

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 **Dinsdag, 26 Maart 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 Tuesday, 26 March 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	Director: Finance	Director: Community Services (Vacant)
Director: Technical Services	Director: Corporate Services	Deputy Director: Finance
Head: Internal Audit	Manager: Projects and Performance	Manager: Administration
IDP Manager	Legal Advisor	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	John Steyn Biblioteek
Rietvallei Biblioteek	Montana Biblioteek, Wolseley	Wolseley Biblioteek
Tulbagh Biblioteek	Witzenville Biblioteek, Tulbagh	Op-die-Berg Biblioteek
Prince Alfred's Hamlet Biblioteek	Alderlady MC du Toit	

Per e-pos		
Alderlady MC du Toit E-mail: dutoit.marina@gmail.com	Ceres Business Initiative Mr N Bettesworth. Cell: (083) 462-8345 E-mail: manager@cerescbi.co.za	DAWI Mnr. M Mentor Cell: (073) 620-0238 E-mail: markmentor585@gmail.com


ALDERMAN TT GODDEN
SPEAKER

19 March 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 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)
 - 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 27 February 2019, are attached as **annexure 4.1**.

RECOMMENDED

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	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.

RECOMMENDED

That notice be taken of the outstanding matters.

5. MOTIONS AND NOTICE OF SUGGESTIONS

6. INTERVIEWS WITH DELEGATIONS

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, still to be held, 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 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 Reports of the Directorate Finance for January and February 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 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)**.

The following documents will be tabled at the Council meeting:

- (a) Draft Budget: 2019/2020 – 2021/2022.
- (b) Draft Budget Related Policies: 2019/2020.
- (c) Draft Budget Schedules: 2019/2020 – 2021/2022.
- (d) Procurement Plan: 2019/2020.

RECOMMENDED

- (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 Direktooraat 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, still to be held, 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 following recommendation is tabled to the Executive Mayoral Committee:

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.

RECOMMENDED

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.*

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 still to be held.

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 following recommendation is 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.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

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 still to be held.

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 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.*

8.4 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, still to be held, 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 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 Proposed Council meeting program: April until December 2019
(3/1/2/3)**

Item 7.4.2 of the Executive Mayoral Committee meeting, still to be held, 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 Municipal 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 Municipal 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 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 following recommendation is tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

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

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

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

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

**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)**."

12. ADJOURNMENT

MINUTES OF THE COUNCIL MEETING OF WITZENBERG MUNICIPALITY, HELD IN THE COUNCIL CHAMBERS, MUNICIPAL OFFICES, 50 VOORTREKKER STREET, CERES ON WEDNESDAY, 27 FEBRUARY 2019 AT 10:00

PRESENT

Councillors

Alderman TT Godden (Speaker)
Councillor BC Klaasen (Executive Mayor)
Alderman K Adams (Deputy Executive Mayor)
Alderman JW Schuurman
Alderman HJ Smit
Alderman JJ Visagie
Councillor TE Abrahams
Councillor P Daniels
Councillor P Heradien
Councillor MD Jacobs
Councillor D Kinnear
Councillor GG Laban
Councillor TP Mgoboza
Councillor MJ Ndaba
Councillor N Phatsoane
Councillor EM Sidego
Councillor D Swart
Councillor HF 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)
Ms L Nieuwenhuis (Legal Advisor)
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 MD Jacobs (EFF) 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 Alderlady JT Phungula (ANC), Councillors R Simpson (ANC), M Mdala (ANC), C Lottering (DA) and ZS Mzauziwa (DA).

UNANIMOUSLY RESOLVED

that the applications for leave of absence from the meeting, received from Alderlady JT Phungula (ANC), Councillors R Simpson (ANC), M Mdala (ANC), C Lottering (DA) and ZS Mzauziwa (DA), be approved and accepted.

3. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED

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

Council's congratulations were conveyed by Alderman JJ Visagie to the following Councillors and spouses on their birthdays:

- Ms N Ndaba 3 February
- Councillor MD Jacobs 7 February
- Councillor E Sidego 16 February
- Ms A Daniels 20 February
- Alderman H Smit 25 February

Council held a moment of silence in respect of the Fire Fighter, Mr Yanga Maseni, who passed on in an accident and also Mr Bongile Nkamana from the Cleansing Department who passed on.

NOTED.

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

The Speaker informed Council of accusations against him with regard to the misuse of a municipal credit card. Council regards the accusations as rumours, because the municipality does not have a credit card. Speaker requested that protocol be followed when enquiries are made with regard to Councillors.

NOTED

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

- The Executive Mayor emphasised that the rumours against the Speaker regarding the misuse of a credit card are not true.
- The Executive Mayor informed Council that Councillor MJ Ndaba is moved to the Committee for Community Development. Further changes in this regard will be announced.
- The Executive Mayor conveyed condolences to the Du Toit family on the passing of their beloved, Mr Jan-Linde du Toit. Councillor T Abrahams will represent Council at the funeral.
- The Executive Mayor expressed best wishes to all political parties on the upcoming national and provincial elections. The Mayor requested that Councillors behave in accordance with the Code of Conduct.

NOTED

4. MINUTES

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

The minutes of the Council meeting, held on 23 January 2019, are attached as **annexure 4.1**.

UNANIMOUSLY RESOLVED

that the minutes of the Council meeting, held on 23 January 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	

UNANIMOUSLY RESOLVED

that the matter in respect of the awaited outcomes of the meeting between Witzenberg Municipality and the MEC for Housing regarding erf 3605, Ceres be held in abeyance.

5. MOTIONS AND NOTICE OF SUGGESTIONS

Noted

NONE

6. INTERVIEWS WITH DELEGATIONS

Noted

NONE

7. GEDELEGEERDE BEVOEGDHEDE / DELEGATED POWERS

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

The minutes of the following meetings are attached:

- (a) Committee for Technical Services, held on 19 September 2018: **Annexure 7.1(a).**
- (b) Committee for Community Development, held on 20 September 2018: **Annexure 7.1(b).**
- (c) Committee for Corporate and Financial Services, held on 18 October 2018: **Annexure 7.1(c).**
- (d) Executive Mayoral Committee, held on 30 October 2018: **Annexure 7.1(d).**
- (e) Committee for Housing Matters (Special), held on 1 November 2018: **Annexure 7.1(e).**
- (f) Committee for Housing Matters, held on 8 November 2018: **Annexure 7.1(f).**
- (g) Performance, Risk and Audit Committee, held on 23 November 2018: **Annexure 7.1(g).**
- (h) Executive Mayoral Committee, held on 3 December 2018: **Annexure 7.1(h).**
- (i) Committee for Housing Matters (Special), held on 11 December 2018: **Annexure 7.1(i).**
- (j) Municipal Public Accounts Committee, held on 13 December 2018: **Annexure 7.1(j).**

UNANIMOUSLY RESOLVED

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

8. GERESERVEERDE BEVOEGDHEDE / RESERVED POWERS

8.1 Direktooraat Finansies / Directorate Finance

8.1.1 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.
- (d) Item 7.1.1 of the Executive Mayoral Committee meeting held on 26 February 2019.

The Section 71 Monthly Budget Statement Report of the Directorate Finance for December 2018 is attached as **annexure 8.1.1**.

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.

Extract from the minutes of the Executive Mayoral Committee meeting, held on 26 February 2019:

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.

The Executive Mayoral Committee resolved on 26 February 2019 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.

UNANIMOUSLY RESOLVED

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.

8.1.2 Service Delivery and Budget Implementation Plan 2018/2019: Proposed revisions as per Section 54(1)(c) of MFMA (5/1/5/11)

Item 7.1.2 of the Executive Mayoral Committee meeting, held on 26 February 2019, refers.

A memorandum from the Manager: Projects and Performance, dated 11 February 2018, is attached as **annexure 8.1.2**.

The Executive Mayoral Committee resolved on 26 February 2019 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.

UNANIMOUSLY RESOLVED

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.

8.1.3 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.
- (d) Item 7.1.3 of the Executive Mayoral Committee meeting held on 26 February 2019.

The following documents are applicable, but are not attached as the matter was already tabled to Council on 23 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 payouts 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.

The Executive Mayoral Committee resolved on 26 February 2019:

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.

UNANIMOUSLY RESOLVED

- (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 Council has noted the recommendations of the Performance, Risk and Audit Committee on the debt situation and accepts same.*

**8.1.4 Finance: Adjustments budget: 2018/2019 to 2020/2021
(5/1/17)**

Item 7.1.4 of the Executive Mayoral Committee meeting, held on 26 February 2019, refers.

The following documents are attached:

- (a) Adjustments budget: 2018/2019 to 2020/2021: **Annexure 8.1.4(a)**.
- (b) Adjustments budget summary: **Annexure 8.1.4(b)**.

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

that the Adjustments budget for 2018/2019 to 2020/2021 be approved and same be accepted.

UNANIMOUSLY RESOLVED

that the Adjustments budget for 2018/2019 to 2020/2021 be approved and same be accepted.

8.2 Direktooraat Tegnieuse Dienste / Directorate Technical Services

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

The following items refer:

- (a) Item 7.5 of the meeting of the Committee for Technical Services, held on 19 February 2019.
- (b) Item 7.2.2 of the Executive Mayoral Committee meeting held on 26 February 2019.

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 8.2.1(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 8.2.1(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 refuse 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.

The Executive Mayoral Committee resolved on 26 February 2019 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.

Alderman JW Schuurman proposed and Councillor MJ Ndaba seconded:

- (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.

- (iv) that Council takes notice that the Department of Rural Development and Land Reform will approve the funding for the project to an amount of R300 000-00 for the upgrading of an open gravel storm water channel to an underground pipe system in Pine Valley, Wolseley.

Councillor BC Klaasen proposed and Alderman JJ Visagie seconded:

- (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.

The Speaker called for a vote and the outcomes were:

- 10 Votes in favour of Councillor BC Klaasen's proposal.
- 7 Votes in favour of Alderman JW Schuurman's proposal.\

RESOLVED

- (a) *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.*
- (b) *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.*
- (c) *that the Municipal Manager be mandated to sign the Memorandum of Understanding with the Department of Rural Development and Land Reform.*

Councillor TE Abrahams left the meeting at 10:50 with permission.

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.

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.

UNANIMOUSLY RESOLVED

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

**8.2.3 Proposed position of the ablution block at Op-die-Berg
(15/04/R)**

The following items refer:

- (a) Item 7.1 of the meeting of the Committee for Technical Services, held on 19 February 2019, refers.
- (b) Item 7.2.1 of the Executive Mayoral Committee meeting held on 26 February 2019.

A memorandum from the Director: Technical Services, dated 26 September 2018, is attached as **annexure 8.2.3**.

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.

The Executive Mayoral Committee resolved on 26 February 2019 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.

UNANIMOUSLY RESOLVED

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.

**8.2.4 Approval of Water Services Development Plan
(16/02/P)**

The following items refer:

- (a) Item 7.4 of the meeting of the Committee for Technical Services, held on 19 February 2019.
- (b) Item 7.2.4 of the Executive Mayoral Committee meeting held on 26 February 2019.

A memorandum from the Manager: Water and Sewerage, dated 1 October 2018, is attached as **annexure 8.2.4**.

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.

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

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

UNANIMOUSLY RESOLVED

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

8.2.5 Proposed position of the Material Recovery Facility (MRF) at Ceres (17/3/2)

The following items refer:

- (a) Item 7.3 of the meeting of the Committee for Technical Services, held on 19 February 2019.
- (b) Item 7.2.3 of the Executive Mayoral Committee meeting held on 26 February 2019.

A memorandum from the Director: Technical Services, dated 14 September 2018, is attached as **annexure 8.2.5**.

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.

The Executive Mayoral Committee resolved on 26 February 2019 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.

UNANIMOUSLY RESOLVED

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.

8.3 Direktoraat Gemeenskapsdienste / Directorate Community Services

**8.3.1 Housing: Revised Financed Linked Individual Subsidy Programme
(17/04/P)**

The following items refer:

- (a) Item 9.2.1 of the meeting of the Committee for Housing Matters, held on 7 February 2019.
- (b) Item 7.3.5 of the Executive Mayoral Committee meeting held on 26 February 2019.

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 8.3.1**.

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.

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

that notice be taken of the Housing Revised Financed Linked Individual Subsidy Programme.

UNANIMOUSLY RESOLVED

that notice be taken of the Housing Revised Financed Linked Individual Subsidy Programme.

**8.3.2 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.
- (f) Item 7.3.1 of the Executive Mayoral Committee meeting held on 26 February 2019.

A report from the Manager: Amenities and Environment, dated 4 April 2018, is attached as **annexure 8.3.2**.

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.

The Executive Mayoral Committee resolved on 26 February 2019 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.

UNANIMOUSLY RESOLVED

that Council approves the installation of an irrigation system to green the current play parks and open spaces as far as possible within the budgetary means.

**8.3.3 Community facilities: Sport facilities
(17/5/2)**

The following items refer:

- (a) Item 6.3 of the meeting of the Committee for Community Development, held on 14 February 2019.
- (b) Item 7.3.2 of the Executive Mayoral Committee meeting held on 26 February 2019.

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.

The Executive Mayoral Committee resolved on 26 February 2019 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.

UNANIMOUSLY RESOLVED

- (a) *that Council approves exempting each bona fide sport organisation twice a week for paying fees for municipal sport and recreation facilities.*
- (b) *that the approval of Council supra (a) be implemented from 1 March 2019.*

8.3.4 Application: Relocation of established Nduli Carwash to erf 5145, Nduli, Ceres (17/19/1)

The following items refer:

- (a) Item 7.2 of the meeting of the Committee for Local Economic Development and Tourism, held on 20 February 2019.
- (b) Item 7.3.4 of the Executive Mayoral Committee meeting held on 26 February 2019.

A memorandum from the Acting Manager: Socio Economic Development, dated 5 September 2018, is attached as **annexure 8.3.4**.

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.

The Executive Mayoral Committee resolved on 26 February 2019 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.

RESOLVED

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.

8.3.5 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.

A memorandum from the Acting Manager: Socio Economic Development, dated 27 September 2018, is attached as **annexure 8.3.5**.

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.

RESOLVED

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.

8.4 Direktooraat Korporatiewe Dienste / Directorate Corporate Services

None

NOTED

9. URGENT MATTERS SUBMITTED AFTER DISPATCHING OF THE AGENDA

**9.1.1 Council meeting: March 2019
(3/1/2/3)**

Item 8.1.1 of the Executive Mayoral Committee meeting, held on 26 February 2019, refers.

The Executive Mayoral Committee resolved on 26 February 2019 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.

UNANIMOUSLY RESOLVED

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.

**9.1.2 IDP Process
(2/2/1)**

Item 8.1.2 of the Executive Mayoral Committee meeting, held on 26 February 2019, refers.

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

that the IDP process starts earlier due to the coming provincial and national elections.

UNANIMOUSLY RESOLVED

that the IDP process starts earlier due to the coming provincial and national elections.

10. FORMAL AND STATUTORY MATTERS

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

None

NOTED

11. QUESTIONS and/or MATTERS RAISED by COUNCILLORS

**11.1 Report on Ceres Golf Estate
(15/4/1/1/5)**

The Municipal Manager responded on a question from Alderman JW Schuurman that the report on the Ceres Golf Estate will be submitted at the next Council meeting.

NOTED

12. COUNCIL-IN-COMMITTEE



Monthly Budget Statement Report Section 71 for January 2019

**Financial data is in respect of the period
1 July 2018 to 31 January 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, spending 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.

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) 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.

(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) 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."

(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 / inability 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 7.6 million.

The monthly billing was also done as scheduled and during this process 16 833 accounts amounting to R 25,1 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 93%.

The municipality issued orders to the value of R 20.3 million of which R 0.03 million was in terms of deviations.

The municipality currently has R 86 million in its primary bank account and a R 40 million in investments

B RECOMMENDATION

It is recommended that council take cognisance of the quarterly budget assessment for the month of January 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 verskillende redes.

Die onwilligheid / onvermoë van staats departemente om hulle munisipale rekenings te betaal was 'n groot bekommernis. Departemente is stading besig om hul betalings te maak. Die skuld beloop tans R 9.1 miljoen.

Die maandelikse rekeninge is ook gehef soos geskeduleer en tydens hierdie proses is 16 833 rekeninge ten bedrae van R 25,1 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 opgehoopde debiteure verhaling se teiken vir die jaar is 94%, en die werklike jaar tot op datum invordering is 93%

Bestellings ter waarde van R 20,3 miljoen uitgereik, waarvan R 0.03 miljoen ten opsigte van afwykings is.

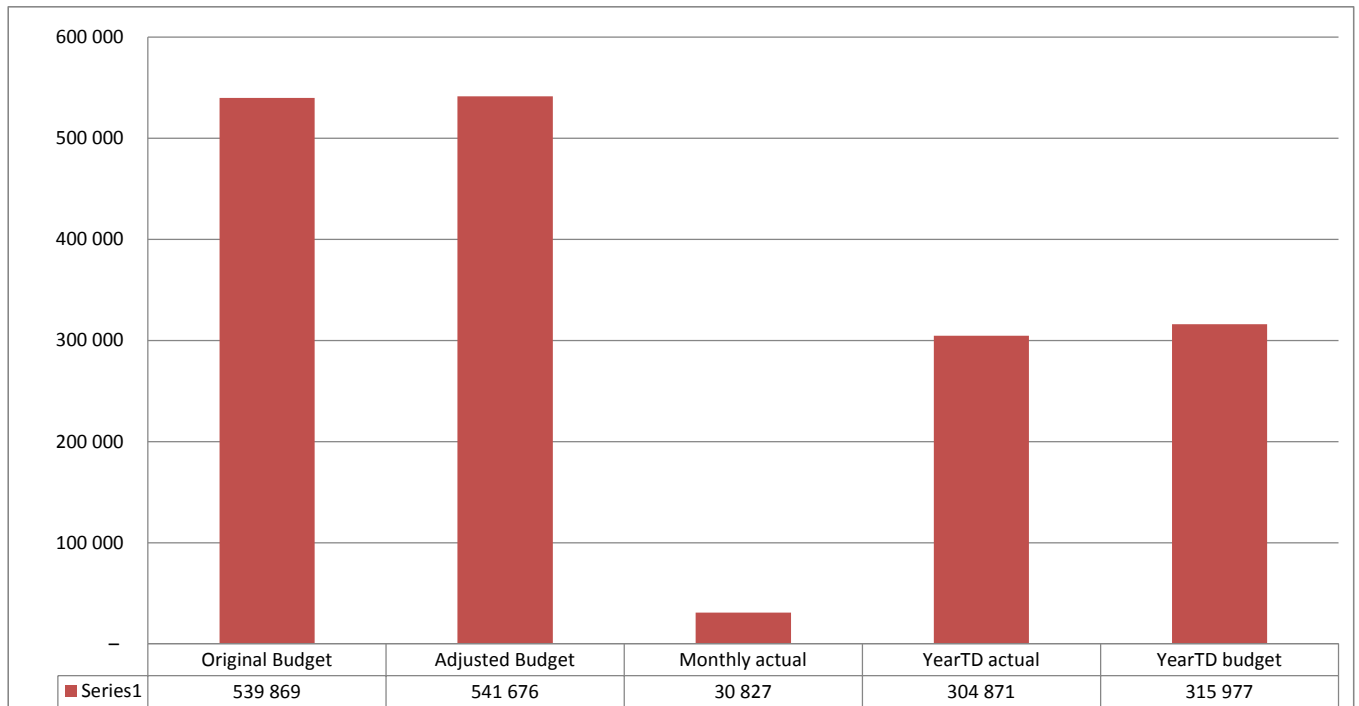
Die munisipaliteit het R 86 miljoen in die primêre bankrekening en R 40 miljoen in beleggings

B AANBEVELING

Dit word aanbeveel dat die raad kennis neem van die finansiële maandverslag en ondersteunende dokumente vir Januarie 2019 .

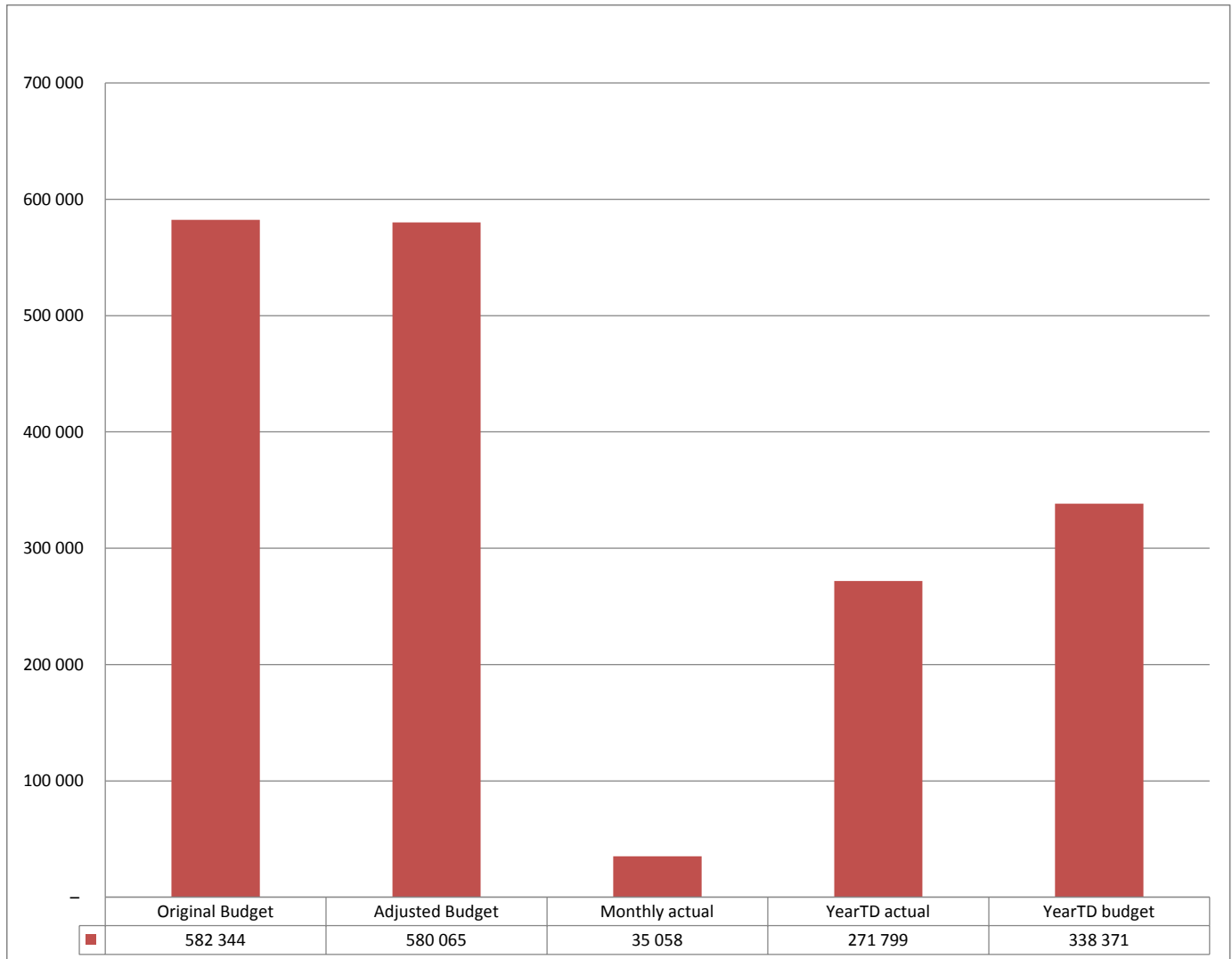
C OPSOMMING

Die volgende tabelle voorsien n opsomming van die finansiële inligting:

TOTAL OPERATIONAL REVENUE

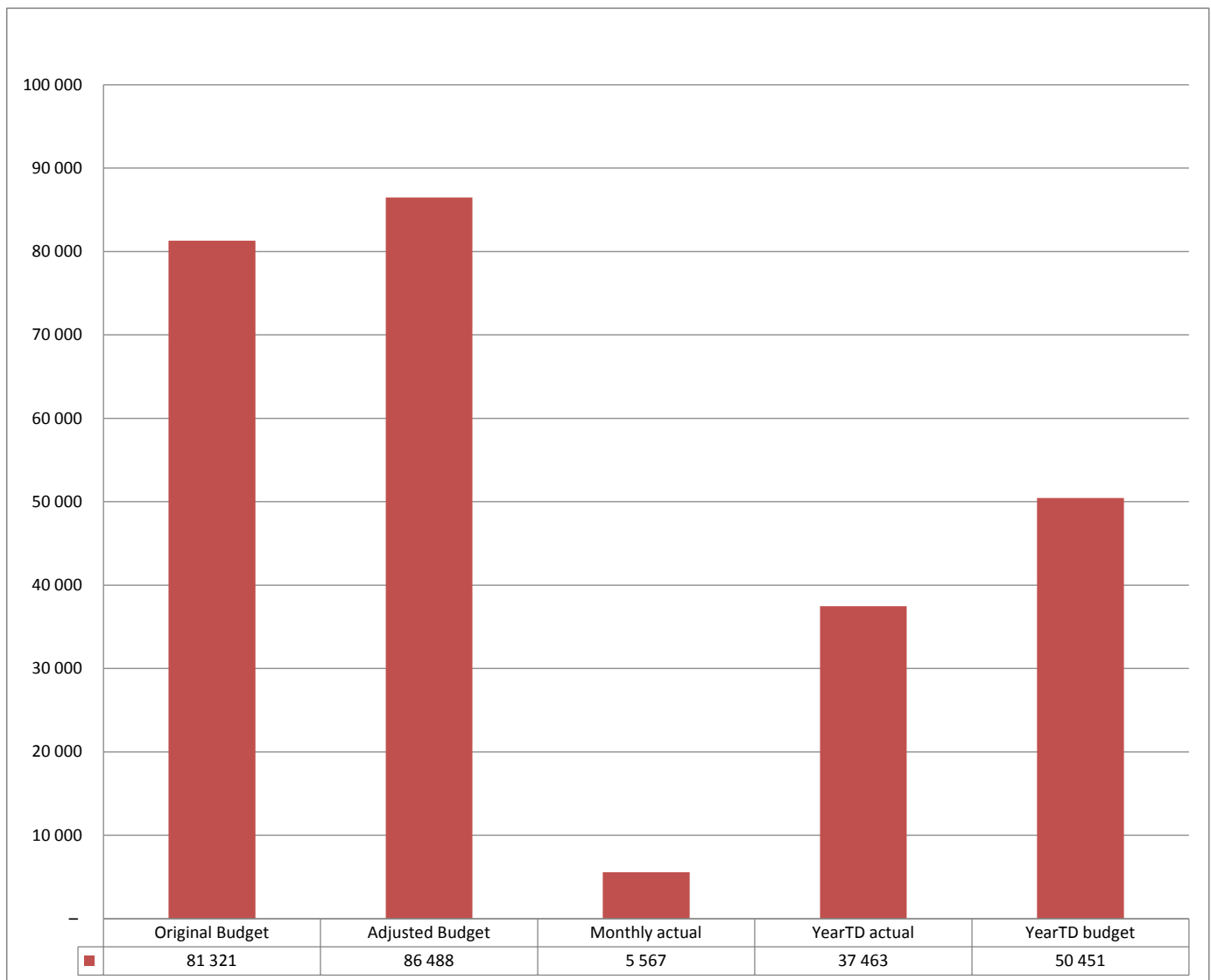
For the period 1 July 2018 to 31 January 2019, 56.28% of the budgeted operational revenue was raised.

Vir die periode 1 Julie 2018 to 31 Januarie 2019, is 56.28% van die begrote operasionele inkomste gehef.

TOTAL OPERATIONAL EXPENDITURE

For the period 1 July 2018 to 31 January 2019, 46.86% 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 Januarie 2019, is 46.86% 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 January 2019, 43.32% of the budgeted capital expenditure was incurred.

Vir die periode 1 Julie 2018 to 31 Januarie 2019, is 43.32% van die begrote kapitale uitgawes aangegaan.

The main contributing factors to the low expenditure levels is the failure of the Department of Water affairs to pay over the funds as per the Division of Revenue act to enable the building of the Tulbagh raw water dam.

Die hoof oorsaak vir die lae spandering is die onvermoë van die departement van Waterwese om die fondse volgens die Wet op Verdeling van Inkomste vir die Tulbagh opgaardam oor te betaal.

In-year budget statement tables

The following table provides a summary of the financial performance and financial position of the municipality as at 31 January 2019.

WC022 Witzenberg - Table C1 Monthly Budget Statement Summary - M07 January

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									
Financial Performance									
Property rates	63 712	70 002	70 002	3 254	53 073	40 834	12 238	30%	70 002
Service charges	306 170	316 407	316 407	22 069	164 344	184 571	(20 227)	-11%	316 407
Investment revenue	8 122	8 198	8 198	1 388	4 568	4 782	(214)	-4%	15 482
Transfers recognised - operational	93 967	91 069	92 875	177	65 083	54 177	10 905	20%	92 875
Other own revenue	57 662	54 194	54 194	3 939	17 804	31 613	(13 809)	-44%	54 194
transfers and contributions)	529 632	539 869	541 676	30 827	304 871	315 977	(11 106)	-4%	548 959
Employee costs	9 170	177 699	174 599	14 684	101 358	101 850	(492)	-0%	174 599
Remuneration of Councillors	9 170	10 709	10 709	967	5 489	6 247	(758)	-12%	10 709
Depreciation & asset impairment	28 699	43 032	44 032	–	12 531	25 685	(13 154)	-51%	56 492
Finance charges	8 675	3 671	3 685	–	392	2 150	(1 757)	-82%	3 685
Materials and bulk purchases	194 879	218 562	217 510	11 536	95 874	126 881	(31 007)	-24%	217 510
Transfers and grants	13 920	14 407	14 358	364	1 049	8 376	(7 327)	-87%	14 358
Other expenditure	251 704	114 264	115 170	7 507	55 106	67 183	(12 077)	-18%	97 898
Total Expenditure	516 217	582 344	580 065	35 058	271 799	338 371	(66 573)	-20%	575 253
Surplus/(Deficit)	13 415	(42 474)	(38 389)	(4 231)	33 073	(22 394)	55 467	-248%	(26 294)
Transfers recognised - capital	34 777	75 847	75 847	158	18 963	44 244	(25 280)	-57%	75 847
Contributions & Contributed assets	–	–	–	–	–	–	–	–	–
& contributions	48 192	33 372	37 457	(4 073)	52 036	21 850	30 186	138%	49 553
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	48 192	33 372	37 457	(4 073)	52 036	21 850	30 186	138%	49 553
Capital expenditure & funds sources									
Capital expenditure	63 800	81 321	86 488	5 567	37 463	50 451	(12 988)	-26%	86 488
Capital transfers recognised	34 183	52 938	53 438	3 576	22 684	31 172	(8 488)	-27%	53 438
Public contributions & donations	–	–	–	–	–	–	–	–	–
Borrowing	3 528	1 550	1 550	–	494	904	(411)	-45%	1 550
Internally generated funds	26 089	26 833	31 499	1 991	14 285	18 375	(4 089)	-22%	31 499
Total sources of capital funds	63 800	81 321	86 488	5 567	37 463	50 451	(12 988)	-26%	86 488
Financial position									
Total current assets	178 612	65 801	242 702		198 394				198 394
Total non current assets	905 207	38 293	948 667		930 146				930 146
Total current liabilities	77 653	55 489	132 499		65 149				65 149
Total non current liabilities	158 745	15 233	173 993		163 934				163 934
Community wealth/Equity	847 421	33 372	884 878		899 457				899 457
Cash flows									
Net cash from (used) operating	83 978	173 205	173 205	(2 607)	58 379	101 036	(42 657)	-42%	173 205
Net cash from (used) investing	(60 010)	(83 247)	(83 247)	39 327	(79 757)	(48 561)	(31 196)	64%	(83 247)
Net cash from (used) financing	(2 795)	3 500	3 500	31	(727)	2 042	(2 768)	-136%	(727)
end	97 506	93 458	93 458	–	75 398	54 517	20 881	38%	190 961
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	34 935	4 133	3 533	3 318	6 296	3 120	17 386	96 486	169 206
Creditors Age Analysis									
Total Creditors	382	34	1	–	–	–	–	–	417

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) - M07 January

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									
<i>Governance and administration</i>	85 944	93 204	93 304	5 727	62 734	54 428	8 306	15%	93 304
Finance and administration	85 944	93 204	93 304	5 727	62 734	54 428	8 306	15%	93 304
<i>Community and public safety</i>	101 163	140 845	140 845	1 784	69 435	82 160	(12 725)	-15%	140 845
Community and social services	80 916	98 728	98 728	229	64 879	57 591	7 288	13%	98 728
Sport and recreation	7 477	9 020	9 020	1 391	4 196	5 262	(1 065)	-20%	9 020
Public safety	3	6	6	–	0	3	(3)	-93%	6
Housing	12 766	33 091	33 091	165	359	19 303	(18 944)	-98%	33 091
<i>Economic and environmental services</i>	32 369	43 682	44 622	741	14 042	26 030	(11 988)	-46%	44 622
Planning and development	1 540	2 510	2 510	178	915	1 464	(549)	-38%	2 510
Road transport	30 827	41 160	41 160	562	13 119	24 010	(10 891)	-45%	41 160
Environmental protection	2	12	952	–	8	555	(548)	-99%	952
<i>Trading services</i>	344 933	337 984	338 750	22 733	177 625	197 604	(19 980)	-10%	338 750
Energy sources	209 994	240 206	240 206	14 896	117 974	140 120	(22 146)	-16%	240 206
Water management	67 545	52 679	53 179	3 940	25 098	31 021	(5 923)	-19%	53 179
Waste water management	41 431	22 399	22 399	1 849	19 919	13 066	6 853	52%	22 399
Waste management	25 962	22 700	22 966	2 048	14 634	13 397	1 237	9%	22 966
Total Revenue - Functional	564 409	615 716	617 522	30 985	323 835	360 221	(36 386)	-10%	617 522
Expenditure - Functional									
<i>Governance and administration</i>	88 216	115 817	115 970	8 058	61 719	67 649	(5 930)	-9%	115 970
Executive and council	22 887	27 771	27 600	1 939	12 951	16 100	(3 148)	-20%	27 600
Finance and administration	63 186	85 942	86 266	5 948	47 410	50 322	(2 912)	-6%	86 266
Internal audit	2 144	2 104	2 104	171	1 358	1 227	130	11%	2 104
<i>Community and public safety</i>	70 971	82 467	81 245	4 846	34 115	47 393	(13 277)	-28%	81 245
Community and social services	21 733	25 460	25 379	1 802	12 926	14 804	(1 878)	-13%	25 379
Sport and recreation	23 574	28 896	27 777	1 822	13 223	16 203	(2 980)	-18%	27 777
Public safety	9 196	8 925	8 925	710	5 311	5 206	105	2%	8 925
Housing	16 468	19 186	19 164	512	2 655	11 179	(8 524)	-76%	19 164
<i>Economic and environmental services</i>	62 903	65 573	66 143	3 077	28 252	38 583	(10 331)	-27%	66 143
Planning and development	8 797	10 614	10 926	647	4 737	6 374	(1 637)	-26%	10 926
Road transport	52 785	53 213	52 530	2 307	22 674	30 643	(7 968)	-26%	52 530
Environmental protection	1 321	1 747	2 686	124	841	1 567	(726)	-46%	2 686
<i>Trading services</i>	293 298	317 593	315 829	18 876	147 094	184 234	(37 140)	-20%	315 829
Energy sources	201 572	224 738	223 310	11 968	100 389	130 264	(29 876)	-23%	223 310
Water management	28 025	28 985	28 844	1 976	14 346	16 826	(2 480)	-15%	28 844
Waste water management	28 364	29 256	29 014	2 261	15 348	16 925	(1 577)	-9%	29 014
Waste management	35 338	34 615	34 661	2 671	17 012	20 219	(3 207)	-16%	34 661
<i>Other</i>	828	893	878	201	618	512	106	21%	878
Total Expenditure - Functional	516 217	582 344	580 065	35 058	271 799	338 371	(66 573)	-20%	580 065
Surplus/ (Deficit) for the year	48 192	33 372	37 457	(4 073)	52 036	21 850	30 186		37 457

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) - M07 January

Description	2017/18	Budget Year 2018/19						YTD variance %	Full Year Forecast
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance		
R thousands									
Revenue - Functional									
<i>Municipal governance and administration</i>	85 944	93 204	93 304	5 727	62 734	54 428	8 306	15%	93 304
Finance and administration	85 944	93 204	93 304	5 727	62 734	54 428	8 306	15%	93 304
Administrative and Corporate Support	0	8	8	0	0	5	(4)	-96%	8
Budget and Treasury Office	6 882	5 442	5 442	360	1 963	3 175	(1 212)	-38%	5 442
Finance	78 169	87 149	87 149	5 343	60 569	50 837	9 732	19%	87 149
Human Resources	212	585	585	23	168	341	(174)	-51%	585
Marketing, Customer Relations, Publicity and Media	–	4	104	–	–	61	(61)	-100%	104
Supply Chain Management	682	16	16	2	34	9	25	263%	16
<i>Community and public safety</i>	101 163	140 845	140 845	1 784	69 435	82 160	(12 725)	-15%	140 845
Community and social services	80 916	98 728	98 728	229	64 879	57 591	7 288	13%	98 728
Aged Care	72 016	88 298	88 298	146	64 452	51 507	12 945	25%	88 298
Cemeteries, Funeral Parlours and Crematoriums	246	210	210	25	135	122	13	11%	210
Community Halls and Facilities	525	814	814	54	250	475	(225)	-47%	814
Libraries and Archives	8 130	9 406	9 406	3	42	5 487	(5 445)	-99%	9 406
Sport and recreation	7 477	9 020	9 020	1 391	4 196	5 262	(1 065)	-20%	9 020
Recreational Facilities	7 347	8 575	8 575	1 380	4 132	5 002	(870)	-17%	8 575
Sports Grounds and Stadiums	130	446	446	10	65	260	(195)	-75%	446

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance		Full Year Forecast
R thousands									
Public safety	3	6	6	–	0	3	(3)	-93%	6
<i>Fire Fighting and Protection</i>	3	6	6	–	0	3	(3)	-93%	6
Housing	12 766	33 091	33 091	165	359	19 303	(18 944)	-98%	33 091
<i>Housing</i>	12 766	33 091	33 091	165	359	19 303	(18 944)	-98%	33 091
Economic and environmental services	32 369	43 682	44 622	741	14 042	26 030	(11 988)	-46%	44 622
Planning and development	1 540	2 510	2 510	178	915	1 464	(549)	-38%	2 510
<i>Economic Development/Planning</i>	295	288	288	–	–	168	(168)	-100%	288
<i>Town Planning, Building Regulations and Enforcemen</i>	1 233	1 691	1 691	178	915	986	(71)	-7%	1 691
<i>Project Management Unit</i>	11	531	531	–	–	310	(310)	-100%	531
Road transport	30 827	41 160	41 160	562	13 119	24 010	(10 891)	-45%	41 160
<i>Police Forces, Traffic and Street Parking Control</i>	26 637	26 166	26 166	562	3 563	15 264	(11 701)	-77%	26 166
<i>Roads</i>	4 189	14 993	14 993	–	9 557	8 746	810	9%	14 993
Environmental protection	2	12	952	–	8	555	(548)	-99%	952
<i>Biodiversity and Landscape</i>	2	12	952	–	8	555	(548)	-99%	952
Trading services	344 933	337 984	338 750	22 733	177 625	197 604	(19 980)	-10%	338 750
Energy sources	209 994	240 206	240 206	14 896	117 974	140 120	(22 146)	-16%	240 206
<i>Electricity</i>	209 994	238 858	238 858	14 896	117 870	139 334	(21 463)	-15%	238 858
<i>Street Lighting and Signal Systems</i>	–	1 348	1 348	–	103	786	(683)	-87%	1 348
Water management	67 545	52 679	53 179	3 940	25 098	31 021	(5 923)	-19%	53 179
<i>Water Distribution</i>	67 545	52 679	53 179	3 940	25 098	31 021	(5 923)	-19%	53 179
Waste water management	41 431	22 399	22 399	1 849	19 919	13 066	6 853	52%	22 399
<i>Sewerage</i>	39 642	18 266	18 266	1 849	17 378	10 655	6 723	63%	18 266
<i>Storm Water Management</i>	1 789	4 133	4 133	–	2 541	2 411	130	5%	4 133
Waste management	25 962	22 700	22 966	2 048	14 634	13 397	1 237	9%	22 966
<i>Solid Waste Removal</i>	25 962	22 700	22 966	2 048	14 634	13 397	1 237	9%	22 966
Total Revenue - Functional	564 409	615 716	617 522	30 985	323 835	360 221	(36 386)	-10%	617 522

WC022 Witzenberg - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M07 January

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									
Expenditure - Functional									
<i>Municipal governance and administration</i>	88 216	115 817	115 970	8 058	61 719	67 649	(5 930)	-9%	115 970
Executive and council	22 887	27 771	27 600	1 939	12 951	16 100	(3 148)	-20%	27 600
Mayor and Council	13 781	17 908	18 076	1 400	8 360	10 544	(2 185)	-21%	18 076
Municipal Manager, Town Secretary and Chief Execut	9 106	9 863	9 524	539	4 592	5 555	(964)	-17%	9 524
Finance and administration	63 186	85 942	86 266	5 948	47 410	50 322	(2 912)	-6%	86 266
Administrative and Corporate Support	8 010	6 682	8 998	441	5 405	5 249	156	3%	8 998
Asset Management	59	6 288	4 085	2	8	2 383	(2 375)	-100%	4 085
Budget and Treasury Office	9 631	16 913	16 612	453	7 903	9 691	(1 787)	-18%	16 612
Finance	10 169	13 476	13 547	1 585	9 046	7 902	1 143	14%	13 547
Fleet Management	1 756	3 122	2 669	221	1 497	1 557	(60)	-4%	2 669
Human Resources	17 485	19 167	19 185	2 293	14 878	11 191	3 687	33%	19 185
Information Technology	2 056	3 179	4 116	133	1 504	2 401	(897)	-37%	4 116
Legal Services	1 780	2 248	2 234	60	1 192	1 303	(111)	-9%	2 234
Marketing, Customer Relations, Publicity and Media	3 055	3 580	3 656	230	1 853	2 133	(279)	-13%	3 656
Property Services	3 554	3 334	3 336	42	942	1 946	(1 005)	-52%	3 336
Risk Management	3	407	407	3	16	237	(221)	-93%	407
Supply Chain Management	4 869	5 844	5 718	461	2 811	3 336	(525)	-16%	5 718
Valuation Service	758	1 703	1 703	23	355	993	(639)	-64%	1 703
Internal audit	2 144	2 104	2 104	171	1 358	1 227	130	11%	2 104
Governance Function	2 144	2 104	2 104	171	1 358	1 227	130	11%	2 104
<i>Community and public safety</i>	70 971	82 467	81 245	4 846	34 115	47 393	(13 277)	-28%	81 245
Community and social services	21 733	25 460	25 379	1 802	12 926	14 804	(1 878)	-13%	25 379
Aged Care	4 541	4 298	4 169	362	2 628	2 432	197	8%	4 169
Cemeteries, Funeral Parlours and Crematoriums	2 581	3 272	3 221	232	1 630	1 879	(249)	-13%	3 221
Child Care Facilities	26	771	771	–	2	450	(448)	-100%	771
Community Halls and Facilities	5 441	5 903	5 995	444	3 065	3 497	(432)	-12%	5 995
Disaster Management	57	56	56	4	18	32	(15)	-45%	56
Education	8	661	661	–	4	386	(382)	-99%	661
Libraries and Archives	9 079	10 499	10 506	759	5 578	6 128	(550)	-9%	10 506
Sport and recreation	23 574	28 896	27 777	1 822	13 223	16 203	(2 980)	-18%	27 777
Community Parks (including Nurseries)	5 591	6 678	6 664	396	3 322	3 888	(565)	-15%	6 664
Recreational Facilities	13 592	17 469	16 349	1 065	7 392	9 537	(2 145)	-22%	16 349
Sports Grounds and Stadiums	4 391	4 748	4 763	360	2 509	2 779	(270)	-10%	4 763
Public safety	9 196	8 925	8 925	710	5 311	5 206	105	2%	8 925
Fire Fighting and Protection	9 196	8 925	8 925	710	5 311	5 206	105	2%	8 925
Housing	16 468	19 186	19 164	512	2 655	11 179	(8 524)	-76%	19 164
Housing	16 143	17 593	17 571	504	2 526	10 250	(7 724)	-75%	17 571
Informal Settlements	325	1 594	1 594	8	130	930	(800)	-86%	1 594

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									
<i>Economic and environmental services</i>	62 903	65 573	66 143	3 077	28 252	38 583	(10 331)	-27%	66 143
Planning and development	8 797	10 614	10 926	647	4 737	6 374	(1 637)	-26%	10 926
<i>Corporate Wide Strategic Planning (IDPs, LEDs)</i>	1 761	2 308	2 304	122	903	1 344	(441)	-33%	2 304
<i>Economic Development/Planning</i>	1 921	2 215	2 287	76	724	1 334	(610)	-46%	2 287
<i>Town Planning, Building Regulations and Enforcement</i>	3 637	3 748	3 997	322	2 201	2 332	(131)	-6%	3 997
<i>Project Management Unit</i>	1 479	2 342	2 338	127	909	1 364	(455)	-33%	2 338
Road transport	52 785	53 213	52 530	2 307	22 674	30 643	(7 968)	-26%	52 530
<i>Police Forces, Traffic and Street Parking Control</i>	31 375	28 142	28 171	1 322	8 801	16 433	(7 632)	-46%	28 171
<i>Roads</i>	21 410	25 071	24 359	985	13 874	14 210	(336)	-2%	24 359
Environmental protection	1 321	1 747	2 686	124	841	1 567	(726)	-46%	2 686
<i>Biodiversity and Landscape</i>	388	1 747	2 686	35	251	1 567	(1 316)	-84%	2 686
<i>Pollution Control</i>	934	–	–	89	590	–	590		–
<i>Trading services</i>	293 298	317 593	315 829	18 876	147 094	184 234	(37 140)	-20%	315 829
Energy sources	201 572	224 738	223 310	11 968	100 389	130 264	(29 876)	-23%	223 310
<i>Electricity</i>	199 399	222 463	220 436	11 827	98 884	128 588	(29 704)	-23%	220 436
<i>Street Lighting and Signal Systems</i>	2 173	2 275	2 874	141	1 505	1 677	(172)	-10%	2 874
Water management	28 025	28 985	28 844	1 976	14 346	16 826	(2 480)	-15%	28 844
<i>Water Treatment</i>	34	1 458	1 458	2	13	851	(838)	-98%	1 458
<i>Water Distribution</i>	25 401	23 935	24 044	1 963	12 602	14 026	(1 424)	-10%	24 044
<i>Water Storage</i>	2 590	3 592	3 341	11	1 731	1 949	(218)	-11%	3 341
Waste water management	28 364	29 256	29 014	2 261	15 348	16 925	(1 577)	-9%	29 014
<i>Public Toilets</i>	1 363	1 660	1 658	116	827	967	(141)	-15%	1 658
<i>Sewerage</i>	20 919	19 661	19 595	1 724	10 758	11 430	(672)	-6%	19 595
<i>Storm Water Management</i>	6 049	5 621	5 445	422	3 761	3 176	585	18%	5 445
<i>Waste Water Treatment</i>	33	2 315	2 315	–	2	1 350	(1 349)	-100%	2 315
Waste management	35 338	34 615	34 661	2 671	17 012	20 219	(3 207)	-16%	34 661
<i>Solid Waste Disposal (Landfill Sites)</i>	8 543	10 735	10 758	234	2 285	6 276	(3 990)	-64%	10 758
<i>Solid Waste Removal</i>	25 366	22 639	22 662	2 292	13 842	13 219	623	5%	22 662
<i>Street Cleaning</i>	1 429	1 241	1 241	145	885	724	160	22%	1 241
<i>Other</i>	828	893	878	201	618	512	106	21%	878
Licensing and Regulation	60	87	72	–	14	42	(28)	-67%	72
Tourism	768	806	806	201	604	470	134	29%	806
Total Expenditure - Functional	516 217	582 344	580 065	35 058	271 799	338 371	(66 573)	-20%	580 065
Surplus/ (Deficit) for the year	48 192	33 372	37 457	(4 073)	52 036	21 850	30 186	138%	37 457

