate.
- Inefficient utilisation of human resources.
- Low morale of staff.
- Poor supervision and management.
- Insufficient resources.
- Budget inadequate to sustain projects, maintenance, upgrades

The personnel expenditure is higher than the excepted norm of 60% of total expenditure for personnel costs for the resort. The Unions / employees must be engaged regarding the future of the resort and in event of alienation alternatives must be presented

a) Service Accessibility/ Equality and Demand.

This resort is situated on ***733 327m2*** of land in Tulbagh and the resort offers one of the best locations in the Witzenberg region. The resort is situated at the end of the main road next to the Tulbagh Showground's and boasts additional land which is ideal for future development. The market value of the resort amounts to ***R5 002 000 million,*** including the unused adjacent land.

This resort is mostly utilised by domestic tourists, totally under-developed and not well promoted. The facilities are in a poor condition and needs urgent attention. The resort has not been in full operation for number of months due to electrical and other maintenance issues. The tourism, business and surrounding communities voiced unanimous dissatisfaction at the recent IDP Hearings regarding the state of the resort.

The demand for tourist developments in the Tulbagh area has been greatly enhanced by it being zoned for lifestyle purposes by the Provincial Spatial Development Plans and National Growth and Development Plans.

We propose that Council call for proposals to alienate the property. Privatising the facility will not have an impact on the local community and may pose spin off benefits for business and tourism.

b) Internal Mechanism Capacity.

i. Infra Structural/ Equipment/ Fleet and Plant Capacity.

The resort provides the following facilities:

I. 18 Chalets,
II. 69 Camping Sites,
III. 4 Ablution Blocks,
IV. House for the caretaker,
V. Small Office and Swimming Pool

The chalets, camping sites and all the facilities require upgrades/maintenance and the entrance and offices also requires urgent attention. The resort currently has serious electrical problem as result of dangerous wiring from the power boxes. The pool requires urgent attention due to large crack in structure. The river needs to be cleaned from effluent and overgrowing of reeds which prohibit the enjoyment of the facility. The ablution blocks pose serious health risks and need to be attended to urgently. The sewage and drainage also requires serious upgrading and maintenance

ii. Financial Capacity.

The financial data related to the resort can be summarised as follows:

KLIPRIVER PARK	2008/09	Budget 2009/10
Salaries / Wages	902 140 17	
General Costs	172 959 30	
Maintenance	31 738 58	
Other	33 670 79	
TOTAL EXPENDITURE	**1 140 508.84**	**1 212 925 00**
Chalets	604 007 71	
Camping Sites	185 707 95	
Fees	209 948 20	
Other		
REVENUE	**810 710 48**	**654 497 00**
SURPLUS (DEFICIT)	**(-329 798 36)**	**(-558 428)**

The financial position of the resort is deteriorating annually. According to the financial information above the resort made a loss of **R329 798.36** during the 2008/9 financial year. The budgeted deficit for the 2009/10 financial year amounts to R**558 428**.

In 2008/9 salaries and wages have been almost 80% of the total expenditure of the resort with repair and maintenance at only 3%. The amount spent on maintenance was extremely low. Maintenance levels will therefore have to be improved and accordingly a sharp increase in maintenance costs can be expected in the future if the facilities need to upgraded and maintained.

The tariffs are market related and an increase of such tariffs will not have the desired effect as the occupancy levels that are already extremely low and the quality of the service delivery is poor.

It is from a financial point of view considered unlikely that the Municipality will be able to make this a self sustaining facility and will accordingly benefit more from using the funds it is losing on this facility to address more critical requirements experienced by the service delivery operations.

It may by establishing concessions where the management and other functions are outsourced to external service providers generate some income. By selling the facility it may be able to raise capital that once again can be used to address the upgrading of for example sport facilities.

iii. Service Quality and Performance.

The resort is open seven days a week and the official office hours are as follows:

Weekdays	08:00 – 17:00
Weekends	08:00 – 21:00

The above extended working hours requires extra personnel during peak periods. Although a security service is rendered seven days per week a number of crime incidents occurred which has a negative impact on the visiting numbers. The chalets need upgrading and recreational facilities such as tennis, indoor games, a tuck shop / cafeteria are limited at this resort. The roads are in a poor condition and the entrance of the resort needs attention.

The municipal IDP was not supplemented by a business plan for the resort and the performance indicators as per the SDBIP are limited. The SDBIP targets are also not aligned with the action plans prepared for the resort.