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) - M07
January

Vote 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 by Vote									
Vote 1 - Financial Services	83 282	89 434	89 434	5 497	61 115	52 170	8 945	17.1%	89 434
Vote 2 - Community Services	128 355	167 972	168 912	2 365	73 214	98 532	(25 318)	-25.7%	168 912
Vote 3 - Corporate Services	212	597	697	23	168	406	(239)	-58.7%	697
Vote 4 - Technical Services	352 005	356 363	357 129	23 055	189 022	208 325	(19 303)	-9.3%	357 129
Vote 5 - Muncipal Manager	554	1 350	1 350	44	316	788	(471)	-59.8%	1 350
Total Revenue by Vote	564 409	615 716	617 522	30 985	323 835	360 221	(36 386)	-10.1%	617 522
Vote 1 - Financial Services	27 219	45 537	42 839	2 555	21 002	24 990	(3 987)	-16.0%	42 839
Vote 2 - Community Services	106 806	115 777	115 380	6 361	44 482	67 305	(22 823)	-33.9%	115 380
Vote 3 - Corporate Services	50 721	56 641	60 280	4 907	34 677	35 163	(486)	-1.4%	60 280
Vote 4 - Technical Services	321 647	351 143	348 508	20 540	165 638	203 296	(37 659)	-18.5%	348 508
Vote 5 - Muncipal Manager	9 824	13 246	13 057	696	5 999	7 617	(1 618)	-21.2%	13 057
Total Expenditure by Vote	516 217	582 344	580 065	35 058	271 799	338 371	(66 573)	-19.7%	580 065
Surplus/ (Deficit) for the year	48 192	33 372	37 457	(4 073)	52 036	21 850	30 186	138.2%	37 457

WC022 Witzenberg - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - A - M07 January

Vote 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 thousand									
Revenue by Vote									
Vote 1 - Financial Services	83 282	89 434	89 434	5 497	61 115	52 170	8 945	17%	89 434
1.1 - Assessment Rates	60 998	73 667	73 667	3 110	48 754	42 973	5 782	13%	73 667
1.2 - Treasury: Administration	22 570	19 029	19 029	2 426	12 914	11 100	1 814	16%	19 029
1.3 - Treasury: Debtors	(1 058)	(3 487)	(3 487)	(42)	(616)	(2 034)	1 419	-70%	(3 487)
1.4 - Treasury: Credit controle	90	210	210	1	28	122	(95)	-77%	210
1.5 - Supply Chain Management	682	16	16	2	34	9	25	263%	16
Vote 2 - Community Services	128 355	167 972	168 912	2 365	73 214	98 532	(25 318)	-26%	168 912
2.1 - Cemeteries	246	210	210	25	135	122	13	11%	210
2.2 - Housing: Administration	13 006	33 612	33 612	181	475	19 607	(19 131)	-98%	33 612
2.3 - Library Services	8 130	9 406	9 406	3	42	5 487	(5 445)	-99%	9 406
2.4 - Fire Protection Services	3	6	6	—	0	3	(3)	-93%	6
2.5 - Pine Forest : Administration	7 346	8 573	8 573	1 380	4 132	5 001	(869)	-17%	8 573
2.7-Community Halls And Facilities	321	571	571	13	176	333	(157)	-47%	571
2.8-Licensing & Regulation	100	103	103	3	92	60	32	53%	103
2.9-Environmental Protection	2	12	952	—	8	555	(548)	-99%	952
2.10-Parks	(2)	107	107	—	—	62	(62)	-100%	107
2.11-Traffic	26 637	21 289	21 289	562	3 563	12 419	(8 856)	-71%	21 289
2.13-Social & Welfare Services	72 016	88 298	88 298	146	64 452	51 507	12 945	25%	88 298
2.15-Recreational Land	130	446	446	10	65	260	(195)	-75%	446
2.16-Swimming Pools	126	175	175	41	74	102	(28)	-28%	175
2.17-Vehicle Licensing & Testing	—	4 878	4 878	—	—	2 845	(2 845)	-100%	4 878
2.18-L E D	295	288	288	—	—	168	(168)	-100%	288
Vote 3 - Corporate Services	212	597	697	23	168	406	(239)	-59%	697
3.3-Human Resources	212	585	585	23	168	341	(174)	-51%	585
3.7-Marketing & Communications	—	4	104	—	—	61	(61)	-100%	104
3.9-Administration	0	8	8	0	0	5	(4)	-96%	8
Vote 4 - Technical Services	352 005	356 363	357 129	23 055	189 022	208 325	(19 303)	-9%	357 129
4.1-Building Regulations & Enforce	690	848	848	141	667	495	173	35%	848
4.2-Electricity: Administration	211 203	240 464	240 464	14 993	118 514	140 271	(21 757)	-16%	240 464
4.3-Electricity: Street Lights	—	1 348	1 348	—	103	786	(683)	-87%	1 348
4.5-Sewerage	40 320	18 541	18 541	1 910	17 805	10 816	6 990	65%	18 541
4.7-Town Planning	303	713	713	24	103	416	(313)	-75%	713
4.8-Stormwater Management	1 789	4 133	4 133	—	2 541	2 411	130	5%	4 133
4.9-Roads	4 189	14 993	14 993	—	9 557	8 746	810	9%	14 993
4.10-Solid Waste (Dumping Site)	859	1 296	1 296	75	287	756	(469)	-62%	1 296
4.11-Solid Waste (Garden)	—	4	4	—	—	2	(2)	-100%	4
4.12-Solid Waste (Removal)	25 107	21 343	21 609	1 973	14 347	12 605	1 741	14%	21 609
4.14-Water Distribution	67 545	52 679	53 179	3 940	25 098	31 021	(5 923)	-19%	53 179
Vote 5 - Municipal Manager	554	1 350	1 350	44	316	788	(471)	-60%	1 350
5.1-Property & Legal Services	543	819	819	44	316	478	(161)	-34%	819
5.3-Project Management	11	531	531	—	—	310	(310)	-100%	531
Total Revenue by Vote	564 409	615 716	617 522	30 985	323 835	360 221	(36 386)	-10%	617 522
Vote 1 - Financial Services	27 219	45 537	42 839	2 555	21 002	24 990	(3 987)	-16%	42 839
1.1 - Assessment Rates	(1 651)	870	870	452	1 966	508	1 458	287%	870
1.2 - Treasury: Administration	9 688	23 200	20 697	455	7 910	12 073	(4 163)	-34%	20 697
1.3 - Treasury: Debtors	5 136	5 977	5 861	369	2 812	3 419	(607)	-18%	5 861
1.4 - Treasury: Credit controle	7 420	7 980	8 167	785	4 607	4 764	(157)	-3%	8 167
1.5 - Supply Chain Management	4 871	5 844	5 718	461	2 812	3 336	(524)	-16%	5 718
1.6 - Director: Finance	1 755	1 665	1 526	33	896	890	6	1%	1 526
Vote 2 - Community Services	106 806	115 777	115 380	6 361	44 482	67 305	(22 823)	-34%	115 380
2.1 - Cemeteries	2 581	3 272	3 221	232	1 630	1 879	(249)	-13%	3 221
2.2 - Housing: Administration	16 468	19 186	19 164	512	2 655	11 179	(8 524)	-76%	19 164
2.3 - Library Services	9 079	10 258	10 265	759	5 578	5 988	(410)	-7%	10 265
2.4 - Fire Protection Services	9 196	8 925	8 925	710	5 311	5 206	105	2%	8 925
2.5 - Pine Forest : Administration	10 404	10 619	10 561	732	5 563	6 160	(598)	-10%	10 561
2.6-Klipriver Park: Administration	867	1 258	1 256	72	518	733	(214)	-29%	1 256
2.7-Community Halls And Facilities	5 043	5 501	5 544	416	2 861	3 234	(373)	-12%	5 544
2.8-Licensing & Regulation	60	87	72	—	14	42	(28)	-67%	72
2.9-Environmental Protection	1 321	1 747	2 686	124	841	1 567	(726)	-46%	2 686
2.10-Parks	5 578	6 904	6 890	396	3 314	4 019	(705)	-18%	6 890
2.11-Traffic	27 953	24 311	24 337	1 028	6 779	14 196	(7 417)	-52%	24 337
2.12-Disaster Management	57	56	56	4	18	32	(15)	-45%	56
2.13-Social & Welfare Services	4 575	5 731	5 601	362	2 634	3 267	(633)	-19%	5 601
2.15-Recreational Land	4 391	4 748	4 763	360	2 509	2 779	(270)	-10%	4 763
2.16-Swimming Pools	2 322	5 592	4 532	261	1 311	2 644	(1 333)	-50%	4 532
2.17-Vehicle Licensing & Testing	3 422	3 831	3 835	294	2 022	2 237	(215)	-10%	3 835
2.18-L E D	1 921	2 215	2 287	76	724	1 334	(610)	-46%	2 287
2.19-Director: Community Services	1 569	1 535	1 385	22	200	808	(608)	-75%	1 385
Vote 3 - Corporate Services	50 721	56 641	60 280	4 907	34 677	35 163	(486)	-1%	60 280
3.1-Property Administration	3 529	410	409	42	260	239	21	9%	409
3.2-Information Technology	2 056	3 107	4 042	128	1 478	2 358	(879)	-37%	4 042

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3.3-Human Resources	17 485	19 167	19 185	2 293	14 878	11 191	3 687	33%	19 185
3.5-Council Cost	13 781	17 908	18 076	1 400	8 360	10 544	(2 185)	-21%	18 076
3.5-Town Secretary	1 200	1 298	1 298	107	750	757	(7)	-1%	1 298
3.6-Tourism	768	806	806	201	604	470	134	29%	806
3.7-Marketing & Communications	3 055	3 652	3 730	235	1 879	2 176	(296)	-14%	3 730
3.8-Thusong Centre	417	422	472	29	213	275	(62)	-22%	472
3.9-Administration	6 811	8 113	10 429	334	5 337	6 084	(747)	-12%	10 429
3.10-Director Corporate Services	1 620	1 758	1 834	137	917	1 070	(152)	-14%	1 834
Vote 4 - Technical Services	321 647	351 143	348 508	20 540	165 638	203 296	(37 659)	-19%	348 508
4.1-Building Regulations & Enforce	2 500	2 558	2 558	217	1 506	1 492	13	1%	2 558
4.2-Electricity: Administration	199 246	223 698	220 720	11 741	98 950	128 753	(29 803)	-23%	220 720
4.3-Electricity: Street Lights	134	-	-	-	-	-	-	-	-
4.4-Mechanical Workshop	1 756	3 122	2 669	221	1 497	1 557	(60)	-4%	2 669
4.4-Public Toilets	1 363	1 660	1 658	116	827	967	(141)	-15%	1 658
4.5-Sewerage	23 139	22 748	24 233	1 950	12 197	14 136	(1 939)	-14%	24 233
4.7-Town Planning	1 136	1 189	1 439	105	695	840	(144)	-17%	1 439
4.8-Stormwater Management	6 049	5 621	5 445	422	3 761	3 176	585	18%	5 445
4.9-Roads	21 410	25 071	24 359	985	13 874	14 210	(336)	-2%	24 359
4.10-Solid Waste (Dumping Site)	8 543	10 735	10 758	234	2 285	6 276	(3 990)	-64%	10 758
4.11-Solid Waste (Garden)	13 672	12 443	12 380	920	6 873	7 222	(349)	-5%	12 380
4.12-Solid Waste (Removal)	13 122	11 437	11 523	1 516	7 854	6 722	1 132	17%	11 523
4.13-Water Storage	2 590	3 606	3 356	11	1 731	1 957	(226)	-12%	3 356
4.14-Water Distribution	25 435	25 615	25 725	1 964	12 615	15 006	(2 391)	-16%	25 725
4.15-Director: Technical Services	1 552	1 641	1 684	137	973	982	(9)	-1%	1 684
Vote 5 - Municipal Manager	9 824	13 246	13 057	696	5 999	7 617	(1 618)	-21%	13 057
5.1-Property & Legal Services	1 805	2 463	2 452	60	1 192	1 431	(239)	-17%	2 452
5.2-IDP	1 761	2 308	2 304	122	903	1 344	(441)	-33%	2 304
5.3-Project Management	512	1 028	1 023	42	311	597	(286)	-48%	1 023
5.4-Performance Management	967	1 314	1 314	85	598	767	(169)	-22%	1 314
5.5-Internal Audit	2 147	2 511	2 511	174	1 374	1 465	(90)	-6%	2 511
5.6-Municipal Manager	2 632	3 622	3 452	212	1 621	2 014	(392)	-19%	3 452
Total Expenditure by Vote	516 217	582 344	580 065	35 058	271 799	338 371	(66 573)	(0)	580 065
Surplus/ (Deficit) for the year	48 192	33 372	37 457	(4 073)	52 036	21 850	30 186	0	37 457

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) - M07 January

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 By Source									
Property rates	63 712	70 002	70 002	3 254	53 073	40 834	12 238	30%	70 002
Service charges - electricity revenue	210 359	235 714	235 714	14 916	117 834	137 500	(19 666)	-14%	235 714
Service charges - water revenue	45 429	41 882	41 882	3 587	19 680	24 431	(4 751)	-19%	41 882
Service charges - sanitation revenue	26 997	17 387	17 387	1 720	13 479	10 142	3 337	33%	17 387
Service charges - refuse revenue	23 384	21 424	21 424	1 846	13 350	12 497	853	7%	21 424
Service charges - other	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	5 990	10 198	10 198	685	2 959	5 949	(2 989)	-50%	10 198
Interest earned - external investments	8 122	8 198	8 198	1 388	4 568	4 782	(214)	-4%	8 198
Interest earned - outstanding debtors	10 927	7 284	7 284	903	5 807	4 249	1 558	37%	7 284
Dividends received	–	4	4	–	–	2	(2)	-100%	4
Fines, penalties and forfeits	22 002	18 904	18 904	25	974	11 028	(10 053)	-91%	18 904
Licences and permits	4 751	3 655	3 655	533	2 696	2 132	564	26%	3 655
Agency services	–	4 878	4 878	–	–	2 845	(2 845)	-100%	4 878
Transfers recognised - operational	93 967	91 069	92 875	177	65 083	54 177	10 905	20%	92 875
Other revenue	13 993	9 271	9 271	1 792	5 367	5 408	(41)	-1%	9 271
Gains on disposal of PPE	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	529 632	539 869	541 676	30 827	304 871	315 977	(11 106)	-4%	541 676
Expenditure By Type									
Employee related costs	155 415	177 699	174 599	14 684	101 358	101 850	(492)	0%	174 599
Remuneration of councillors	9 170	10 709	10 709	967	5 489	6 247	(758)	-12%	10 709
Debt impairment	1 108	22 203	22 203	–	–	12 952	(12 952)	-100%	(0)
Depreciation & asset impairment	28 699	43 032	44 032	–	12 531	25 685	(13 154)	-51%	56 492
Finance charges	8 675	3 671	3 685	–	392	2 150	(1 757)	-82%	3 685
Bulk purchases	179 705	197 541	197 541	10 443	87 596	115 232	(27 636)	-24%	197 541
Other materials	15 173	21 021	19 970	1 093	8 278	11 649	(3 371)	-29%	19 970
Contracted services	36 101	41 902	41 072	1 847	19 942	23 958	(4 017)	-17%	41 072
Transfers and grants	13 920	14 407	14 358	364	1 049	8 376	(7 327)	-87%	14 358
Other expenditure	68 250	50 159	51 896	5 659	35 164	30 273	4 892	16%	56 826
Loss on disposal of PPE	–	–	–	–	–	–	–	–	–
Total Expenditure	516 217	582 344	580 065	35 058	271 799	338 371	(66 573)	-20%	575 253
Surplus/(Deficit)	13 415	(42 474)	(38 389)	(4 231)	33 073	(22 394)	55 467	(0)	(33 577)
Transfers recognised - capital	34 777	75 847	75 847	158	18 963	44 244	(25 280)	(0)	75 847
Contributions recognised - capital	–	–	–	–	–	–	–	–	–
Contributed assets	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	48 192	33 372	37 457	(4 073)	52 036	21 850			42 269
Surplus/(Deficit) attributable to Share of surplus/ (deficit) of associate	48 192	33 372	37 457	(4 073)	52 036	21 850			42 269
Surplus/ (Deficit) for the year	48 192	33 372	37 457	(4 073)	52 036	21 850			42 269

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) - M07 January

Vote 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									
Multi-Year expenditure appropriation									
Vote 2 - Community Services	–	650	890	–	6	519	(513)	-99%	890
Vote 4 - Technical Services	14 570	45 777	45 777	2 608	18 093	26 703	(8 610)	-32%	45 777
Total Capital Multi-year expenditure	14 570	46 427	46 667	2 608	18 099	27 223	(9 124)	-34%	46 667
Single Year expenditure appropriation									
Vote 1 - Financial Services	215	180	180	–	5	105	(100)	-95%	180
Vote 2 - Community Services	5 950	4 282	5 569	56	268	3 249	(2 980)	-92%	5 569
Vote 3 - Corporate Services	1 257	970	2 011	49	294	1 173	(879)	-75%	2 011
Vote 4 - Technical Services	41 782	29 312	31 911	2 855	18 797	18 615	182	1%	31 911
Vote 5 - Muncipal Manager	27	150	150	(1)	–	88	(88)	-100%	150
Total Capital single-year expenditure	49 231	34 894	39 820	2 960	19 364	23 229	(3 865)	-17%	39 820
Total Capital Expenditure	63 800	81 321	86 488	5 567	37 463	50 451	(12 988)	-26%	86 488

WC022 Witzenberg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M07 January

Vote 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									
Capital Expenditure - Standard Classification									
<i>Governance and administration</i>	1 576	1 340	3 463	49	338	2 020	(1 682)	-83%	3 463
Executive and council	279	250	1 462	1	73	853	(779)	-91%	1 462
Finance and administration	1 297	1 090	2 001	48	265	1 167	(902)	-77%	2 001
<i>Community and public safety</i>	3 586	3 402	4 693	47	135	2 737	(2 602)	-95%	4 693
Community and social services	645	1 000	1 304	15	15	761	(745)	-98%	1 304
Sport and recreation	2 034	2 402	3 389	32	120	1 977	(1 857)	-94%	3 389
Public safety	549	–	–	–	–	–	–		–
Housing	359	–	–	–	–	–	–		–
<i>Economic and environmental service</i>	11 560	29 788	31 089	2 438	20 182	18 135	2 047	11%	31 089
Planning and development	31	20	256	8	118	149	(31)	-21%	256
Road transport	11 529	28 268	29 333	2 430	20 064	17 111	2 953	17%	29 333
Environmental protection	–	1 500	1 500	–	–	875	(875)	-100%	1 500
<i>Trading services</i>	47 078	46 791	47 243	3 033	16 807	27 558	(10 751)	-39%	47 243
Energy sources	4 728	11 654	11 654	348	2 871	6 798	(3 927)	-58%	11 654
Water management	22 269	14 746	15 246	42	4 213	8 894	(4 681)	-53%	15 246
Waste water management	16 820	19 219	19 171	2 643	8 715	11 183	(2 468)	-22%	19 171
Waste management	3 261	1 171	1 171	–	1 008	683	325	48%	1 171
Total Capital Expenditure - Standard Classification	63 800	81 321	86 488	5 567	37 463	50 451	(12 988)	-26%	86 488
Funded by:									
National Government	20 014	33 070	33 070	3 576	9 727	19 291	(9 563)	-50%	33 070
Provincial Government	14 170	19 569	19 569	–	12 500	11 415	1 085	10%	19 569
District Municipality	–	300	800	–	457	467	(10)	-2%	800
Transfers recognised - capital	34 183	52 938	53 438	3 576	22 684	31 172	(8 488)	-27%	53 438
Borrowing	3 528	1 550	1 550	–	494	904	(411)	-45%	1 550
Internally generated funds	26 089	26 833	31 499	1 991	14 285	18 375	(4 089)	-22%	31 499
Total Capital Funding	63 800	81 321	86 488	5 567	37 463	50 451	(12 988)	-26%	86 488

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[illegible]

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[illegible]

Vote 12 - [NAME OF VOTE 12] 12.1 - [Name of sub-vote]	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13] 13.1 - [Name of sub-vote]	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14] 14.1 - [Name of sub-vote]	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15] 15.1 - [Name of sub-vote]	-	-	-	-	-	-	-	-	-
Total single-year capital expenditure	58 065	77 219	39 820	2 960	19 364	23 229	(3 865)	(0)	39 820
Total Capital Expenditure	72 635	123 646	86 488	5 567	37 463	50 451	(12 988)	(0)	86 488

The table provides detail of the municipality's financial position as at period end.

WC022 Witzenberg - Table C6 Monthly Budget Statement - Financial Position - M07 January

Description	2017/18	Budget Year 2018/19			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
<u>ASSETS</u>					
Current assets					
Cash	97 506	83 129	177 181	75 408	75 408
Call investment deposits	–	47	47	40 000	40 000
Consumer debtors	57 003	(33 750)	23 254	66 129	66 129
Other debtors	12 701	14 940	27 641	6 814	6 814
Current portion of long-term receivables	–	–	–	–	–
Inventory	11 402	1 435	14 580	10 044	10 044
Total current assets	178 612	65 801	242 702	198 394	198 394
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	900 277	881 428	881 428
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	948 667	930 146	930 146
TOTAL ASSETS	1 083 819	104 095	1 191 369	1 128 540	1 128 540
<u>LIABILITIES</u>					
Current liabilities					
Bank overdraft	–	–	–	–	–
Borrowing	–	–	–	–	–
Consumer deposits	6 418	–	6 418	6 792	6 792
Trade and other payables	53 808	46 998	100 163	41 093	41 093
Provisions	17 426	8 491	25 917	17 264	17 264
Total current liabilities	77 653	55 489	132 499	65 149	65 149
Non current liabilities					
Borrowing	4 175	2 200	6 389	2 573	2 573
Provisions	154 570	13 033	167 603	161 361	161 361
Total non current liabilities	158 745	15 233	173 993	163 934	163 934
TOTAL LIABILITIES	236 399	70 723	306 491	229 083	229 083
NET ASSETS	847 421	33 372	884 878	899 457	899 457
<u>COMMUNITY WEALTH/EQUITY</u>					
Accumulated Surplus/(Deficit)	837 066	33 372	874 523	889 102	889 102
Reserves	10 355	–	10 355	10 355	10 355
TOTAL COMMUNITY WEALTH/EQUITY	847 421	33 372	884 878	899 457	899 457

The cash flows for the year to date are indicated in the following table:

WC022 Witzenberg - Table C7 Monthly Budget Statement - Cash Flow - M07 January

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									
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates, penalties & collection charges	63 592	61 689	61 689	4 286	49 936	35 985	13 950	39%	61 689
Service charges	308 615	291 601	291 601	21 624	183 327	170 101	13 226	8%	291 601
Other revenue	–	17 246	17 246	2 552	12 670	10 060	2 610	26%	17 246
Government - operating	132 666	97 846	97 846	–	73 822	57 077	16 745	29%	97 846
Government - capital	–	63 230	63 230	–	33 466	36 884	(3 418)	-9%	63 230
Interest	19 166	13 112	13 112	1 388	4 568	7 649	(3 080)	-40%	13 112
Dividends									
Payments									
Suppliers and employees	(424 386)	(369 994)	(369 994)	(32 092)	(298 217)	(215 830)	82 387	-38%	(369 994)
Finance charges	(15 676)	(938)	(938)	–	(145)	(547)	(402)	74%	(938)
Transfers and Grants	–	(587)	(587)	(364)	(1 048)	(343)	706	-206%	(587)
NET CASH FROM/(USED) OPERATING ACTIVITIES	83 978	173 205	173 205	(2 607)	58 379	101 036	122 723	121%	173 205
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	–	–	–	45 000	(40 000)	–	(40 000)	–	–
Payments									
Capital assets	(63 800)	(83 247)	(83 247)	(5 673)	(39 757)	(48 561)	(8 804)	18%	(83 247)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(60 010)	(83 247)	(83 247)	39 327	(79 757)	(48 561)	31 196	-64%	(83 247)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	3 500	3 500	–	–	2 042	(2 042)	-100%	3 500
Increase (decrease) in consumer deposits	1 023	–	–	31	441	–	441	–	–
Payments									
Repayment of borrowing	(3 818)	–	–	–	(1 167)	–	1 167	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES	(2 795)	3 500	3 500	31	(727)	2 042	2 768	136%	(727)
NET INCREASE/ (DECREASE) IN CASH HELD	21 173	93 458	93 458	36 751	(22 104)	54 517			–
Cash/cash equivalents at beginning:	76 333	–	–		97 502	–			97 502
Cash/cash equivalents at month/year end:	97 506	93 458	93 458		75 398	54 517			190 961

WC022 Witzenberg - Supporting Table SC1 Material variance explanations - M07 January

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	<u>Revenue By Source</u>			
	Property rates	29.97%	Income better than expected.	
	Service charges - electricity revenue	-14.30%	Variance can be attributed to lower usage caused by seasonal fluctuations.	
	Service charges - water revenue	-19.45%	Variance due to water restrictions implemented and higher awareness of water saving methods in clients.	
	Service charges - sanitation revenue	32.90%	Variance due to industrial effluent charges.	
	Service charges - refuse revenue	6.83%	Immaterial variance	
	Service charges - other			
	Interest earned - external investments	-4.48%	Income less than expected due to economic climate and decrease on return rates of investments.	
	Dividends received	-100.00%	Immaterial variance	
	Fines, penalties and forfeits	-91.17%	Low collection of fines experienced.	
	Agency services	-100.00%	Backlog of traffic reconciliations.	
	<u>Expenditure By Type</u>			
2	<u>Expenditure By Type</u>			
	Depreciation & asset impairment	-51.21%	Asset Parameters to be maintained. More depreciation runs to follow.	
	Finance charges	-81.74%	Majority of loans repaid. Expected to increase when taking up a new loan	
	Other materials	-28.94%	Performance expected to increase during the next few months	
	Transfers and subsidies	-87.48%	Top structures of housing expected to increase in the following months	
	Other expenditure	16.16%	Immaterial Variance. Performance expected to increase during the next few months.	
	Loss on disposal of PPE			
	Capital Expenditure			
3	<u>Capital Expenditure</u>			
	Financial Position			
4	<u>Financial Position</u>			
		-		
		-		
	Cash Flow	-		
5	<u>Cash Flow</u>			
	Measureable performance	-		
	Municipal Entities	-		
6	<u>Measureable performance</u>			
		-		
		-		
		-		
7	<u>Municipal Entities</u>			
		-		
		-		
		-		
		-		

WC022 Witzenberg - Supporting Table SC2 Monthly Budget Statement - performance indicators - M07 January

Web22 Witzenberg - Supporting Table 502 Monthly Budget Statement - performance indicators - M07 Summary							
Description of financial indicator	Basis of calculation	Ref	2017/18	Budget Year 2018/19			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<u>Borrowing Management</u>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		1.9%	8.0%	8.2%	4.8%	2.5%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		5.5%	1.9%	1.8%	1.3%	1.8%
<u>Safety of Capital</u>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		6.8%	147.4%	12.0%	4.9%	4.9%
Gearing	Long Term Borrowing/ Funds & Reserves		40.3%		61.7%	24.9%	24.9%
<u>Liquidity</u>							
Current Ratio	Current assets/current liabilities	1	230.0%	118.6%	183.2%	304.5%	304.5%
Liquidity Ratio	Monetary Assets/Current Liabilities		125.6%	149.9%	133.8%	177.1%	177.1%
<u>Revenue Management</u>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		13.2%	-3.5%	9.4%	23.9%	13.5%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old						
<u>Creditors Management</u>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
<u>Funding of Provisions</u>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<u>Other Indicators</u>							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		1.7%	32.9%	32.2%	33.2%	32.2%
Repairs & Maintenance	R&M/Total Revenue - capital revenue						
Interest & Depreciation	I&D/Total Revenue - capital revenue		7.1%	8.7%	8.8%	4.2%	2.7%
<u>IDP regulation financial viability indicators</u>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

The debtors age analysis per Income source and customer group is as follows:

WC022 Witzenberg - Supporting Table SC3 Monthly Budget Statement - aged debtors - M07 January

Description	NT Code	Budget Year 2018/19									
		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
R thousands											
Debtors Age Analysis By Income Source											
Water	1200	9 336	1 323	1 011	919	928	1 131	7 082	28 899	50 628	38 958
Electricity	1300	12 475	765	698	694	479	387	1 670	1 233	18 401	4 463
Property Rates	1400	4 549	377	330	194	3 502	184	810	12 209	22 155	16 899
Waste Water Management	1500	5 148	710	659	636	634	625	3 299	14 355	26 065	19 549
Waste Management	1600	5 654	815	680	666	581	588	2 947	15 786	27 716	20 567
Property Rental Debtors	1700	145	17	16	16	16	15	89	565	879	700
Interest on Arrear Accounts	1810	1 518	94	105	126	134	161	1 300	22 541	25 979	24 262
Recoverable expenditure	1820	–	–	–	–	–	–	–	–	–	–
Other	1900	(3 890)	32	34	67	23	29	190	898	(2 616)	1 207
Total By Income Source	2000	34 935	4 133	3 533	3 318	6 296	3 120	17 386	96 486	169 206	126 606
2017/18 - totals only										–	–
Debtors Age Analysis By Customer Group											
Organs of State	2200	804	813	751	757	1 716	325	1 307	2 681	9 154	6 785
Commercial	2300	10 900	462	349	256	1 350	292	1 433	6 411	21 453	9 742
Households	2400	21 548	2 645	2 223	2 128	2 838	2 319	13 451	78 892	126 045	99 630
Other	2500	1 683	213	210	177	391	183	1 194	8 503	12 554	10 448
Total By Customer Group	2600	34 935	4 133	3 533	3 318	6 296	3 120	17 386	96 486	169 206	126 606

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:

BID NO	DESCRIPTION / BESKRYWING	CLOSING DATE / SLUITINGS DATUM
08/2/16/25	Supply and installation of base radio stations, mobile radio stations and portable digital radios	01-Feb-2019
08/2/16/28	Supply, delivery and manufacturing of 9 steel pavilions (Re-advertisement)	08-Feb-2019

The following formal written price quotations 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:

Die volgende formele geskrewe pryskwotasies is tans in die adverteringsfase:

BID NO	DESCRIPTION / BESKRYWING	CLOSING DATE / SLUITINGS DATUM
08/2/16/48	Painting of external surfaces at Montana and Pine Valley community halls Wolseley	13-Feb-2019

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
08/2/16/23	Facilitation of training for municipal minimum competency levels MMCL Programme for a three year period	06-Nov-2018	29-Nov-2018	I Swartbooi
08/2/16/26	Supply and delivery of Road signs and Accessories	30-Oct-2018	14-Nov-2018	E Lintnaar
08/2/16/33	Cutting and removing of pine trees at Pine Forest holiday resort	15-Nov-2018	28-Jan-2019	J Samuel
08/2/16/36	Clearing of alien vegetation in Ceres nature reserve	23-Nov-2018	07-Dec-2018 28-Jan-2019	H Truter
08/2/16/38	Resealing of existing streets in Witzenberg municipal area	22-Nov-2018	23-Jan-2019	E Lintnaar
08/2/16/40	The supply, delivery and installation of process aerators / mixers for Witzenberg Municipality	07-Nov-2018	21-Jan-2019	N Jacobs
08/2/16/42	Upgrading of John Steyn library	28-Nov-2018	14-Dec-2018 23-Jan-2019	C Wessels

The following formal written price quotations are

Die volgende formele geskrewe pryskwotasie is tans

currently in the evaluation stage:

in die evalueringsfase:

BID NO	DESCRIPTION / BESKRYWING	CLOSING DATE / SLUITINGS DATUM	DATE TECHNICAL REPORT RECEIVED	RESPONSIBLE MANAGER
08/2/16/31	Repair and maintenance to Montana and Pine Forest swimming pools	04-Dec-2018	25-Jan-2019	J Samuel
08/2/16/39	Supply and delivery of six shutter roller doors	08-Nov-2018	16-Nov-2018	R Fick
08/2/16/41	Supply and delivery of Traffic uniforms for traffic and law enforcement officers	15-Jan-2019	22-Jan-2019	MJ Green
08/2/16/43	Supply, delivery and installation of Flooring Witzenberg municipal offices	30-Jan-2019	Awaiting	C Wessels
08/2/16/50	Service provider for training of municipal officials on a digger/ backhoe loader & front end loader course	18-Jan-2019	30-Jan-2019	I Swartbooi

3.2.1.3 Adjudication stage

3.2.1.3 Toekenningsfase:

No competitive bid is currently in the adjudication stage.

Geen mededingende tender is tans in die toekenningsfase nie.

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

3.2.1.4 Tenders toegeken

The following competitive bid were awarded by the Bid Adjudication Committee during the month of January 2019:

Die volgende mededingende tenders was toegeken deur die Tender Toekenningskomitee gedurende Januarie 2019:

Bid ref number	Date	Name of supplier	Brief description of services	Reason why award made	Value (incl. VAT)
08/2/16/16	28-Jan-2019	BFT Communications (Pty) Ltd	Supply and delivery of new 3 piece lounge suites, double bunks and bedside tables	Bidder scored the highest points	R 87 734.00
08/2/16/21	28-Jan-2019	Amachule Fencing (Pty) Ltd	Supply, delivery and erection of security fencing at various water and sewer infrastructure	Bidder scored the highest points	R 1 759 334.10
08/2/16/27	28-Jan-2019	Built Environment Partnership (Pty) Ltd	Review of Witzenberg Municipal spatial development framework	Bidder scored the highest points	R 893 796.23

No bid was awarded by the Accounting Officer during the month of January 2019.

Geen tender was toegeken deur die Rekenpligtige Beampte gedurende Januarie 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 January 2019:

3.2.1.5 Paragraaf 13 (1): Kansellasië en her-uitnodiging van tenders

Die volgende formele geskrewe prys kwotasie of mededingende tender was gekanselleer gedurende Januarie 2019:

Bid ref number	Date	Brief description of services	Reason why bid is cancelled
08/2/16/32	08-Jan-2019	Supply, deliver & installation of new filters for Pine forest, Die Eiland and Bella vista swimming pools	No bids received

3.2.1.6 Paragraph 19 (1) I and 19 (2): Written price quotations

The following written price quotations were approved during the month of January 2019:

3.2.1.6 Paragraaf 19 (1) (c) en 19 (2): Geskrewe Prys Kwotasies

Die volgende geskrewe prys kwotasies was goedgekeur gedurende Januarie 2019:

Order number	Date	Name of supplier	Brief description of services	Reason why award made	Amount	Official acting i.t.o sub delegation
157725	04-Jan-2019	Sparks & Ellis	Supply and Delivery of Ranking Insignia for Traffic & Law Enforcement Officers.	Only responsive quotation	R 11 918.60 (Incl. VAT)	Chief Financial Officer
157782	09-Jan-2019	Sondlo and Knopp Advertising	Advertising of Extension of Bid Closing 08/2/16/25 – Base Radios	Lowest responsive quotation	R 5 814.08 (Incl. VAT)	Acting Chief Financial Officer
157790	09-Jan-2019	FBT Consultants CC	Service Provider for Training: Handling of Dangerous Goods in the Warehouse	Only responsive quotation	R 8 027.00 (Incl. VAT)	Acting Chief Financial Officer
157833	14-Jan-2019	CN Construction	Repair Damages on Polo Cross Community Hall	Lowest responsive quotation	R 12 200.00 (Incl. VAT)	Chief Financial Officer
157834	14-Jan-2019	Corjacq Construction CC	Repair Damages on Polo Cross Community Hall	Lowest responsive quotation	R 4 035.20 (Incl. VAT)	Chief Financial Officer
158058	23-Jan-2019	Forms Independent	Supply & Delivery of Section 56 Notice Books	Lowest responsive quotation	R 11 310.25 (Incl. VAT)	Acting Chief Financial Officer
158207	30-Jan-2019	Ducharme Consulting (Pty) Ltd	Supply Specification for the Mobile Asset Verification Application	Lowest responsive quotation	R 29 900.00 (Incl. VAT)	Acting Chief Financial Officer
158291	31-Jan-2019	Ceres Spar (Ablaze Trading 248)	Supply and Delivery of Daily newspapers for council and Senior Management	Only responsive quotation	R 4 588.80 (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 January 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

Januarie 2019:

Bid ref number	Date	Name of supplier	Brief description of services	Reason why award made	Amount	Official acting i.t.o sub delegation
08/2/16/29	08-Jan-2019	R62 Construction (PTY) Ltd	Removal of existing timber floor and casting of a new concrete floor slab in 2 classrooms at Zanokhanye Creche, station road, Tulbagh	Only responsive bidder	R 61 950.00 (Incl. VAT)	Acting Director: Community services

3.2.1.8 Appeals

3.2.1.8 Appèlle

The following appeals were lodged and are being dealt with by the Accounting Officer:

Die volgende appèlle is ontvang en word hanteer deur die Rekenpligtige beamppte:

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		

3.2.1.9 Deviations

3.2.1.9 Afwykings

The following table contains the approved deviations by the Accounting Officer for the month of January 2019 which totals R 24 724.50:

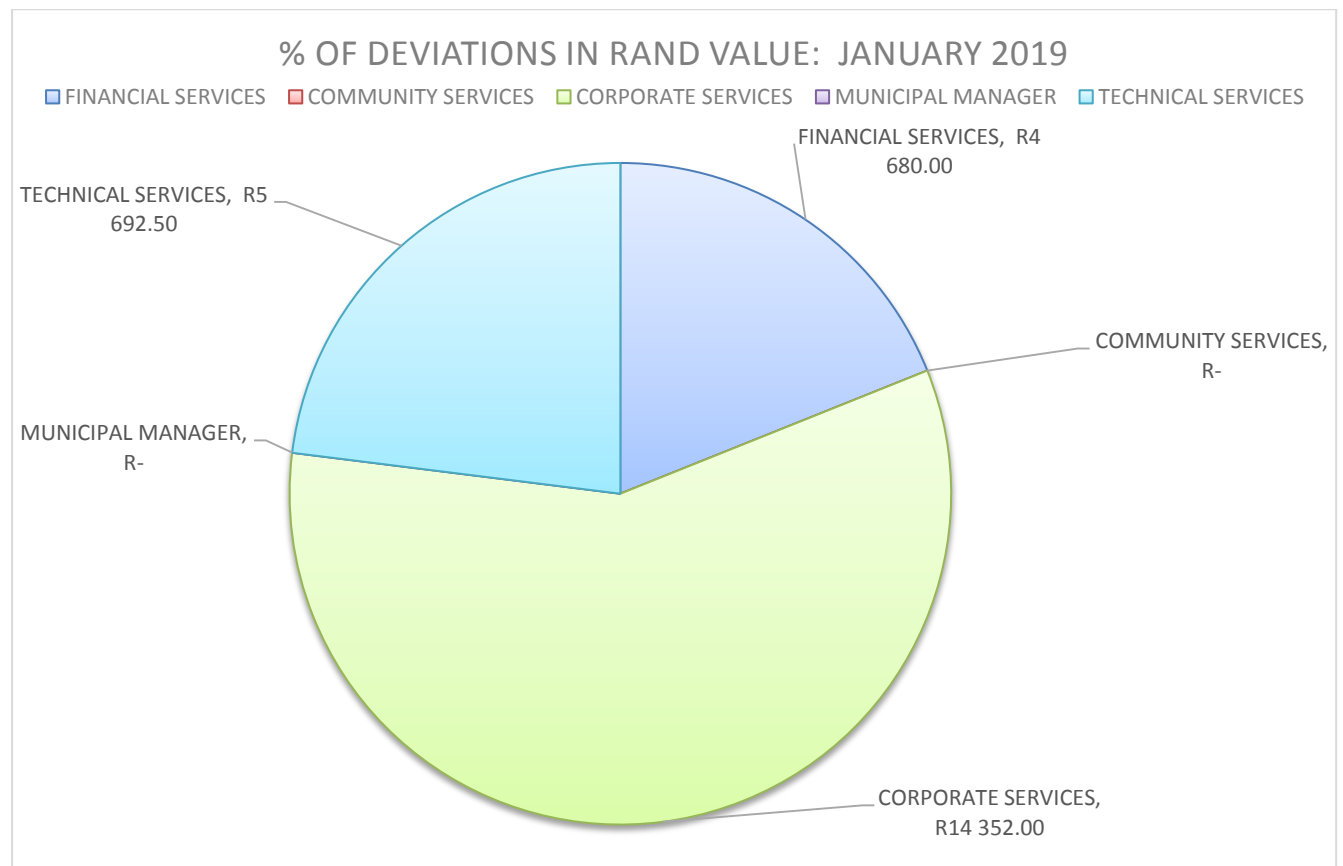
Die volgende tabel bevat die goedgekeurde afwykings deur die Rekenpligtige Beamppte vir die maand van Januarie 2019 wat beloop op die totaal van R 24 724.50:

Date	Name of supplier	Description of goods and services	Reason for deviation	Order number	AMOUNT R
21-Jan-19	Witzenberg Herald	Top Achievers Message and Aged Day Spread	Single supplier	158009	14,352.00
30-Jan-19	Tony's Truck Centre	Recovery / Tow of CT 9677 from Tulbagh	Emergency	158219	5,692.50
31-Jan-19	Witzenberg Herald	Publish Notice: Oversight report 2017-2018 Annual report	Impractical	158243	4,680.00

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
---------------	-------------------------------------	---	---

November 2018	R 508 630.88	R37 632 542.27	1.36%
December 2018	R 344 415.38	R17 664 291.08	1.95%
January 2019	R 24 724.50	R20 367 100.98	0.13%

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):

	30 November 2018	31 December 2018	31 January 2019
Value of inventory at hand	R 9 825 885.17	R 10 185 051.01	R 10 783 890.61
Turnover rate of total value of inventory	1.77	1.70	1.58
Turnover rate excluding Chinese meters	1.78	1.71	1.58
Date of latest stores reconciliation	31 January 2019		
Date of last stock count	12 December 2018		
Date of next stock count	20 March 2019		

QUALITY CERTIFICATE

I, Mr D Nasson, Municipal Manager of Witzenberg Municipality, hereby certify that –

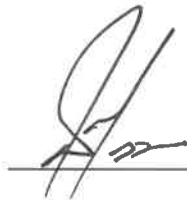
- The monthly in year monitoring reports for the month of January 2019

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: 13 February 2019



Monthly Budget Statement Report Section 71 for February 2019

**Financial data is in respect of the period
1 July 2018 to 28 February 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, spending 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.

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) 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.

(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) 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."

(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 / inability of government departments to pay their municipal accounts was a big concern. However department are slowing starting to make payment. The debt is in excess of R 4.3 million.

The monthly billing was also done as scheduled and during this process 16 652 accounts amounting to R 25.7 million was printed and distributed to consumers. The prepaid electricity sales amounted to R 3.7 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 95%.

The municipality issued orders to the value of R 20.7 million of which R 0.4 million was in terms of deviations.

The municipality currently has R 37.4 million in its primary bank account and a R 80 million in investments

B RECOMMENDATION

It is recommended that council take cognisance of the quarterly budget assessment for the month of February 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 4.3 miljoen.

Die maandelikse rekeninge is ook gehef soos geskeduleer en tydens hierdie proses is 16 652 rekeninge ten bedrae van R 25.7 miljoen gedruk en aan verbruikers versprei. Die voorafbetaalde elektrisiteit verkope beloop R 3.7 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 opgehoopde debiteure verhalings se teken vir die jaar is 94%, en die werklike jaar tot op datum invordering is 95%

Bestellings ter waarde van R 20.7 miljoen uitgereik, waarvan R 0.4 miljoen ten opsigte van afwykings is.

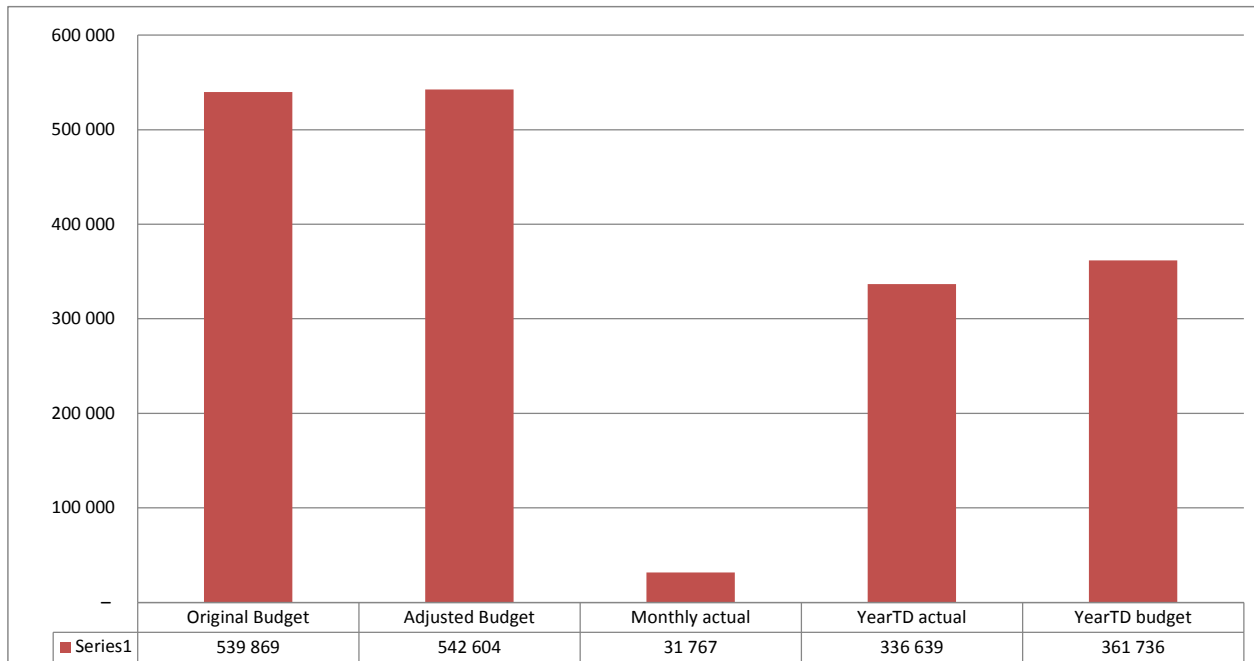
Die munisipaliteit het R 37.4 miljoen in die primêre bankrekening en R 80 miljoen in beleggings

B AANBEVELING

Dit word aanbeveel dat die raad kennis neem van die finansiële maandverslag en ondersteunende dokumente vir Februarie 2019 .

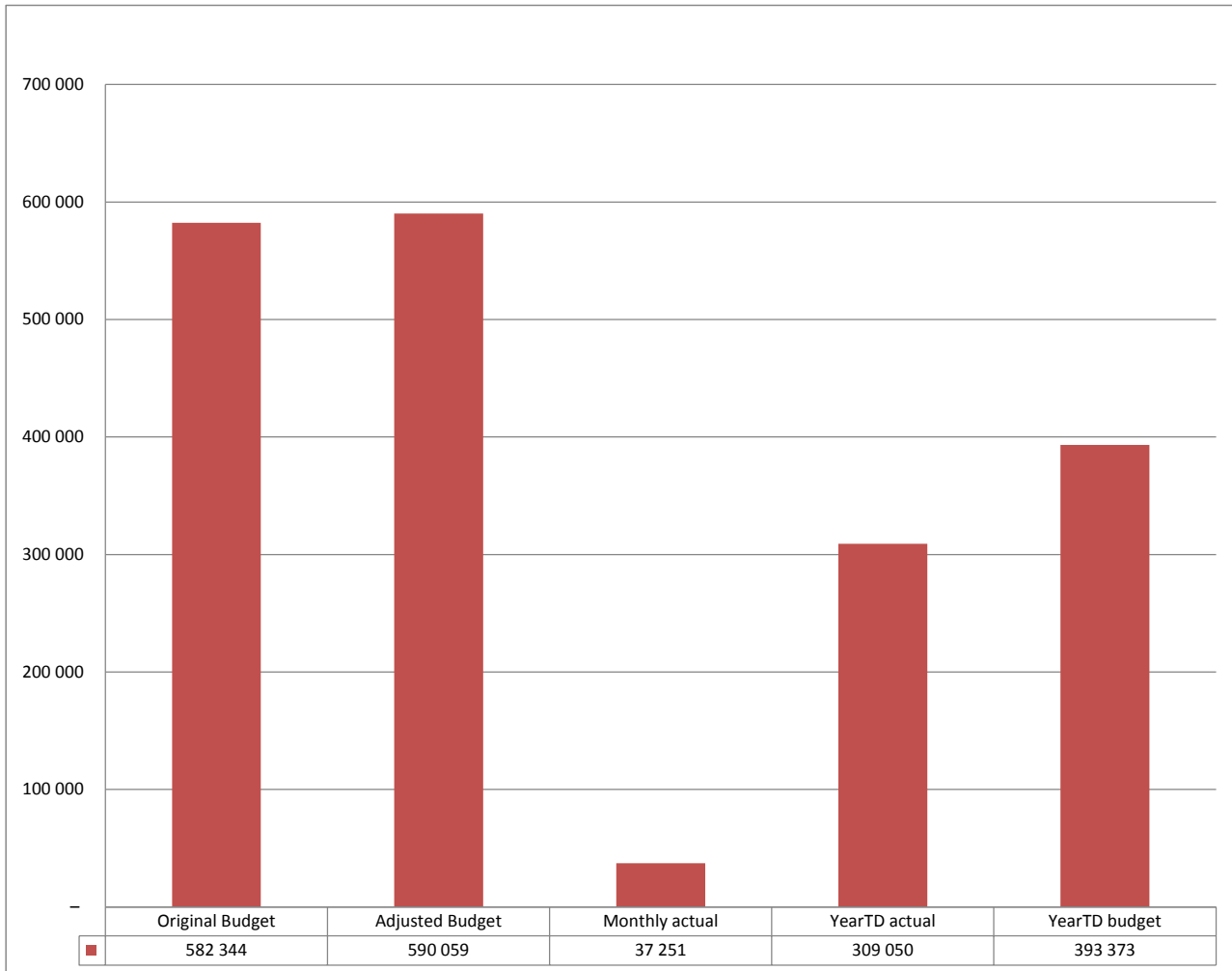
C OPSOMMING

Die volgende tabelle voorsien 'n opsomming van die finansiële inligting:

TOTAL OPERATIONAL REVENUE

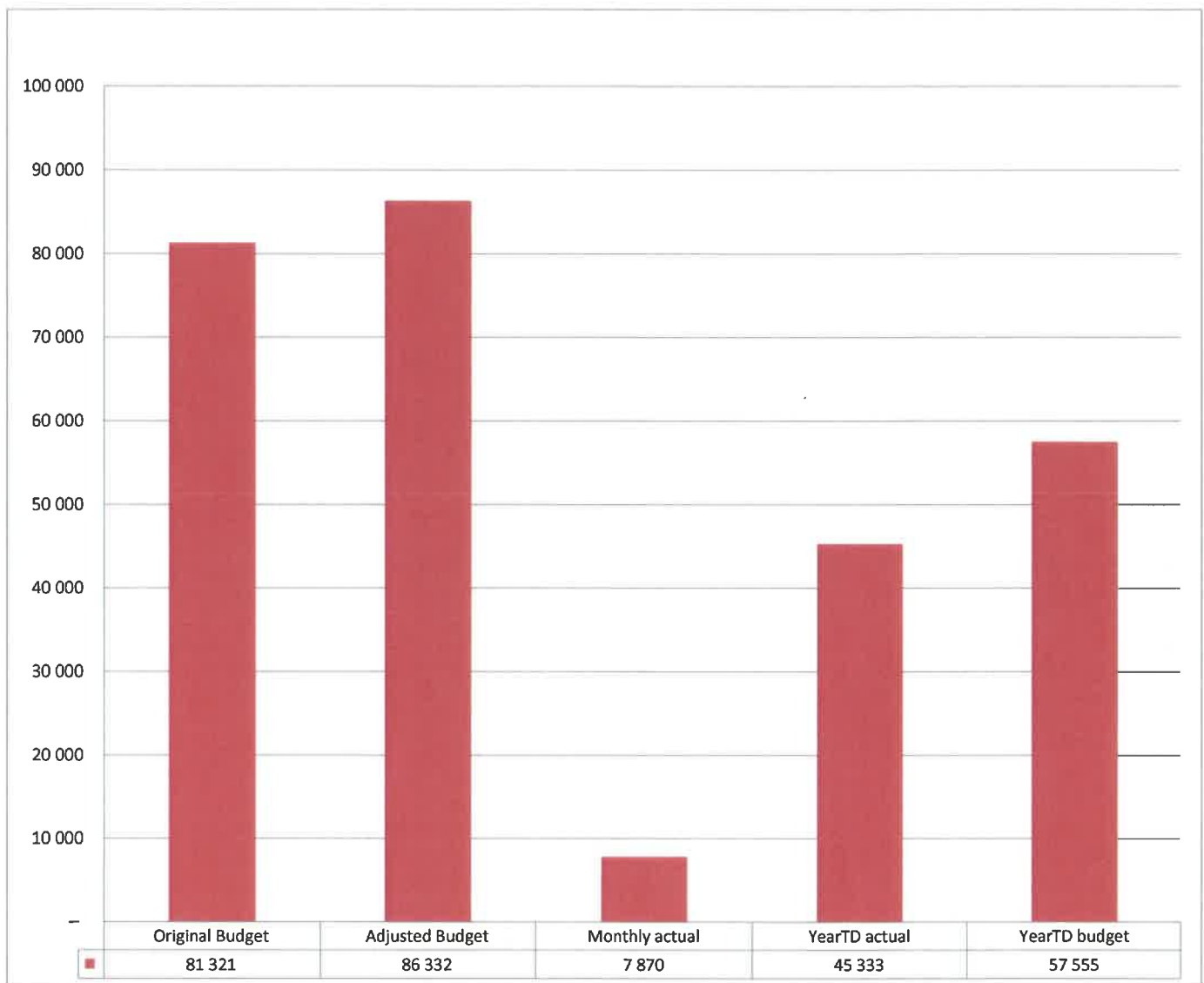
For the period 1 July 2018 to 28 February 2019, 62.04% of the budgeted operational revenue was raised.

Vir die periode 1 Julie 2018 to 28 Februarie 2019, is 62.04% van die begrote operasionele inkomste gehef.

TOTAL OPERATIONAL EXPENDITURE

For the period 1 July 2018 to 28 February 2019, 52.38% of the budgeted operational expenditure was incurred. This figure will increase as some invoices are still outstanding.

Vir die periode 1 Julie 2018 to 28 Februarie 2019, is 52.38% 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 28 February 2019, 52.51% of the budgeted capital expenditure was incurred.

There is currently also R 26.4 million on order for capital expenditure.

Vir die periode 1 Julie 2018 to 28 Februarie 2019, is 52.51% van die begrote kapitale uitgawes aangegaan.

Daar is tans ook R 26,4 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 28 February 2019.

WC022 Witzenberg - Table C1 Monthly Budget Statement Summary - M08 February

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									
<u>Financial Performance</u>									
Property rates	63 712	70 002	68 191	3 334	56 407	45 460	10 946	24%	68 191
Service charges	306 170	316 407	318 218	24 150	188 494	212 145	(23 651)	-11%	318 218
Investment revenue	8 122	8 198	8 198	956	5 525	5 466	59	1%	8 198
Transfers recognised - operational	93 967	91 069	92 448	277	65 360	61 632	3 728	6%	92 448
Other own revenue	57 662	54 194	55 549	3 049	20 854	37 033	(16 179)	-44%	55 549
transfers and contributions)	529 632	539 869	542 604	31 767	336 639	361 736	(25 097)	-7%	542 604
Employee costs	9 170	177 699	172 826	16 720	118 078	115 217	2 860	2%	172 826
Remuneration of Councillors	9 170	10 709	10 709	794	6 283	7 139	(857)	-12%	10 709
Depreciation & asset impairment	28 699	43 032	45 165	1	12 532	30 110	(17 578)	-58%	45 165
Finance charges	8 675	3 671	8 005	–	392	5 337	(4 944)	-93%	8 005
Materials and bulk purchases	194 879	218 562	216 333	15 430	111 304	144 222	(32 918)	-23%	216 333
Transfers and grants	13 920	14 407	14 423	28	1 076	9 615	(8 539)	-89%	14 423
Other expenditure	251 704	114 264	122 598	4 279	59 385	81 732	(22 347)	-27%	122 598
Total Expenditure	516 217	582 344	590 059	37 251	309 050	393 373	(84 323)	-21%	590 059
Surplus/(Deficit)	13 415	(42 474)	(47 455)	(5 484)	27 589	(31 637)	59 226	-187%	(47 455)
Transfers recognised - capital	34 777	75 847	73 852	–	18 963	49 235	(30 271)	-61%	73 852
Contributions & Contributed assets	–	–	–	–	–	–	–	–	–
& contributions	48 192	33 372	26 397	(5 484)	46 553	17 598	28 955	165%	26 397
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	48 192	33 372	26 397	(5 484)	46 553	17 598	28 955	165%	26 397
<u>Capital expenditure & funds sources</u>									
Capital expenditure	63 800	81 321	86 332	7 870	45 333	57 555	(12 222)	-21%	86 332
Capital transfers recognised	34 183	52 938	52 672	6 382	29 066	35 115	(6 049)	-17%	52 672
Public contributions & donations	–	–	–	–	–	–	–	–	–
Borrowing	3 528	1 550	1 550	991	1 485	1 033	451	44%	1 550
Internally generated funds	26 089	26 833	32 110	497	14 783	21 406	(6 624)	-31%	32 110
Total sources of capital funds	63 800	81 321	86 332	7 870	45 333	57 555	(12 222)	-21%	86 332
<u>Financial position</u>									
Total current assets	178 612	65 801	242 629		197 403				197 403
Total non current assets	905 207	38 293	947 839		938 016				938 016
Total current liabilities	77 653	55 489	138 349		76 548				76 548
Total non current liabilities	158 745	15 233	178 313		164 898				164 898
Community wealth/Equity	847 421	33 372	873 806		893 973				893 973
<u>Cash flows</u>									
Net cash from (used) operating	83 978	173 205	173 205	6 425	64 804	115 470	(50 666)	-44%	173 205
Net cash from (used) investing	(60 010)	(83 247)	(83 247)	(47 652)	(127 408)	(55 498)	(71 911)	130%	(83 247)
Net cash from (used) financing	(2 795)	3 500	3 500	87	(640)	2 333	(2 973)	-127%	(640)
Cash/cash equivalents at the month end	97 506	93 458	93 458	–	34 257	62 306	(28 048)	-45%	190 961
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
<u>Debtors Age Analysis</u>									
Total By Income Source	35 737	3 420	3 086	2 636	2 517	5 381	16 439	99 004	168 221
<u>Creditors Age Analysis</u>									
Total Creditors	767	–	–	–	–	–	–	–	767

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) - M08 February

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									
<i>Governance and administration</i>	85 944	93 204	92 699	5 111	67 845	61 799	6 046	10%	92 699
Finance and administration	85 944	93 204	92 699	5 111	67 845	61 799	6 046	10%	92 699
<i>Community and public safety</i>	101 163	140 845	118 583	1 009	70 444	79 055	(8 611)	-11%	118 583
Community and social services	80 916	98 728	96 722	315	65 194	64 482	713	1%	96 722
Sport and recreation	7 477	9 020	8 981	687	4 883	5 987	(1 104)	-18%	8 981
Public safety	3	6	6	–	0	4	(3)	-94%	6
Housing	12 766	33 091	12 874	7	366	8 582	(8 216)	-96%	12 874
<i>Economic and environmental services</i>	32 369	43 682	51 559	847	14 888	34 372	(19 484)	-57%	51 559
Planning and development	1 540	2 510	2 268	144	1 059	1 512	(453)	-30%	2 268
Road transport	30 827	41 160	48 339	703	13 822	32 226	(18 404)	-57%	48 339
Environmental protection	2	12	952	–	8	635	(627)	-99%	952
<i>Trading services</i>	344 933	337 984	353 616	24 800	202 425	235 744	(33 320)	-14%	353 616
Energy sources	209 994	240 206	239 796	17 490	135 464	159 864	(24 400)	-15%	239 796
Water management	67 545	52 679	52 216	3 300	28 397	34 811	(6 413)	-18%	52 216
Waste water management	41 431	22 399	38 077	2 015	21 935	25 385	(3 450)	-14%	38 077
Waste management	25 962	22 700	23 527	1 995	16 629	15 685	944	6%	23 527
Total Revenue - Functional	564 409	615 716	616 456	31 767	355 602	410 971	(55 368)	-13%	616 456
Expenditure - Functional									
<i>Governance and administration</i>	88 216	115 817	120 110	8 377	70 096	80 073	(9 978)	-12%	120 110
Executive and council	22 887	27 771	27 629	1 681	14 633	18 419	(3 786)	-21%	27 629
Finance and administration	63 186	85 942	90 327	6 505	53 915	60 218	(6 304)	-10%	90 327
Internal audit	2 144	2 104	2 154	191	1 548	1 436	112	8%	2 154
<i>Community and public safety</i>	70 971	82 467	80 795	4 889	39 004	53 864	(14 860)	-28%	80 795
Community and social services	21 733	25 460	25 113	1 969	14 895	16 742	(1 847)	-11%	25 113
Sport and recreation	23 574	28 896	27 887	1 705	14 928	18 591	(3 664)	-20%	27 887
Public safety	9 196	8 925	8 925	851	6 162	5 950	212	4%	8 925
Housing	16 468	19 186	18 871	364	3 020	12 581	(9 561)	-76%	18 871
<i>Economic and environmental services</i>	62 903	65 573	67 511	4 044	32 296	45 007	(12 711)	-28%	67 511
Planning and development	8 797	10 614	10 651	765	5 502	7 101	(1 599)	-23%	10 651
Road transport	52 785	53 213	54 173	3 132	25 806	36 115	(10 310)	-29%	54 173
Environmental protection	1 321	1 747	2 686	147	988	1 791	(803)	-45%	2 686
<i>Trading services</i>	293 298	317 593	320 765	19 941	167 035	213 843	(46 808)	-22%	320 765
Energy sources	201 572	224 738	223 697	15 358	115 746	149 131	(33 385)	-22%	223 697
Water management	28 025	28 985	27 843	775	15 121	18 562	(3 441)	-19%	27 843
Waste water management	28 364	29 256	29 670	1 719	17 067	19 780	(2 713)	-14%	29 670
Waste management	35 338	34 615	39 556	2 090	19 101	26 371	(7 269)	-28%	39 556
<i>Other</i>	828	893	878	1	619	585	34	6%	878
Total Expenditure - Functional	516 217	582 344	590 059	37 251	309 050	393 373	(84 323)	-21%	590 059
Surplus/ (Deficit) for the year	48 192	33 372	26 397	(5 484)	46 553	17 598	28 955		26 397

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) - M08 February

Description	2017/18	Budget Year 2018/19						YTD variance %	Full Year Forecast
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance		
R thousands									
Revenue - Functional									
<i>Municipal governance and administration</i>	85 944	93 204	92 699	5 111	67 845	61 799	6 046	10%	92 699
Finance and administration	85 944	93 204	92 699	5 111	67 845	61 799	6 046	10%	92 699
Administrative and Corporate Support	0	8	8	–	0	5	(5)	-96%	8
Budget and Treasury Office	6 882	5 442	5 292	186	2 149	3 528	(1 379)	-39%	5 292
Finance	78 169	87 149	86 694	4 879	65 448	57 796	7 653	13%	86 694
Human Resources	212	585	585	43	211	390	(179)	-46%	585
Marketing, Customer Relations, Publicity and Media	–	4	104	–	–	69	(69)	-100%	104
Supply Chain Management	682	16	16	3	37	11	26	242%	16
<i>Community and public safety</i>	101 163	140 845	118 583	1 009	70 444	79 055	(8 611)	-11%	118 583
Community and social services	80 916	98 728	96 722	315	65 194	64 482	713	1%	96 722
Aged Care	72 016	88 298	86 352	250	64 702	57 568	7 134	12%	86 352
Cemeteries, Funeral Parlours and Crematoriums	246	210	210	14	150	140	10	7%	210
Community Halls and Facilities	525	814	814	41	291	543	(252)	-46%	814
Libraries and Archives	8 130	9 406	9 346	9	52	6 231	(6 179)	-99%	9 346
Sport and recreation	7 477	9 020	8 981	687	4 883	5 987	(1 104)	-18%	8 981
Recreational Facilities	7 347	8 575	8 575	674	4 805	5 716	(911)	-16%	8 575
Sports Grounds and Stadiums	130	446	406	13	78	271	(193)	-71%	406

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance		Full Year Forecast
R thousands									
Public safety	3	6	6	–	0	4	(3)	-94%	6
<i>Fire Fighting and Protection</i>	3	6	6	–	0	4	(3)	-94%	6
Housing	12 766	33 091	12 874	7	366	8 582	(8 216)	-96%	12 874
<i>Housing</i>	12 766	33 091	12 874	7	366	8 582	(8 216)	-96%	12 874
Economic and environmental services	32 369	43 682	51 559	847	14 888	34 372	(19 484)	-57%	51 559
Planning and development	1 540	2 510	2 268	144	1 059	1 512	(453)	-30%	2 268
<i>Economic Development/Planning</i>	295	288	577	–	–	384	(384)	-100%	577
<i>Town Planning, Building Regulations and Enforcemen</i>	1 233	1 691	1 691	144	1 059	1 127	(68)	-6%	1 691
<i>Project Management Unit</i>	11	531	–	–	–	–	–		–
Road transport	30 827	41 160	48 339	703	13 822	32 226	(18 404)	-57%	48 339
<i>Police Forces, Traffic and Street Parking Control</i>	26 637	26 166	26 166	703	4 265	17 444	(13 179)	-76%	26 166
<i>Roads</i>	4 189	14 993	22 173	–	9 557	14 782	(5 225)	-35%	22 173
Environmental protection	2	12	952	–	8	635	(627)	-99%	952
<i>Biodiversity and Landscape</i>	2	12	952	–	8	635	(627)	-99%	952
Trading services	344 933	337 984	353 616	24 800	202 425	235 744	(33 320)	-14%	353 616
Energy sources	209 994	240 206	239 796	17 490	135 464	159 864	(24 400)	-15%	239 796
<i>Electricity</i>	209 994	238 858	239 081	17 490	135 361	159 387	(24 027)	-15%	239 081
<i>Street Lighting and Signal Systems</i>	–	1 348	715	–	103	477	(373)	-78%	715
Water management	67 545	52 679	52 216	3 300	28 397	34 811	(6 413)	-18%	52 216
<i>Water Distribution</i>	67 545	52 679	52 216	3 300	28 397	34 811	(6 413)	-18%	52 216
Waste water management	41 431	22 399	38 077	2 015	21 935	25 385	(3 450)	-14%	38 077
<i>Sewerage</i>	39 642	18 266	25 996	2 015	19 393	17 330	2 063	12%	25 996
<i>Storm Water Management</i>	1 789	4 133	12 082	–	2 541	8 054	(5 513)	-68%	12 082
Waste management	25 962	22 700	23 527	1 995	16 629	15 685	944	6%	23 527
<i>Solid Waste Removal</i>	25 962	22 700	23 527	1 995	16 629	15 685	944	6%	23 527
Total Revenue - Functional	564 409	615 716	616 456	31 767	355 602	410 971	(55 368)	-13%	616 456

WC022 Witzenberg - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M08 February

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									
Expenditure - Functional									
<i>Municipal governance and administration</i>	88 216	115 817	120 110	8 377	70 096	80 073	(9 978)	-12%	120 110
Executive and council	22 887	27 771	27 629	1 681	14 633	18 419	(3 786)	-21%	27 629
Mayor and Council	13 781	17 908	18 054	1 133	9 493	12 036	(2 543)	-21%	18 054
Municipal Manager, Town Secretary and Chief Execut	9 106	9 863	9 575	548	5 140	6 383	(1 244)	-19%	9 575
Finance and administration	63 186	85 942	90 327	6 505	53 915	60 218	(6 304)	-10%	90 327
Administrative and Corporate Support	8 010	6 682	11 165	484	5 889	7 444	(1 555)	-21%	11 165
Asset Management	59	6 288	4 095	2	10	2 730	(2 720)	-100%	4 095
Budget and Treasury Office	9 631	16 913	17 984	1 014	8 917	11 989	(3 072)	-26%	17 984
Finance	10 169	13 476	13 547	989	10 035	9 031	1 004	11%	13 547
Fleet Management	1 756	3 122	2 673	228	1 725	1 782	(57)	-3%	2 673
Human Resources	17 485	19 167	19 707	2 307	17 185	13 138	4 047	31%	19 707
Information Technology	2 056	3 179	4 019	213	1 717	2 679	(962)	-36%	4 019
Legal Services	1 780	2 248	2 234	359	1 551	1 489	62	4%	2 234
Marketing, Customer Relations, Publicity and Media	3 055	3 580	3 689	202	2 056	2 459	(404)	-16%	3 689
Property Services	3 554	3 334	3 336	45	987	2 224	(1 237)	-56%	3 336
Risk Management	3	407	407	–	16	271	(255)	-94%	407
Supply Chain Management	4 869	5 844	5 768	639	3 449	3 845	(396)	-10%	5 768
Valuation Service	758	1 703	1 703	23	378	1 135	(758)	-67%	1 703
Internal audit	2 144	2 104	2 154	191	1 548	1 436	112	8%	2 154
Governance Function	2 144	2 104	2 154	191	1 548	1 436	112	8%	2 154
<i>Community and public safety</i>	70 971	82 467	80 795	4 889	39 004	53 864	(14 860)	-28%	80 795
Community and social services	21 733	25 460	25 113	1 969	14 895	16 742	(1 847)	-11%	25 113
Aged Care	4 541	4 298	3 981	483	3 112	2 654	458	17%	3 981
Cemeteries, Funeral Parlours and Crematoriums	2 581	3 272	3 191	226	1 856	2 127	(271)	-13%	3 191
Child Care Facilities	26	771	771	–	2	514	(512)	-100%	771
Community Halls and Facilities	5 441	5 903	5 827	458	3 523	3 885	(361)	-9%	5 827
Disaster Management	57	56	56	2	20	37	(18)	-47%	56
Education	8	661	661	–	4	441	(437)	-99%	661
Libraries and Archives	9 079	10 499	10 626	800	6 378	7 084	(705)	-10%	10 626
Sport and recreation	23 574	28 896	27 887	1 705	14 928	18 591	(3 664)	-20%	27 887
Community Parks (including Nurseries)	5 591	6 678	6 724	415	3 738	4 483	(745)	-17%	6 724
Recreational Facilities	13 592	17 469	16 349	943	8 334	10 899	(2 565)	-24%	16 349
Sports Grounds and Stadiums	4 391	4 748	4 813	347	2 855	3 209	(354)	-11%	4 813
Public safety	9 196	8 925	8 925	851	6 162	5 950	212	4%	8 925
Fire Fighting and Protection	9 196	8 925	8 925	851	6 162	5 950	212	4%	8 925
Housing	16 468	19 186	18 871	364	3 020	12 581	(9 561)	-76%	18 871
Housing	16 143	17 593	17 278	347	2 872	11 518	(8 646)	-75%	17 278
Informal Settlements	325	1 594	1 594	18	147	1 062	(915)	-86%	1 594

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									
<i>Economic and environmental services</i>	62 903	65 573	67 511	4 044	32 296	45 007	(12 711)	-28%	67 511
Planning and development	8 797	10 614	10 651	765	5 502	7 101	(1 599)	-23%	10 651
<i>Corporate Wide Strategic Planning (IDPs, LEDs)</i>	1 761	2 308	2 304	145	1 048	1 536	(489)	-32%	2 304
<i>Economic Development/Planning</i>	1 921	2 215	2 585	126	850	1 723	(873)	-51%	2 585
<i>Town Planning, Building Regulations and Enforcement</i>	3 637	3 748	3 904	366	2 567	2 603	(36)	-1%	3 904
<i>Project Management Unit</i>	1 479	2 342	1 857	129	1 037	1 238	(201)	-16%	1 857
Road transport	52 785	53 213	54 173	3 132	25 806	36 115	(10 310)	-29%	54 173
<i>Police Forces, Traffic and Street Parking Control</i>	31 375	28 142	28 171	1 947	10 748	18 781	(8 033)	-43%	28 171
<i>Roads</i>	21 410	25 071	26 002	1 185	15 058	17 335	(2 276)	-13%	26 002
Environmental protection	1 321	1 747	2 686	147	988	1 791	(803)	-45%	2 686
<i>Biodiversity and Landscape</i>	388	1 747	2 686	58	309	1 791	(1 482)	-83%	2 686
<i>Pollution Control</i>	934	–	–	89	679	–	679		–
<i>Trading services</i>	293 298	317 593	320 765	19 941	167 035	213 843	(46 808)	-22%	320 765
Energy sources	201 572	224 738	223 697	15 358	115 746	149 131	(33 385)	-22%	223 697
<i>Electricity</i>	199 399	222 463	220 823	15 119	114 003	147 215	(33 212)	-23%	220 823
<i>Street Lighting and Signal Systems</i>	2 173	2 275	2 874	239	1 744	1 916	(172)	-9%	2 874
Water management	28 025	28 985	27 843	775	15 121	18 562	(3 441)	-19%	27 843
<i>Water Treatment</i>	34	1 458	1 458	2	15	972	(958)	-98%	1 458
<i>Water Distribution</i>	25 401	23 935	23 043	762	13 364	15 362	(1 998)	-13%	23 043
<i>Water Storage</i>	2 590	3 592	3 341	11	1 742	2 228	(485)	-22%	3 341
Waste water management	28 364	29 256	29 670	1 719	17 067	19 780	(2 713)	-14%	29 670
<i>Public Toilets</i>	1 363	1 660	1 658	116	943	1 106	(163)	-15%	1 658
<i>Sewerage</i>	20 919	19 661	20 257	1 107	11 865	13 504	(1 640)	-12%	20 257
<i>Storm Water Management</i>	6 049	5 621	5 440	494	4 255	3 626	629	17%	5 440
<i>Waste Water Treatment</i>	33	2 315	2 315	3	4	1 543	(1 539)	-100%	2 315
Waste management	35 338	34 615	39 556	2 090	19 101	26 371	(7 269)	-28%	39 556
<i>Solid Waste Disposal (Landfill Sites)</i>	8 543	10 735	16 010	466	2 751	10 673	(7 922)	-74%	16 010
<i>Solid Waste Removal</i>	25 366	22 639	22 305	1 425	15 267	14 870	397	3%	22 305
<i>Street Cleaning</i>	1 429	1 241	1 241	199	1 084	828	256	31%	1 241
<i>Other</i>	828	893	878	1	619	585	34	6%	878
Licensing and Regulation	60	87	72	1	15	48	(33)	-68%	72
Tourism	768	806	806	–	604	537	67	12%	806
Total Expenditure - Functional	516 217	582 344	590 059	37 251	309 050	393 373	(84 323)	-21%	590 059
Surplus/ (Deficit) for the year	48 192	33 372	26 397	(5 484)	46 553	17 598	28 955	165%	26 397

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) - M08
February

Vote 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 by Vote									
Vote 1 - Financial Services	83 282	89 434	88 829	4 896	66 011	59 219	6 792	11.5%	88 829
Vote 2 - Community Services	128 355	167 972	146 937	1 730	74 943	97 958	(23 015)	-23.5%	146 937
Vote 3 - Corporate Services	212	597	697	43	211	465	(253)	-54.6%	697
Vote 4 - Technical Services	352 005	356 363	379 174	25 053	214 076	252 783	(38 707)	-15.3%	379 174
Vote 5 - Municipal Manager	554	1 350	819	45	361	546	(185)	-33.9%	819
Total Revenue by Vote	564 409	615 716	616 456	31 767	355 602	410 971	(55 368)	-13.5%	616 456
Vote 1 - Financial Services	27 219	45 537	44 271	2 697	23 699	29 514	(5 815)	-19.7%	44 271
Vote 2 - Community Services	106 806	115 777	115 368	7 075	51 557	76 912	(25 355)	-33.0%	115 368
Vote 3 - Corporate Services	50 721	56 641	62 750	4 577	39 254	41 833	(2 579)	-6.2%	62 750
Vote 4 - Technical Services	321 647	351 143	355 044	21 856	187 494	236 696	(49 202)	-20.8%	355 044
Vote 5 - Municipal Manager	9 824	13 246	12 627	1 047	7 046	8 418	(1 372)	-16.3%	12 627
Total Expenditure by Vote	516 217	582 344	590 059	37 251	309 050	393 373	(84 323)	-21.4%	590 059
Surplus/ (Deficit) for the year	48 192	33 372	26 397	(5 484)	46 553	17 598	28 955	164.5%	26 397

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) - M08 February

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 By Source									
Property rates	63 712	70 002	68 191	3 334	56 407	45 460	10 946	24%	68 191
Service charges - electricity revenue	210 359	235 714	235 937	17 520	135 353	157 291	(21 938)	-14%	235 937
Service charges - water revenue	45 429	41 882	42 180	2 945	22 625	28 120	(5 494)	-20%	42 180
Service charges - sanitation revenue	26 997	17 387	18 116	1 889	15 369	12 078	3 291	27%	18 116
Service charges - refuse revenue	23 384	21 424	21 985	1 796	15 147	14 657	490	3%	21 985
Service charges - other	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	5 990	10 198	10 198	649	3 608	6 799	(3 191)	-47%	10 198
Interest earned - external investments	8 122	8 198	8 198	956	5 525	5 466	59	1%	8 198
Interest earned - outstanding debtors	10 927	7 284	7 284	833	6 639	4 856	1 784	37%	7 284
Dividends received	–	4	4	–	–	3	(3)	-100%	4
Fines, penalties and forfeits	22 002	18 904	18 904	193	1 168	12 603	(11 435)	-91%	18 904
Licences and permits	4 751	3 655	3 655	512	3 208	2 437	772	32%	3 655
Agency services	–	4 878	4 878	–	–	3 252	(3 252)	-100%	4 878
Transfers recognised - operational	93 967	91 069	92 448	277	65 360	61 632	3 728	6%	92 448
Other revenue	13 993	9 271	10 626	863	6 230	7 084	(854)	-12%	10 626
Gains on disposal of PPE	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	529 632	539 869	542 604	31 767	336 639	361 736	(25 097)	-7%	542 604
Expenditure By Type									
Employee related costs	155 415	177 699	172 826	16 720	118 078	115 217	2 860	2%	172 826
Remuneration of councillors	9 170	10 709	10 709	794	6 283	7 139	(857)	-12%	10 709
Debt impairment	1 108	22 203	22 203	–	–	14 802	(14 802)	-100%	22 203
Depreciation & asset impairment	28 699	43 032	45 165	1	12 532	30 110	(17 578)	-58%	45 165
Finance charges	8 675	3 671	8 005	–	392	5 337	(4 944)	-93%	8 005
Bulk purchases	179 705	197 541	197 541	13 975	101 571	131 694	(30 123)	-23%	197 541
Other materials	15 173	21 021	18 792	1 456	9 733	12 528	(2 795)	-22%	18 792
Contracted services	36 101	41 902	48 482	1 547	21 489	32 321	(10 832)	-34%	48 482
Transfers and grants	13 920	14 407	14 423	28	1 076	9 615	(8 539)	-89%	14 423
Other expenditure	68 250	50 159	51 914	2 732	37 896	34 609	3 287	9%	51 914
Loss on disposal of PPE	–	–	–	–	–	–	–	–	–
Total Expenditure	516 217	582 344	590 059	37 251	309 050	393 373	(84 323)	-21%	590 059
Surplus/(Deficit)	13 415	(42 474)	(47 455)	(5 484)	27 589	(31 637)	59 226	(0)	(47 455)
Transfers recognised - capital	34 777	75 847	73 852	–	18 963	49 235	(30 271)	(0)	73 852
Contributions recognised - capital	–	–	–	–	–	–	–	–	–
Contributed assets	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	48 192	33 372	26 397	(5 484)	46 553	17 598			26 397
Surplus/(Deficit) attributable to Share of surplus/ (deficit) of associate	48 192	33 372	26 397	(5 484)	46 553	17 598			26 397
Surplus/ (Deficit) for the year	48 192	33 372	26 397	(5 484)	46 553	17 598			26 397

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) - M08 February

Vote 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									
<u>Multi-Year expenditure appropriation</u>									
Vote 2 - Community Services	–	650	545	–	6	363	(357)	-98%	545
Vote 4 - Technical Services	14 570	45 777	45 579	6 163	24 255	30 386	(6 131)	-20%	45 579
Total Capital Multi-year expenditure	14 570	46 427	46 124	6 163	24 261	30 750	(6 488)	-21%	46 124
<u>Single Year expenditure appropriation</u>									
Vote 1 - Financial Services	215	180	210	13	19	140	(121)	-87%	210
Vote 2 - Community Services	5 950	4 282	5 875	51	319	3 917	(3 597)	-92%	5 875
Vote 3 - Corporate Services	1 257	970	1 069	–	294	713	(419)	-59%	1 069
Vote 4 - Technical Services	41 782	29 312	32 924	1 642	20 439	21 949	(1 510)	-7%	32 924
Vote 5 - Municipal Manager	27	150	130	1	1	87	(85)	-98%	130
Total Capital single-year expenditure	49 231	34 894	40 208	1 708	21 072	26 805	(5 734)	-21%	40 208
Total Capital Expenditure	63 800	81 321	86 332	7 870	45 333	57 555	(12 222)	-21%	86 332

WC022 Witzenberg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M08 February

Vote 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									
Capital Expenditure - Standard Classification									
<i>Governance and administration</i>	1 576	1 340	2 551	20	358	1 701	(1 343)	-79%	2 551
Executive and council	279	250	1 462	20	93	975	(882)	-90%	1 462
Finance and administration	1 297	1 090	1 089	–	265	726	(461)	-64%	1 089
<i>Community and public safety</i>	3 586	3 402	4 358	42	177	2 906	(2 728)	-94%	4 358
Community and social services	645	1 000	1 054	14	29	703	(673)	-96%	1 054
Sport and recreation	2 034	2 402	3 304	28	148	2 203	(2 055)	-93%	3 304
Public safety	549	–	–	–	–	–	–		–
Housing	359	–	–	–	–	–	–		–
<i>Economic and environmental services</i>	11 560	29 788	34 835	2 714	22 896	23 223	(327)	-1%	34 835
Planning and development	31	20	531	4	122	354	(232)	-66%	531
Road transport	11 529	28 268	32 803	2 710	22 774	21 869	905	4%	32 803
Environmental protection	–	1 500	1 500	–	–	1 000	(1 000)	-100%	1 500
<i>Trading services</i>	47 078	46 791	44 588	5 094	21 901	29 725	(7 824)	-26%	44 588
Energy sources	4 728	11 654	11 063	1 988	4 859	7 376	(2 517)	-34%	11 063
Water management	22 269	14 746	9 420	1 378	5 590	6 280	(690)	-11%	9 420
Waste water management	16 820	19 219	22 934	1 729	10 444	15 289	(4 845)	-32%	22 934
Waste management	3 261	1 171	1 171	–	1 008	781	227	29%	1 171
Total Capital Expenditure - Standard Classification	63 800	81 321	86 332	7 870	45 333	57 555	(12 222)	-21%	86 332
Funded by:									
National Government	20 014	33 070	23 505	2 482	12 209	15 670	(3 461)	-22%	23 505
Provincial Government	14 170	19 569	28 406	3 900	16 400	18 937	(2 537)	-13%	28 406
District Municipality	–	300	761	–	457	507	(51)	-10%	761
Transfers recognised - capital	34 183	52 938	52 672	6 382	29 066	35 115	(6 049)	-17%	52 672
Borrowing	3 528	1 550	1 550	991	1 485	1 033	451	44%	1 550
Internally generated funds	26 089	26 833	32 110	497	14 783	21 406	(6 624)	-31%	32 110
Total Capital Funding	63 800	81 321	86 332	7 870	45 333	57 555	(12 222)	-21%	86 332

The table provides detail of the municipality's financial position as at period end.

WC022 Witzenberg - Table C6 Monthly Budget Statement - Financial Position - M08 February

Description	2017/18	Budget Year 2018/19			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
ASSETS					
Current assets					
Cash	97 506	83 129	175 930	34 267	34 267
Call investment deposits	–	47	47	80 000	80 000
Consumer debtors	57 003	(33 750)	23 254	65 664	65 664
Other debtors	12 701	14 940	27 641	5 946	5 946
Current portion of long-term receivables	–	–	–	–	–
Inventory	11 402	1 435	15 757	11 526	11 526
Total current assets	178 612	65 801	242 629	197 403	197 403
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	899 379	889 298	889 298
Agricultural	–	–	–	–	–
Biological assets	–	–	–	–	–
Intangible assets	2 837	(36)	2 872	2 650	2 650
Other non-current assets	550	–	550	550	550
Total non current assets	905 207	38 293	947 839	938 016	938 016
TOTAL ASSETS	1 083 819	104 095	1 190 467	1 135 419	1 135 419
LIABILITIES					
Current liabilities					
Bank overdraft	–	–	–	–	–
Borrowing	–	–	–	–	–
Consumer deposits	6 418	–	6 418	6 883	6 883
Trade and other payables	53 808	46 998	106 014	52 458	52 458
Provisions	17 426	8 491	25 917	17 207	17 207
Total current liabilities	77 653	55 489	138 349	76 548	76 548
Non current liabilities					
Borrowing	4 175	2 200	6 389	2 573	2 573
Provisions	154 570	13 033	171 923	162 324	162 324
Total non current liabilities	158 745	15 233	178 313	164 898	164 898
TOTAL LIABILITIES	236 399	70 723	316 662	241 445	241 445
NET ASSETS	847 421	33 372	873 806	893 973	893 973
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	837 066	33 372	863 451	883 618	883 618
Reserves	10 355	–	10 355	10 355	10 355
TOTAL COMMUNITY WEALTH/EQUITY	847 421	33 372	873 806	893 973	893 973

The cash flows for the year to date are indicated in the following table:

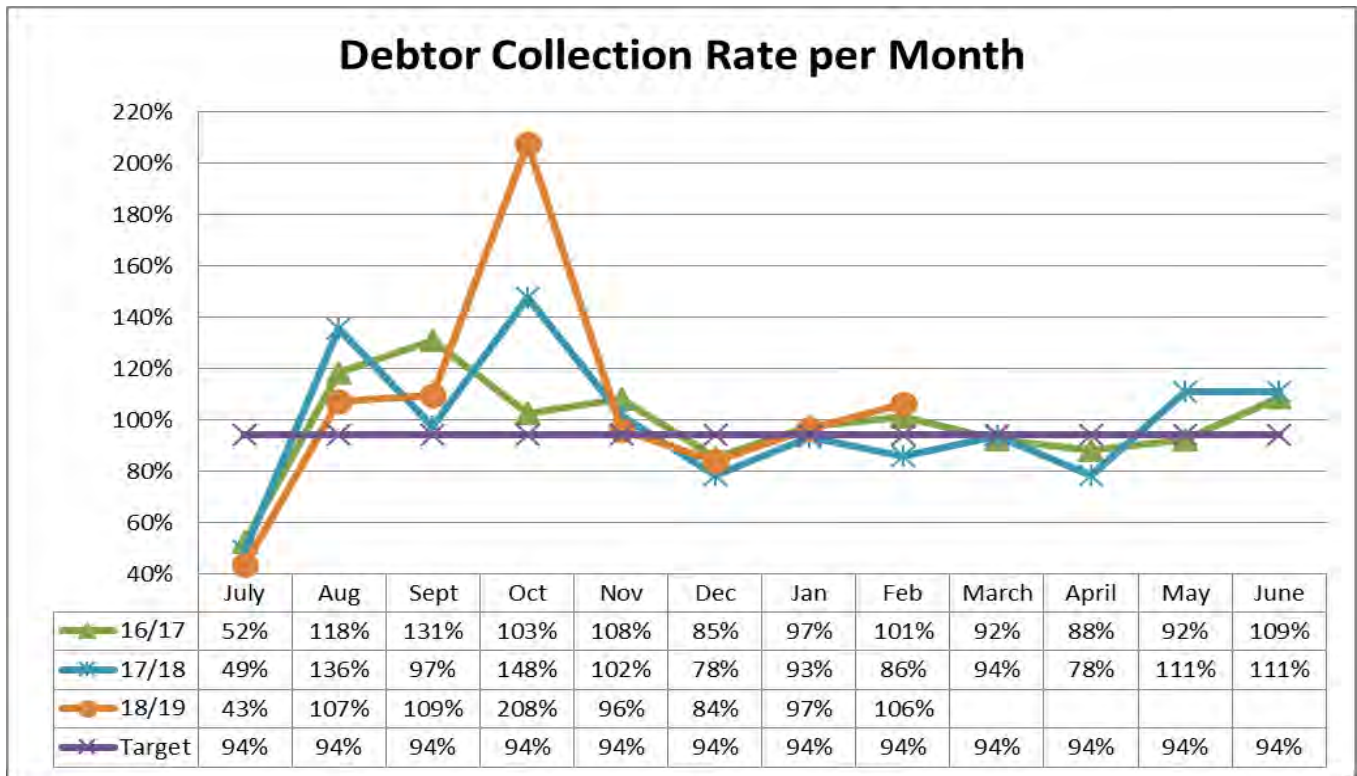
WC022 Witzenberg - Table C7 Monthly Budget Statement - Cash Flow - M08 February

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									
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates, penalties & collection charges	63 592	61 689	61 689	4 080	54 016	41 126	12 890	31%	61 689
Service charges	308 615	291 601	291 601	29 546	212 873	194 401	18 472	10%	291 601
Other revenue	–	17 246	17 246	1 318	13 989	11 497	2 491	22%	17 246
Government - operating	132 666	97 846	97 846	4 199	78 021	65 231	12 790	20%	97 846
Government - capital	–	63 230	63 230	7 000	40 466	42 153	(1 687)	-4%	63 230
Interest	19 166	13 112	13 112	956	5 525	8 741	(3 217)	-37%	13 112
Dividends									
Payments									
Suppliers and employees	(424 386)	(369 994)	(369 994)	(40 623)	(338 840)	(246 663)	92 177	-37%	(369 994)
Finance charges	(15 676)	(938)	(938)	–	(145)	(625)	(480)	77%	(938)
Transfers and Grants	–	(587)	(587)	(53)	(1 101)	(392)	709	-181%	(587)
NET CASH FROM/(USED) OPERATING ACTIVITIES	83 978	173 205	173 205	6 425	64 804	115 470	134 146	116%	173 205
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	–	–	–	(40 000)	(80 000)	–	(80 000)		–
Payments									
Capital assets	(63 800)	(83 247)	(83 247)	(7 652)	(47 408)	(55 498)	(8 089)	15%	(83 247)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(60 010)	(83 247)	(83 247)	(47 652)	(127 408)	(55 498)	71 911	-130%	(83 247)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	–	–	–	–	–	–	–		–
Borrowing long term/refinancing	–	3 500	3 500	–	–	2 333	(2 333)	-100%	3 500
Increase (decrease) in consumer deposits	1 023	–	–	87	527	–	527		–
Payments									
Repayment of borrowing	(3 818)	–	–	–	(1 167)	–	1 167		–
NET CASH FROM/(USED) FINANCING ACTIVITIES	(2 795)	3 500	3 500	87	(640)	2 333	2 973	127%	(640)
NET INCREASE/ (DECREASE) IN CASH HELD	21 173	93 458	93 458	(41 140)	(63 245)	62 306			93 458
Cash/cash equivalents at beginning:	76 333	–	–		97 502	–			97 502
Cash/cash equivalents at month/year end:	97 506	93 458	93 458		34 257	62 306			190 961

The debtors age analysis per Income source and customer group is as follows:

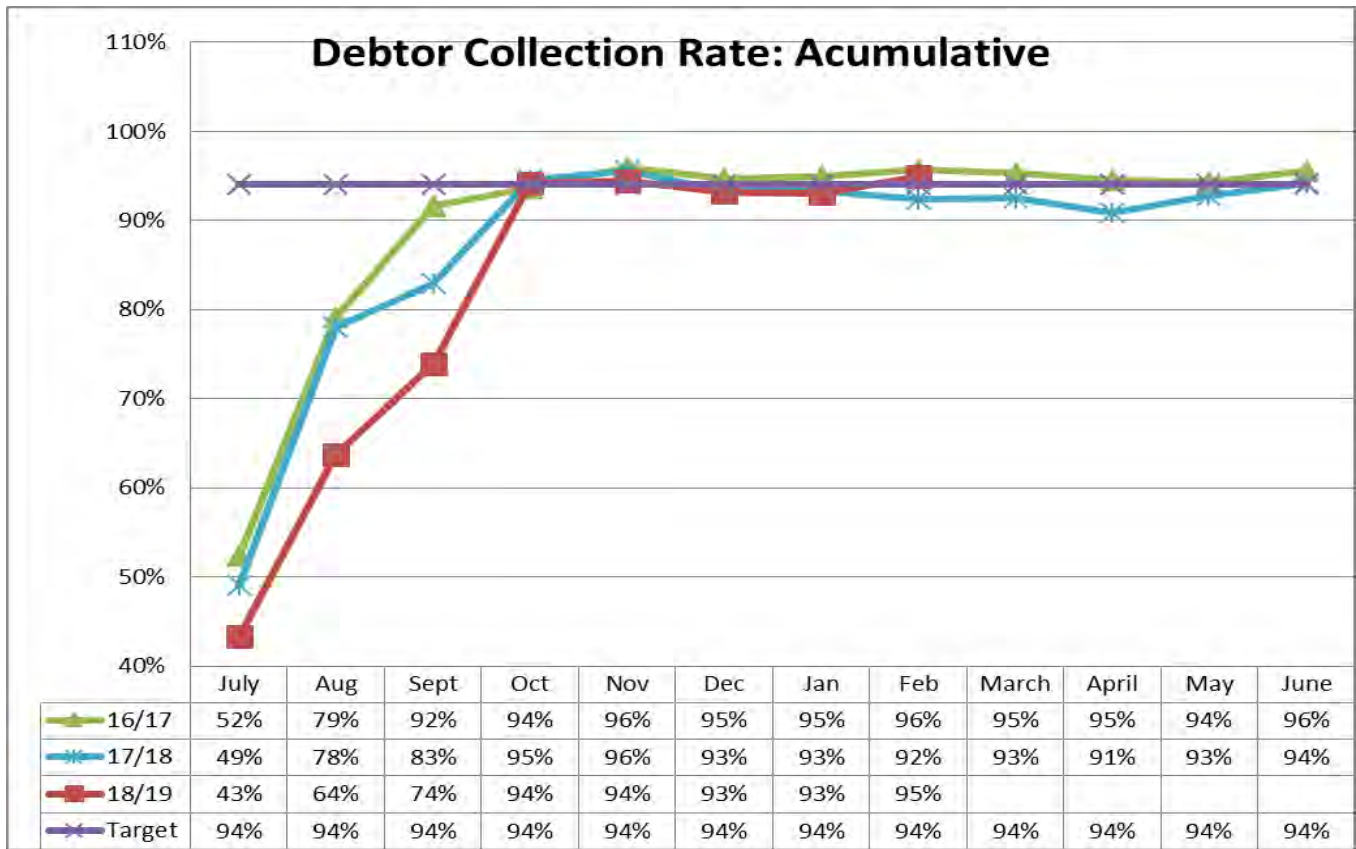
WC022 Witzenberg - Supporting Table SC3 Monthly Budget Statement - aged debtors - M08 February

Description	NT Code	Budget Year 2018/19									
		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
R thousands											
Debtors Age Analysis By Income Source											
Water	1200	8 814	1 042	1 064	846	787	906	6 996	29 832	50 286	39 367
Electricity	1300	13 638	333	241	207	197	212	1 125	1 374	17 327	3 115
Property Rates	1400	4 212	453	312	238	177	2 966	814	12 204	21 375	16 399
Waste Water Management	1500	5 176	745	615	588	575	579	3 131	14 736	26 146	19 609
Waste Management	1600	5 558	723	712	611	589	544	2 859	16 148	27 744	20 751
Property Rental Debtors	1700	142	18	17	16	16	15	90	579	891	715
Interest on Arrear Accounts	1810	1 520	79	98	102	118	136	1 241	23 261	26 556	24 858
Recoverable expenditure	1820	–	–	–	–	–	–	–	–	–	–
Other	1900	(3 323)	28	27	29	59	22	184	870	(2 104)	1 164
Total By Income Source	2000	35 737	3 420	3 086	2 636	2 517	5 381	16 439	99 004	168 221	125 978
2017/18 - totals only										–	–
Debtors Age Analysis By Customer Group											
Organs of State	2200	278	107	85	64	70	1 058	390	2 581	4 633	4 163
Commercial	2300	12 581	599	376	262	245	1 306	1 418	6 606	23 393	9 837
Households	2400	21 480	2 493	2 441	2 108	2 032	2 662	13 463	81 196	127 876	101 461
Other	2500	1 398	221	185	202	171	355	1 168	8 621	12 320	10 516
Total By Customer Group	2600	35 737	3 420	3 086	2 636	2 517	5 381	16 439	99 004	168 221	125 978



The purpose of this graph is to illustrate effectiveness of collection against targets set for the relevant months. The target for the month is 94% while the actual figure for February 2019 amounts to 106% in comparison to the previous year 86%.