The internal auditor should evaluate the achievement of indicators and the establishment of internal policies and procedure that should address efficient, effective and accountable service delivery at the resort.

iv. **Steps that can be taken to improve and develop the capacity of the internal service mechanism.**

The department responsible for the resort prepared a detailed maintenance and activity plan to improve the infrastructure of the resort during the 2009/10 financial year.

Upgrading the facility will not justify the potential revenue that can be made from this facility.

It is accordingly recommended that alternatives now be explored.

v. Steps to be taken from a stakeholder management point of view.

The key stakeholders that need to at this point be involved in finding a way forward are the tourism, business and conservation communities. The workforce must be made aware of the actions.

It is accordingly recommended that:

a. The intention of the municipality to alienate the land should be advertised for comment in local press, municipal notice boards and at libraries.

b. The alternative service delivery structure intention should be formally discussed at the local labour forum (LLF).

c. The municipality must contract a Part Time Management Advisor to facilitate and support the process set out above.

vi. Steps to be taken before an external mechanism can be explored.

It is suggested that Council should not act unilaterally on this matter and should wait for the outcome of the aforementioned processes before it takes a final decision.

vii. **Need to explore an external mechanism in the first instance and before taking a decision on the internal mechanism.**

The most likely scenario at this point appears to be that Council should alienate the property as agreed by most stakeholders during the recent IDP Hearings. If not, the municipality should advertise for PPP development proposals with the following conditions:

- Job creation and therefore local economic development
- A specific area for day visitors
- Area for affordable holiday

The Management Team has engaged with National and Provincial Treasury regarding the registration of a Public Private Partnership for the resort. After numerous meetings and consultations, National Treasury advised that the Klipriver Resort is not ideal for development of a PPP.

The benefit of the two options can be summarised as follows:
The most likely scenario at this point appears to be that Council request development proposals or decide to sell the resort. The benefit of the two options can be summarised as follows:

Selling property	Development proposals
Additional capital	Council can influence minimum developmental requirements
Revenue for rates and taxes	Council can review proposals and approve the proposal most beneficially for the local community.
Local economic development through possible job creation	Consistent revenue stream

7. CONCLUSION

We therefore table this report to the Mayoral Committee for processing to Council for approval

WITZENBERG MUNICIPALITY
TERMS OF REFERENCE

1 BACKGROUND

The Witzenberg strategic vision, mission and goals

"A municipality that cares for its community, creating growth and opportunities"

- To build a sustainable and environmentally sound Witzenberg that;
- through efficient and effective utilization of its current resources
- establishes a platform for the progressive overcoming of poverty, underdevelopment and provides the basis for a prosperous life for all citizens

The municipal area covers 2 851.25 km² and include the following areas: Bokfontein, Ceres, N'duli, La Plaisante, Prince Alfred Hamlet, Romansrivier, Skoonvlei, Tulbagh, Wolseley.

Resorts serve a non-core municipal function.

This resort is situated on **13,74 ha** of land in Tulbagh and offers one of the best locations in the Witzenberg region. The resort is situated at the end of the main road next to the Tulbagh Showground's and surrounded by the Witzenberg and Winterhoek Mountains in Tulbagh. A charming restful resort on the banks of the Klipriver.

The resort provides the following facilities:

I. 18 Chalets,
II. 69 Camping Sites,
III. 4 Ablution Blocks, and
IV. Small Office and Swimming Pool
V. Recreation Hall (needs attention)
VI. Manager's house at entrance (Not included as part of the lease property but can be rented separately by the successful bidder for occupation by resort manager. Rental fee determined at R 2 500/month with annual increase as determined by municipality. Separate lease agreement from resort lease agreement.)

Chalets are furnished and equipped; bathrooms have hand basins, showers and toilets. Camping stands needs attention.

Tulbagh has well developed access routes to the Cape Metro, West Coast and Northern Cape Province and is considered a town with "high development" potential in terms of tourism. Agricultural and commercial services form the economic base of Tulbagh and various development initiatives contribute to the economic growth in the region. The resort is currently not being managed optimally as the municipality does not have the financial and human resource capacity to sustain and develop the resort. The global economic recession and the added financial burden being placed on municipalities have forced the Council to reconfigure how it delivers effective and efficient municipal services.

To this extent the Witzenberg Council resolved to call on interested parties to enter into a long term lease agreement of 15 years with Council subject to the following:

- That local economic development be promoted,
- That tourism for the area be promoted,
- That holiday accommodation be affordable,
- That economic transformation be promoted,
- That community participation and integration remain.

Bidders must be fully compliant with the Unemployment Insurance Fund, Workman's Compensation and all other applicable legislation at the time of bid submission.

The following aerial photo indicates the resort with boundary in red:

Area approximately 14,5 HA