Die doel van hierdie grafiek is om die doeltreffendheid van die verhalings van debiteure te illustreer teen die teikens gestel vir die onderskeie maande. Die teiken vir die maand is 94%, terwyl die syfer vir Februarie 2019 – 106 % beloop in vergelyking met die vorige jaar 86 %.



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 95%.

Die doel van hierdie grafiek is om die doeltreffendheid van die verhalings van skuld te illustreer teen die teikens gestel vir die jaar. Die teiken vir die jaar tot datum is 94%, terwyl die werklike syfer 95% beloop.

WC022 Witzenberg - Supporting Table SC4 Monthly Budget Statement - aged creditors - M08 February

Description	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
R thousands										
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	767	-	-	-	-	-	-	-	767
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	767	-	-	-	-	-	-	-	767

The movement in investments is detailed below.

WC022 Witzenberg - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M08 February

Investments by maturity Name of institution & investment ID	Period of Investment	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
	Yrs/Months							
R thousands								
<u>Municipality</u>								
ABSA	-	-	-	-		-	-	15 000
Investec	-	-	-	-		-	-	20 000
Nedbank	-	-	-	-		-	-	23 000
Standard Bank	-	-	-	-		-	-	12 000
FNB	-	-	-	-		-	-	10 000
	-	-	-	-		-	-	-
TOTAL INVESTMENTS AND INTEREST				-		-	-	80 000

Operating and Capital transfers recognised as revenue are indicated in the following table:
Transfers are recognised when the conditions are met.

WC022 Witzenberg - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M08 February

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									
RECEIPTS:									
Operating Transfers and Grants									
National Government:	–	88 231	87 752	277	65 353	58 501	6 852	11.7%	87 752
Equitable Share	–	84 602	84 602	–	63 461	56 401	7 059	12.5%	84 602
Local Government Financial Management Grant [Schedule 5B]	–	1 550	1 400	27	658	933	(276)	-29.5%	1 400
Expanded Public Works Programme Integrated Grant [Schedule 5B]	–	1 548	1 750	250	1 235	1 167	68	5.9%	1 750
Municipal Infrastructure Grant [Schedule 5B]	–	531	–	–	–	–	–	–	–
Provincial Government:	–	45 019	22 193	0	319	14 795	(14 476)	-97.8%	22 193
Housing	–	32 839	12 621	–	313	8 414	(8 101)	-96.3%	12 621
Financial Management	–	360	360	0	0	240	(240)	-100.0%	360
Financial Management Support Grant	–	330	330	–	–	220	(220)	-100.0%	330
Libraries, Archives and Museum	–	9 342	8 882	–	–	5 921	(5 921)	-100.0%	8 882
Community Development Workers	–	148	–	–	6	–	6	–	–
Regional Socio-economic Project/Violence Prevention	–	2 000	–	–	–	–	–	–	–
District Municipality:	–	–	600	–	–	400	(400)	-100.0%	600
Other grant providers:	–	576	4 065	–	–	333	(333)	-100.0%	4 065
Water Drought Support	–	–	500	–	–	333	(333)	-100.0%	500
Other grant providers:	–	288	1 783	–	–	–	–	–	1 783
Belgium Grant	–	288	1 083	–	–	–	–	–	1 083
Table Mountain Fund	–	–	700	–	–	–	–	–	700
Total Operating Transfers and Grants	–	133 826	114 011	277	65 673	73 630	(7 957)	-10.8%	114 011
National Government:	–	31 235	23 505	–	6 151	15 670	(9 520)	-60.7%	23 505
Municipal Infrastructure Grant [Schedule 5B]	–	18 626	19 157	–	5 945	12 772	(6 827)	-53.5%	19 157
Regional Bulk Infrastructure Grant (Schedule 5B)	–	8 261	–	–	–	–	–	–	–
Integrated National Electrification Programme (Municipal)	–	4 348	4 348	–	205	2 899	(2 693)	-92.9%	4 348
Provincial Government:	–	300	26 424	–	12 500	17 442	(4 942)	-28.3%	26 424
Housing	–	–	26 164	–	12 500	17 442	(4 942)	-28.3%	26 164
Sport & Recreation	–	300	261	–	–	–	–	–	261
Total Capital Transfers and Grants	–	31 535	49 930	–	18 651	33 113	(14 462)	-43.7%	49 930
TOTAL RECEIPTS OF TRANSFERS & GRANTS	–	165 361	163 940	277	84 323	106 743	(22 419)	-21.0%	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 - M08 February

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									
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:	62 092	88 231	87 752	277	65 353	58 501	6 852	11.7%	87 752
Equitable Share	59 438	84 602	84 602	–	63 461	56 401	7 059	12.5%	84 602
Local Government Financial Management Grant [1 161	1 550	1 400	27	658	933	(276)	-29.5%	1 400
Expanded Public Works Programme Integrated Gr	1 493	1 548	1 750	250	1 235	1 167	68	5.9%	1 750
Municipal Infrastructure Grant [Schedule 5B]	–	531	–	–	–	–	–		–
Other transfers and grants [insert description]	–	–	–	–	–	–	–		–
Provincial Government:	158	46 862	24 036	0	319	16 024	(15 704)	-98.0%	24 036
Housing	–	32 839	12 621	–	313	8 414	(8 101)	-96.3%	12 621
Financial Management	–	360	360	0	0	240	(240)	-100.0%	360
Financial Management Support Grant	120	330	330	–	–	220	(220)	-100.0%	330
Replacement Funding for most vulnerable B3 mun	38	–	–	–	–	–	–		–
Libraries, Archives and Museum	–	9 342	8 882	–	–	5 921	(5 921)	-100.0%	8 882
Community Development Workers	–	148	–	–	6	–	6	#DIV/0!	–
Maintenance of Main Roads	–	1 843	1 843	–	–	1 228	(1 228)	-100.0%	1 843
Regional Socio-economic Project/Violence Preven	–	2 000	–	–	–	–	–		–
District Municipality:	–	–	600	–	–	400	(400)	-100.0%	600
Tourism	–	–	100	–	–	67	(67)	-100.0%	100
Water Drought Support	–	–	500	–	–	333	(333)	-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 Grants	62 249	135 381	114 171	277	65 673	74 925	(9 252)	-12.3%	114 171
Capital expenditure of Transfers and Grants									
National Government:	20 002	31 235	23 505	–	6 151	15 670	(9 520)	-60.7%	23 505
Municipal Infrastructure Grant [Schedule 5B]	19 941	18 626	19 157	–	5 945	12 772	(6 827)	-53.45%	19 157
Regional Bulk Infrastructure Grant (Schedule 5B)	61	8 261	–	–	–	–	–		–
Integrated National Electrification Programme (Mu	–	4 348	4 348	–	205	2 899	(2 693)	-92.91%	4 348
Other capital transfers [insert description]	–	–	–	–	–	–	–		–
Provincial Government:	–	300	26 424	–	12 500	17 442	(4 942)	-28.3%	26 424
Housing	–	–	26 164	–	12 500	17 442	(4 942)	-28.3%	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	33 113	(14 462)	-43.7%	49 930
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	82 252	166 916	164 100	277	84 323	108 038	(23 714)	-21.9%	164 100

Expenditure on councillor allowances and employee benefits:

WC022 Witzenberg - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M08 February

Budget Year 2018/19								
Summary of Employee and Councillor remuneration	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	4 811	4 809	2	0%	7 213
Pension and UIF Contributions	1 063	1 063	88	696	709	(13)	-2%	1 063
Medical Aid Contributions	212	212	16	119	142	(22)	-16%	212
Motor Vehicle Allowance	692	692	–	–	462	(462)	-100%	692
Cellphone Allowance	1 023	1 023	78	619	682	(63)	-9%	1 023
Housing Allowances	455	455	3	38	303	(266)	-88%	455
Other benefits and allowances	50	50	–	–	33	(33)	-100%	50
Sub Total - Councillors	10 709	10 709	794	6 283	7 139	(857)	-12%	10 709
Senior Managers of the Municipality								
Basic Salaries and Wages	3 594	3 294	208	2 180	2 196	(16)	-1%	3 294
Pension and UIF Contributions	739	739	16	127	493	(365)	-74%	739
Medical Aid Contributions	127	127	6	44	85	(41)	-49%	127
Overtime	–	–	–	–	–	–	–	–
Performance Bonus	840	840	42	399	560	(161)	-29%	840
Motor Vehicle Allowance	993	993	68	534	662	(128)	-19%	993
Cellphone Allowance	67	67	2	21	45	(24)	-54%	67
Housing Allowances	145	145	–	–	97	(97)	-100%	145
Other benefits and allowances	108	88	12	104	59	45	77%	88
Payments in lieu of leave	–	–	–	–	–	–	–	–
Long service awards	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	–	–	–	–	–	–	–	–
Sub Total - Senior Managers	6 614	6 294	353	3 409	4 196	(787)	-19%	6 294
Other Municipal Staff								
Basic Salaries and Wages	108 292	103 454	9 896	65 551	68 969	(3 418)	-5%	103 454
Pension and UIF Contributions	16 388	16 377	1 324	10 319	10 918	(599)	-5%	16 377
Medical Aid Contributions	7 283	7 283	638	4 793	4 855	(63)	-1%	7 283
Overtime	11 713	11 728	1 382	11 044	7 819	3 225	41%	11 728
Performance Bonus	7 651	7 651	794	5 279	5 100	179	4%	7 651
Motor Vehicle Allowance	4 099	4 129	386	2 997	2 753	244	9%	4 129
Cellphone Allowance	378	378	41	330	252	78	31%	378
Housing Allowances	1 541	1 541	120	967	1 027	(60)	-6%	1 541
Other benefits and allowances	4 035	4 035	387	2 053	2 690	(637)	-24%	4 035
Payments in lieu of leave	831	831	615	4 471	554	3 917	707%	831
Long service awards	407	407	76	607	271	335	124%	407
Post-retirement benefit obligations	10 632	10 632	921	7 369	7 088	281	4%	10 632
Sub Total - Other Municipal Staff	173 251	168 446	16 580	115 779	112 297	3 481	3%	168 446
TOTAL SALARY, ALLOWANCES & BENEFITS	190 573	185 449	17 727	125 470	123 633	1 838	1%	185 449
% increase								
TOTAL MANAGERS AND STAFF	179 864	174 740	16 933	119 188	116 493	2 695	2%	174 740

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 - M08 February

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	Budget	Budget	Budget	Budget	Budget	Budget
Cash Receipts By Source													
Property rates		3 345	12 935	5 490	12 707	4 868	3 463	4 286	4 297	4 297	1 297	2 297	7 878
Service charges - electricity revenue		18 142	20 502	15 447	17 251	14 535	12 109	15 014	18 789	18 789	18 789	18 789	16 738
Service charges - water revenue		2 316	3 051	2 526	2 851	3 597	2 663	2 585	3 883	3 883	3 883	3 883	11 462
Service charges - sanitation revenue		4 300	2 031	1 676	1 668	1 745	1 311	2 141	1 074	1 074	1 074	1 074	6 923
Service charges - refuse		1 483	2 094	1 671	1 804	1 828	1 291	1 884	2 199	2 199	2 199	2 199	3 367
Service charges - other		2 075	1 341	1 346	1 974	3 604	605	–	–	–	–	–	–
Rental of facilities and equipment		210	225	384	435	367	56	628	39	39	39	39	7 737
Interest earned - external investments		371	539	705	423	651	491	1 388	681	681	681	681	882
Interest earned - outstanding debtors		–	–	–	–	–	–	–	–	–	–	–	–
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–
Fines		199	111	251	64	259	65	104	339	339	339	339	1 659
Licences and permits		574	214	705	764	1 608	398	735	305	305	305	305	(2 562)
Agency services		–	–	–	–	–	–	–	406	406	406	406	3 252
Transfer receipts - operating		36 119	1 992	3 514	1 987	2 028	28 183	–	9 895	9 895	2 854	3 653	18 619
Other revenue		236	382	645	1 982	721	226	1 086	665	665	666	666	52
Cash Receipts by Source		69 370	45 417	34 360	43 909	35 813	50 861	29 850	42 573	42 573	32 533	34 332	76 006
Other Cash Flows by Source													
Transfer receipts - capital		17 000	–	–	3 500	5 400	7 566	–	1 403	1 403	1 403	1 403	1 760
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	–	–	–	–	(441)
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	–	20 000	20 000	20 000	(20 000)
Total Cash Receipts by Source		86 433	45 497	(65 589)	72 484	66 308	23 473	74 881	43 976	63 976	53 936	55 735	57 326
Cash Payments by Type													
Employee related costs		11 219	13 141	12 270	12 453	19 675	12 559	12 584	13 723	13 723	13 723	13 723	20 030
Remuneration of councillors		876	874	867	836	848	868	1 070	892	892	892	892	900
Interest paid		–	–	88	–	–	57	–	–	1 224	–	–	2 303
Bulk purchases - Electricity		23 704	24 512	23 657	13 718	13 545	13 196	12 009	15 113	15 113	15 113	15 113	(3 440)
Bulk purchases - Water & Sewer		–	–	–	–	–	–	–	–	–	–	–	–
Other materials		862	428	662	2 694	1 729	2 075	1 369	1 875	1 875	1 875	1 875	5 181
Contracted services		2 263	2 211	3 840	3 679	4 259	4 041	1 893	3 600	3 600	3 600	3 600	11 499
Grants and subsidies paid - other municipalities		–	–	–	–	–	–	–	–	–	–	–	–
Grants and subsidies paid - other		200	155	121	205	–	2	364	1 200	1 200	1 200	1 200	8 559
General expenses		4 372	5 044	5 304	6 236	5 582	4 311	1 322	1 100	1 560	1 800	1 300	1 677
Cash Payments by Type		43 495	46 366	46 809	39 821	45 637	37 109	30 613	37 504	39 187	38 204	37 704	46 709
Other Cash Flows/Payments by Type													
Capital assets		12 297	6 429	3 599	2 293	2 583	5 778	2 214	2 996	8 489	9 348	8 272	19 383
Repayment of borrowing		(453)	591	(737)	3 824	(30 696)	34 490	1 844	200	200	452	852	69 061
Other Cash Flows/Payments		21 681	(300)	5 687	89 274	(4 385)	(17 494)	(47 237)	78 727	(64 560)	(18 751)	(14 902)	24 741
Total Cash Payments by Type		77 020	53 085	55 357	135 212	13 139	59 883	(12 567)	119 426	(16 684)	29 253	31 925	159 894
NET INCREASE/(DECREASE) IN CASH HELD		9 413	(7 587)	(120 946)	(62 728)	53 169	(36 410)	87 448	(75 450)	80 660	24 683	23 810	(102 569)
Cash/cash equivalents at the month/year beginning:		140 279	149 692	142 105	21 159	(41 569)	11 600	(24 810)	62 638	(12 812)	67 848	92 531	116 340
Cash/cash equivalents at the month/year end:		149 692	142 105	21 159	(41 569)	11 600	(24 810)	62 638	(12 812)	67 848	92 531	116 340	13 772

WC022 Witzenberg - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M08 February

Month	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
<u>Monthly expenditure performance trend</u>									
July		8 115	8 115	22	22	8 115	8 093	99.7%	0%
August		4 486	4 486	166	189	12 601	12 412	98.5%	0%
September		6 249	6 249	2 750	2 938	18 850	15 911	84.4%	5%
October		5 191	5 191	2 509	5 447	24 040	18 593	77.3%	9%
November		3 943	3 943	1 659	7 106	27 983	20 877	74.6%	11%
December		4 437	4 437	6 557	13 663	32 420	18 757	57.9%	22%
January		3 986	3 986			36 406	–		
February		4 787	4 787			41 192	–		
March		4 547	4 547			45 740	–		
April		6 449	6 449			52 189	–		
May		6 276	6 276			58 465	–		
June		4 606	4 606			63 072	–		
Total Capital expenditure	–	63 072	63 072	13 663					

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:

BID NO	DESCRIPTION / BESKRYWING	CLOSING DATE / SLUITINGS DATUM
08/2/16/49	Construction of Kiosk at Bella Vista sports field	29-Mar-2019

No formal written price quotations 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:

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	D Greeff
08/2/16/28	Supply, delivery and manufacturing of 9 steel pavilions (Re-advertisement)	08-Feb-2019	15-Feb-2019 28-Feb-2019	H Truter
08/2/16/33	Cutting and removing of pine trees at Pine Forest holiday resort	15-Nov-2018	28-Jan-2019 Referred back	J Samuel
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
08/2/16/57	Provision of security services	28-Feb-2019	Awaiting	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
08/2/16/31	Repair and maintenance to Montana and Pine Forest swimming pools	04-Dec-2018	25-Jan-2019 Referred back	J Samuel
08/2/16/43	Supply, delivery and installation of Flooring Witzenberg municipal offices	30-Jan-2019	19-Feb-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
08/2/16/50	Service provider for training of municipal officials on a digger/ backhoe loader & front end loader course	18-Jan-2019	30-Jan-2019 Referred back	I Swartbooi

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08/2/16/53	Service and maintenance of fire extinguishers and hose reels	19-Feb-2019	Awaiting	R Groenewald
08/2/16/54	Supply and delivery of fire fighting equipment - Fire Hoses	20-Feb-2019	Awaiting	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
08/2/16/38	Resealing of existing streets in Witzenberg municipal area	22-Nov-2018	23-Jan-2019	19-Feb-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 31 March 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 Bid Adjudication Committee during the month of February 2019:

3.2.1.4 Tenders toegeken

Die volgende mededingende tenders was toegeken deur die Tender Toekenningskomitee gedurende Februarie 2019:

Bid ref number	Date	Name of supplier	Brief description of services	Reason why award made	Value (incl. VAT)
08/2/16/26	15-Feb-2019	Western Cape Signs CC	Supply and delivery of Road signs and Accessories	Bidder scored the highest points	R 1 078 297.50
08/2/16/36	15-Feb-2019	RJC Conservation Services	Clearing of alien vegetation in Ceres nature reserve	Bidder scored the highest points	R 174 826.91

No bid was awarded by the Accounting Officer during the month of February 2019.

Geen tender was toegeken deur die Rekenpligtige Beampte gedurende Februarie 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 February 2019:

3.2.1.5 Paragraaf 13 (1): Kansellasië en her-uitnodiging van tenders

Die volgende formele geskrewe prys kwotasie of mededingende tender was gekanselleer gedurende Februarie 2019:

Bid ref number	Date	Brief description of services	Reason why bid is cancelled
08/2/16/39	11-Feb-2019	Supply and delivery of six shutter roller doors	No acceptable bids were received
08/2/16/41	26-Feb-2019	Supply and delivery of Traffic uniforms for traffic and law enforcement officers	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 February 2019:

3.2.1.6 Paragraaf 19 (1) (c) en 19 (2): Geskrewe Prys Kwotasies

Die volgende geskrewe prys kwotasies was goedgekeur gedurende Februarie 2019:

Order number	Date	Name of supplier	Brief description of services	Reason why award made	Amount	Official acting i.t.o sub delegation
158332	01-Feb-2019	Roy Steele & Associates CC	Service Provider for the Review of Annual Performance Reviews of Senior Management	Only responsive quotation	R 29 500.00 (Incl. VAT)	Acting Chief Financial Officer
158677	22-Feb-2019	Ultimate Recruitment Solutions	Advertisement of Post: Assistant Superintendent (Ref: Tec 71)	Lowest responsive quotation	R 11 565.34 (Incl. VAT)	Acting Chief Financial Officer
158821	28-Feb-2019	Ceres Spar (Ablaze Trading 248)	Supply and Delivery of Newspapers for March 2019	Only responsive quotation	R 4 626.00 (Incl. VAT)	Acting Chief Financial Officer

3.2.1.7 Formal Written Price Quotations

No 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 February 2019.

3.2.1.7 Formele Geskrewe Prys Kwotasies

Geen 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 Februarie 2019 nie.

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 number	Bid title	Date of appeal	Appellant	Reason for appeal	Status	Dealt by
NONE	-	-	-	-	-	-

3.2.1.9 Deviations

3.2.1.9 Afwykings

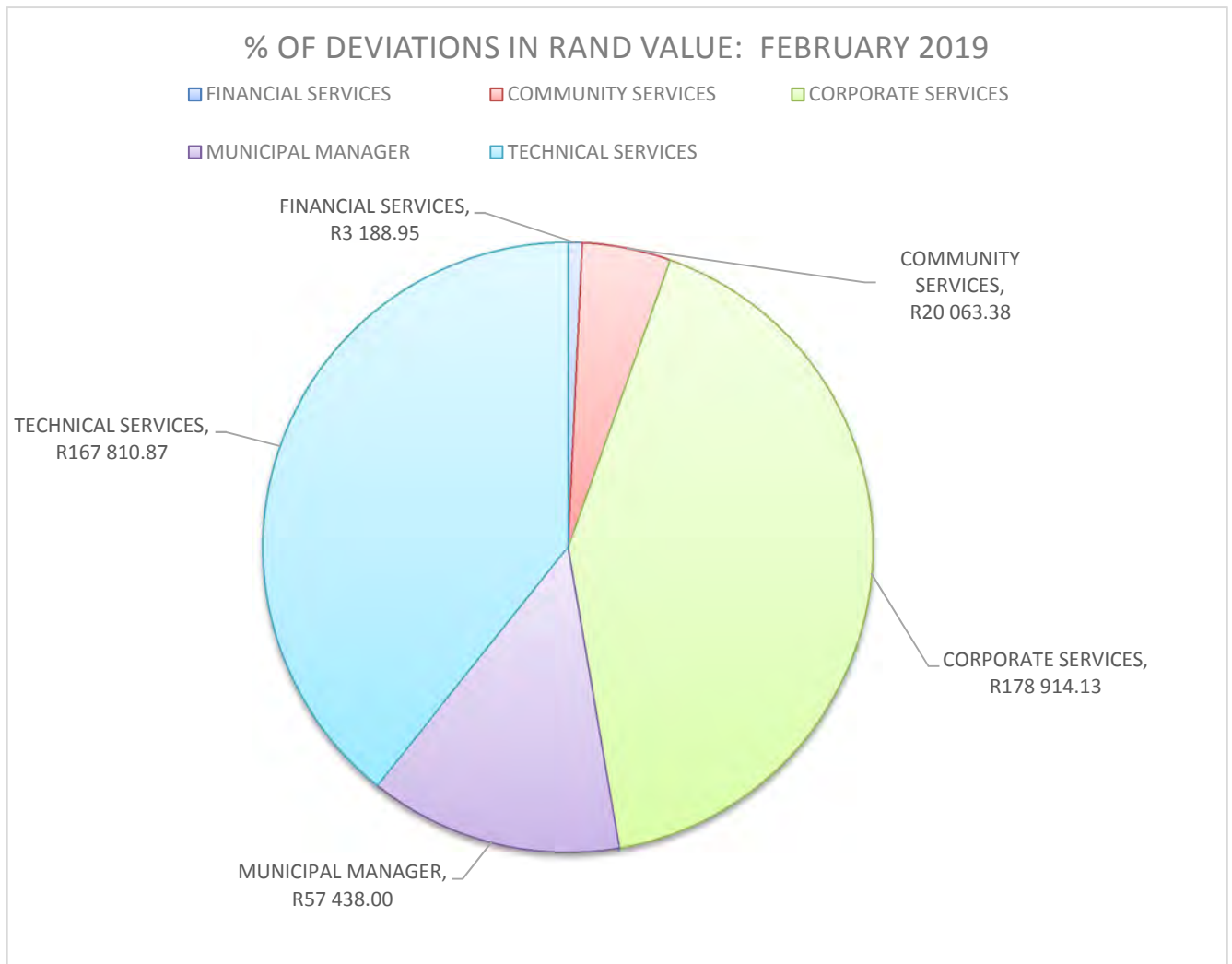
The following table contains the approved deviations by the Accounting Officer for the month of February 2019 which totals R 427 415.33:

Die volgende tabel bevat die goedgekeurde afwykings deur die Rekenpligtige Beampte vir die maand van Februarie 2019 wat beloop op die totaal van R 427 415.33:

Date	Name of supplier	Description of goods and services	Reason for deviation	Order number	AMOUNT R
6-Feb-19	Witzenberg Herald	Publish notice: John Steyn Library press release	Single supplier	158386	2,392.00
6-Feb-19	Traffic Management Technologies	Monthly Service Fee Oct 2018	Impractical	158390	48,829.00
6-Feb-19	Traffic Management Technologies	Monthly Service Fee Nov 2018	Impractical	158391	35,546.50
6-Feb-19	Traffic Management Technologies	Monthly Service Fee Dec 2018	Impractical	158392	20,872.50
11-Feb-19	Ceres Veterinary Hospital CC	Sedation of 2 Horses	Emergency	158451	7,896.28
20-Feb-19	Johan Behuidenhout Attorneys	Registration and transportation of Rental stock Reg. 168 (1)	Impractical	158605	2,097.10
20-Feb-19	Sarel Bester Engineers CC	Professional consultancy services regarding John Steyn technical report	Emergency	158630	29,900.00
20-Feb-19	Bytes Systems Integration	Remote Assistance (Setting up of new cheque printer)	Impractical	158648	3,188.95
25-Feb-19	Trans Manufacturing (PTY) Ltd T/A Transtech	Repair of Compactor: CT 14536	Single supplier	158695	160,160.87
25-Feb-19	Association of Municipal Electricity Utilities	Membership fees: P van den Heever	Single supplier	158699	7,650.00
25-Feb-19	SABC	TV Licences of Pine Forest Resort	Single supplier	158700	10,070.00
27-Feb-19	Total Computer Services (TCS)	Extension of Traffic management system Feb-Jun 2019	Single supplier	158780	35,670.13
27-Feb-18	Regan Brown Attorneys	Legal Services: Bridgman N.O / Witzenberg Municipality	Impractical	158786	57,438.00
28-Feb-19	Witzenberg Herald	Publish notice: Naming of Vredebes Streets	Impractical	158799	5,704.00

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
December 2018	R 344 415.38	R17 664 291.08	1.95%
January 2019	R 24 724.50	R20 367 100.98	0.13%
February 2019	R 427 415.33	R20 780 258.95	2.06%

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 December 2018	31 January 2019	28 February 2019
Value of inventory at hand	R 10 185 051.01	R 10 783 890.61	R 11 958 348.55
Turnover rate of total value of inventory	1.72	1.58	1.24
Turnover rate excluding Chinese meters	1.72	1.58	1.24
Date of latest stores reconciliation	28 February 2019		
Date of last stock count	12 December 2018		
Date of next stock count	20 March 2019		

QUALITY CERTIFICATE

I, Mr D Nasson, Municipal Manager of Witzenberg Municipality, hereby certify that –

- The monthly in year monitoring reports for the month of February 2019

has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

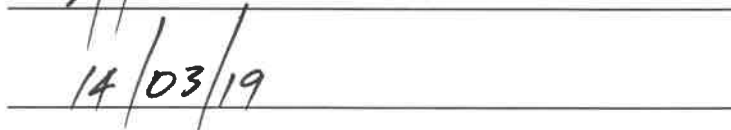
Mr D Nasson

Municipal Manager of WITZENBERG MUNICIPALITY.

Signature :



Date:





DRAFT 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
GDP	Gross Domestic Product
GDPR	Gross Domestic Product Regional
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

Draft IDP 2019/20

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 m³ to 10 million m³ 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 projects**. 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 Systems Act as amended, the IDP and Budget Process Plan were adopted by full Council on 21 August 2017.~~

~~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 2017 and was preceded by public meetings 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.~~

~~The formulation of a vision, development objectives, strategies and project identification occurs against the backdrop of community, sectoral stakeholders as well as political inputs. The municipality has embarked on a process of reviewing the Spatial Development Framework and the public participation thereof has been in conjunction with the IDP processes.~~

~~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.~~

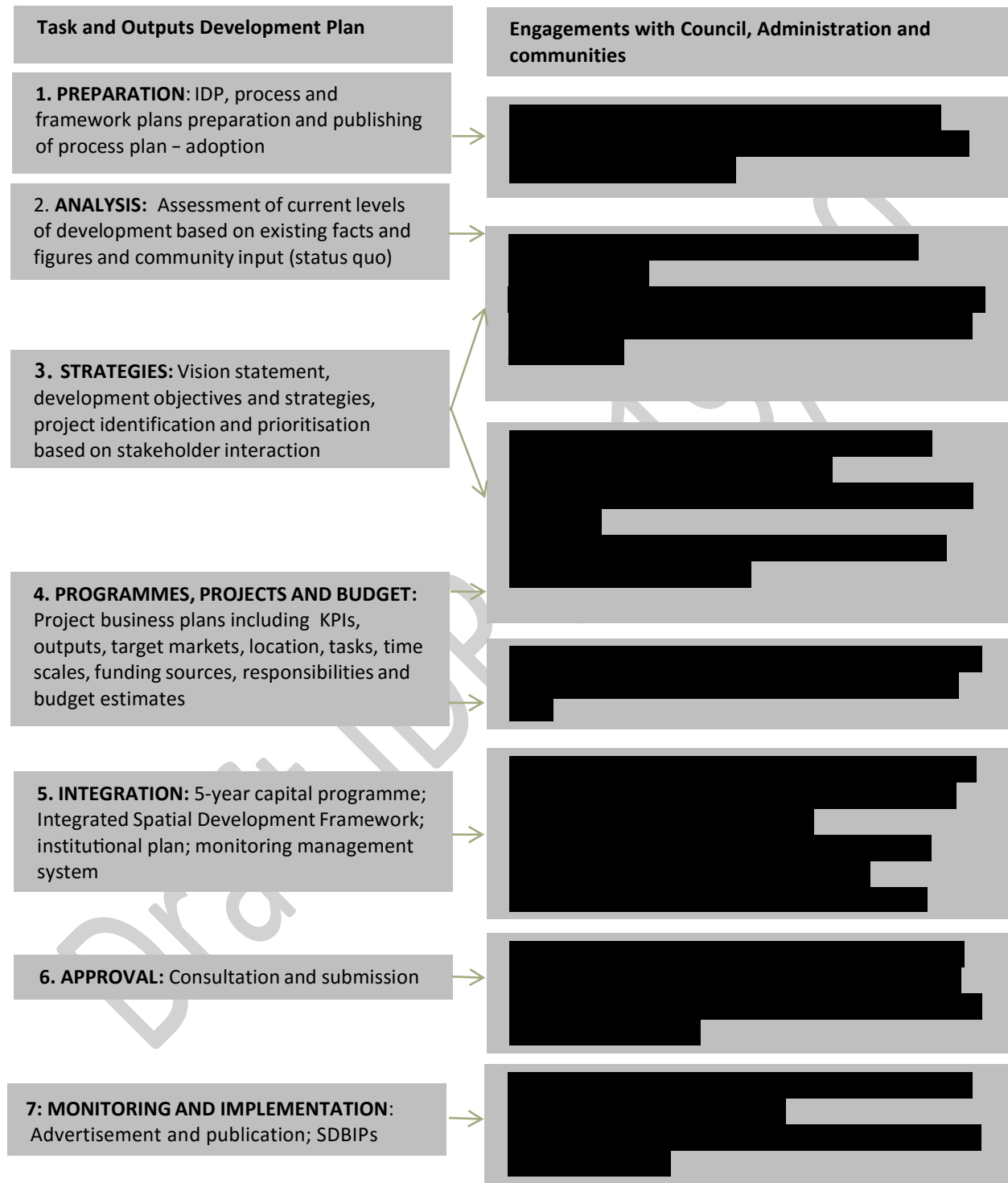
~~The municipality adopted the 2018 – 2019 Reviewed IDP and Budget Process Plan on 21 August 2017. Amongst others, it includes appropriate mechanisms, processes and procedures for consultation and participation of local communities, organs of state, and other role players in the IDP drafting process.~~

~~The diagram on the following page outlines the steps in developing the Reviewed Integrated Development Plan 2018 – 2019.~~

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

Please take note, this section will be updated once all activities have been completed,



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

<i>WITZENBERG MUNICIPALITY: STRATEGIC MAP 2018/19</i>					
Vision	Mission	Municipal KPA		Pre-determined Objectives	
A municipality that cares for its community, creating growth and opportunities.	<p>The Witzenberg Municipality is committed to improve the quality of life of its community by:</p> <ul style="list-style-type: none"> - Providing & maintaining 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
<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 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
<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 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 Farm evictions 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

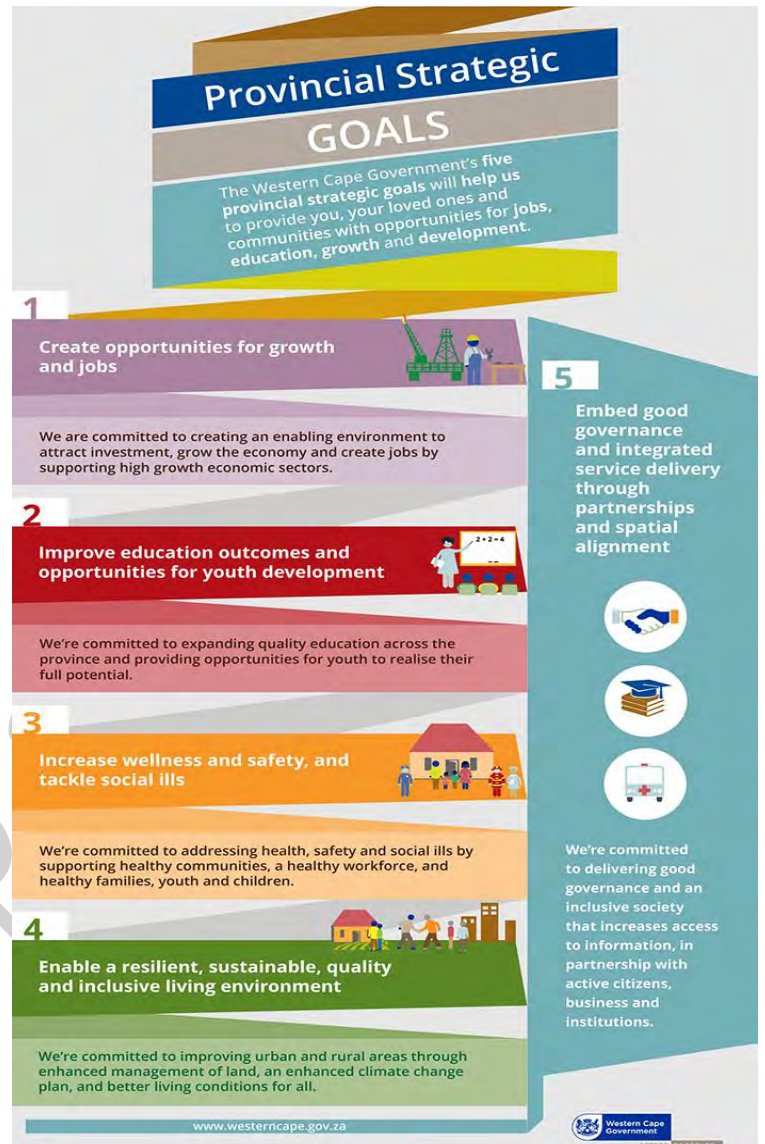


■ **PROVINCIAL STRATEGIC PLAN (PSP) – 2014 - 2019**

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
<u>OC 1:</u> Improved quality of basic education.	Improve education, training and innovation	<u>PSG2:</u> Improve education outcomes and opportunities for youth development	<u>SO 1:</u> 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.
<u>OC 2:</u> A long and healthy life for all South Africans.	Promoting health	<u>PSG 3:</u> Increase wellness, safety and tackle social ills	<u>SO 1:</u> 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.
<u>OC 3:</u> All people in South Africa are and feel safe.	Social protection building safer communities transforming society and uniting the country	<u>PSG 3:</u> Increase wellness, safety and tackle social ills	<u>SO 1:</u> 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
<u>OC 4:</u> Decent employment through inclusive economic growth.	Economy and employment An integrated and inclusive rural economy	<u>PSG-1:</u> Creating opportunities for growth and jobs	<u>SO : 2</u> 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.
<u>OC 5:</u> 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	<u>PSG-5:</u> Embed good governance and integrated service delivery through partnerships and spatial alignment	<u>SO 3:</u> 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
<u>OC 6:</u> An efficient, competitive and responsive economic infrastructure network.	Economy infrastructure Environmental sustainability Transforming human settlement and the national space economy	<u>PSG 3:</u> Increase wellness, safety and tackle social ills <u>PSG-5:</u> Embed good governance and integrated service delivery through partnerships and spatial alignment <u>PSG-1:</u> Creating opportunities for growth and jobs	<u>SO : 2</u> 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.
<u>OC 7:</u> Vibrant, equitable and sustainable rural communities with food security for all.	Integrated and inclusive rural economy Transforming human settlement and the national space economy	<u>PSG 3:</u> Increase wellness, safety and tackle social ills <u>PSG-5:</u> Embed good governance and integrated service delivery through partnerships and spatial alignment	<u>SO 1:</u> 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
<u>OC 8:</u> Sustainable human settlements and improved quality of household life	Integrated and inclusive rural economy Transforming human settlement and the national space economy	<u>PSG 4:</u> Enable a resilient, quality and inclusive living environment <u>PSG-5:</u> Embed good governance and integrated service delivery through partnerships and spatial alignment	<u>SO 1:</u> 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.
<u>OC 9:</u> A responsive, accountable, effective and efficient local government system.	Building a capable and developmental state Fighting corruption Transforming society and uniting the country	<u>PSG-5:</u> Embed good governance and integrated service delivery through partnerships and spatial alignment	<u>SO 3:</u> 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.
<u>OC 10:</u> Environmental assets and natural resources that are well protected and continually enhanced	Use resources sustainably (transition to a low-carbon economy)	<u>PSG 4:</u> Enable a resilient, quality and inclusive living environment <u>PSG-5:</u> Embed good governance and integrated service delivery through partnerships and spatial alignment	<u>SO 1:</u> 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
<u>OC 11: Create a better South Africa and contribute to a better and safer Africa and World.</u>	Transform society and unite the nation	<u>PSG 3: Increase wellness, safety and tackle social ills</u> <u>PSG-5: Embed good governance and integrated service delivery through partnerships and spatial alignment</u>	<u>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.</u>	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
<u>OC 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.</u>	Build a capable Fight corruption and enhance accountability	<u>PSG-5: Embed good governance and integrated service delivery through partnerships and spatial alignment</u>	<u>SO 3: To provide an effective and efficient financial and strategic support services to the Cape Winelands District Municipality.</u>	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.
<u>OC 13: A comprehensive, responsive and sustainable social protection system</u>	Transform society and unite the nation	<u>PSG 3: Increase wellness, safety and tackle social ills</u> <u>PSG-5: Embed good governance and integrated service delivery through partnerships and spatial alignment</u>	<u>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.</u>	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
<u>OC 14: A diverse, socially cohesive society with a common national identity.</u>	Transform society and unite the nation	<u>PSG 4: Enable a resilient, quality and inclusive living environment</u>	<u>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</u>	2.3 Maintain and strengthen relations with international and intergovernmental partners as well as the local community through the creation of participative structures.

▪ **JOINT PLANNING INITIATIVE (JPI) (TO BE DELETED)**

~~The Joint Planning Initiative (JPI) is a process whereby the three spheres of government agree on joint priorities and joint initiatives for 15 years (to 2030)~~

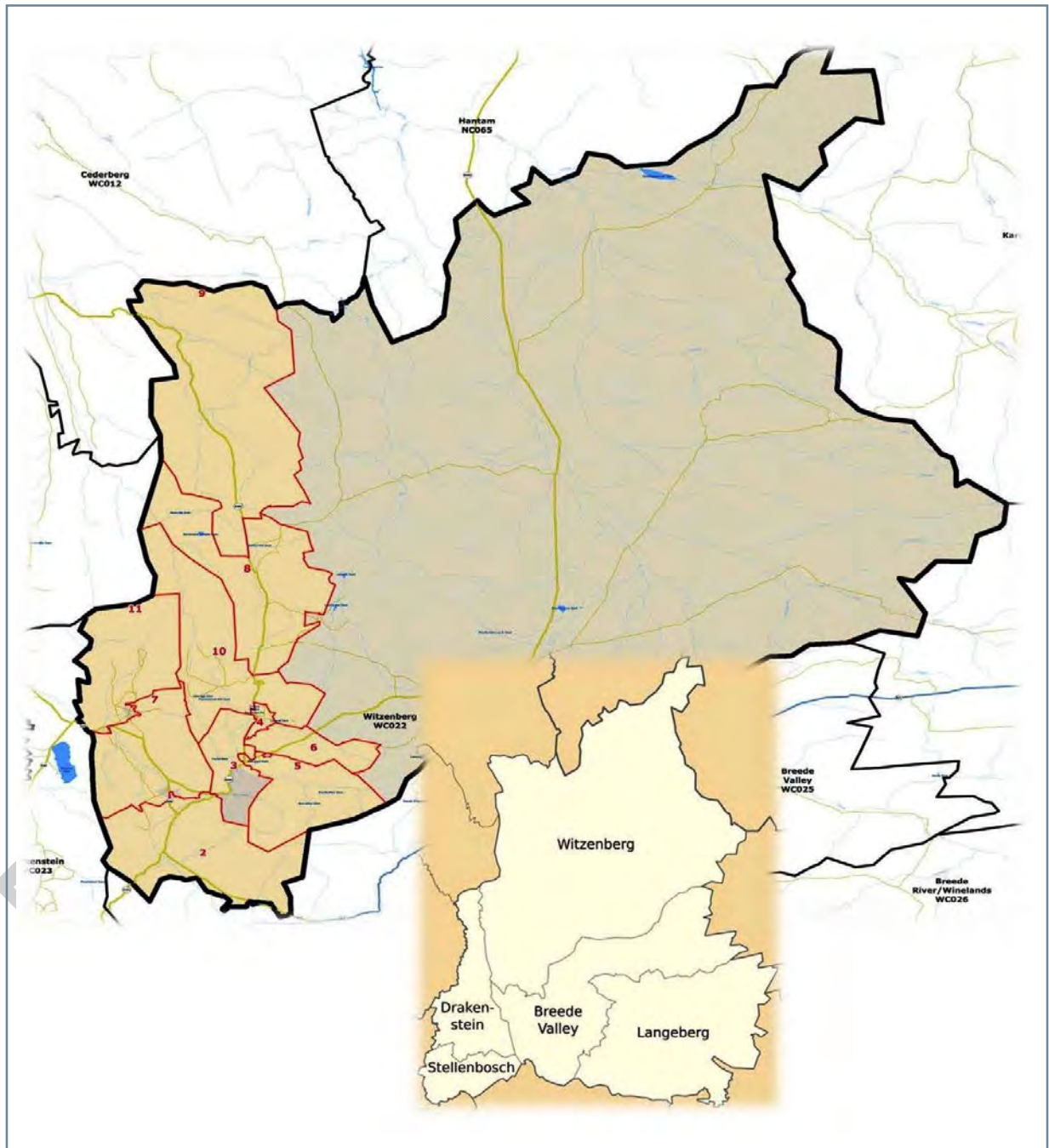
- ~~• This is to realise the goals of the National Development Plan, which has set goals to 2030~~
- ~~• These joint priorities and initiatives must reflect existing policies, such as the national MTSF Outcomes and OneCape 2040~~

JPI 1_013 Economic Growth Initiatives						
APP Linkage (2016/17)	JPI Projects	Project level				
		YEAR 0 (2016 - 2017)		YEAR 1 (2017 - 2018)	YEAR 2 (2018 - 2019)	YEAR 3 (2019 - 2020)
		<i>Quarter</i>	<i>Milestones</i>			
<i>PSG1: Create opportunities for growth and jobs</i>	<i>Witzenberg Municipality: Refocus on Agriculture and Agri processing: 1)Baseline info-Completed 2)Strategy and Implementation Plan for Agriculture 3)District Land Reform Plan</i>	<i>1-By end June 2016</i>	<i>Conceptualise action plan</i>	<i>Land Audit to inform the next step which will include the compilation of Rural Development Plans for each District. The DRD&LR to incorporate land Reform as part of this planning process via their Land Delivery Structures.</i>	<i>Continuous support to the Witzenberg PALS initiatives and representation on the appropriate structures.</i>	<i>Continuous support to the Witzenberg PALS initiatives and representation on the appropriate structures.</i>
		<i>2-By end of Sept 2016</i>	<i>Appointment of Service Provider to do Land Audit</i>			
		<i>3-By end of Dec 2016</i>	<i>Submit Excel spreadsheets and GIS maps to DoA</i>			
		<i>4-By end of March 2017</i>	<i>Convert spreadsheet data into Spatial Data</i>			

3 SITUATIONAL ANALYSIS

A. SNAPSHOT

I. MAP



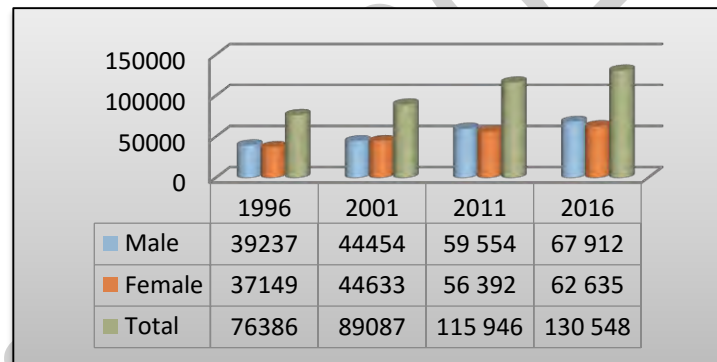
The Witzenberg Local Municipality (LM), founded in 2000, is classified as a Category B-municipality and is responsible for basic service provision to the demarcated municipal area that includes the towns of Ceres, Tulbagh, Prince Alfred's Hamlet, Wolseley and Op-die-Berg. The rural areas within the municipal 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.



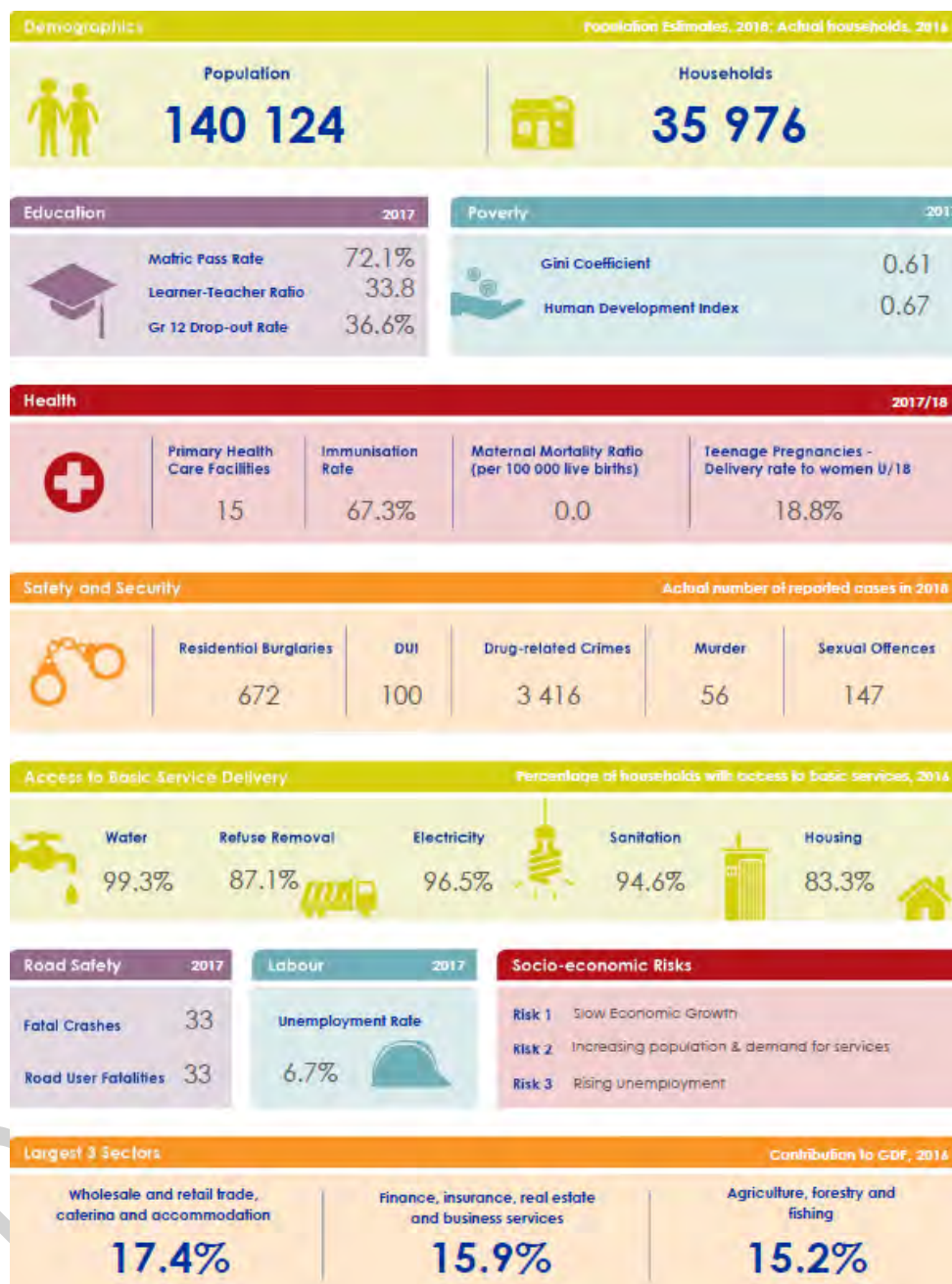
Source: Statistics South Africa

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



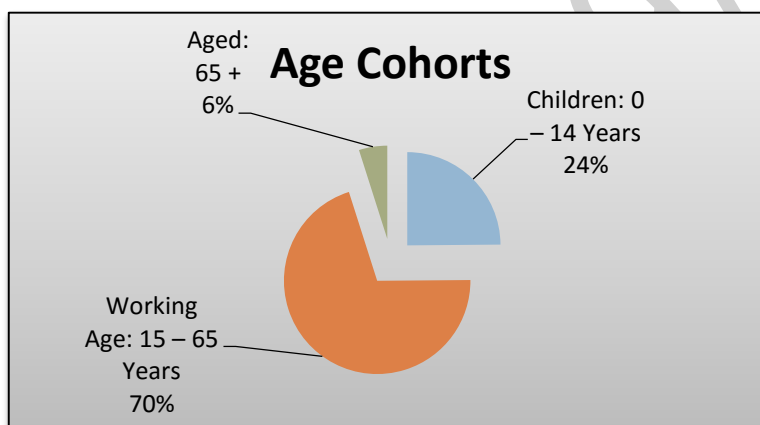
Source: Socio-Economic Profile- Provincial Treasury

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



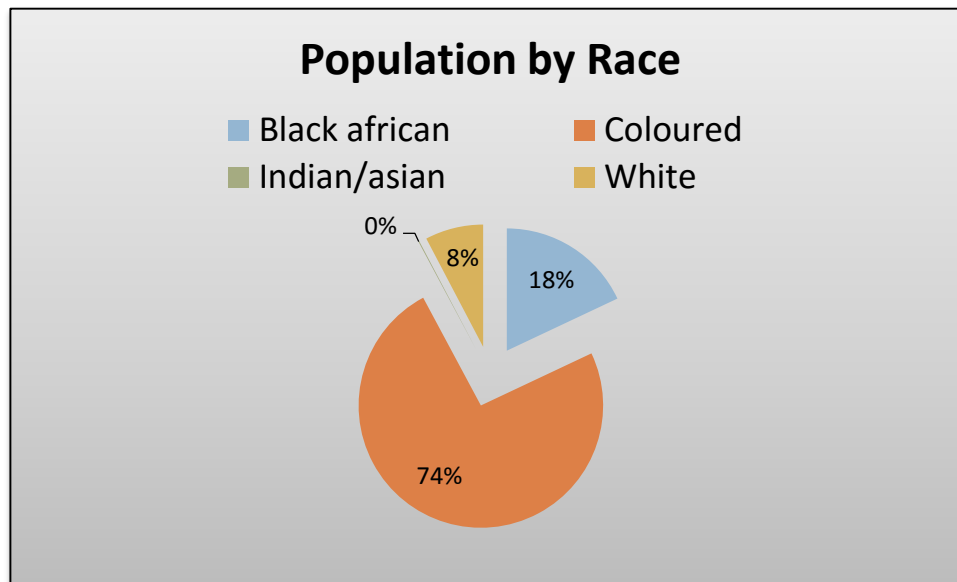
Year	Children: 0 – 14 Years	Working Age: 15 – 65 Years	Aged: 65 +	Dependency Ratio
2011	29 460	81 634	4 849	42.0
2019	34 457	100 049	8 974	43.4
2024	36 098	112 780	11 143	41.9

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.

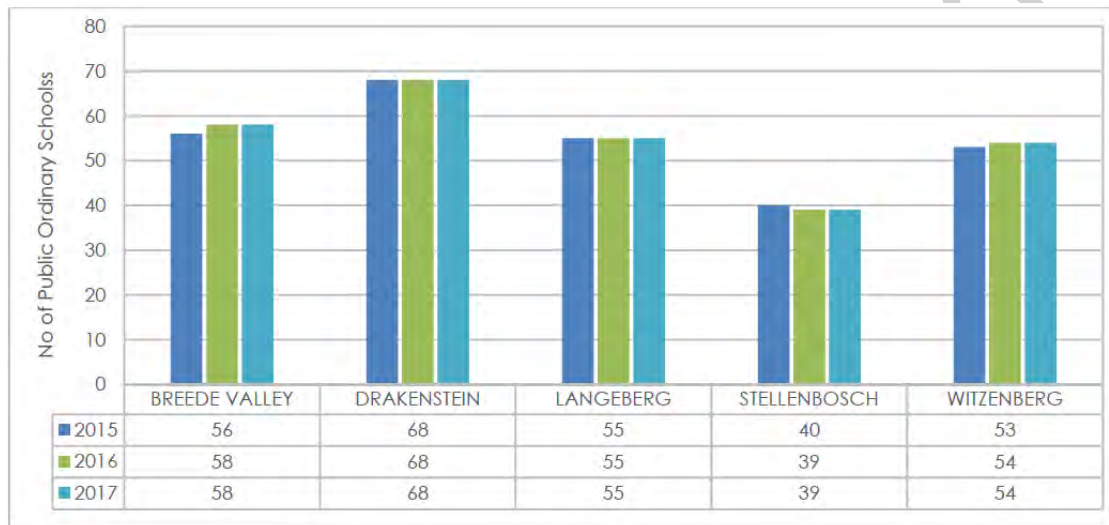
Learner enrolment in Witzenberg tapered off from 18 181 in 2015 to 18 048 in 2016 and increased slightly to 18 070 learners in 2017. This could be attributed to a number of factors including demographics and socio-economic context.

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.

Educational facilities



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 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.

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
EMS operational ambulances	7	36
Population (2017)	128 614	853 423
Number of operational ambulances per 10 000 people	0.54	0.42

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

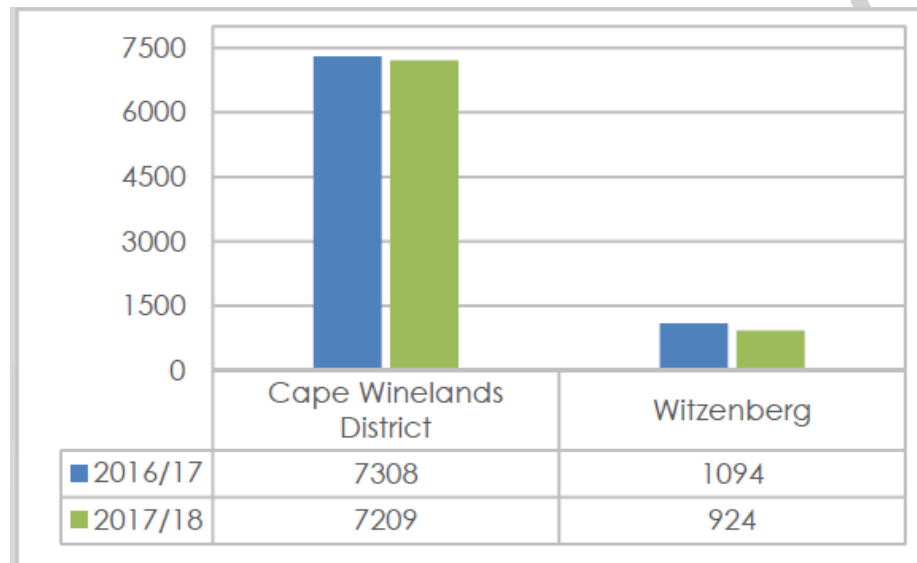
2017/18. New patients receiving antiretroviral treatment decreased by 147 between 2016/17 to

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 water on premises	98% (95% provided free of charge)	N/A	73%
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.

New LED Strategy

C. SOCIO-ECONOMIC ANALYSIS (PROFILE)

~~1. 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.~~

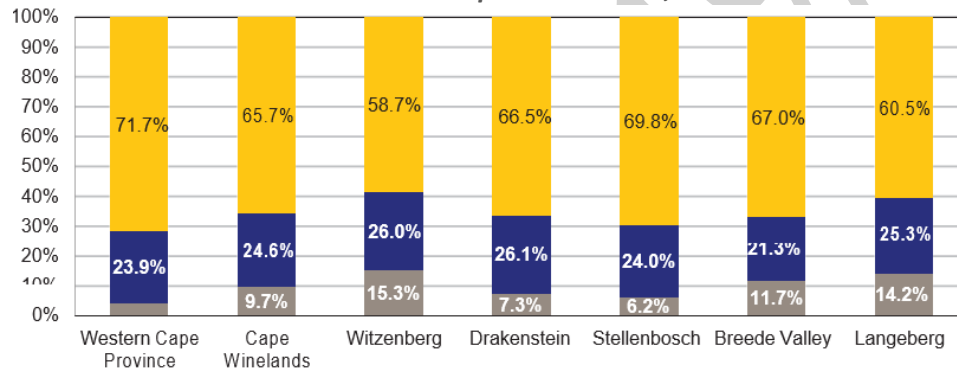
~~8. The expansion and promotion of the 4x4 trails, hiking trails, wine and fruit tourist routes.~~

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 sector.

GDPR contribution and average growth rates per municipal area

Municipality	R million value 2016	Contribution to GDP (%) 2016	Trend		Real GDP 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

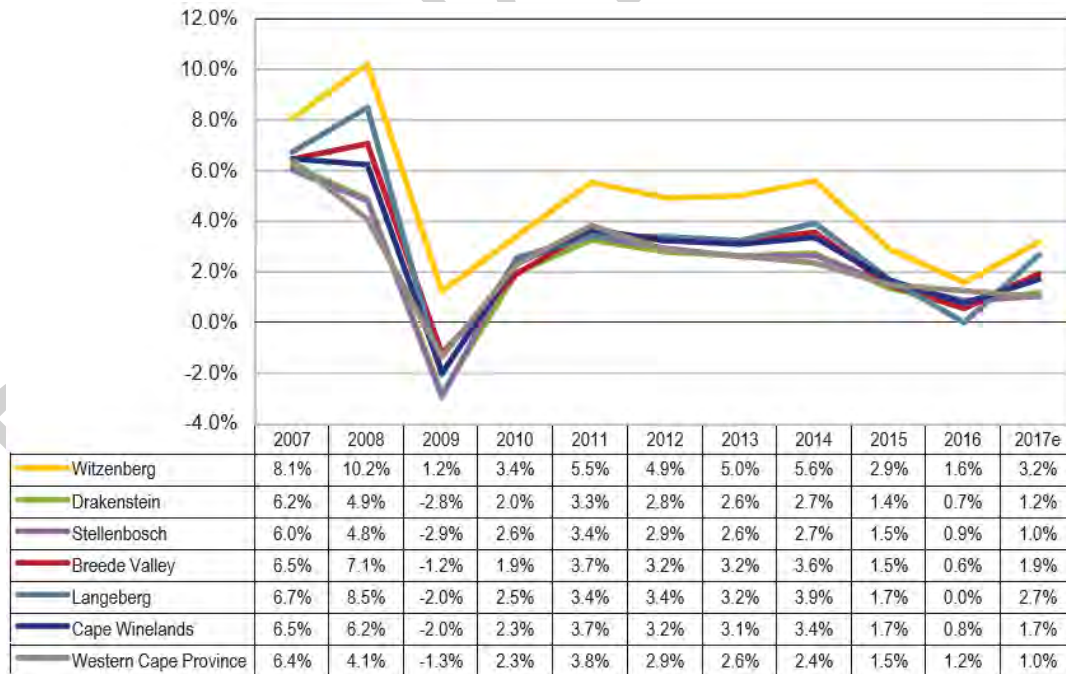
Source: Municipal Economic Review Outlook – PT

III. MAIN ECONOMIC CONTRIBUTORS

~~The CWD economy is the largest non-metro district within the broader Western Cape Province economy. It contributed 11,7 per cent towards provincial GDP and 14,2 per cent to~~

~~provincial employment in 2015. The figure below indicates the GDP performance per CWD municipal area between 2004 and 2015.~~

GDPR growth per municipal area, 2007 - 2017



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 GDP 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		Employment (net change)					
			2006 - 2016	2013 - 2017e	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

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	Low Income
R6 315 - R12 628	3.5	4.0	3.2	3.5	3.1	4.3	
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	Middle Income
R101 029 - 202 055	12.3	10.6	13.9	11.6	12.7	10.8	
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	High Income
R808 222 - R1 616 442	2.0	1.1	2.5	3.3	1.0	1.0	
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		Employment (net change)					
			2006 - 2016	2013 - 2017e	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 (%)	Average growth (%)		Number of jobs	
	2016	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 GDP 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

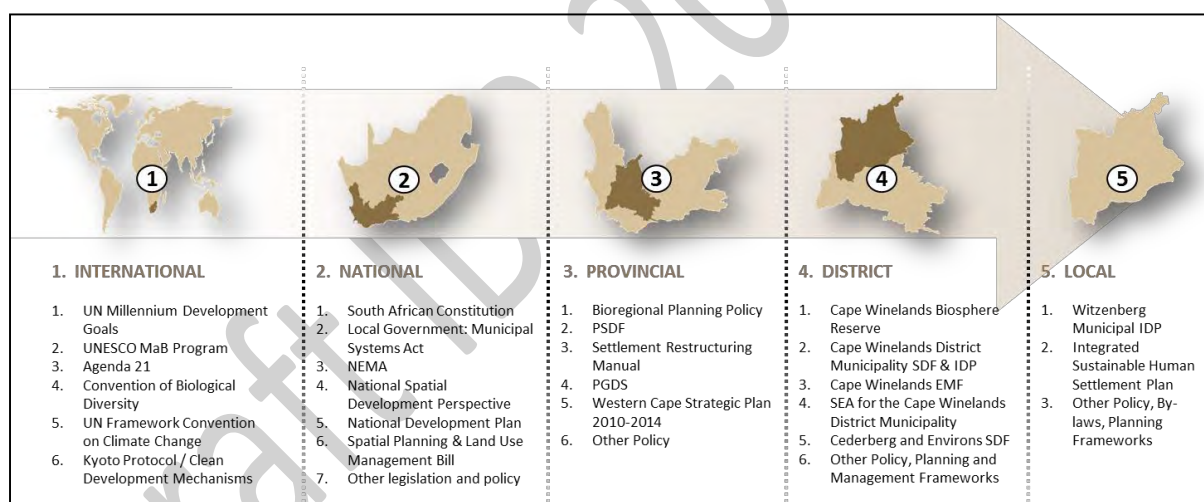
The Witzenberg Municipality is the largest local municipality within the Cape Winelands region of which it covers 50% of the land area.

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.

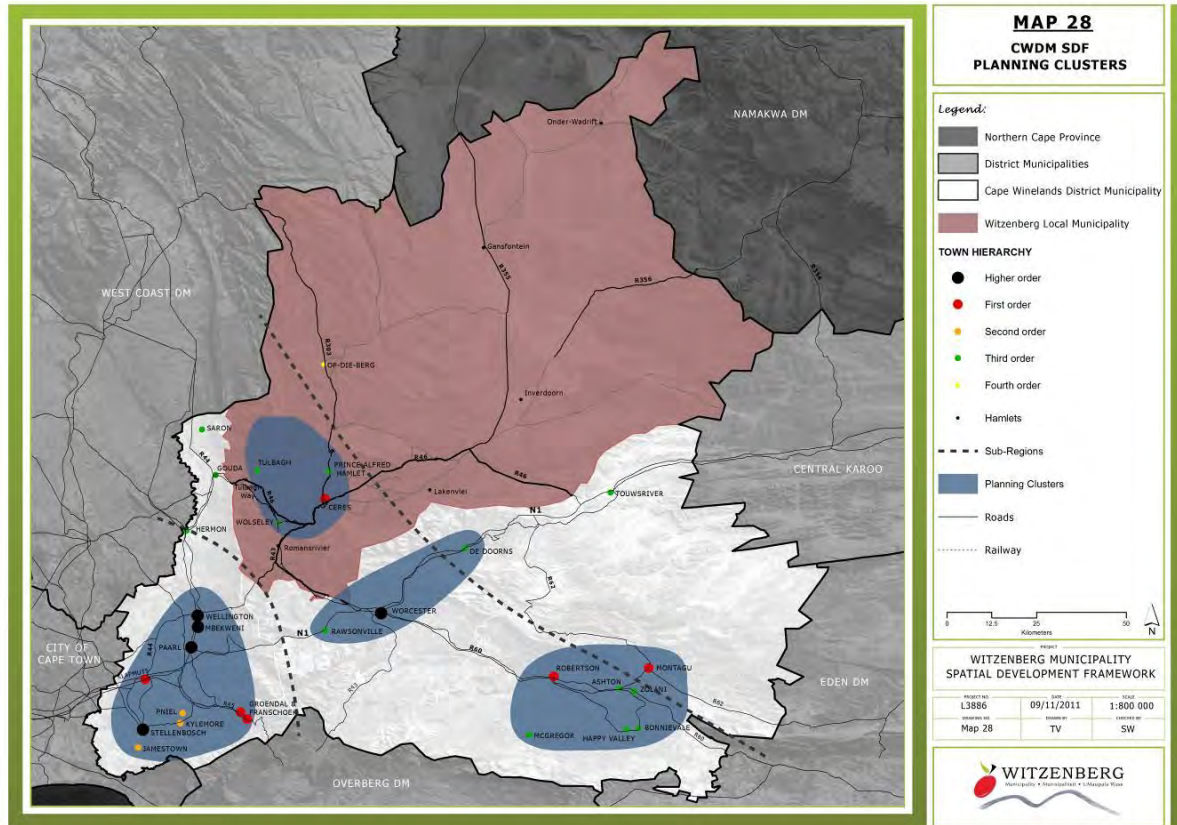
II. EXISTING NODES AND CORRIDORS (URBAN EDGE)

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.



	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 $\pm 1\,100$ 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	± 440 ha	± 400 ha
b)	Bella Vista	± 80 ha	± 40 ha
c)	Prince Alfred's Hamlet	± 53 ha	± 30 ha
d)	Op-die-Berg	± 11 ha	± 9 ha
e)	Wolseley	± 120 ha	± 112 ha
f)	Tulbagh	± 450 ha	± 305 ha
	TOTAL	1154ha	896ha

III. LAND COVER AND BROAD LAND USES

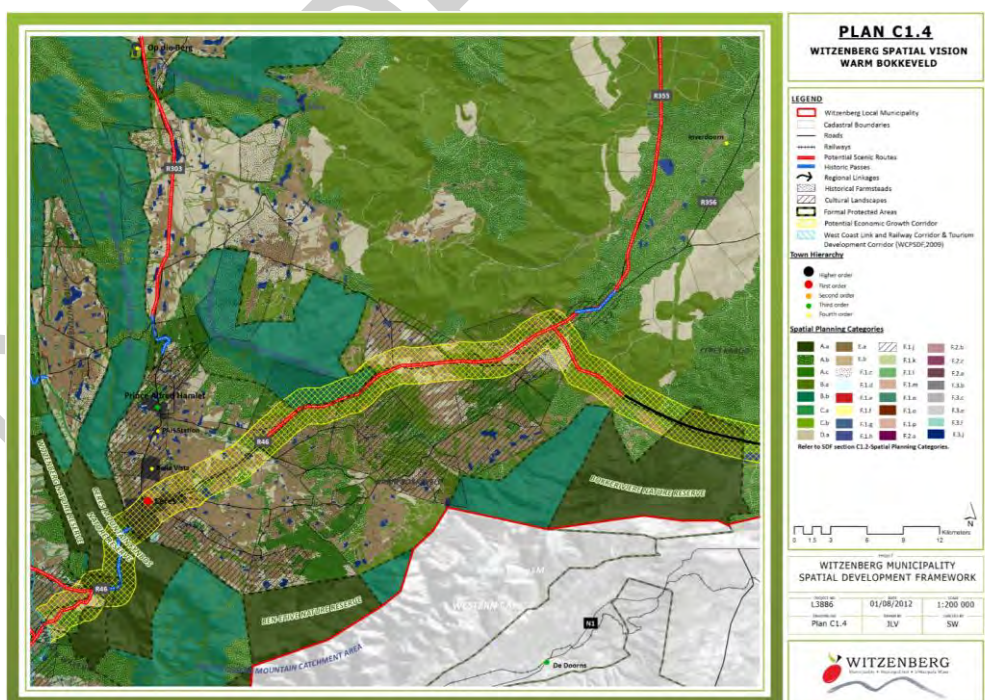
Witzenberg is characterised by a unique diversity of landscapes and areas that have historically been identified (intuitively, in terms of bioregional principles) such as the Warm Bokkeveld, Koue Bokkeveld, Tankwa and Ceres Karoo and the Land of Waveren. The western portion of the Witzenberg Municipality 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 even that could be redeveloped. The map below indicates major land uses in the Warm Bokkeveld region of Witzenberg Municipality.



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.

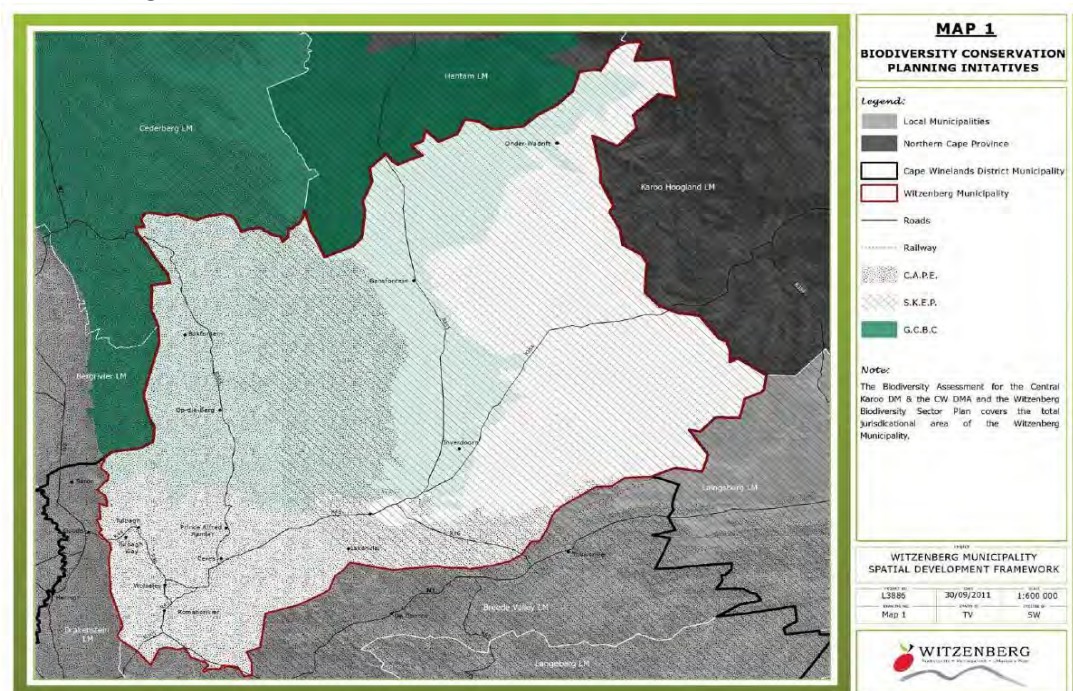
The potential for future development, restraints and capabilities of each town is summarised in the table below:

<i>Town</i>	<i>Capability</i>	<i>Restrain</i>	<i>5-Year Projects</i>
<i>Ceres</i>	<i>Administrative centre with largest job creation potential. Existing land available.</i>	<i>Transport network and impact on central business district. Bulk electricity supply from Eskom.</i>	<i>Vredebes social housing project of 2 900 units. Development of Skoonvlei industrial area. Various private developments.</i>
<i>Tulbagh</i>	<i>Growing tourism sector</i>	<i>Limited municipal land available. Insufficient bulk water and electricity. Limited job opportunities.</i>	<i>Complete existing social housing project. Private developments.</i>
<i>Wolseley</i>	<i>Municipal land available for housing. Industrial development potential due to location on economic corridors and railway line.</i>	<i>Require land for industrial development. Insufficient bulk water and electricity. Limited job opportunities.</i>	<i>Feasibility study on logistics hub development.</i>
<i>Prince Alfred's Hamlet</i>	<i>Municipal land available.</i>	<i>Insufficient water and bulk infrastructure. Limited job opportunities. Municipal land categorised as critical biodiversity areas.</i>	<i>Investigate utilisation of commonage for Agri-Park projects.</i>
<i>Op-die-Berg</i>	<i>Growing agricultural sector</i>	<i>No municipal land available. Insufficient water and bulk infrastructure. Job opportunities seasonal.</i>	

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 pollutants 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.

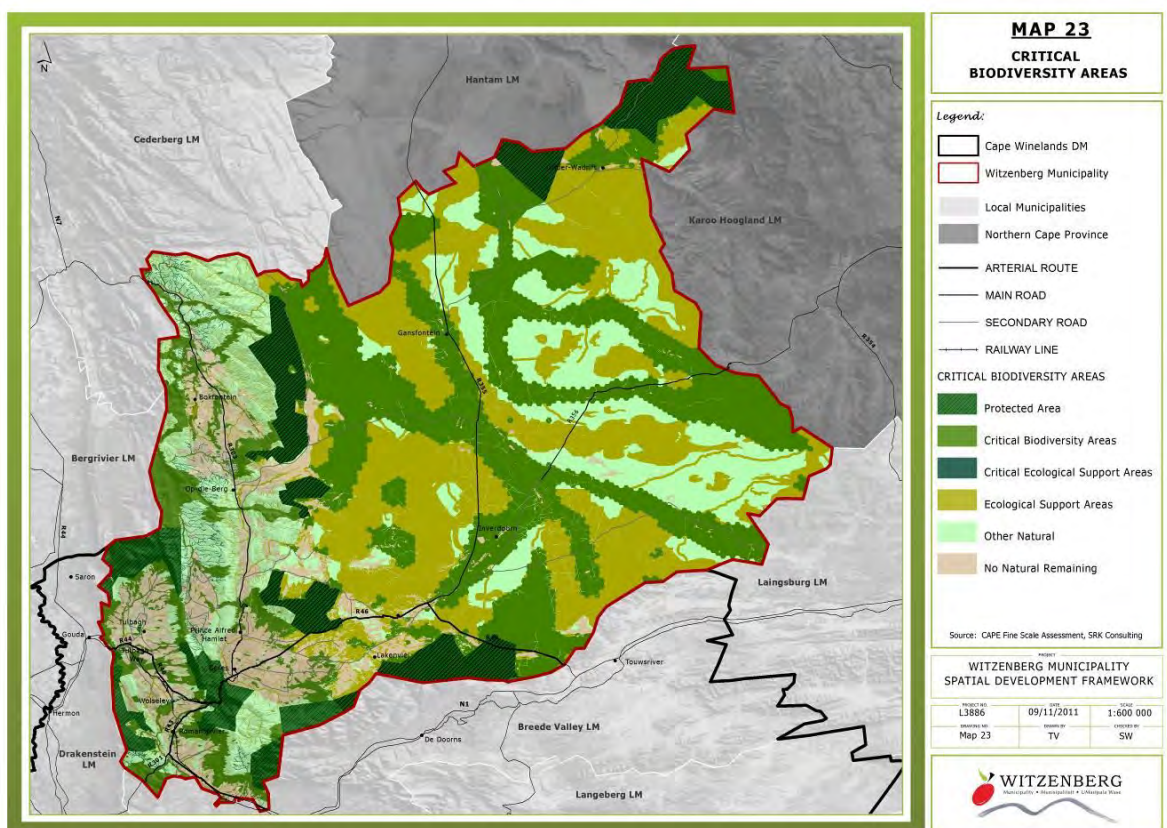
I. BIODIVERSITY (INCLUDING PROTECTED AREAS)

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

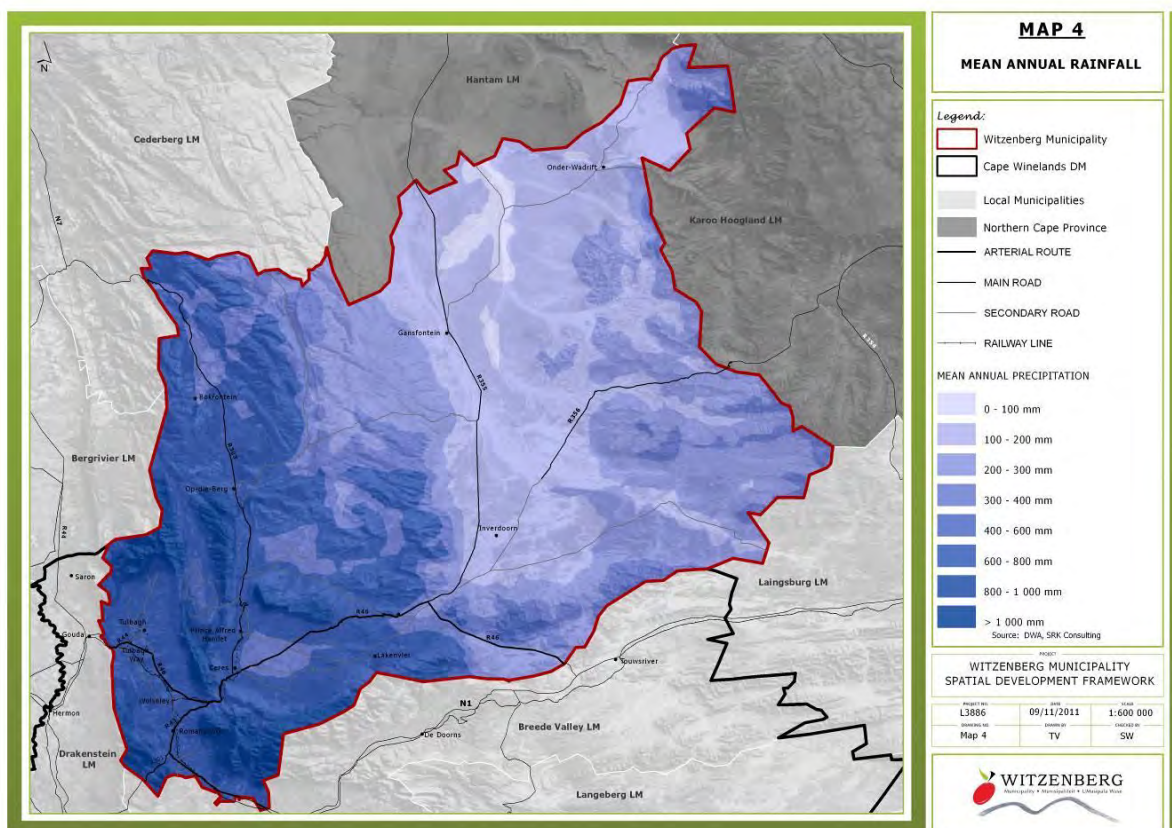
By law each local authority is compelled to manage air quality in its own jurisdiction. The National Environmental Management: Air Quality Act, 2004 (Act no. 39 of 2004) gives direction, guides and is to be enforced as legislative tool. The purpose of the Act is to protect the environment and enhance 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	<p>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).</p> <p>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).</p>
Berg WMA	<p>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.</p>
Breede WMA	<p>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.</p>
Gouritz WMA	<p>The Groot subarea of the Gouritz WMA covers a very small portion of the south eastern part of the Witzenberg Municipality.</p>

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.

Wolseley, Prince Alfred's Hamlet, Bella Vista and Op-die-Berg

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

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

The urban edges for these areas were drawn tight with the aim to contain development to the infill opportunities that exist.

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

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 increased 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 posts need to be filled to meet the demand of service delivery due to the growth of households that need 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 terms 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
<i>Drought</i>	<i>Occasional</i>	<i>Moderate</i>	<i>Normal</i>	<i>Preparedness Planning</i>
<i>Earthquake</i>	<i>Occasional</i>	<i>Moderate</i>	<i>Normal</i>	<i>Preparedness Planning</i>
<i>Fire</i>	<i>Occasional</i>	<i>Insignificant</i>	<i>Unlikely</i>	<i>Risk Reduction interventions and Preparedness</i>
<i>Flood</i>	<i>Seldom</i>	<i>Insignificant</i>	<i>Unlikely</i>	<i>Preparedness Planning</i>
<i>Severe Storm</i>	<i>Seldom</i>	<i>Moderate</i>	<i>Unlikely</i>	<i>Preparedness Planning</i>
<i>Tuberculosis</i>	<i>Continuous</i>	<i>Moderate</i>	<i>Normal</i>	<i>Risk Reduction interventions and Preparedness</i>
<i>HIV /AIDS</i>	<i>Continuous</i>	<i>Moderate</i>	<i>Normal</i>	<i>Risk Reduction interventions and Preparedness</i>
<i>Hazmat accidents by road</i>	<i>Seldom</i>	<i>Insignificant</i>	<i>Unlikely</i>	<i>Preparedness Planning</i>
<i>Air Pollution</i>	<i>Occasional</i>	<i>Insignificant</i>	<i>Unlikely</i>	<i>Preparedness Planning</i>

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 (KPA's) 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, it 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

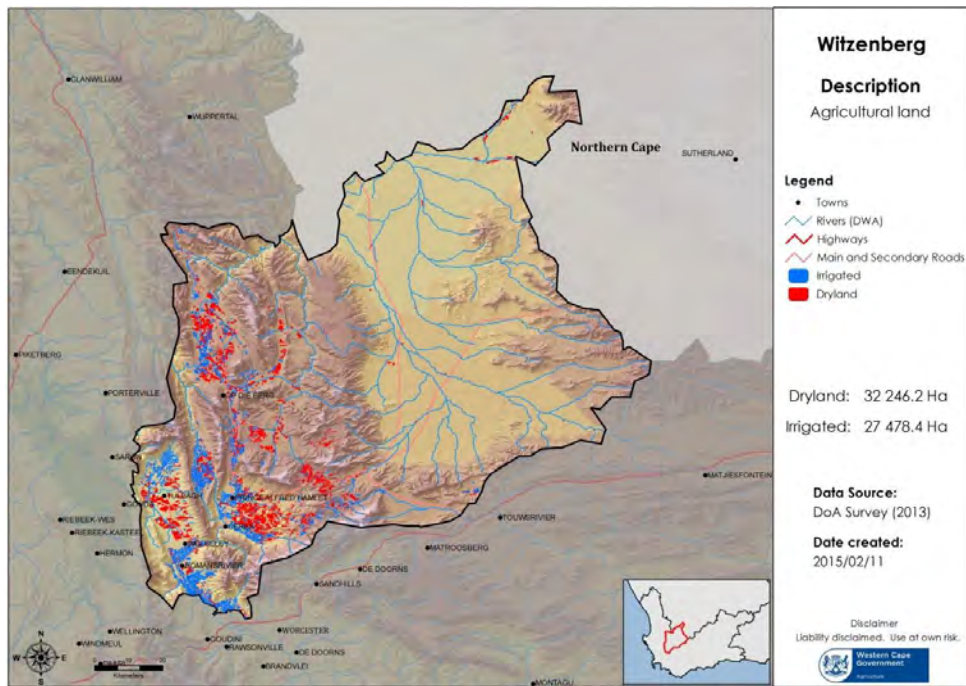
The Witzenberg Municipality falls within the winter rainfall region of South Africa, and has a Mediterranean climate. The climate is characterised by warm to hot, dry summers and mild to cool, wet winters. Mediterranean climates are characterised by the long growing seasons with moderate to warm temperatures.

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	<ul style="list-style-type: none"> • ± 599 mm/annum • Lowest: ± 9 mm in February • Highest: ± 117 mm in June 	Average minimum temperature drops to $\pm 3.8^{\circ}\text{C}$ in July.	Daily average maximum temperature ranges from $\pm 15.2^{\circ}\text{C}$ in July to $\pm 28.2^{\circ}\text{C}$ in February.
Prince Alfred's Hamlet	<ul style="list-style-type: none"> • ± 614 mm/annum • Lowest: ± 9 mm in February • Highest: ± 116 mm in June 	Average minimum temperature drops to $\pm 3.5^{\circ}\text{C}$ in July.	Daily average maximum temperature ranges from $\pm 14.7^{\circ}\text{C}$ in July to $\pm 27.9^{\circ}\text{C}$ in February.
Wolseley	<ul style="list-style-type: none"> • ± 575 mm/annum • Lowest: ± 10 mm in January • Highest: ± 107 mm in June 	Average minimum temperature drops to $\pm 4.7^{\circ}\text{C}$ in July.	Daily average maximum temperature ranges from $\pm 16.7^{\circ}\text{C}$ in July to $\pm 29.7^{\circ}\text{C}$ in February.
Tulbagh	<ul style="list-style-type: none"> • ± 567 mm/annum • Lowest: ± 11 mm in January • Highest: ± 105 mm in June 	Average minimum temperature drops to $\pm 5.2^{\circ}\text{C}$ in July.	Daily average maximum temperature ranges from $\pm 17.3^{\circ}\text{C}$ in July to $\pm 30.8^{\circ}\text{C}$ in February.

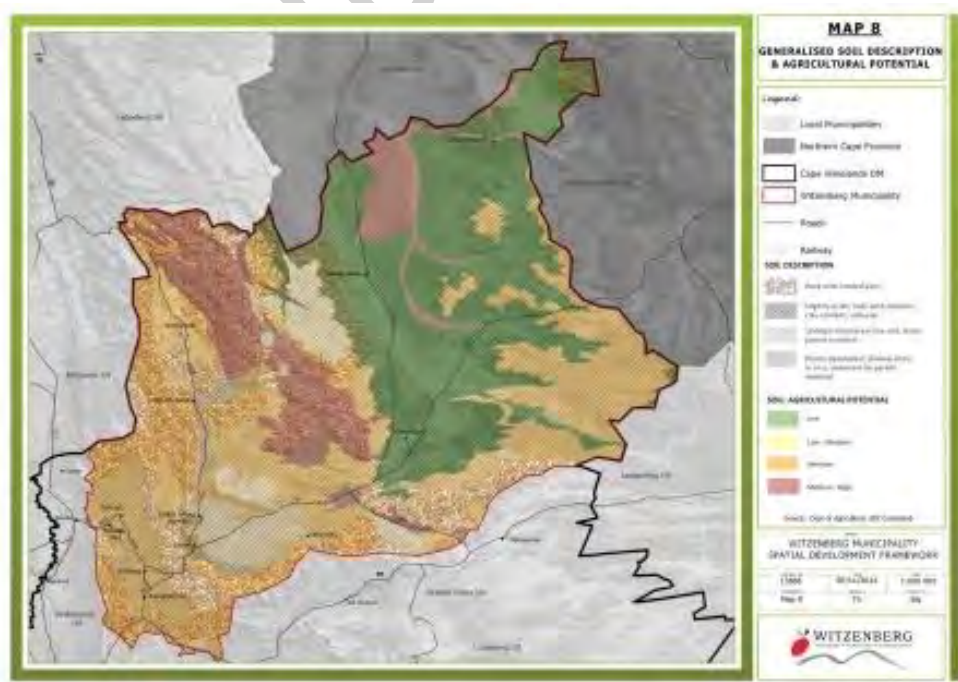
Area irrigated land vs dryland farming



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).



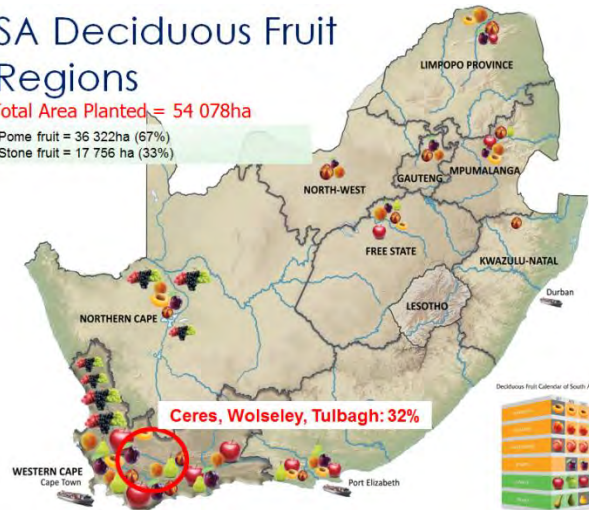
Deciduous fruit is the dominant product

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)

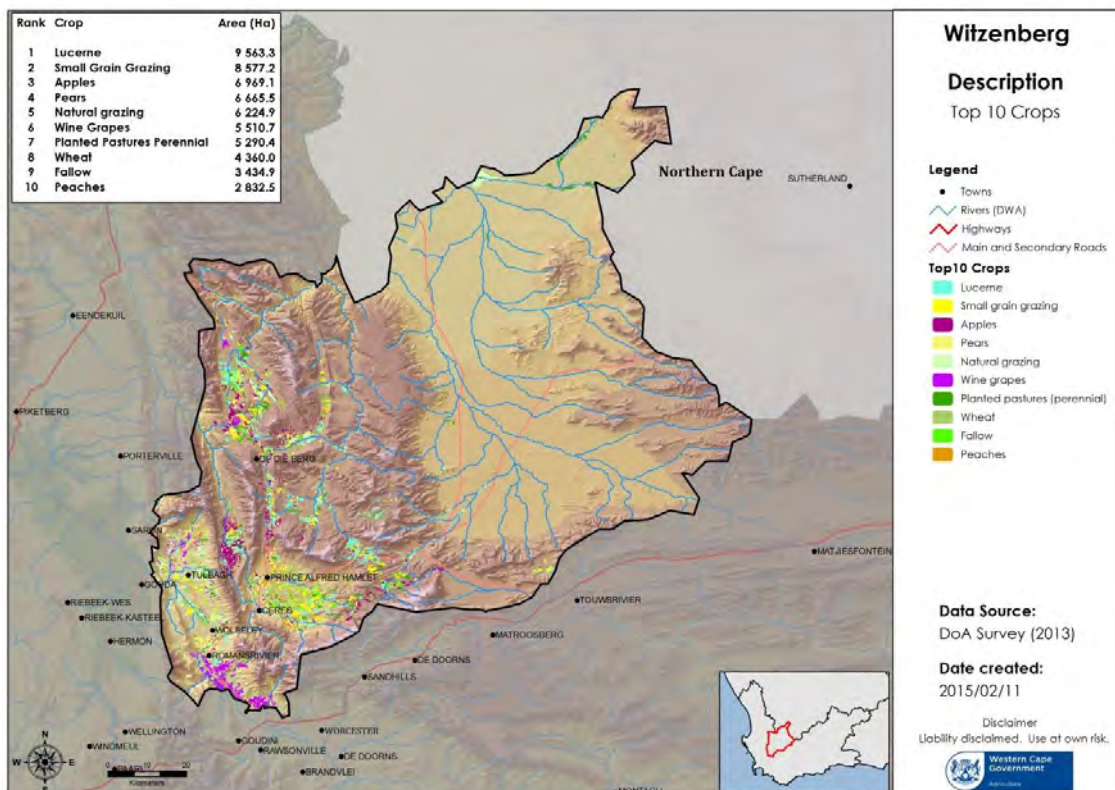
SA Deciduous Fruit Regions

Total Area Planted = 54 078ha

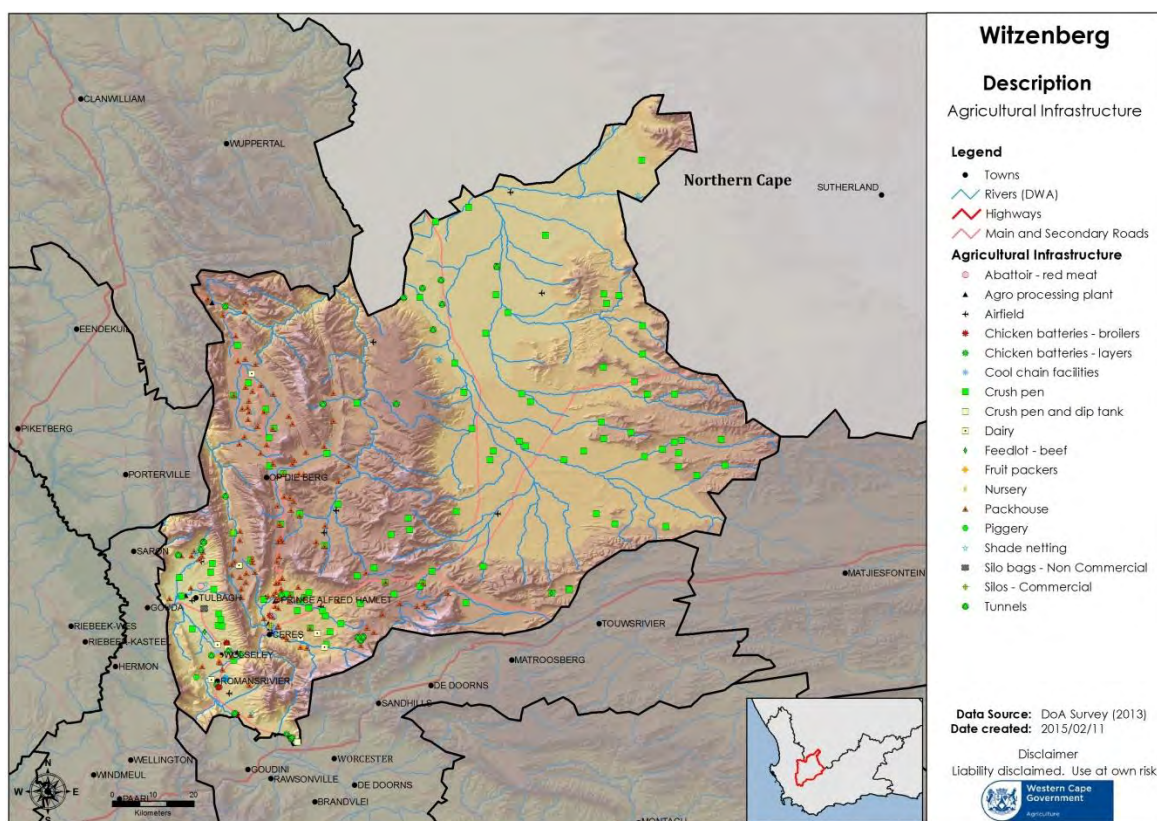
- Pome fruit = 36 322ha (67%)
- Stone fruit = 17 756 ha (33%)



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% ±*

<p>Factors influencing anticipated 5% - 8% growth per year for next five years</p> <ol style="list-style-type: none"> 1. Water <ol style="list-style-type: none"> i. Permits 2. World Economy – exports <ol style="list-style-type: none"> 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 <ol style="list-style-type: none"> 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 <ol style="list-style-type: none"> i. New cultivars ii. Internet of things 	<p>Exciting new Agri opportunities may stimulate extra growth</p> <ol style="list-style-type: none"> 1. Agriculture in Western Cape is high priority – and well positioned <ol style="list-style-type: none"> i. Right products ii. Good location iii. Investor confidence iv. Expect government support 2. New technology <ol style="list-style-type: none"> i. Faster breeding of better products ii. New growing techniques iii. Use of IT and Apps iv. Internet of things 3. Covered production <ol style="list-style-type: none"> i. Security for investor and supply chain ii. Sunburn and hail 4. PALS initiative – a community in harmony <ol style="list-style-type: none"> 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
<p>Main factors that put anticipated growth at risk</p> <ol style="list-style-type: none"> 1. Electricity: Stability of network and access for new projects 2. Infrastructure <ol style="list-style-type: none"> 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 <ol style="list-style-type: none"> 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 <ol style="list-style-type: none"> 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. Threat 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.

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.



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.



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:

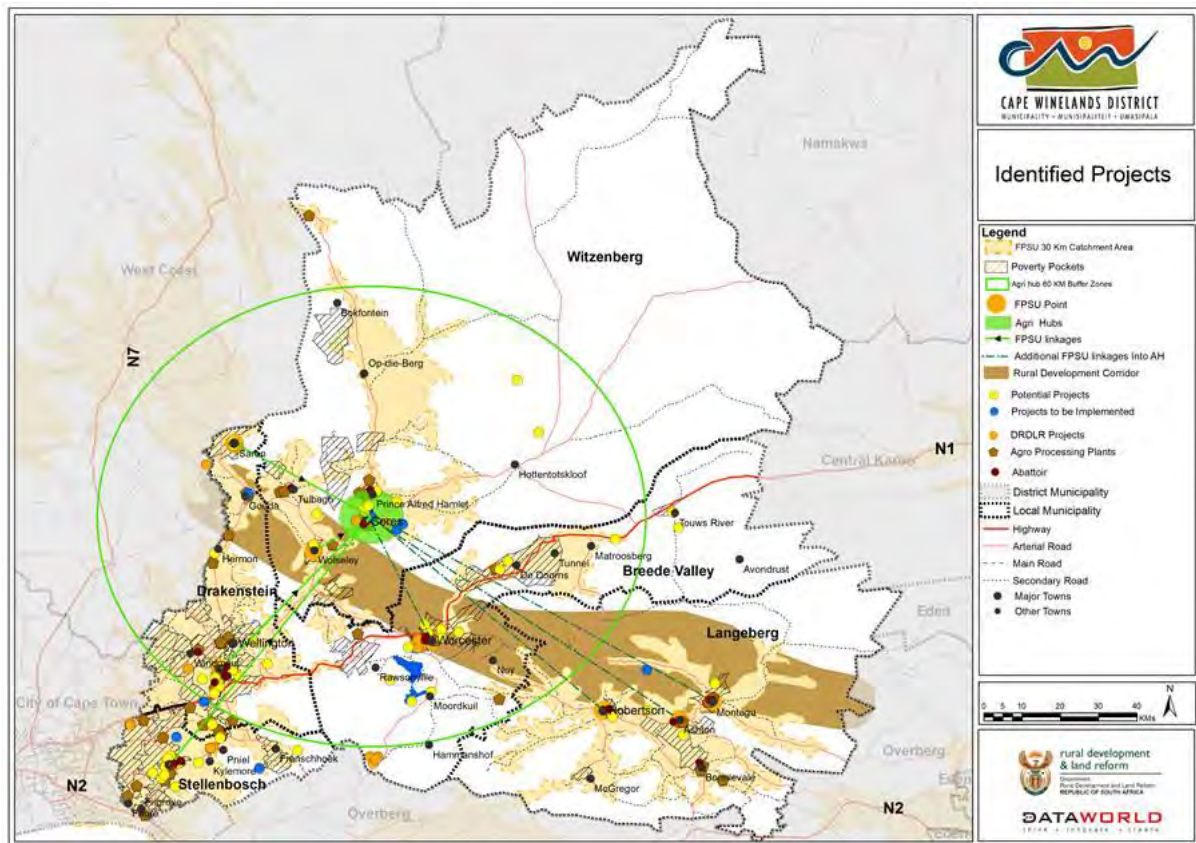
1. **The Farmer Production Support Unit (FPSU).** The FPSU is connected with the Agri-hub. The FPSU does primary collection, some storage, some processing for the local market, and extension services including mechanisation.
2. **Agri-Hub Unit (AH).** The AH is a production, equipment hire, processing, 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.

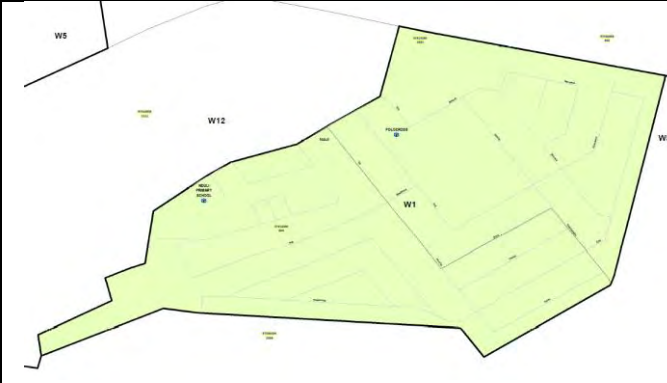

Several projects relating to youth development and the environment were implemented successfully in the past. Current projects include a Flemish programme on youth development and upgrading of open spaces. A federal programme focusing on waste management will be implemented in 2017/18.

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.

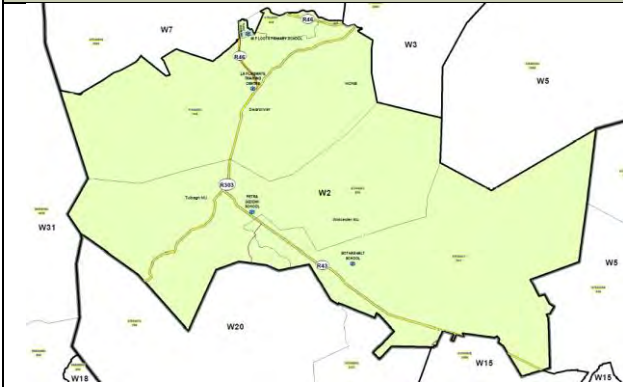
The value of contribution from the Belgium Federal Government amounts to 250 000Euro that will be implemented over a five-year period.

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	
	
<p>Provide street/security lights in unsafe areas</p> <p>More secure fencing at public facilities</p> <p>Upgrading of older streetlights</p> <p>Better dialogue in future with the youth</p> <p>Water resources for small farmers</p> <p>Policies must be communicated with the community</p> <p>Safe “walk way” / bridge between N’Duli and Vredebos</p> <p>Ongoing programmes on speed control</p> <p>Combat erosion on sidewalks and streets (rehabilitation)</p> <p>Community facilities need to be upgraded</p> <p>Rehabilitation of graveyard and fencing</p> <p>More prepaid electricity selling points</p> <p>Mobile clinic services</p> <p>Maintenance of roads</p> <p>Signage on rural roads</p> <p>Satellite connectivity in rural areas, emergency and law enforcement connectivity</p> <p>Television connectivity for rural areas</p> <p>Resource farm watch</p>	<p>Skips programme needs to be sustained</p> <p>Sewer network needs to be improved</p> <p>Sports grounds needs to be restored/ upgraded</p> <p>Electrical theft needs to be clamped down</p> <p>Mini CBD to be developed in N’Duli</p> <p>Implementation of recycling projects/ programmes</p> <p>NYDA and EPWP needs to be linked</p> <p>Transfer of title deeds</p> <p>Rehabilitation of playgrounds and parks</p> <p>Development programmes for women and persons with disabilities</p> <p>Police station for N’Duli</p> <p>Hostel facilities for primary school children</p> <p>Rest areas on rural roads, maintenance, district to stop cutting down trees</p> <p>Solar/renewable energy for farm houses</p> <p>Firefighting volunteers</p>



Wards 2 and 7

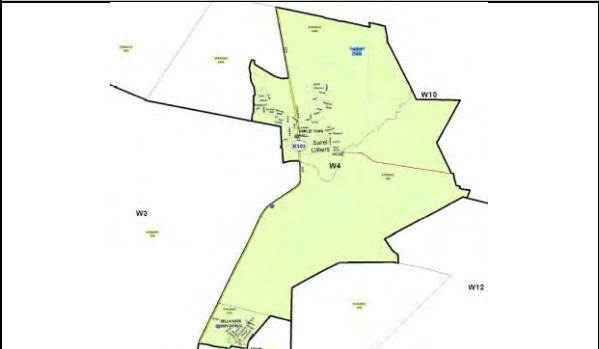



Pine Valley library and swimming pool
 Bathroom facilities in the graveyard areas
 Secure fencing at the graveyard
 Relook Indigent Policy
 Substance abuse escalating under scholars
 Illegal shebeens and off-sales
 Dilapidated houses used for criminal offences
 Job creation programmes
 Back yard dwellers still a problem, housing need
 Foreigners' activities (illegal) still a problem

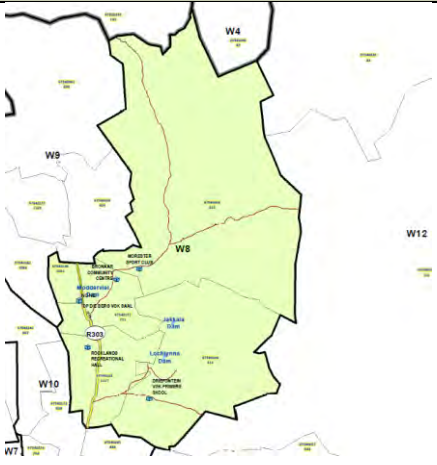
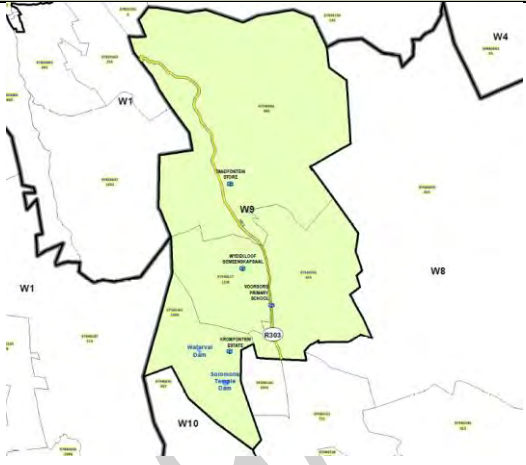
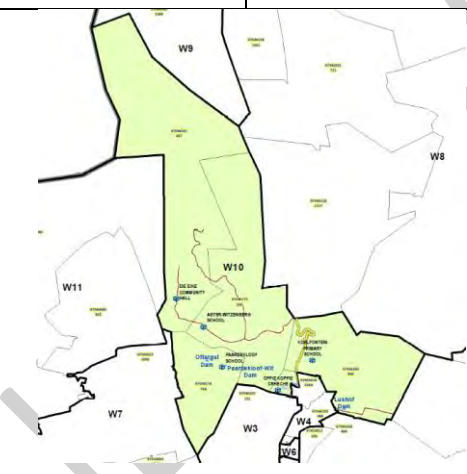
Bathroom facilities at informal settlements
 Wolseley requires a fire station
 Neighbourhood watches in all areas RDP
 houses are being sold to foreigners
 Drop-off and pick-up points at die Bossie,
 as you enter Wolseley
 Communal and church plots at
 Kluitjieskraal
 Mobile library service for the Breederiver
 area
 Homeless shelter


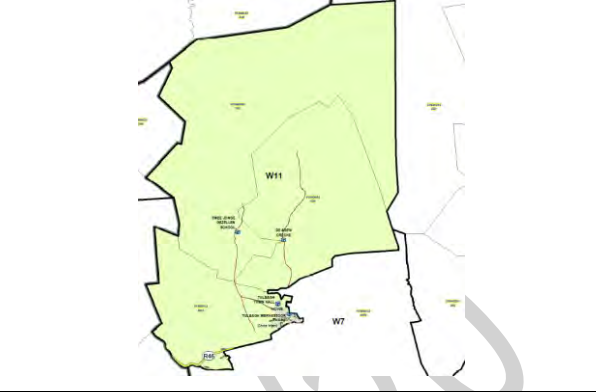


Wards 3 and 5	
	
<p>Playgrounds for the northeastern part of the Rooikamp area</p> <p>Animal control a big problem, dogs and stray animals / problem has escalated</p> <p>Clarity on the Eiland housing scheme</p> <p>Better/more speed calming efforts</p> <p>Street signage to be upgraded</p> <p>Playground/field in Fabriek Str to be fenced</p> <p>Bassons sloot still a problem</p> <p>Mainmast light/ high-beam floodlights to be installed at parks and walk way areas</p> <p>Rotational skip system to be developed</p> <p>Developing of Lyell Str sports grounds, to accommodate more sport codes – Sector departments need to assist</p> <p>Gap housing developments</p> <p>Free broadband and WiFi hotspots</p> <p>Establishment of CPFs in all areas and more regular SAPS patrols/ high crime still a problem</p> <p>Library in Lyell Street to be upgraded/ modernised</p> <p>Recreational facilities similar to neighbouring municipalities (Worcester dam development)</p>	<p>Sidewalks to be tarred or paved</p> <p>Walkway bridge over railway line dilapidated and unsafe</p> <p>Streetlights to be upgraded, streetlights that are lower than the trees, outdated</p> <p>Community “Clean Green” programmes for the Rooikamp area</p> <p>Owen Street unsafe due to poor street lighting</p> <p>Owen Street walkway to be developed, as this has become a main taxi route, unsafe for pedestrians</p> <p>Inspection/policing of shops, occupants use as accommodation</p> <p>Walkway to be developed from the nature reserve, past the pine forest</p> <p>Homeless people problem getting out of hand</p> <p>Stormwater network a problem</p> <p>Walkway and lights from Egoli to Albert Crescent behind houses</p> <p>Problems between Munnik and Voortrekker Street – close passage</p> <p>Railway line to be cleaned frequently, better quality fence</p>

Wards 4 and 6	
	
<p>Community hall for Phases 3, 4 and 5</p> <p>Backyard dwellers still a problem – housing need</p> <p>Sports facilities for Phases 3, 4 and 5</p> <p>High dropout rate of scholars a problem</p> <p>Business hub/mini CBD for Kliprug area</p> <p>Better controlled refuse removal in Phases areas</p> <p>Effective placement of skips</p> <p>Availability of church sites</p> <p>Not all dwellings connected to main sewer line</p> <p>Ongoing speed control programmes</p> <p>Animal control in all areas</p> <p>Xhosa medium school for PA Hamlet area</p> <p>More electrical selling points, even at Thusong</p> <p>Business hub/mini CBD for Bella Vista</p> <p>More prepaid electricity selling points</p> <p>Bus and taxi shelters for scholars</p>	<p>Service suspensions to be clearly communicated to consumers</p> <p>Clamp down on illegal dumping of refuse</p> <p>Upgrade of Bella Vista Community Hall</p> <p>Danger of heavy duty transport in Panorama St</p> <p>Sewer network a problem at graveyard</p> <p>Development of youth centre at one of municipal facilities</p> <p>Land availability for small farmers</p> <p>Off-ramp lanes at Bella Vista entrances</p> <p>Gap housing developments</p> <p>Major need for pavilions at sports grounds</p> <p>Need a walkway around Jakaranda, Vrede Street and Mooi Uitsig School</p> <p>Bella Vista clinic too small</p> <p>Thusong Centre open on Saturdays from 09:00 to 12:00</p>

Wards 8, 9 and 10

	
	
<p>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</p>	<p>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 There are still streets that need tarring; Grond, Bokveld Street, etc. Better quality street/security lights Investigation needed regarding trees in CBD area Swimming pool needed for Op-die-Berg Subsidised water storage tanks for all houses</p>

Wards 7 and 11	
	
<p>Replacement and maintenance of roads</p> <p>Substance abuse a problem in Tulbagh area</p> <p>Small-scale farmers need land for their animals</p> <p>Animal control must be intensified</p> <p>Sector departments need to assist with the establishment of sports facilities in farming areas</p> <p>Water shortage a problem during summer months</p> <p>Small business development opportunities</p> <p>Gap housing developments</p> <p>Traffic Services for Tulbagh</p> <p>Illegal house shops need to be regulated</p>	<p>Illegal shebeens need to be closed</p> <p>Storm water network in Tulbagh needs to be maintained regularly</p> <p>The use of local contractors for municipal work</p> <p>Sewerage network in Chris Hani area needs to be maintained regularly</p> <p>River rehabilitation programmes to be sustained</p> <p>Upgrading of street lights</p> <p>Parks and playgrounds to be upgraded</p> <p>Better ablution facilities for schools on farms</p> <p>Libraries to be open on Saturday mornings</p> <p>Control the influx and illegal structures</p>

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.

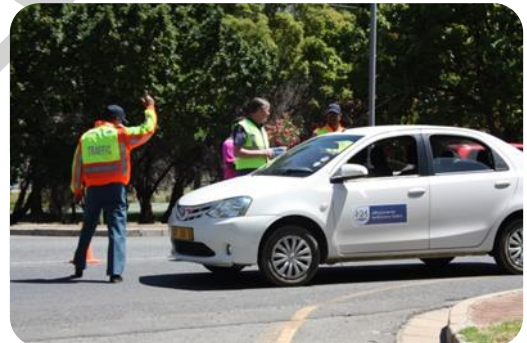
KPA **Essential Services** include the following functions:

- 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 m³ of which the municipality is entitled to 10 million m³. Current usage is 4,9 million m³ 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 MI) 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 MI and 2,5 MI services reservoir, a booster pump station to the pressure tower at Bella Vista as well as a 750 kl and a 4,5 MI 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 m³/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 MI 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 MI) 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 MI Wolseley reservoir serve as storage reservoirs to the distribution network of 44 km with two pressure

zones. The network includes a 4.5 MI 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.

<i>Infrastructure Investment</i>			
<i><u>Project Name</u></i>	<i><u>Area</u></i>	<i><u>Budget</u></i>	<i><u>Year</u></i>
<i>2,5 MI Reservoir</i>	<i>Bella Vista</i>	<i>R 7,2m</i>	<i>2017</i>
<i>4,5 MI Reservoir</i>	<i>N'Duli</i>	<i>R 14,6m</i>	<i>2017/18</i>
<i>Bulk water pipe line</i>	<i>Ceres, Vos Street</i>	<i>R 6,2m</i>	<i>2017</i>
<i>750 000 MI Storage Dam</i>	<i>Tulbagh</i>	<i>R 40m</i>	<i>2017/18/19</i>
<i>Bulk water pipe line from Tier Hok weir</i>	<i>Wolseley</i>	<i>R 11m</i>	<i>2021</i>
<i>New reservoir at Op-die-Berg</i>	<i>Op-die-Berg</i>	<i>R 5,5m</i>	<i>2019/20</i>
<i>New reservoir at Tulbagh</i>	<i>Tulbagh</i>	<i>R 9m</i>	<i>2021/22</i>

Achievements

Achieved BLUE DROP status for all water treatment works for past three years

Critical actions

Ensure approval of RBIG funding for Tulbagh storage dam

Key performance indicators for 2018/19

- 1. Target of 96% expenditure of Capital Budget*
- 2. Target of 98% for drinking water quality*

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 2016/17. 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			
<u>Project Name</u>	<u>Area</u>	<u>Budget</u>	<u>Year</u>
Upgrading of aerators	Witzenberg	R2,1m	2017/20
Rising Bulk main	Ceres	R 7,6m	2017/18

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.

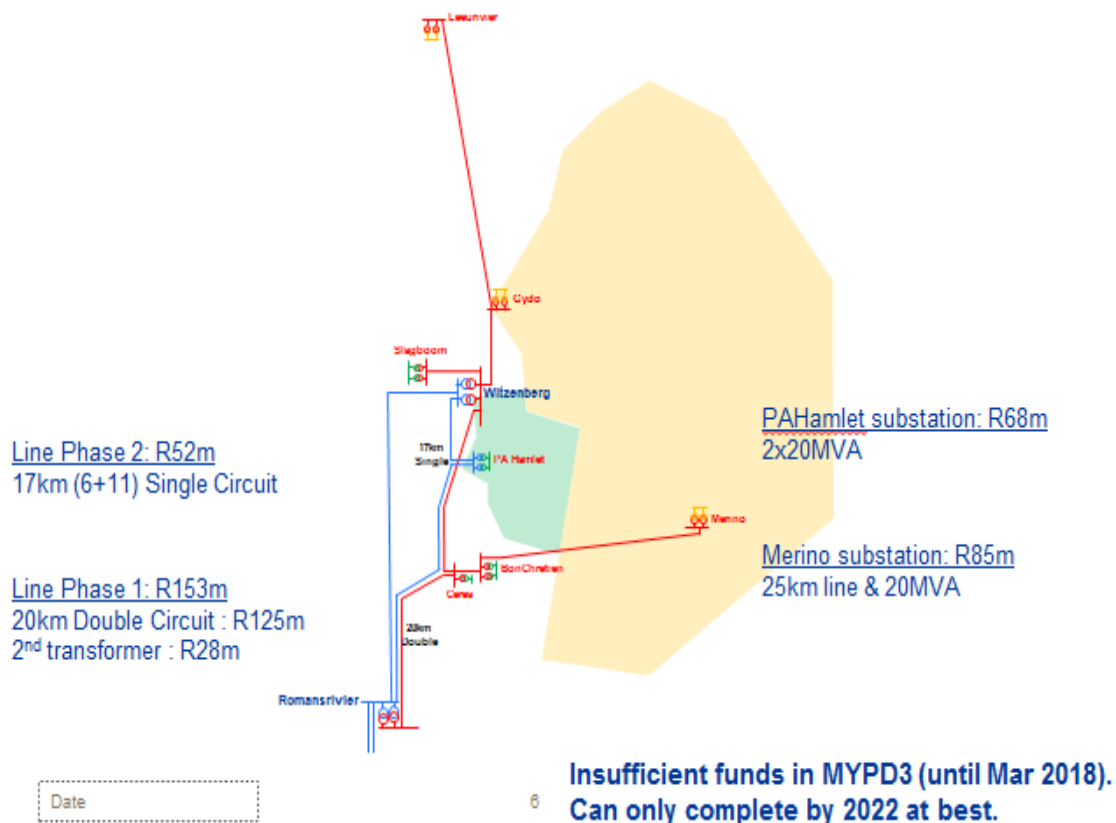
	Ceres	Tulbagh	Wolseley
NMD	36,5 MVA	4,5 MVA	4,5 MVA
MD	39,07 MVA non-diversified March 2015 (Ceres MD 15,28 + Bon C MD 23,79)	3,88 MVA March 2015	4,3 MVA March 2018
Application for increased NMD from Eskom	COMPLETE	COMPLETE	700Kva application in process
Expected development	Vredebes development (2 850 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 reconsider 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:

<i><u>Town</u></i>	<i><u>Ton/annum</u></i>
<i>Tulbagh</i>	<i>4 284</i>
<i>Wolseley</i>	<i>4 887</i>
<i>Op-die-Berg</i>	<i>3 083</i>
<i>Prince Alfred's Hamlet</i>	<i>2 781</i>
<i>Ceres</i>	<i>9 664</i>
<i>TOTAL</i>	<i>24 699</i>

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.

Critical actions

- *Develop a long-term waste management strategy*
- *Implement strategy by 2019*

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. **A new truck was procured in 2017 to address backlogs due to breakages on existing trucks and increased demand.**

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.

Infrastructure Investment			
Project Name	Area	Budget	Year
Pipe Replacement Programme (Water)	All towns	R 1,2m	Annually (10% increase)
Pipe Replacement Programme (Sewerage)	All towns	R 1m	
Sewer pumps upgrading	All towns	R 0,4m	

Achievements

Decrease in water losses
 2013/14 – 27%
 2015/16 – 16%
 2016/17 – 19%

Key performance indicators for 2018/19

1. Target of 96% expenditure of capital budget
2. Target of 99% expenditure of operational budget
3. Target of 18% of water losses
4. Outstanding water/sewer connections should be less than 1% of total number of accounts

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.

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.

<i>Infrastructure Investment</i>			
<i>Project Name</i>	<i>Area</i>	<i>Budget</i>	<i>Year</i>
<i>Replacement of MV equipment</i>	<i>All towns</i>	<i>R5m</i>	<i>Annually (10% increase)</i>
<i>MV Capital reinvestment upgrades</i>	<i>All towns</i>	<i>R4m</i>	<i>Annually (10% increase)</i>
<i>Replace 11 kv Cables</i>	<i>All towns</i>	<i>R3m</i>	<i>Annually (10% increase)</i>

Achievements

Re-commissioning of Bella Vista main road lighting

Installation of capacitor banks

Critical actions

Develop strategy and policy to address illegal electricity connections. Engage with SAPS on enforcement of by-law.

Key performance indicators for 2018/19

1. Target of 96% expenditure of capital budget
2. Target of 99% expenditure of operational budget
3. Target of 10% of electricity losses
4. Outstanding electrical connections should be less than 1% of total number of accounts

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

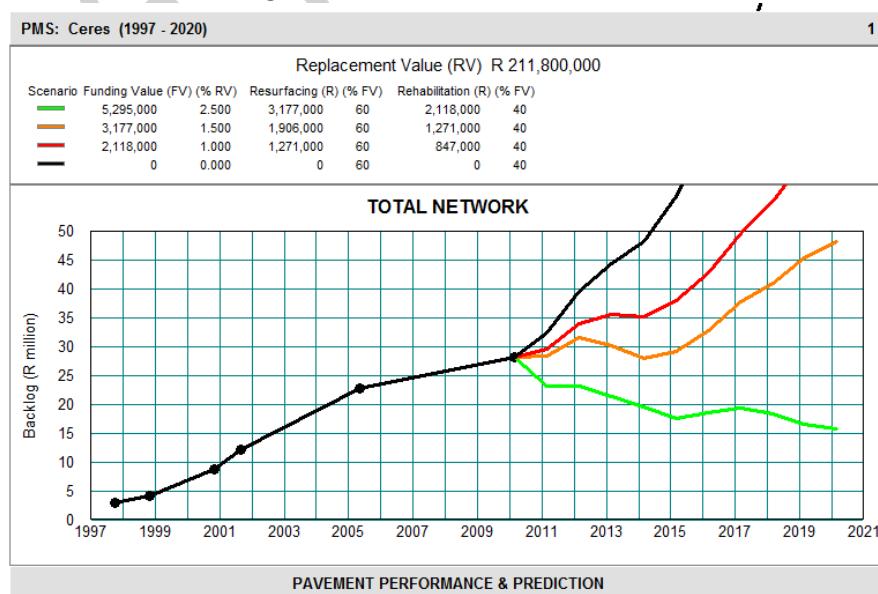
roads is that it may damage the produce to such an extent that the grading of the produce and thus the selling price are impacted negatively. The increased heavy transport has resulted in severe congestion during peak times in especially Ceres. The municipality supports the increased use of freight transport 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 Municipality is 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			
<u>Project Name</u>	<u>Area</u>	<u>Budget</u>	<u>Year</u>
<i>Upgrading of roads</i>	<i>As per PMS</i>	<i>R2m</i>	<i>Annually</i>
<i>Upgrading of Tulbagh roads</i>	<i>Tulbagh</i>	<i>R9m</i>	<i>2018/19 onwards</i>
<i>Bella Vista taxi rank</i>	<i>Ceres CBD</i>	<i>R6,8m</i>	<i>2018/19</i>
<i>Van Breda bridge</i>	<i>Ceres</i>	<i>R4m of R20m</i>	<i>2018/19</i>
<i>Vredebes housing roads</i>	<i>Vredebes</i>	<i>R8,2m</i>	<i>2018/19</i>
<i>Vredebes access collector</i>	<i>Vredebes</i>	<i>R8,0m</i>	<i>2018/19</i>
<i>Vredebes housing storm water</i>	<i>Vredebes</i>	<i>R4,0m</i>	<i>2018/19</i>
<i>The upgrading of roads, related stormwater and relocation of bulk sewer in skoonvlei phase 2</i>	<i>Skoonvlei</i>	<i>R40.2m</i>	<i>2018/19</i>

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 2017/18

1. *Target of 96% expenditure of Capital Budget*
2. *Target of 99% 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 due 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 2018/19

- Target 630 serviced sites developed at Vredebes, Ceres
- Target 100 subsidised electrical connections

■ **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

<u>Informal area</u>	<u>Households</u>	<u>Water points</u>	<u>Toilets</u>
<i>N'Duli, Ceres</i>	1096	25	14
<i>Tulbagh</i>	812	45	47
<i>Pine Valley, Wolseley</i>	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 2018/19

- 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



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, 20199 (Act No. 28 of 1999).

Critical Actions

Finalise job descriptions and contracts for managers

Key Performance Indicators for 2017/18

- *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)**

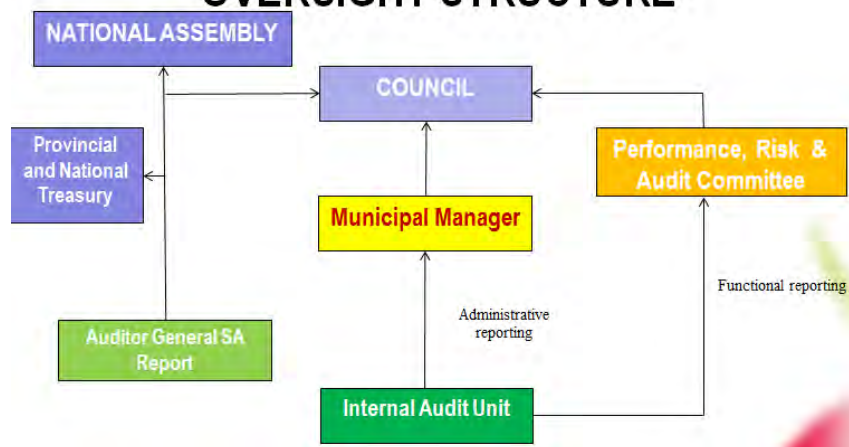
According to Section 62(c) of the MFMA, the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control and **internal audit** operating in accordance with any prescribed norms and standards

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.

OVERSIGHT STRUCTURE



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, policies, procedures and contracts.

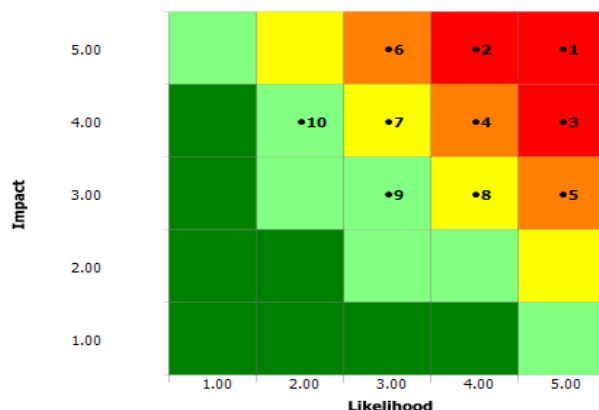
Internal Audit assists the organisation in maintaining effective controls (of which management is the custodian) by evaluating the

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 electricity connections can't be addressed due to safety issues of personnel.

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	45,4
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 SMMs 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 2018/19

- *95% target for revenue collection*
- *Debt coverage ratio target – 90*
- *Cost coverage ratio target – 2,8*
- *Outstanding debtors ratio target – 44%*
- *Unqualified opinion of the Auditor-General*
- *96% of municipal capital budget spend*
- *99% 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

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.

views of local residents regarding communication 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.

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,

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.

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

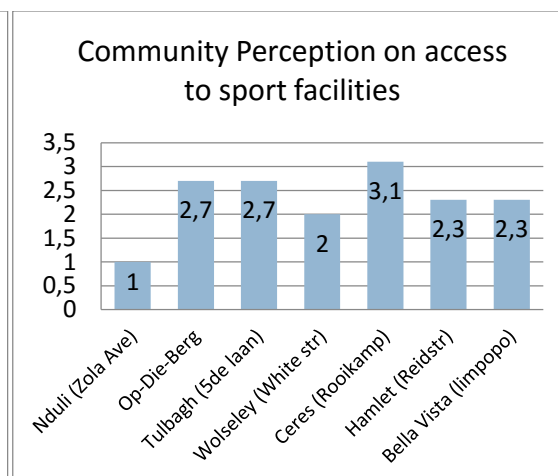
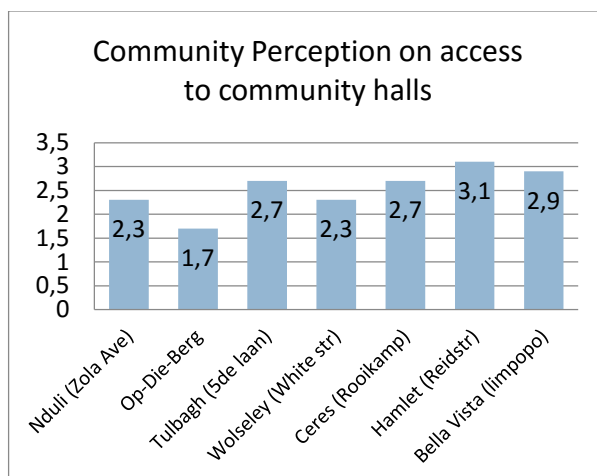
I. OBJECTIVE 3.1: PROVIDE AND MAINTAIN FACILITIES AND AN ENVIRONMENT THAT MAKE CITIZENS FEEL AT HOME

■ 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

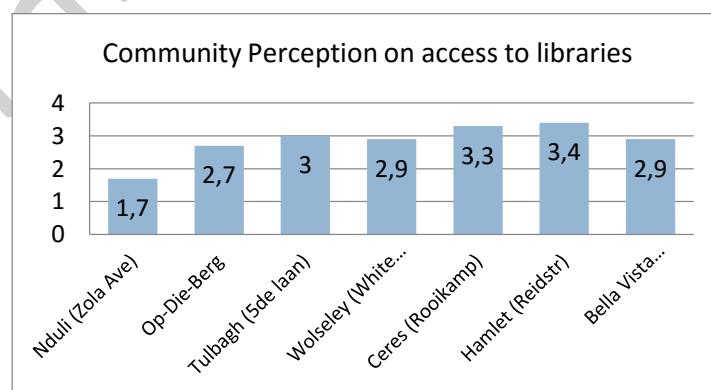
To address the escalating city burial demand resulting from population growth and over capacity of existing **cemeteries**, an approximate total of 4 ha of land is required for new cemeteries. It is especially the areas of Ceres, Bella Vista, N'Duli and Op-die-Berg that are in urgent need. To address 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 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

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.

- 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 2018/19

- Annual customer satisfaction survey on community facilities
- 96% of community services capital budget spend
- 99% 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

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

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.



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.

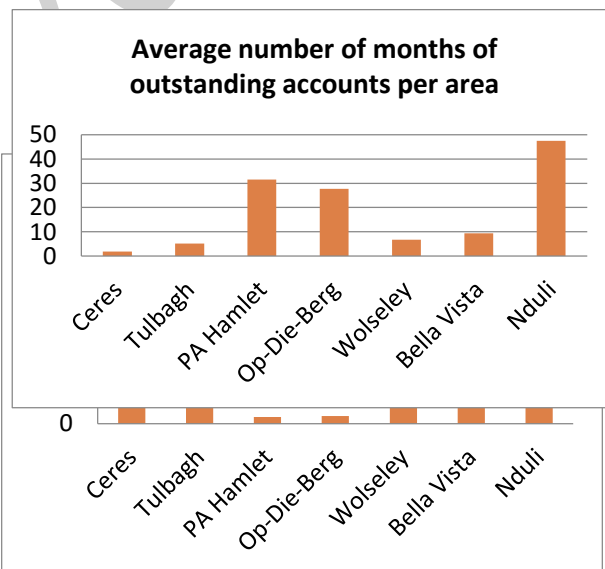
The **Early childhood development (ECD)** programme supports quality ECD services with a variety of development components, such as ECD training, expansion and awareness, as well as the construction of ECD facilities. This also includes supporting and strengthening the role and function of the Witzenberg ECD Forum.

Key Performance Indicators for 2018/19

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.

Key Perf

To subsidise

PROGRAMME 4.1 (C): HOUSING PROGRAMME

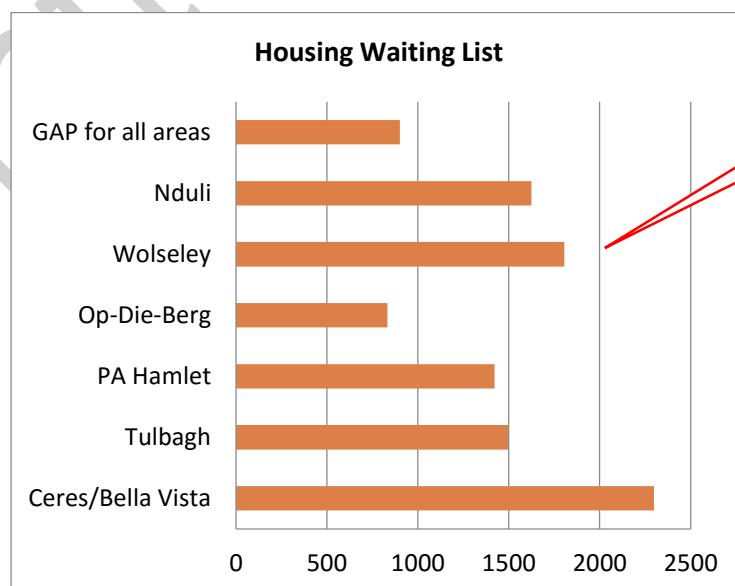
One of the Witzenberg's biggest challenges relates to growing informality – the expansion of informal settlements and the rising number of households living in makeshift shelters in backyards. Witzenberg needs to ensure integrated sustainable human settlements and access to housing for those in need in an incremental manner.



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.



Insert new
Data

Witzenberg will implement the following projects over the next couple of years:

Project	2017/18			2018/19			2019/20		
	Sites	Houses	Funds	Sites	Houses	Funds	Sites	Houses	Funds
Bella Vista (309)		207	R 13m						
Vredebes (2911)	500	100	R 25m		30	R 3.9m		200	R 29m
N'Duli				0		0		0	0

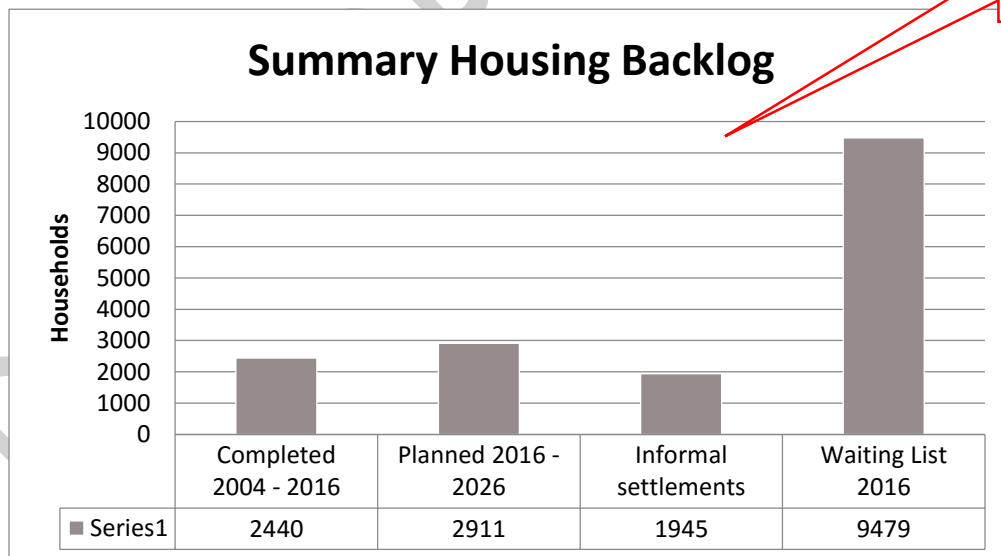
Dependant on the allocation of funding from Provincial Government.

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 in the past couple of years and the planned future.

Insert new Data



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

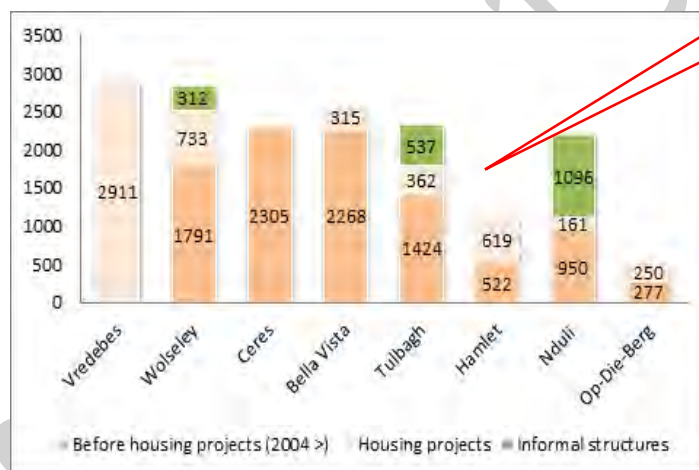
significant bulk infrastructure upgrades. The Bella Vista project were completed in 2017 with the Vredebes project being developed over the next couple of years depending on the availability of funding to complete bulk infrastructure.

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 2014/15 – 153 properties

Key Performance Indicators for 2018/19

- Transfer of 40 rental stock properties
- Construction of 100 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).

Key Performance Indicators for 2018/19

Create 390 temporary jobs through EPWP programmes.

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 2018/19

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.

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.

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 demands, and provide the requisite services and products necessary to promote local trade and economic development.

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.

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

- **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 entrepreneurship 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.

INTERNAL MONITORING AND REPORTING

Measuring of performance on Strategic Objectives is measured through the Service Delivery and

- 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.

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.



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

Mayoral Committee



Executive Mayor
Barnito Klaasen



Executive Deputy
Mayor Karriem Adams
(Ward 8) - DA



Speaker Theodore Godden
(PR) - COPE



Alderman Hennie Smit
(Ward 5) - DA



Cllr. Ronald Visagie
(Ward 4) - DA



Cllr. Elisabeth Sidego
(Ward 11) - DA



Cllr. Trevor Abrahams
(PR) - DA



Cllr. Nomzame
Phisoane
(Ward 1) - ANC



Cllr. Cornelius Lottering
(Ward 2) - DA



Cllr. Dirk Swart
(Ward 3) - DA



Cllr. Patric Daniels
(Ward 7) - DA



Cllr. Hanlie Visagie
(Ward 8) - ANC



Cllr. Samuel Hugo
(Ward 9) - ANC



Cllr. Themba Mpeboza
(Ward 10) - ANC



Cllr. Mavis Mdala
(Ward 12) - ANC



Cllr. Deleen Kinnear
(PR) - DA



Cllr. Gert Laban
(PR) - WA



Cllr. John Schuurman
(PR) - ANC



Cllr. Joyce Phungula
(PR) - ANC



Cllr. Mzwandile Jacobs
(PR) - EFF



Cllr. Petrus Heradlen
(PR) - ICOSA



Cllr. Richard Simpson
(PR) - ANC



Cllr. Zukiswa Serunjigi
(PR) - DA

Update

B. COMMITTEE SYSTEM



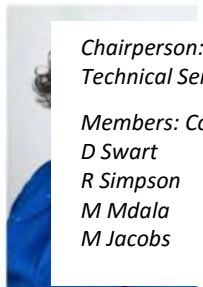
**Executive Mayor
Barnito Klaasen**



**Executive Deputy
Mayor Karriem Adams
(Ward 6) - DA**



**Cllr. Ronald Visagie
(Ward 4) - DA**



**Cllr. Elisabeth Sidego
(Ward 11) - DA**



**Cllr. Trevor Abrahams
(PR) - DA**

*Chairperson:
Technical Services*

*Members: Councillors
D Swart
R Simpson
M Mdala
M Jacobs*

*Chairperson:
Local Economic Development
and Tourism*

*Members: Councillors
C Lottering
P Heradien
H Visagie
M Jacobs*

*Chairperson:
Community Development*

*Members: Councillors
Daniels
N Phatsoane
G Laban*

*Chairperson:
Human Settlements*

*Members: Councillors
J Phungula
Z Mzauziwa
S Hugo*

*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	
<p>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</p>	<p>Mr Jean Basson (Deputy Chairperson) PO Box 220 11 De Keur Street KOUÉ 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</p>
<p>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@mtselect.co.za E-mail 2: ameenamod@mweb.co.za</p>	<p>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</p>
<p>Mr. SA Redelinghuys 24 Bree Street, PRINCE ALFRED'S HAMLET Telephone and facsimile: (023) 313-3554 Cell: (083) 270 4801 E-mail: fanusr@gmail.com</p>	

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

Update



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Municipal Manager

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Monwabisi Mpeluza

Director: Corporate Services

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Joseph Barnard

Director: Technical Services

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Cobus Kritzinger

Director: Finance

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Jo-Ann Krieger

Director: Community Services

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6 STRATEGIC FINANCIAL OUTLOOK

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

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
GPI	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

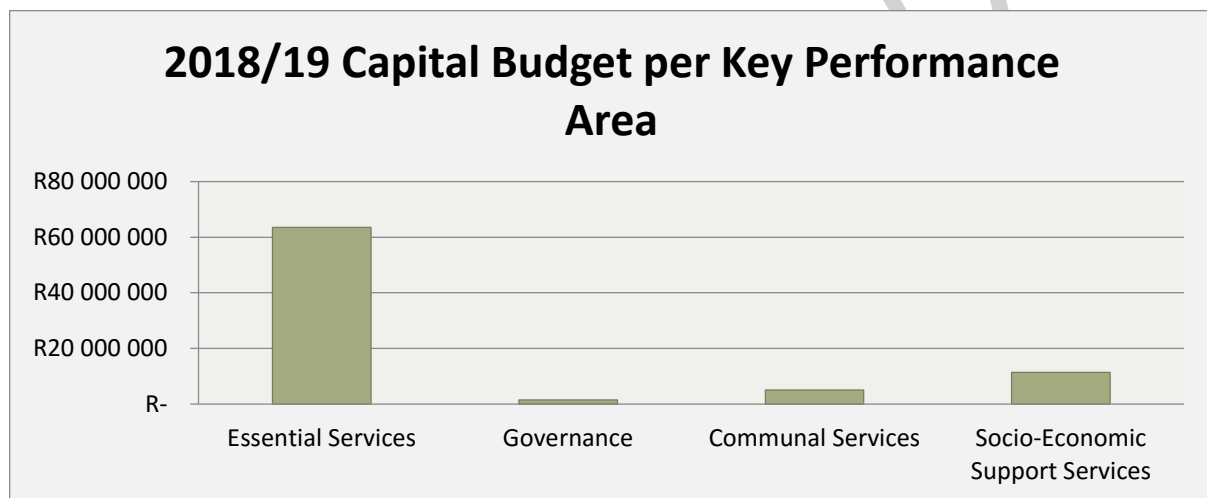
I. CAPITAL INVESTMENT FRAMEWORK

~~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

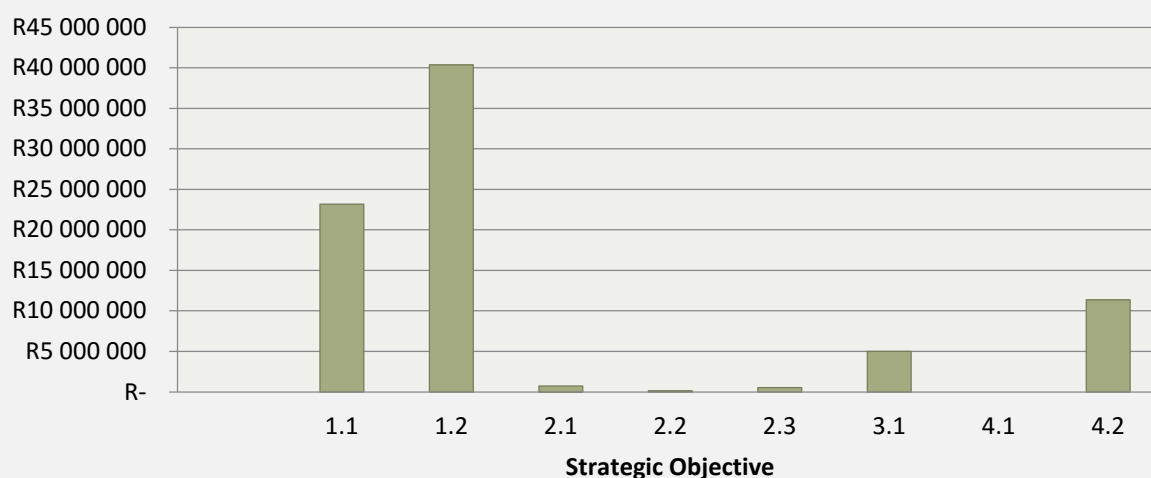
facilities and will also start with the implementation of a Material Recovery Facility as part of a new waste strategy in the second year.

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

2018/19 Capital Budget per Strategic Objective

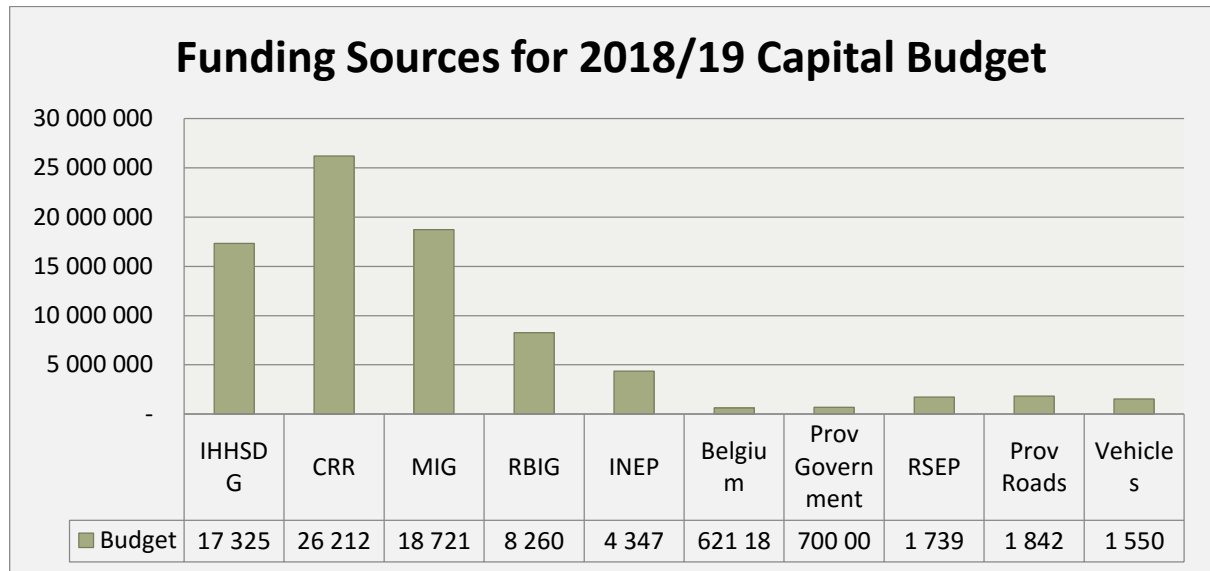


Funding Sources

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. <i>Funding for top structures (houses) is included in the operational budget.</i>
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

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-Ber	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, V	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 program	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	IHSDG	5 406 079				
		Sanitation	Sanitation	Vredebes Phase F2 Internal Sanitation	Vredebes	5	IHSDG	4 635 515				
		Roads &sw	Storm wat	Vredebes Phase F2 Internal Storm water	Vredebes	5	IHSDG	2 648 866				
		Water	Water	Vredebes Phase F2 Internal Water	Vredebes	5	IHSDG	4 635 515				
		Roads &sw	Roads	Nduli infill Internal Roads	Nduli	12	IHSDG		1 739 130	1 739 130		
		Sanitation	Sanitation	Nduli infill Internal Sanitation	Nduli	12	IHSDG		1 739 130	1 739 130		
		Roads &sw	Storm wat	Nduli infill Internal Storm water	Nduli	12	IHSDG		1 739 130	1 739 130		
		Water	Water	Nduli infill Internal Water	Nduli	12	IHSDG		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	
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 Fighting	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	Witzenberg	All	CRR	100 000				
2.2b	Expenditure management	Finance	Finance	Insurance replacements	Witzenberg	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	Witzenberg	All	CRR	70 000	70 000	70 000		
		Marketing	Marketing	Camera & photographic equipment	Witzenberg	All	CRR	90 000	22 000	20 000		
		Communication	Communication	Access Control - Furniture & equipment	Ceres	3	CRR	30 000	100 000	30 000		
2.3b	ICT	Admin	IT	IT Equipment	Witzenberg	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 & Sport	3x3m Containers	Witzenberg	All	CRR	-	500 000	300 000			
		Amenities & Sport	Sportsground development & upgrading	Witzenberg	All	CRR	350 000	350 000	400 000	400 000	500 000	
		Amenities & Sport	Upgrade of Lyelstr, Ceres Sport facilities	Ceres	3	MIG		3 098 922				
		Amenities & Sport	Resurface netball courts	Witzenberg	All	CRR	300 000	300 000	300 000	300 000	300 000	
		Amenities & Sport	Upgrade of facilities at Bella Vista sportground	Bella Vista	4	CRR		100 000				
		Amenities & Sport	Upgrading of sport facilities	Witzenberg	All	Prov Gov	300 000					
		Amenities & Halls	Aircons Ceres Town Hall	Ceres	3	CRR	500 000	-	-			
		Amenities & Halls	Replace 650 chairs Ceres Town Hall	Ceres	3	CRR		500 000				
		Amenities & Halls	Replace floor Ceres Town Hall	Ceres	3	CRR		1 600 000				
		Amenities & Halls	Replace stage curtains Tulbagh Town Hall	Tulbagh	11	CRR	100 000					
		Amenities & Halls	Upgrade of Koinonia Hall (RSEP Contribution)	Bella Vista	4	CRR		50 000	200 000			
		Amenities & Cemeterie	New regional cemetery at Bella Vista (RSEP c	Bella Vista	6	CRR		200 000	200 000			
		Amenities & Cemeterie	New regional cemetery at Bella Vista	Bella Vista	6	MIG			4 956 522			
		Libraries	Upgrade Wolseley Library	Wolseley	7	Prov Gov	400 000					
		Waste	Op-Die-Berg Public toilets	Op-Die-Ber	8	CRR	500 000	700 000	200 000			
3.1b	Environmental management	Amenities & Parks & Og	Akkerbos paving of walkways (Phases 1-3)	Ceres	3	CRR	120 000	120 000				
		Amenities & Parks & Og	Kruipspuite	Witzenberg	All	CRR		90 000				
		Amenities & Parks & Og	Brushcutters	Witzenberg	All	CRR	100 000	100 000				
		Amenities & Parks & Og	Chainsaws	Witzenberg	All	CRR	60 000	70 000				
		Amenities & Parks & Og	Play equipment for parks	Witzenberg	All	CRR	20 000					
		Amenities & Parks & Og	Mobile toilets	Witzenberg	All	CRR	240 000	-				
		Amenities & Parks & Og	Containers x 2	Witzenberg	All	CRR	-	40 000				
		Amenities & Parks & Og	1.3 Ton truck	Witzenberg	All	CRR	-	350 000				
		Amenities & Parks & Og	Cherry picker	Witzenberg	All	CRR	500 000	-				
		Amenities & Parks & Og	Recreational space with landscaping & furnit	Nduli	12	CRR			100 000	100 000	100 000	
		Amenities & Parks & Og	Obtain new property, construction of pound	Tulbagh	11	CRR	1 500 000	1 590 000	1 685 400			

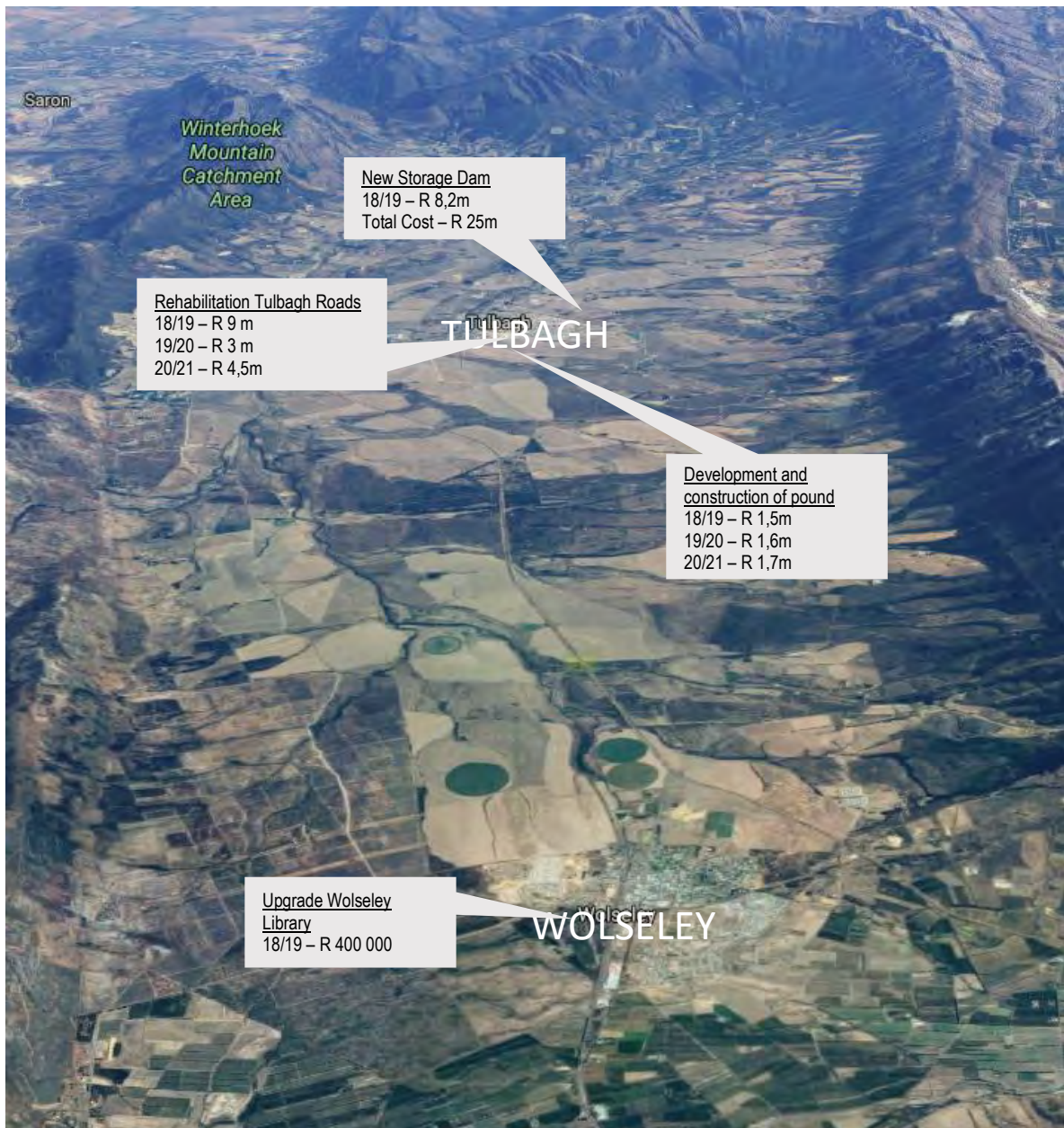
Key Performance Area: 4. SOCIO-ECONOMIC SUPPORT SERVICES

Strategic Objective: 4.2 CREATE AN ENABLING ENVIRONMENT TO SUPPORT LOCAL ECONOMY

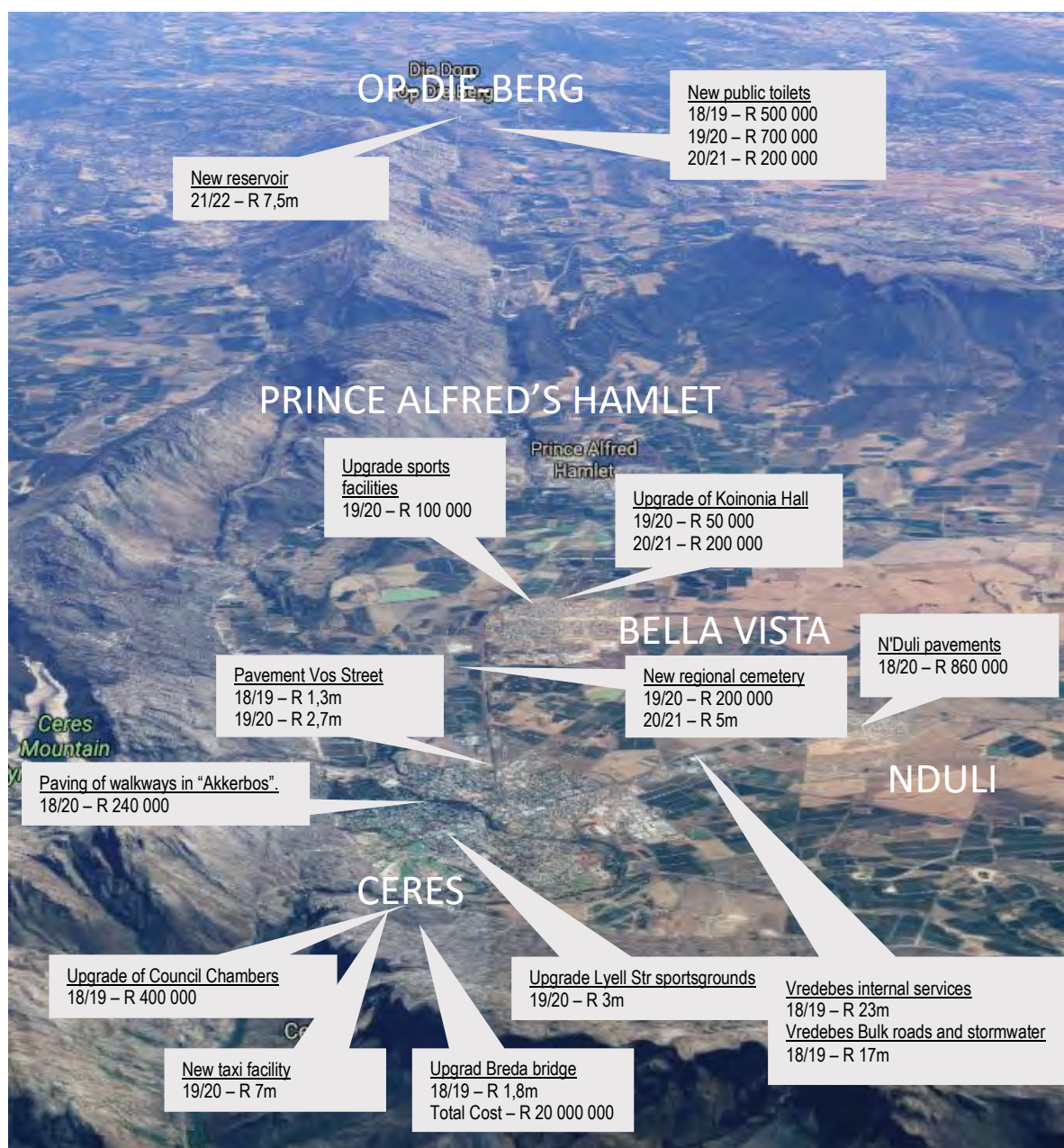
Programme		Department	Section	Project	Region	Ward	Funding Source	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget	2022/23 Budget	Not allocated
4.2a	Local economic development	Resorts	Resorts	Pine Forest: Furniture for chalets	Ceres	3	CRR	192 000		215 732	200 000	200 000	
		Resorts	Resorts	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



CERES, PRINCE ALFRED'S HAMLET AND OP-DIE-BERG



CAPITAL INFRASTRUCTURE PROJECTS RELATED TO THE VREDEBES HOUSING DEVELOPMENT

<u>Project</u>	<u>Total Budget</u>	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>
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	R 4m	R 1,5m		
External stormwater	R 14m	R 8m	R 3,4m	
Internal road access collector	R 39m	R 9,1m		

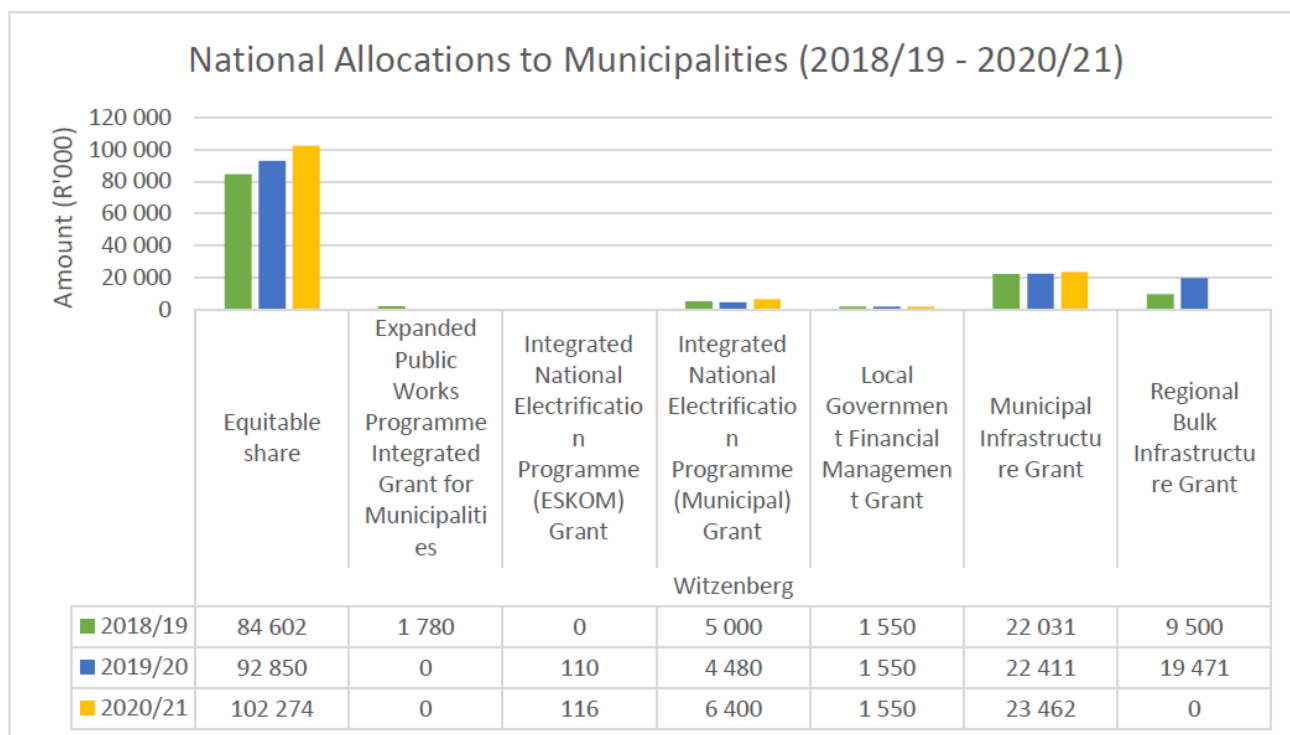
MAJOR CAPITAL INFRASTRUCTURE PROJECTS TO BE IMPLEMENTED IN ALL WITZENBERG TOWNS

<u>Project</u>	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>
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.

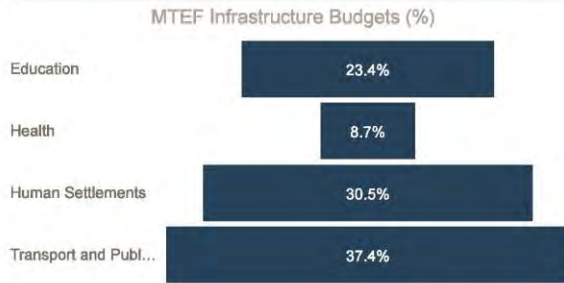


National Allocations / Municipality	2018/19	2019/20	2020/21	Grand Total
Witzenberg	124,463	140,872	133,802	399,137

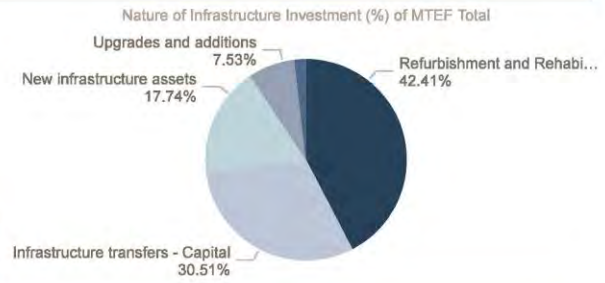
Source: Western Cape Government: Provincial Treasury. Budget Estimates of Provincial Revenue and Expenditure, 2018

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 Wine|lands 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-Kleinberggrivier	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	Walsley: Pine Valley Extension - 560 - IRDP	9000
Transport and Public Works	Refurbishment and Rehabilitation	Blacktop/Tarred Roads	C751,2 TR23/3 Gouda-Kleinberggrivier	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	3950
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. FIVE-YEAR SCORECARD

Municipal KPA	Pre-determined Objectives	Ref	Key Performance Indicator	Reporting Directorate	Baseline 2016/17	Target 2018/19	Target 2019/20	Target 2020/21	Target 2021/22	Target 2022/23
Essential Services	Sustainable provision & maintenance of basic infrastructure	TecDir1	% Expenditure on Maintenance Budget by Technical Directorate	Technical	99%	99%	99%	99%	99%	99%
		TecDir3	% Expenditure on Capital Budget by Technical Directorate	Technical	98%	96%	96%	96%	97%	97%
		TecWat21	Percentage compliance with drinking water quality standards.	Technical	100%	98%	98%	98%	98%	98%
		FinInc17	Number of outstanding valid applications for water services expressed as a % of total number of billings for the service.	Finance	0%	<1%	<1%	<1%	<1%	<1%
		FinInc18	Number of outstanding valid applications for sewerage services expressed as a % of total number of billings for the service.	Finance	0%	<1%	<1%	<1%	<1%	<1%
		FinInc19	Number of outstanding valid applications for electricity services expressed as a % of total number of billings for the service.	Finance	0,05%	<1%	<1%	<1%	<1%	<1%
		FinInc20	Number of outstanding valid applications for refuse collection services expressed as a % of total number of billings for the service.	Finance	0%	<1%	<1%	<1%	<1%	<1%
		TecWat20	Decrease unaccounted water losses.	Technical	19%	18%	18%	18%	16%	16%
		TecEl37	Decrease unaccounted electricity losses.	Technical	10%	10%	10%	10%	10%	10%
		TecRo7	Kilometres of roads upgraded & rehabilitated	Technical	10,7	3	3	3	4	4
	Provide for the needs of informal settlements through improved services	TecDir2	Number of subsidised serviced sites developed.	Technical	No Target	400	0	100	0	200
		TecWat22	Provide basic services - number of informal areas with sufficient communal water services points (taps).	Technical	3	3	3	3	2	2
		TecSan13	Provide basic services - number of informal areas with sufficient communal sanitation services points (toilets).	Technical	3	3	3	3	2	2
		TecRef31	Improve basic services - number of informal settlements receiving a door-to-door refuse collection and area-cleaning service.	Technical	3	3	3	3	2	2
		TecEl36	Number of subsidised electricity connections installed.	Technical	94	100	100	100	100	100

Municipal KPA	Pre-determined Objectives	Ref	Key Performance Indicator	Reporting Directorate	Baseline 2016/17	Target 2018/19	Target 2019/20	Target 2020/21	Target 2021/22	Target 2022/23
Governance	Support Institutional Transformation & Development	CorpHR13	Percentage budget spent on implementation of Workplace Skills Plan.	Corporate	98%	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	75%	4 Quarterly Reports	4 Quarterly Reports	4 Quarterly Reports	4 Quarterly Reports	4 Quarterly Reports
	Ensure financial viability.	FinFAdm10	Financial viability expressed as Debt-Coverage ratio	Finance	39,7	90	90	90	90	90
		FinFAdm9	Financial viability expressed as Cost-Coverage ratio	Finance	2,4	2,8	2,8	2,8	2,8	2,8
		FinFAdm11	Financial viability expressed outstanding service debtors	Finance	54%	44%	42%	42%	42%	40%
		FinDir3	Achieve an unqualified opinion of the Auditor-General on annual financial statements of the previous year.	Finance	Unqualified	1	1	1	1	1
		FinInc15	Increased revenue collection	Finance	95%	94%	94%	94%	95%	95%
		MM1	Percentage of budget spent on maintenance for the whole of the municipality.	Municipal Manager	99%	99%	99%	99%	99%	99%
		MM2	Percentage spend of capital budget for the whole of the municipality.	Municipal Manager	97%	96%	96%	96%	97%	97%
	To maintain and strengthen relations with international- & inter-governmental partners as well	MMIDP9	Number of IDP community meetings held.	Municipal Manager	14	14	14	14	14	14
		ComSoc49	Number of meetings with inter-governmental partners.	Community	12	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	2,2	1 Report	1 Report	1 Report	1 Report	1 Report
		ComDir1	% Expenditure on Maintenance Budget by Community Directorate	Community	100%	99%	99%	99%	99%	99%
		ComDir2	% Expenditure on Capital Budget by Community Directorate	Community	96%	96%	96%	96%	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	2521	2750	2700	2700	2500	2500
		ComLed8	The number of jobs created through municipality's local economic development initiatives including capital projects.	Community	398	390	400	400	400	420
		ComSoc 42	Number of social development programmes implemented	Community	22	20	20	20	20	20
		ComHS14	Number of housing opportunities provided per year.	Community	200	100	100	100	100	100
		ComHS15	Number of Rental Stock transferred	Community	65	50	60	60	70	70
	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	Phase 2 implement	4	4	4	4	4
		ComLed4	Quarterly report on the implementation of strategies and planned actions as identified in the Witzenberg LED Strategy.	Community	Phase 2 implement	4	4	4	4	4

B. ANNUAL SCORECARD – INDICATOR DEFINITIONS

Ref	Key Performance Indicator	Reporting Directorate	Definitions
TecDir1	% Expenditure on Maintenance Budget by Technical Directorate	Technical	Percentage reflecting year to date spend (including secondary cost) / maintenance budget of the Technical Directorate. Note that the in-year reporting during the financial year will be indicated as a trend (year to date spend). 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.
FinInc17	Number of outstanding valid applications for water services expressed as a % of total number of billings for the service.	Finance	This indicator reflects the number of outstanding valid applications (where down payment has been received) for water services (where valid applications translate into an active account) for domestic customers as extracted from the Municipality's SAMRAS database. The accuracy of the billing records is reported within an error rate of 0, 5%. Proxy measure for National Key Performance Indicator.
FinInc18	Number of outstanding valid applications for sewerage services expressed as a % of total number of billings for the service.	Finance	This indicator reflects the number of outstanding valid applications (where down payment has been received) for sanitation services (where valid applications translate into an active account) for domestic customers as extracted from the Municipality's SAMRAS database. The accuracy of the billing records is reported within an error rate of 0, 5%. Proxy measure for National Key Performance Indicator.
FinInc19	Number of outstanding valid applications for electricity services expressed as a % of total number of billings for the service.	Finance	This indicator reflects the number of outstanding valid applications (where down payment has been received) for electricity services (where valid applications translate into an active account) for domestic customers as extracted from the Municipality's SAMRAS database. The accuracy of the billing records is reported within an error rate of 0, 5%. Proxy measure for National Key Performance Indicator.
FinInc20	Number of outstanding valid applications for refuse collection services expressed as a % of total number of billings for the service.	Finance	This indicator reflects the number of outstanding valid applications (where down payment has been received) for waste removal services (where valid applications translate into an active account) for domestic customers as extracted from the Municipality's SAMRAS database. The accuracy of the billing records is reported within an error rate of 0, 5%. 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.
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.
TecWat22	Provide basic services - number of informal areas with sufficient communal water services points (taps).	Technical	This indicator reflects the number of 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. Proxy for National KPI.

Ref	Key Performance Indicator	Reporting Directorate	Definitions
TecSan13	Provide basic services - number of informal areas with sufficient communal sanitation services points (toilets).	Technical	This indicator reflects the number of 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. Proxy for National KPI.
TecRef31	Improve basic services - number of informal settlements receiving a door-to-door refuse collection and area-cleaning service.	Technical	This indicator reflects the number of informal settlements receiving a weekly door-to-door refuse removal collection service and on-going area cleaning (litter picking and illegal dumping removal). Proxy for National KPI.
TecEI36	Number of subsidised electricity connections installed.	Technical	This indicator reflects the number of subsidised connections installed per annum in informal settlements and low cost housing/serviced sites projects. Proxy for National KPI.
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.
CorpHR12	Report on percentage of people from employment equity target groups employed in the three highest levels of management in the municipality.	Corporate	This indicator 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.
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.
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.
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.
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
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 (including secondary cost) / total maintenance budget of the municipality in total. Note that the in-year reporting during the financial year will be indicated as a trend (year to date spend). 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.
MMIDP9	Number of IDP community meetings held.	Municipal Manager	Bi-annual community meetings 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.

Ref	Key Performance Indicator	Reporting Directorate	Definitions
ComAm34	Report on annual customer satisfaction survey on community facilities.	Community	This indicator measures the implementation and 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 Maintenance Budget by Community Directorate	Community	Percentage reflecting year to date spend (including secondary cost) / total maintenance budget of the Community Directorate. Note that the in-year reporting during the financial year will be indicated as a trend (year to date spend). 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.
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.
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 social development programmes implemented	Community	The indicator refers to the number of social developmental programmes implemented. Seven programmes have been identified and each programme will consist of a number of projects and interventions.
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 40m ² 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.
MMPProp21	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	1 st Draft	2017/18	=	=
ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM	Adopted	13-Dec-2012	2016	May-2017

9 ADDENDUMS AND ANNEXURES

Draft IDP 2019/20

10 BIBLIOGRAPHY

- Witzenberg Municipality – Institutional Analysis
 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)

WITZENBERG

MUNISIPALITEIT

UMASIPALA

MUNICIPALITY

- MEMORANDUM -

AAN/TO: MUNICIPAL MANAGER

VAN/FROM: MANAGER: PROJECTS & PERFORMANCE

DATE: 15 March 2019

LêER VERW./FILE REF.: 05/01/5/12

SUBMISSION OF DRAFT 2019/20 TOP LAYER SDBIP

The Municipal Finance Management Act No. 56 of 2003 (MFMA) and National Treasury MFMA Circular No. 13 requires that municipalities must prepare a service delivery budget implementation plan (SDBIP) indicating how the budget and the strategic objectives of Council 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 Regulation.

The Top Layer of the SDBIP must be submitted for approval to the Mayor within 14 days after the approval of the budget. The Top Layer SDBIP must be approved by the Mayor within 28 days after the budget has been approved to ensure compliance with the above-mentioned legislation and published on the municipal website.

The attached draft 2019/20 Top Layer SDBIP only include proposed non-financial targets at this stage as financial targets can only be included after the approval of the 2019/20 Budget.

RECOMMENDATION

For Information

WITZENBERG MUNICIPALITY

SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN

DRAFT

2019/2020

A Municipality that cares for the community, creating growth
& opportunity.

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INTRODUCTION AND OVERVIEW

1.1 PURPOSE OF THE REPORT

The purpose of this report is to provide an executive summary of the legislative framework that prescribes an SDBIP.

The 2019/20 Top Layer SDBIP attached to this report is hereby submitted for approval. It indicates the planned performance targets of Witzenberg Municipality for the period 1 July 2019 to 30 June 2020.

The Top Layer of the SDBIP is made up of the following components:

- ❑ One year detailed plan, with a three-year capital plan
- ❑ The necessary components includes:
 - ⇒ Monthly projection of revenue to be collected for each Source (*Expected Revenue to be collected*)
 - ⇒ Monthly projects of expenditure (operating and capital) and revenue for each vote (*S71 format*)
 - ⇒ Quarterly projects of Services Delivery Targets and performance indicators for each vote. (*Non-financial measurable performance objectives in the form of targets and indicators. Level and standard of service being provided to the community*)
 - ⇒ Detailed capital works plan broken down by ward over three year

1.2 LEGISLATIVE FRAMEWORK AND GENERAL INFORMATION PERTAINING TO THE SDBIP

The Municipal Finance Management Act No. 56 of 2003 (MFMA) and National Treasury MFMA Circular No. 13 requires that municipalities must prepare a service delivery budget implementation plan (SDBIP) indicating how the budget and the strategic objectives of Council 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 Regulation.

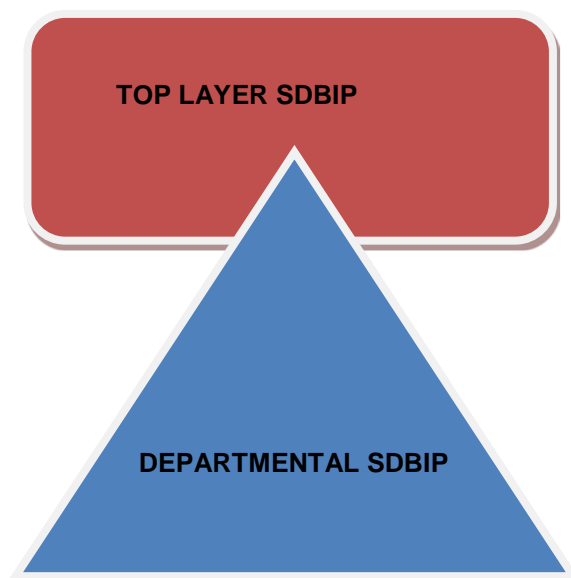
The SDBIP serves as a “contract” between the administration, council and community expressing the goals and objectives set by the council as quantifiable outcomes that can be implemented by the administration in the applicable financial year. It provides the link between the mayor, the council (executive) 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, councillors, 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 utilized. 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 councillors to provide feedback to their communities on progress with service delivery.

As mentioned before, it is a vital monitoring tool for the mayor and council to monitor in-year performance of the municipal manager and for the municipal manager to monitor the performance of all managers in the municipality within the financial year. This enables the mayor and municipal manager to be pro-active and take remedial steps if necessary in the event of poor performance.

The SDBIP is a layered plan that consists of a top layer and a supporting layer namely the departmental SDBIP.



TOP LAYER SDBIP (MUNICIPAL SCORECARD)

Circular 13, as well as the municipal budget and reporting regulations prescribe the submission of a Top Layer SDBIP, which is focused on outcomes, to the Mayor with the budget. The Top Layer SDBIP contains the consolidated service delivery targets and in-year deadlines, and links such targets to top management. Only the Top Layer SDBIP will be made public and tabled before the council. The Top Layer SDBIP should also include per ward information, particularly for key expenditure items on capital projects and service delivery. This will enable each ward councillor and ward committee to oversee service delivery in their particular ward. The Top Layer SDBIP and its targets cannot be revised without notifying the council, and if changes are made in service delivery targets and

performance indicators, this must be with the approval of the council, following approval of an adjustments budget (section 54(1)(c) of MFMA). Council approval is necessary to ensure that the mayor or municipal manager do not revise service delivery targets downwards in the event where there is poor performance.

The Top Layer of the SDBIP must be submitted for approval to the Mayor within 14 days after the approval of the budget. The Top Layer SDBIP must be approved by the Mayor within 28 days after the budget has been approved to ensure compliance with the above-mentioned legislation and published on the municipal website.

DEPARTMENTAL SDBIP

A detailed departmental SDBIP, which is focused on operational performance, will be prepared for each municipal department. This SDBIP provides more detail on each output for which top management is responsible. The Top Layer SDBIP is therefore the summary of all the departmental SDBIP's.

FACTORS CONSIDERED FOR THE COMPILATION OF THE TOP LAYER SDBIP

The IDP is considered as the 5-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 Top Layer SDBIP was drafted through a one on one consultation with the Municipal Manager and all the directors. After the completion of the draft Top Layer SDBIP, the Municipal Manager had one on one session's with his directors to finalise the Top Layer SDBIP. The following were considered during the development of the SDBIP:

- Alignment with the IDP, National KPA's, Municipal KPA's and IDP objectives
- Alignment with the budget
- Oversight Committee Report on the Annual Report of 2017/18
- Annual Report of 2017/18
- The risks identified by the Internal Auditor during the municipal risk analysis
- Areas to be addressed and root causes of the Auditor-General management letter COMAFS as well as the risks identified during the audit of the 2017/18 Annual Report
- Mid-Year Performance Report (Section 72) for 2018/19

SECTION 53(1)(C)(II) – SUBMISSION TO THE MAYOR

The top layer service delivery budget implementation plan, indicating how the budget and the strategic objectives of Council will be implemented, is herewith submitted in terms of Section 53(1)(c)(ii) of the Municipal Finance Management Act (MFMA), MFMA Circular No. 13 and the Budgeting and Reporting Regulation for the necessary approval.

Print Name D NASSON

Municipal Manager of Witzenberg Municipality

Signature _____

Date 2019/06/05

SECTION 53(1)(C)(II) – APPROVAL BY THE MAYOR

The top layer service delivery budget implementation plan is herewith approved in terms of Section 53(1)(c)(ii) of the Municipal Finance Management Act (MFMA).

Print Name B Klaasen

Mayor of Witzenberg Municipality

Signature _____

Date 2019/06/05

STRATEGIC MAP

<i>WITZENBERG MUNICIPALITY: STRATEGIC MAP 2019/20</i>					
Vision	Mission	Municipal KPA		Pre-determined Objectives	
A municipality that cares for its community, creating growth and opportunities.	<p>The Witzenberg Municipality is committed to improve the quality of life of its community by:</p> <ul style="list-style-type: none"> - Providing & maintaining 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.

FINANCIAL COMPONENT

COMPONENT 1 – MONTHLY REVENUE BY SOURCE R'000

TO BE INCLUDED AFTER APPROVAL OF 2019/20 BUDGET

COMPONENT 2 – MONTHLY OPERATING EXPENDITURE BY VOTE R'000

TO BE INCLUDED AFTER APPROVAL OF 2019/20 BUDGET

COMPONENT 3 – MONTHLY CAPITAL EXPENDITURE

TO BE INCLUDED AFTER APPROVAL OF 2019/20 BUDGET

NON-FINANCIAL COMPONENT

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 Maintenance 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 Maintenance 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

2019/20 QUARTERLY PROJECTIONS

Municipal KPA	Pre-determined Objectives	Ref	Key Performance Indicator	Reporting Directorate	Baseline 2017/18	Target 2019/20	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Essential Services	Sustainable provision & maintenance of basic infrastructure	TecDir1	% Expenditure on Maintenance Budget by Technical Directorate	Technical	99.8%	98%	25%	50%	75%	98%
		TecDir3	% Expenditure on Capital Budget by Technical Directorate	Technical	98%	96%	10%	40%	60%	96%
		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%	95%	95%	95%
		TecSan22	Percentage of valid sanitation connection applications connected by reporting period end	Technical	Adjusted	95%	95%	95%	95%	95%
		TecEl60	Percentage of valid electricity connection applications connected by reporting period end. (excl subsidised housing)	Technical	Adjusted	95%	95%	95%	95%	95%
		TecRef46	Access to the removal of residential solid waste in all Witzenberg towns according to a publicised programme.	Technical	Adjusted	5	1 Programme 1 Vehicle tracking report	1 Vehicle tracking report	1 Vehicle tracking report	1 Vehicle tracking report
		TecWat20	Decrease unaccounted water losses.	Technical	18%	18%	18%	18%	18%	18%
		TecEl37	Decrease unaccounted electricity losses.	Technical	10%	10%	10%	10%	10%	10%
		TecRo7	Kilometres of roads upgraded & rehabilitated	Technical	4.4	3	0	1	2	3
	Provide for the needs of informal settlements through improved services	TecDir2	Number of subsidised serviced sites developed.	Technical	101	0	0	0	0	0
		TecWat22	Provide basic services - number of established informal areas with sufficient communal water services points (taps).	Technical	3	3	3	3	3	3
		TecSan13	Provide basic services - number of established informal areas with sufficient communal sanitation services points (toilets).	Technical	3	3	3	3	3	3
		TecRef31	Improve basic services - number of established informal settlements receiving a periodic area cleansing programme.	Technical	3	3	3	3	3	3
		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	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Governance	Support Institutional Transformation & Development	CorpHR13	Percentage budget spent on implementation of Workplace Skills Plan.	Corporate	98.8%	96%	25%	50%	75%	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	1	1	1	1
	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%	44%	44%	44%	44%
		FinDir3	Achieve an unqualified opinion of the Auditor-General on annual financial statements of the previous year.	Finance	Unqualified	Unqualified			1	
		FinInc15	Increased revenue collection	Finance	94%	94%	94%	94%	94%	94%
		MM1	Percentage of budget spent on maintenance for the whole of the municipality.	Municipal Manager	99.7%	98%	25%	50%	75%	98%
		MM2	Percentage spend of capital budget for the whole of the municipality.	Municipal Manager	96.4%	96%	10%	40%	60%	96%
		MMIDP9	Number of IDP community engagements held.	Municipal Manager	14	14		7		14
		ComSoc49	Number of meetings with inter-governmental partners.	Community	13	12	3	6	9	12
	Provide & maintain facilities that make citizens feel at home.	ComAm34	Report on annual customer satisfaction survey on community facilities.	Community	1	1 Report		1		
		ComDir1	% Expenditure on Maintenance Budget by Community Directorate	Community	99.7%	98%	25%	50%	75%	98%
		ComDir2	% Expenditure on Capital Budget by Community Directorate	Community	97.1%	96%	10%	40%	60%	96%
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	4500	4500	4500
		ComLed8	The number of jobs created through municipality's local economic development initiatives including capital projects.	Community	403	400	100	200	300	400
		ComSoc 42	Number of engagements with target groups with the implementation of social development programmes.	Community	36	20	5	10	15	20
		ComHS14	Number of housing opportunities provided per year.	Community	107	200	40	90	150	200
		ComHS15	Number of Rental Stock transferred	Community	39	40	10	20	30	40
	Create an enabling environment to attract investment & support local economy.	MMPProp21	Quarterly report on the alienation of municipal properties to support economic growth.	Municipal Manager	Adjusted	4 Reports	1	1	1	1
		ComLed4	Quarterly report on the implementation of strategies and planned actions as identified in the Witzenberg LED Strategy.	Community	Adjusted	4 Reports	1	1	1	1

DEFINITIONS OF PERFORMANCE INDICATORS

Municipal KPA	Pre-determined Objectives	Ref	Key Performance Indicator	Reporting Directorate	Definitions
Essential Services	Sustainable provision & maintenance of basic infrastructure	TecDir1	% Expenditure on Maintenance 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 Maintenance 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.

BUDGETARY ALIGNMENT WITH IDP

EXPENDITURE PER KEY PERFORMANCE AREA

TO BE INCLUDED AFTER APPROVAL OF 2019/20 BUDGET

BUDGET PER STRATEGIC OBJECTIVE

TO BE INCLUDED AFTER APPROVAL OF 2019/20 BUDGET

THREE YEAR PROJECTED CAPITAL EXPENDITURE PER WARD

TO BE INCLUDED AFTER APPROVAL OF 2019/20 BUDGET

APPROVAL:

FRONT BOUNDARY FENCING - Pick n Pay Centre, Ceres

CLIENT
PROJECT No.
DRAWING

Amrichprop Real Estate Group (Pty) Ltd
AX. 15. 016
FENCING PLAN

Contract no.

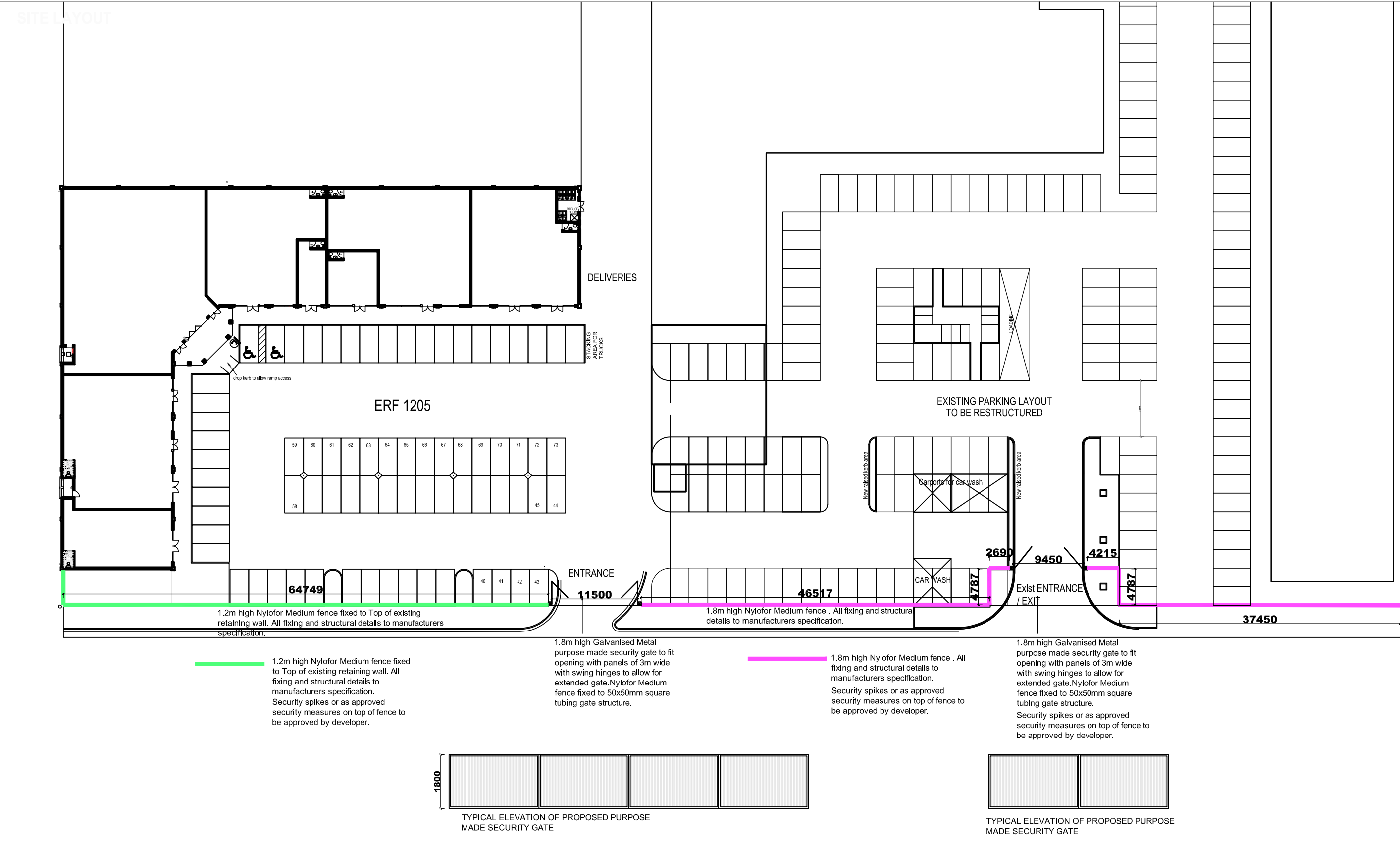
DRAWING No. 100-10 SCALE 1:500 REVISION 0

NOTES:
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- All dimensions are taken from data received, Reference In report.

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AXION
ARCHITECTS

SITE LAYOUT



DRAWN

GE

DATE

11/10/2018

De Keur Centre, Voortrekker Road, CERES:

- Examples of “New Street Boundary Fencing”



WITZENBERG

MUNISIPALITEIT

UMASIPALA

MUNICIPALITY

- MEMORANDUM -

AAN / TO: Municipal Manager
Committee for Technical Services

VAN / FROM: Director: Technical Services

DATUM / DATE: 21 November 2018

VERW. / REF.: 15/4/P

POLICY: DEVELOPMENT CHARGES

1. Reference

The following Policy document titled "WITZENBERG MUNICIPALITY DEVELOPMENT CHARGES POLICY", revision 00 refers.

2. Background

Municipalities face a growing need to invest in infrastructure to support both economic growth, ensure universal access to services and renew or refurbish existing infrastructure assets.

Development charges (DCs) are one important source of municipal infrastructure finance. They are a once-off capital payment made by developers, on approval of a land development application submitted to a municipality, to cover the costs of providing bulk engineering services to service new development. DCs have been applied in South Africa for decades, in different forms and using different names. They have not however been applied consistently or in a transparent manner. It is the intention of the new DC legislation to increase the amount and the predictability of DC revenue, to provide both municipalities and developers with more certainty and assurance that the costs of infrastructure are covered by its users. Because DCs are payable at a single point in the development of a property the incidence of the payment is also immediately apparent: the developer pays and, to the extent that the market permits, the developer will pass on these costs to the purchaser of the properties that are sold on.

Service requirements of a development, particularly larger subdivisions, can be substantial, and involve a number of Departments. Given the extensive nature of these requirements, and the application of many legal, policy and guideline frameworks, a more easily compressed document allow the Service Departments to apply the relevant conditions. However, these standard conditions must be adequately and clearly communicated to developers.

3. Purpose of this policy

National Treasury compiled guidelines to assist municipalities with the drafting of their own DC policies and bylaws, as well as setting up their own internal processes to implement DCs. The guideline therefore complements the legislation in creating an environment of certainty, both for municipal

infrastructure finance, and for the development community through DCs being managed in a predictable and certain manner. In so doing, unnecessary disputes, litigation and other hindrances to growth and development will be minimised. In addition, by targeting the users of infrastructure, rather than the municipality's ratepayers in general, the new legislation promotes fairness and equity. This guideline strengthens municipal capability to achieve these objectives.

This guideline has been prepared by the National Treasury following a local and international review of best practice and in consultation with municipal officials, provincial officials, national government departments and the South African Local Government Association (SALGA).

The objectives of the policy

- Enable municipalities to provide capital infrastructure assets in a timely and sufficient manner to facilitate land development;
- Cover the costs of existing and new infrastructure capacity to meet the demand resulting from growth, provided this is not funded through other means; and
- Complement other sources of capital finance available to municipalities to ensure financial sustainability.

Attached please find the **WITZENBERG DEVELOPMENT CHARGES POLICY** and the **SERVICES AGREEMENT FOR PRIVATE RESIDENTIAL TOWNSHIP DEVELOPMENT**

Administrative Processes:

Steps

Responsibility

Comment

1. Policy and legislative process



Planning / Engineering / Finance

Legal / Planning

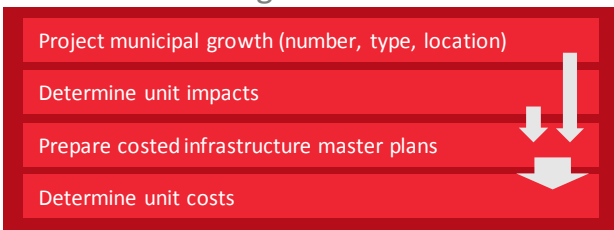
Council

Council

Legal / Engineering

Includes required public participation procedures

2. Growth costing



Planning / IDP office

Engineering

Engineering

Engineering

As part of IDP and SDF process

3. Budgeting



Finance

4. Publication

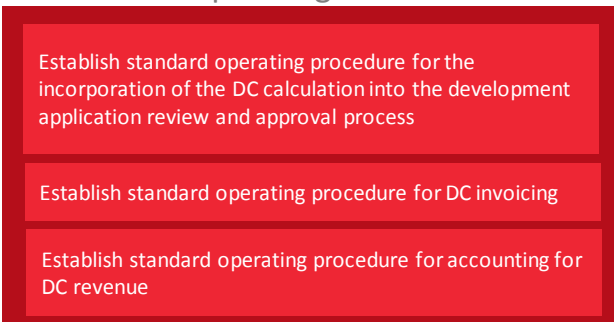


Council

Finance

Finance / Planning

4. Standard Operating Procedures



Planning / Engineering

Finance

Finance

Includes establishing staffing capacity and electronic systems

4. Recommendation

- *That the Development Charges Policy revision 00 be adopted as a Policy document by Council.*
- *That the Services Agreement for Private Residential Township Development be adopted as a policy document by Council.*

J F BARNARD
DIRECTOR: TECHNICAL SERVICES



WITZENBERG MUNICIPALITY

DEVELOPMENT CHARGES POLICY

DOCUMENT VERSION CONTROL

This Document:	Current Revision	Current Date:
Approved by council	00	??

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1. DEFINITIONS

- 1.1. All terms used in this policy have the meanings given to them in the relevant national legislation.
- 1.2. 'The Act' means the Municipal Fiscal Powers and Functions Act, Act 12 of 2007, as amended.

2. INTRODUCTION

- 2.1 This policy is approved by the municipal council in accordance with section 9B of the Act.
- 2.2 From the date of approval of this policy any previous policies relating to development charges or similar instruments fall away and are replaced by this policy.

3. FUNDAMENTAL PRINCIPLES GUIDING DEVELOPMENT CHARGES IN THE MUNICIPALITY

- 3.1 The following principles apply to the implementation of this policy in the municipal area and must be taken into account by all decision-makers exercising discretion in relation to development charges.
 - 3.1.1 **Equity.** Developers and land use applicants should pay their fair share, on the same basis and according to the same rules. Similar land uses should be treated similarly.
 - 3.1.2 **Fairness.** Only those who benefit from a product or service should pay for it, in proportion to the value they derive from it. Existing residents should not benefit from a new development at the cost of a developer. Nor should a developer benefit at the cost of existing residents. There should not be duplication in the recovery of the capital cost of infrastructure from more than one funding source.
 - 3.1.3 **Reasonableness.** There must be a rational connection between the charge, the cost of bulk services and the relative impact of a development on those bulk services. Charges should be calculated based on the estimated cost of infrastructure to support growth, apportioned to each unit of growth relative to the benefit that each such unit derives. Development charges are intended to recover the infrastructure costs incurred and to be incurred because of growth; they are not a form of taxation
 - 3.1.4 **Predictability.** Development charges should be a predictable, legally certain and reliable source of revenue to the municipality for providing external engineering services, and a predictable cost to developers.
 - 3.1.5 **Certainty.** Development charges revenue should be dedicated only to the purpose for which it was raised, so municipalities must disclose the amounts collected and how the revenue is spent. If developers pay the development charges, then they are entitled to the timeous provision of the bulk services the municipality is obliged to provide
 - 3.1.6 **Administrative efficiency.** The determination, calculation and operation of development charges should be administratively simple and transparent.

4. OBJECTIVES

- 4.1 The municipality requires the payment of development charges in order to cover the costs of municipal bulk external infrastructure required to accommodate increased demand for such infrastructure that arises from intensified land use and recover the cost of mutually installed bulk services.
- 4.2 The municipality will use the revenue from development charges to increase municipal bulk external infrastructure supply to support growth and development in the municipal area.

5. MUNICIPAL STAKEHOLDERS

- 5.1 The municipality's development charges system is of direct interest to property owners and land developers in the municipal area. It is also important for public sector bodies responsible for infrastructure and services provision, at municipal, provincial and national spheres.
- 5.2 All land development decisions in the municipal area are made by the Municipal Planning Tribunal.
- 5.3 The following stakeholders have been formally consulted in the preparation of this municipal policy:
 - 5.3.1 ...
 - 5.3.2 ...

6. LEGISLATIVE FRAMEWORK

- 6.1 This section of the policy summarises the relevant provisions of the applicable legislation
 - 6.1.1 The Constitution. In terms of section 156(1) of the Constitution municipalities have executive authority in respect of, and the right to administer the local government matters listed in part B of Schedule 4 and part B of Schedule 5 and any other matter assigned to it by national or provincial legislation, which includes municipal planning, storm water management, water and sanitation, cleansing, local amenities, park and recreation, municipal roads, public places, refuse removal, electricity and solid waste disposal. Section 229 of the Constitution then provides that municipalities may impose rates on property and surcharges on fees for services provided by or on behalf of the municipality; and if authorised by national legislation, other taxes, levies and duties appropriate to local government or to the category of local government into which that municipality falls, but no municipality may impose income tax, value-added tax, general sales tax or customs duty. This enables municipalities to receive money to fund their obligations. It also provides that when a municipality imposes rates on property, surcharges on fees for services provided by or on behalf of the municipality, or other taxes, levies or duties, it may not be exercised in a way that materially and unreasonably prejudices national economic policies, economic activities across municipal boundaries, or the national mobility of goods, services, capital or labour; and may be regulated by national legislation.

- 6.1.2 SPLUMA. In terms of section 49, an applicant is responsible for the provision and installation of internal and link engineering services and a municipality is responsible for the provision of external engineering services. In section 40(7) SPLUMA provides that a municipal planning tribunal may in the approval of any application, impose any reasonable conditions, including conditions related to the provision of engineering services and the payment of any DCs. The municipality has enacted a Municipal Planning Bylaw that prescribes the manner in which applications for land development must be submitted and processed.
- 6.1.3 Municipal Fiscal Powers and Functions Act. The MFPFA establishes the power for municipalities to levy DCs to cover the cost of bulk infrastructure required to service additional land development. The Act empowers municipalities to withhold approvals or clearances for non-payment of DCs. It sets out the permissible uses of income from DCs and establishes the principles for the calculation of DCs. All municipalities are required to have a by-law that describes how that municipality intends to levy DCs. Municipalities that charge DCs are required to do so in terms of a municipal DC policy, with a set of minimum content and public participation requirements. An engineering services agreement is required to be concluded where bulk infrastructure is required to be installed, either by the municipality or by the developer that covers, inter alia, the nature, timing and standards for the infrastructure. Where developers install engineering services instead of payment of DCs, which must be approved by the Director: Technical Services, the Act regulates how this is procured, how the value is ascertained and how this value is offset against the development charge or, in particular cases, reimbursed to the developer. A municipality may only subsidise DCs in terms of its DC policy, but must calculate the development charge as if it were payable in all cases. The Act also describes the financial management and reporting requirements to be followed in accounting for DCs.

7. DEVELOPMENT CHARGES APPLICATION

- 7.2.1 Development charges will be levied through the land development approval process; thus the charge will be imposed by the local municipality as a condition of a land development approval given by the Municipal Planning Tribunal.
- 7.2.2 Where the Municipal Planning Tribunal approves a land development application that gives rise to a more intensive use of land then it must obtain a determination from the municipality of the development charge liability and impose that as a condition to the approval.
- 7.2.3 The Municipal Manager will provide the Municipal Planning Tribunal with a determination of the development charges liability for a land development application, in writing, two weeks before the scheduled date for the Tribunal's hearing of that application.

8. SCOPE OF DEVELOPMENT CHARGES:

8.1 The municipality will determine a development charges liability for each of the following engineering services that is provided by the municipality:

- Water
- Sewerage / Sanitation
- Electricity
- Municipal roads
- Storm water
- Solid Waste

8.2 The municipality will not determine a development charges liability for any other engineering service.

9. CALCULATION OF DEVELOPMENT CHARGES

9.1 Land development applications that give rise to Development Charges

9.2 Changes in land use or zoning give rise to a Development Charge where there is intensified utilisation of the land and resultant increase in loading on the infrastructure. Development Charges will be imposed on all these applications where the municipality is requested to approve a development application in terms of the applicable land use or planning legislation.

9.3 For the purposes of the interpretation of this section the following definitions apply:

- a) Coverage means the total area of a land unit that may be covered by buildings, expressed as a percentage of the area of such land unit, and shall include all roofed areas; provided that the following portions of buildings shall be disregarded in the calculation of coverage:
 - (i) patio, entrance steps and landings;
 - (ii) open balconies and retractable awnings;
 - (iii) cornices, chimney breasts, pergolas, flower boxes, water pipes, drain pipes and minor decorative features not projecting more than 500 mm from the wall of the building;
 - (iv) eaves not projecting more than 1 m from the wall of the building; and
 - (v) a basement, provided that the finished level of the top of the basement roof slab does not project above the existing ground level.

- b) Gross Leasable Area (GLA) means the area of a building designed for, or capable of, occupancy and/or control by tenants, measured from the centre line of joint partitions to the inside finished surface of the outside walls, and shall exclude the following:
- (i) all exclusions from the definition of floor space; (ii) toilets;
 - (iii) lift shafts, service ducts, vertical penetrations of floors;
 - (iv) lift motor rooms and rooms for other mechanical equipment required for the proper functioning of the building;
 - (v) areas reasonably used in connection with the cleaning, maintenance and care of the building, excluding dwelling units for caretakers, supervisors, cleaners or maintenance staff; and
 - (vi) interior parking and loading bays.
- c) Floor space means the area of a floor which is covered by a slab, roof or projection, provided that:
- (i) any area, including a basement, which is reserved solely for parking or loading of vehicles shall be excluded;
 - (ii) external entrance steps and landings, any canopy, any stoep and any area required for external fire escapes shall be excluded;
 - (iii) 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 m beyond the exterior wall or similar support, shall be excluded;
 - (iv) any uncovered internal courtyard, light well or other uncovered shaft which has an area in excess of 10 m² shall be excluded;
 - (v) 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, shall be excluded;
 - (vi) any covered balcony, veranda 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 m in width, shall be excluded;
 - (vii) subject to subsection (viii) below, any stairs, stairwells and atriums that are covered by a roof shall be included;
 - (viii) in the case of multi-level buildings, any stairwells, lift wells, light wells or other wells, and any atrium, shall only be counted once; and provided further that:

floor space shall be measured from the outer face of the exterior walls or similar supports of such building, and where the building consists of more than one level, the total floor space shall be the sum of the floor space of all the levels, including that of basements.

The electricity demand shall be calculated by a registered engineering professional

9.4 Development Charges apply

Development Charges apply to the following application types:

- a) Rezoning applications:
 - (i) Rezoning's to sub divisional area or equivalent zoning that enables rezoning and simultaneous subdivision of the land and which is typically required for new development or urban infill development;
 - (ii) Rezoning of land from one zone to another in order to change the permitted land uses on the site; and
 - (iii) Rezoning's from one subzone to another in order to increase the permitted floor space.
- b) Subdivision applications where the number of dwelling units increases as a result of the subdivision, or where the subdivision application results in the increase of floor space or GLA.
- c) Permanent departure applications:
 - (i) Applications to increase the permitted Floor Space, GLA, number of occupants or number of rooms; and
 - (ii) Applications to increase permitted Coverage.
- d) Consent use applications (in terms of the Zoning Scheme) where the change in land use is deemed by the municipality to result in additional utilisation of infrastructure.
- e) Any application for the amendment of conditions of a previous approval where the condition limited the land use, Floor Space, GLA or Coverage.

9.5 Development Charges do not apply

Development Charges will not apply to the following land development applications, which are deemed to have no significant impact on provision of external infrastructure:

- a) Rezoning applications to a less intensive zone, i.e. where one land use (primary or consent use) is replaced by a different land use with similar or lesser infrastructure utilisation impacts for all services.
- b) Subdivision applications where no additional development rights are created or which do not result in additional loading onto external infrastructure.
- c) Permanent departure applications for building lines or height or other similar parameters, which do not lead to an intensification of land use.
- d) Temporary departure applications where rights are granted on a temporary basis: provided that,

- (i) Temporary departures may only be granted if the infrastructure impact of the temporary use is the same or less than the existing use; and
- (ii) If the municipality does not have sufficient spare capacity available to accommodate the application for the temporary departure it will not be approved.
- e) Consolidation applications that are not accompanied by rezoning or additional rights application.

Consent use applications which have a similar or lesser impact on infrastructure utilisation than previous rights applicable to the property.

- f) Applications to change land use to one of the following land uses, up to the extent indicated and using the definitions set out in this policy:
 - (i) early childhood development centre up to 34 children per erf; (ii) home occupation up to 50m2 per erf;
 - (iii) home child care up to six children per erf; (iv) house shop up to 50m2 per erf;
 - (v) second dwelling up to 60m2 per erf; and
 - (vi) bed and breakfast establishment up to the first three bedrooms of an existing dwelling.

The above will not apply, should the demand on the Municipal services increase.

- 9.6 Development charges for a particular engineering service are calculated based on the basis that the development charge is equal to the additional impact multiplied by the unit cost.
- 9.7 The total development charge for any land development application is the sum of the amounts calculated for each of the applicable engineering services.
- 9.8 The additional impact is the difference between the impact of the proposed land use rights and the existing land use rights, which is calculated by multiplying the number of units of land use rights being applied for by standard, predetermined unit impacts for every land use.
- 9.9 The unit cost for an engineering service is defined in the Regulations issued in terms of the Act as the cost of the infrastructure required to service the expected demand arising from growth, divided by that demand.

- 9.10 The municipality has designated engineering service zones as follows:

- 9.10.1 All Services Zones (Whole of Witzenberg)
- 9.10.2 Op-Die-Berg (Electricity supplied by Eskom)
- 9.10.3 Prince Alfred Hamlet (Electricity supplied by Eskom)
- 9.10.4 Bella Vista
- 9.10.5 Ceres
- 9.10.6 Nduli/Vredebes
- 9.10.7 Wolseley
- 9.10.8 Tulbagh

- 9.11 Methodology for calculation of unit costs:

- 9.11.1 The municipality will calculate the unit cost per engineering service, in the manner prescribed by the Minister, to include all land costs, professional fees, materials, labour and reasonable costs of construction, and any other costs prescribed by the Minister.

- 9.11.2 In relation to infrastructure costing the municipality will list all projects or programmes to be implemented by the municipality for each engineering service over a period of 10 years in a table and estimate the total capital costs for each.
- 9.11.3 The total capital cost for each engineering service will be reduced to include only those costs relating to additional land development in the municipality.
- 9.11.4 The unit costs for each engineering service will be calculated as the capital cost attributable to additional land development, divided by the growth in units of demand over the 10-year period.
- 9.11.5 The unit cost for each engineering service will be adjusted on an annual basis during the budget preparation process referred to in section 21 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), to take account of inflationary impacts, and the adjusted unit costs will be published within two months of approving the municipal budget; and
- 9.11.6 The unit cost for each engineering service will be re-calculated at least every five years (unless a longer period is approved by the Minister), to take into account the current and planned capacity for each engineering service at the date of re-calculation, and any other relevant factors.

10. STANDARD UNIT IMPACTS

- 10.2.1 The impact of a land development is calculated as the difference between the impact on an engineering service of the authorised land use at the date of the land development application, and demand according to the Municipal standard development conditions and that of the land use proposed, provided that the minimum impact is zero.
- 10.2.2 The standard unit impacts that will be used in the municipality are set as per Annexure 1.

11. ADMINISTRATIVE PROCESS

In order to implement this policy the following implementation procedures will apply and have to be prescribed in the appropriate by-law:

11.1 Information required from the developer to calculate Development Charges

In terms of the applicable legislation, the municipality may require from the developer any information necessary for it to evaluate an application. This includes information that will enable it to calculate the required Development Charge. These details, however, will vary according to the type of land use change envisaged as well as the scale of the proposed project.

11.2 Application procedure

11.2.1 Land development applications, according to the Municipal standard development conditions must be submitted to the Technical Department. The applicant will be informed at this stage that Development Charges may have to be paid and will be assisted by the municipality in understanding what would constitute bulk and link external engineering services in the context of the particular development.

11.2.2 The full application must be circulated for comment to:

- a) Electricity Services; (the implementation of renewable energy and energy efficiency will not influence the demand figure of the developments)
- b) Finance;
- c) Town Planning and Building Control;
- d) Solid Waste Management;
- e) Streets and Storm water;
- f) Water & Sewerage

11.2.3 A Department may impose conditions relating to the development and, in particular, conditions relating to Development Charges which must include conditions relating to the time periods within which payment or payments must be made. Such DC charges must be paid up front.

11.2.4 The limitations to the scale of permitted development, which were used to calculate the Development Charge, must be clearly set out.

- 11.2.5 Should a developer in future wish to acquire additional development rights over and above those already approved, a new application will be required in terms of the applicable planning legislation and the Development Charges liability must be recalculated.
- 11.2.6 The final Development Charges must be reflected in the calculation and form part of the conditions to be approved.
- 11.2.7 The conditions of the relevant department must be included in the final conditions of approval that are approved in terms of the applicable land use or planning legislation.
- 11.2.8 The final approval of the conditions will be binding in terms of the relevant land use or planning legislation. Section 51 of SPLUMA allows an appeal relating to land development applications to the Municipal Manager.

12. PAYMENT OF DEVELOPMENT CHARGES

- 12.1 Payment of development charges is due at the payment points set out in the conditions of the land development approval granted by Witzenberg Municipality.
- 12.2 The developer is responsible for the payment of the development charges because the amount payable is calculated on the basis of the cost of external bulk engineering services required to support the land use changes for which the developer applied.
- 12.3 Payment may be made in tranches, provided that the municipality gives its approval in writing and specifies the amounts to be payable at specific payment points and any related conditions.
- 12.4 Payment must be made by electronic funds transfer into the account specified by the municipality.
- 12.5 The municipality will issue receipts for all payments received and will record each payment made in the municipal accounts.
- 12.6 Where the developer opts not to proceed with development the municipality shall only refund any development charges received where the permitted land use change is reversed to reflect the permitted land use applicable before the land development application was made and all professional and administrative costs relating to this reversal of the permitted land use shall be borne by the developer.

13. INSTALLATION OF EXTERNAL ENGINEERING SERVICES TO OFFSET THE PAYMENT OF DEVELOPMENT CHARGES

- 13.1 The municipality may agree in writing that a developer installs all or part of the external engineering services, the value of which will be set off against the applicable development charge.
- 13.2 Where there is such an Engineering Services Agreement to install all or part of the external engineering services the terms of that agreement will be in compliance with the Act and other relevant legislation.
- 13.3 The agreement will stipulate the manner in which the value of the installed engineering services will be valued so that the amount of development charges payable can be reduced accordingly.

14. SUBSIDIES

14.1 Exemptions from Development Charges may only be granted by the municipality if it:

- a) does so in accordance with a Council approved policy or Council resolution that complies with the requirements of national legislation and policy dealing with Development Charges, and which:
- (i) may exempt specified categories of land use or specified geographical areas or a combination of both; and
- (ii) may not specify individual developers or properties.
- b) A Council approved policy or Council resolution allowing for exemption from Development

14.2 Charges liability must:

- (i) calculate the full liability for Development Charges that would otherwise have been received by the municipality were it not for the exemption;
- (ii) make projections regarding revenue to be foregone for a period of at least three years; and
- (iii) make budgetary provision for the realisation of the associated revenue forgone from another realistically available source either through a specific capital transfer or an alternative capital budget vote.

14.3 Applications that qualify in terms of the Council approved policy or Council resolution allowing for exemption from Development Charges liability are not liable for Development Charges to the extent permitted in the policy or resolution, provided that:

- a) the amount of the Development Charges liability for that application must be sourced from alternative funding identified in terms of the policy or resolution and transferred to the relevant asset-financing fund; and
 - b) the application for exemption must be approved by the Council.
- 14.4 The municipality must disclose the value of exemptions provided for each budget year in its annual report
- 14.5 No relief may be granted in respect of the payment of Development Charges to a category of properties or a geographical area other than by way of an exemption provided for in this policy.
- 14.6 No relief may be granted in respect of the payment of Development Charges to an owner of property or properties on an individual basis unless it is in compliance with a Council approved policy or resolution.

15. WITHHOLD CLEARANCES AND APPROVAL

- 15.1 The municipality may withhold any consent, clearance or approval with respect to land development where a development charge is owed and remains unpaid or the developer fails to install external engineering services in terms of the installation agreement and no services shall be installed or connected should this not be paid.

16. MONITORING, EVALUATION AND REVIEW

- 16.1 The municipality will put in place a system of monitoring the implementation of this policy, evaluation of the system, and revision thereof, where necessary.
- 16.2 Instances where the municipal development charges policy may need to be reviewed include those where infrastructure plans or costs have changed, relevant national or provincial legislation has changed or the municipality has included additional engineering services to be financed by development charges system.

17. DISPUTE RESOLUTION AND APPEAL PROCESS

- 17.1 Where a developer or other party to a land development application wishes to challenge the manner in which this policy is applied he or she may appeal against any decision of the Municipal Planning Tribunal or other relevant authority in accordance with the appeal provisions set out in SPLUMA.

18. APPENDIX

- 18.1 ANNEXURE 1: STANDARD UNIT IMPACTS

18.2	ANNEXURE 2: PRE-ASSESSMENT FORM
18.3	ANNEXURE 3: DETAILED TERM SHEET FOR THE DRAFTING OF AN ENGINEERING SERVICES AGREEMENT
18.4	ANNEXURE 4: CALCULATED UNIT COST - BASELINE 2018
18.5	ANNEXURE 5 - INFRASTRUCTURE TO BE FUNDED BY DEVELOPMENT CHARGES

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ANNEXURE 1: STANDARD UNIT IMPACTS

Unit impacts selected for DC Calculator

Category	Unit	Unit Impact											
		Water		Sewer		Roads		Storm-water		Solid Waste		Electricity	
		Demand	Source	Yield	Source	AADT	Source	Runoff Factor	Source	Generated	Source	ADMD	Source
		kl/day		kl/day		Number of trips		ha*C		kg/day		kVA	
Single Residential > 1000m² Erf	Dwelling unit	1.400	CoCT Civil Eng	0.7500	CoCT Civil Eng	4.0000	TMH 17	0.06250	SANRAL RDM	6.450	SOER 2006	5.300	NRS 069
Single Residential > 650m² Erf	Dwelling unit	1.100	CoCT Civil Eng	0.7500	CoCT Civil Eng	4.0000	TMH 17	0.04125	SANRAL RDM	6.450	SOER 2006	5.300	NRS 069
Single Residential > 350m² Erf	Dwelling unit	0.900	CoCT Civil Eng	0.7500	CoCT Civil Eng	4.0000	TMH 17	0.02500	SANRAL RDM	6.450	SOER 2006	4.700	NRS 069
Single Residential < 350m² Erf	Dwelling unit	0.900	CoCT Civil Eng	0.7500	CoCT Civil Eng	4.0000	TMH 17	0.01250	SANRAL RDM	6.450	SOER 2006	3.600	NRS 069
State Funded Housing	Dwelling unit	0.600	CoCT Civil Eng	0.5000	CoCT Civil Eng	1.2000	TMH 17	0.00600	SANRAL RDM	2.050	SOER 2006	2.400	NRS 069
GAP/Affordable /Social Housing	Dwelling unit	0.600	CoCT Civil Eng	0.5000	CoCT Civil Eng	1.2000	TMH 17	0.01000	SANRAL RDM	3.700	SOER 2006	2.400	NRS 069
Group Housing	Dwelling unit	0.800	CSIR Red Book	0.6000	CSIR Red Book	3.7500	TMH 17	0.01500	SANRAL RDM	3.700	SOER 2006	2.400	NRS 069
Flat	Dwelling unit	0.575	CSIR Red Book	0.5000	SANS 10400	1.2500	TMH 17	0.00840	SANRAL RDM	2.960	SOER 2006	2.400	NRS 069

Category	Unit	Unit Impact											
		Water		Sewer		Roads		Storm-water		Solid Waste		Electricity	
		Demand	Source	Yield	Source	AADT	Source	Runoff Factor	Source	Generated	Source	ADMD	Source
		kl/day		kl/day		Number of trips		ha*C		kg/day		kVA	
Second/ Additional Dwelling/Granny Flat	Dwelling unit	0.575	CSIR Red Book	0.5000	SANS 10400	1.2500	TMH 17	0.01000	SANRAL RDM	2.960	SOER 2006	2.400	NRS 069
Rural / Undetermined / Agricultural	Dwelling unit	1.000	CoCT DC calculator	0.5000	CoCT DC calculator	4.0000	CoCT DC calculator	0.06750	CoCT DC calculator	6.450	CoCT DC calculator	-	
Rural Intensification / Agri-subdivisions	Dwelling unit	1.000	CoCT DC calculator	0.5000	CoCT DC calculator	4.0000	CoCT DC calculator	0.06750	CoCT DC calculator	6.450	CoCT DC calculator	-	
Hotel	Rooms	0.250	SANS 10252	0.1400	SANS 10400	6.0000	TMH 17	0.00350	SANRAL RDM	0.750	SOER 2006	0.090/m2	SANS 10400
Accommodation Establishments	Rooms	0.250	SANS 10252	0.1330	SANS 10400	3.0000	TMH 17	0.00560	SANRAL RDM	0.750	SOER 2006	0.090/m2	SANS 10400
General Business	m ² floor area	0.004	CSIR Red Book	0.0034	CSIR Red Book	0.1000	TMH 17	0.00010	SANRAL RDM	0.024	SOER 2006	0.090/m2	SANS 10400
Office	m ² floor area	0.004	CSIR Red Book	0.0034	CSIR Red Book	0.0850	TMH 17	0.00010	SANRAL RDM	0.024	SOER 2006	0.080/m2	SANS 10400
Retail/Shop	m ² floor area	0.004	CSIR Red Book	0.0034	CSIR Red Book	0.3500	TMH 17	0.00010	SANRAL RDM	0.024	SOER 2006	0.090/m2	SANS 10400
Warehouse	m ² floor area	0.004	SANS 10252	0.0035	SANS 10400	0.0300	TMH 17	0.00008	SANRAL RDM	0.024	SOER 2006	0.020/m2	NRS 069
Industrial	m ² floor area	0.004	SANS 10252	0.0035	SANS 10400	0.0600	TMH 17	0.00009	SANRAL RDM	0.024	SOER 2006	0.100/m2	NRS 069

Cate-gory	Unit	Unit Impact											
		Water		Sewer		Roads		Storm-water		Solid Waste		Electricity	
		Demand	Source	Yield	Source	AADT	Source	Runoff Factor	Source	Generated	Source	ADMD	Source
		kl/day		kl/day		Number of trips		ha*C		kg/day		kVA	
Early Childhood Development Centres / Home Child Care	Learner	0.170	SANS 10252	0.0370	SANS 10400	3.0000	TMH 17	0.00084	SANRAL RDM	0.740	SOER 2006	0.075/m2	SANS 10400
Universities / Schools	Learner	0.050	SANS 10252	0.0370	SANS 10400	2.0000	TMH 17	0.00175	SANRAL RDM	0.740	SOER 2006	0.075/m2	SANS 10400
Care / Accommodation (Hospitals, Clinics, Old age home)	Bed	0.500	SANS 10252	0.5000	SANS 10400	2.2500	TMH 17	0.00252	SANRAL RDM	1.500	SOER 2006	0.090/m2	SANS 10400
Office / Consulting rooms (welfare offices, clinics, hospitals & env. facilities)	m ² floor area	0.004	CSIR Red Book	0.0034	CSIR Red Book	0.2670	CoCT DC calculator	0.00010	SANRAL RDM	0.024	SOER 2006	0.090/m2	NRS 069
Meeting Places (places of assembly, place of worship)	m ² floor area	0.004	CSIR Red Book	0.0032	CoCT DC calculator	0.0930	CoCT DC calculator	0.00010	SANRAL RDM	0.024	SOER 2006	0.080/m2	SANS 10400
Open Spaces / Public Open Spaces	m ²	0.000		0.0000		0.0000		0.00004	SANRAL RDM	0.000	SOER 2006	-	

ANNEXURE 2: PRE-ASSESSMENT FORM

DEVELOPMENT CHARGES PRE-ASSESSMENT FORM	
Application Number	
Date	
Erf Location	
Erf No	
Erf Size (m2)	
Suburb	
Applicant	
Approved Building Plan No.	
TRIGGER CONDITIONS	
<input type="checkbox"/>	Application involves a change in land use that may result in increased impact on bulk infrastructure - use DC Calculator
<input type="checkbox"/>	Primary or consent use is being replaced by a land use with less impact on all bulk services
<input type="checkbox"/>	Subdivision application with no additional development rights, or which does not result in additional impact on bulk services
<input type="checkbox"/>	Application to change building lines, height or similar parameters, which does not lead to an intensification of land use
<input type="checkbox"/>	Application will have equal or less impact on all bulk services and is exempt in terms of the municipal DC policy, in the following category: <input type="text"/>
DECLARATION	
Application Processed by:	
Designation:	
I hereby declare that the application has been assessed in terms of the municipal DC Policy, and that sufficient information has been provided to me in order to confirm the presence, or not, or a trigger for development charges.	
Signature	
Date	

**ANNEXURE 3: SERVICES AGREEMENT FOR PRIVATE RESIDENTIAL
TOWNSHIP DEVELOPMENT**

SEE ATTACHED ANNEXURE 3

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ANNEXURE 4: CALCULATED UNIT COST - BASELINE 2018

(This unit cost will be updated annually with the municipal budget)

Service	Unit of measurement	Unit Cost	Service zone 1	Service zone 2	Service zone 3	Service zone 4	Service zone 5
		Average	Ceres	ODB	PAH	Wolseley	Tulbagh
Water	R/kl/day	R 4 146,28	R 4 146,28	R 4 146,28	R 4 146,28	R 4 146,28	R 4 146,28
		Average	Ceres	ODB	PAH	Wolseley	Tulbagh
Sewer	R/kl/day	R 2 767,06	R 2 767,06	R 2 767,06	R 2 767,06	R 2 767,06	R 2 767,06
		Average	Ceres	ODB	PAH	Wolseley	Tulbagh
Roads	R/trips/day	R 580,53	R 580,53	R 580,53	R 580,53	R 580,53	R 580,53
		Average	Ceres	ODB	PAH	Wolseley	Tulbagh
Stormwater	R/c.HA	R 80 490,30	R 80 490,30	R 80 490,30	R 80 490,30	R 80 490,30	R 80 490,30
		Average	Ceres	ODB	PAH	Wolseley	Tulbagh
Solid Waste	R/kg/day	R 1 159,15	R 1 159,15	R 1 159,15	R 1 159,15	R 1 159,15	R 1 159,15
		Average	Ceres	ODB	PAH	Wolseley	Tulbagh
Electricity	R/kVA	R 1 180,61	R 1 180,61	R 1 180,61	R 1 180,61	R 1 180,61	R 1 180,61

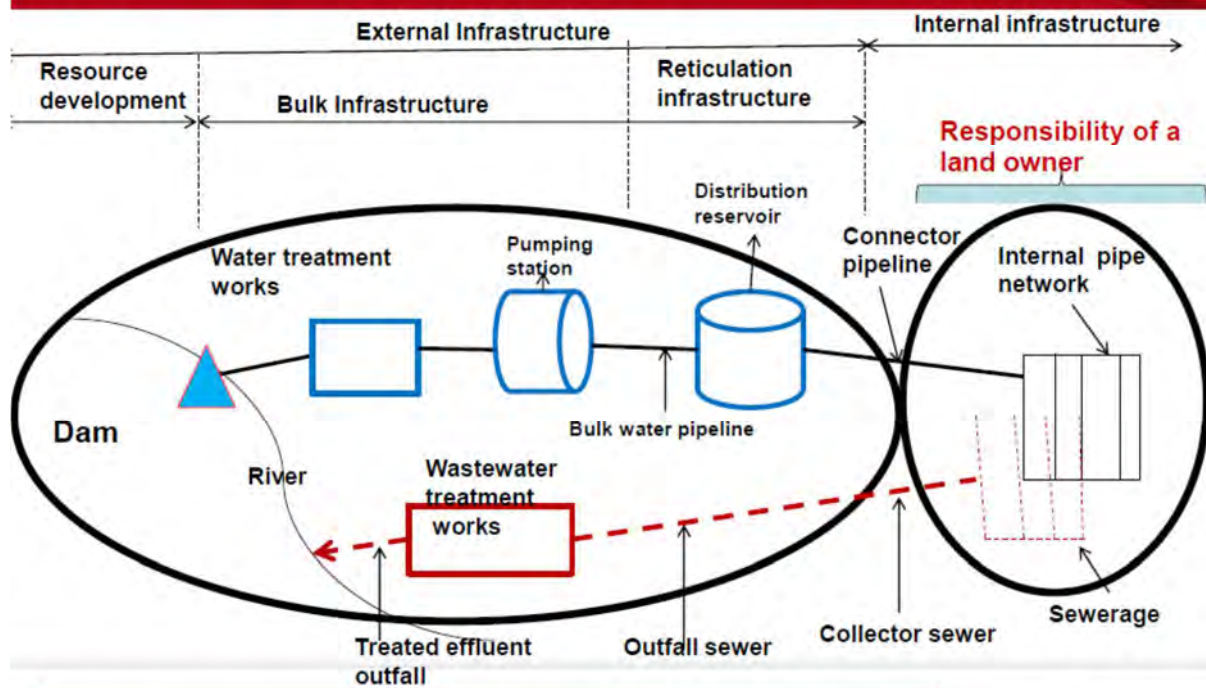
ANNEXURE 5 - INFRASTRUCTURE TO BE FUNDED BY DEVELOPMENT CHARGES

Sector	Extent of costs
Water	<p>The proportionate share of capacity and/or increase in capacity of the municipal water reticulation infrastructure to accommodate the needs of the new development, including:</p> <ul style="list-style-type: none"> • Link infrastructure outside the development site required to connect the new development to the existing municipal water network, however should the link infrastructure only service one development it is for the developers account. • The proportionate cost of the existing distribution pipelines, reservoirs, water towers, pump stations and control valves required for the new development, and/or the proportionate cost of creating additional capacity for the mentioned respective infrastructure components, downstream of the bulk water meter. • The costs that are <i>excluded</i> are the proportionate cost of dams (where owned by the municipality), water treatment works, bulk distribution
Sewerage	<p>The proportionate share of capacity and/or increase in capacity of the municipal sanitation infrastructure to accommodate the needs of the new development, including:</p> <ul style="list-style-type: none"> • Link infrastructure outside the development site required to connect the new development to the existing municipal sewer network, however should the link infrastructure only service one development it is for the developers account. • The proportionate cost of the existing collector and outfall sewer pipelines, pump stations and diversion structures required for the new development, and/or the proportionate cost of creating additional capacity for the mentioned respective infrastructure components, downstream of the new development. • The proportionate cost of a share in the capacity of the existing wastewater treatment works or sea outfalls, and/or the proportionate cost of creating additional capacity at such a facility, where these are owned by the
Electricity (to the extent provided by the municipality)	<ul style="list-style-type: none"> • Link infrastructure to connect the new development to the existing municipal network, however should the link infrastructure only service one development it is for the developers account. • The additional capacity in the municipal electrical supply network, however should the link infrastructure only service one development it is for the developers account. • The proportionate increase in size or capacity of transformer stations and substations. • The additional capacity of main transmission lines to transformer stations and substations.

Roads (to the extent provided by the municipality)	<p>Contributions to ‘basic road infrastructure’ are based on providing for the required road space which is needed on external municipal roads (of all classes) for trips on external roads by customers in the new development (or visitors) in order to maintain the existing minimum standard of service, including:</p> <ul style="list-style-type: none"> • Link infrastructure to connect the new development to the existing municipal infrastructure, unless this is required in terms of a traffic impact assessment, however should the link infrastructure only service one development it is for the developers account. • The proportionate share of existing external road capacity or increase in length or capacity of external roads due to the generalised (non-local) impact of the development. • Road structures, minor stormwater facilities, sidewalks, furniture, controls and signage associated with the above roads. • The proportionate share of existing capacity at, or new junctions and
Transport (to the extent provided by the municipality)	<p>The proportionate share of capacity or increase in size of the municipal public transport infrastructure not associated with road infrastructure, to accommodate the needs of the new development and maintain acceptable minimum levels of service, including:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Public transport interchanges <input type="checkbox"/> Non-scheduled service facilities <input type="checkbox"/> Street-to-street pedestrian access <input type="checkbox"/> Class 1 cycle lanes <p>But excluding any portion of this infrastructure funded from national government grants, including the costs of integrated rapid transit systems and facilities for scheduled services.</p>
Stormwater	<p>The proportionate share of existing capacity or increase in size of the external stormwater infrastructure associated with communal conveyance, to accommodate the needs of the new development, including:</p> <ul style="list-style-type: none"> • Link infrastructure outside the development site required to connect the new development to the existing municipal stormwater network, however should the link infrastructure only service one development it is for the developers account.. • Piped networks (excluding provision for minor drainage system associated with road provision) • Culverts • Open channels, lined and unlined • Detention and retention facilities • Energy dissipation structures
Solid waste (to the extent provided by the municipality)	<p>The proportionate share of existing capacity or new facilities, to accommodate the needs of the new development, including:</p> <ul style="list-style-type: none"> • Disposal facilities (landfill, transfer stations, alternative treatment technologies) • Specialised vehicles used for landfill operations • Drop-off facilities • Specialised collection vehicles • Material recovery facilities

<p>All services (to the extent provided by the municipality)</p>	<p>The proportionate cost of land or servitudes of existing infrastructure or the cost thereof to establish new infrastructure as a result of the development.</p>
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Development charges components (example of water and waste water treatment works)



SERVICES AGREEMENT FOR PRIVATE RESIDENTIAL TOWNSHIP DEVELOPMENT

**FINAL DRAFT
17 September 2018**

ABOUT THIS DOCUMENT

BACKGROUND

The sustained increase in urban development around small urban nodes puts pressure on the capacity of existing infrastructure. In some cases there is a lack of capacity at Local Authority level to manage this additional burden on services. This has given rise to the need for improved systems and tools to assist Local Authorities to cope. Measures such as the development and use of best-practice solutions and standardisation of procedures are advocated.

This document aims to provide a guideline for smaller municipalities entering into services agreements with private developers who are planning to develop residential townships.

HOW TO USE THIS DOCUMENT

1. This document must be utilised as a guideline only. It will need to be adapted to incorporate local preferred practice and local conditions.
2. This document consists of 3 basic elements:
 - Standard clauses
 - Optional clauses
 - Sample sections
3. The aim is not to contradict local preferred practice but to assist Local Authorities in their work.
4. Two shades of highlighting have been employed to make the document easier to use. These are as follows:
 - **Light shading** indicates where information such as the name of the municipality needs to be filled in
 - **Dark shading** indicates where an option needs to be selected for delegating responsibilities in terms of the agreement

The numbering of items needs to be checked once individual sections are selected or omitted.

STATUS OF THIS DOCUMENT

This agreement is a stand alone document that forms part of the requirements for the approval required by the DEVELOPER for the development of the TOWNSHIP. The subdivision document must include clear reference to the Services Agreement and it will therefore be a condition of subdivision. It is proposed that the Services Agreement should be signed before a contractor may proceed with infrastructure installation.

LEGAL LIABILITY

The user is advised to consult with a legal expert to adapt the document to suit his/her specific circumstances. The user indemnifies the drafter of this document against each and every liability which the user may incur as a result of the use of this document.

SERVICES AGREEMENT FOR PRIVATE RESIDENTIAL TOWNSHIP DEVELOPMENT

FOR THE DEVELOPMENT OF:

(Name of Development)

MEMORANDUM OF AGREEMENT ENTERED INTO BY AND BETWEEN:

(Name of Municipality)

AND

(Name of Developer)

Revision Number: ***(No.)***

Date: ***(Date)***

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MEMORANDUM OF AGREEMENT

AGREED AND ENTERED INTO BY AND BETWEEN

(NAME OF MUNICIPALITY)

herein represented byin his/her
capacity as and duly authorised thereto
in terms of a **Council** decision dated
(hereinafter referred to as the “MUNICIPALITY”)

AND

(NAME OF DEVELOPER)

herein represented by in his/her
capacity asand duly authorised thereto
by virtue of a resolution dated
(hereinafter referred to as the “DEVELOPER”)

Now this agreement provides as follows:

WHEREAS the DEVELOPER, by virtue of a land availability agreement, is the DEVELOPER of:

(Name and/or brief description of land)

(hereinafter referred to as the “PROPERTY”);

AND WHEREAS the DEVELOPER applied **EITHER** to develop a TOWNSHIP on **OR** for the rezoning and subdivision of the PROPERTY **(delete as applicable)**, which TOWNSHIP shall be known as

(hereinafter referred to as the “TOWNSHIP”);

AND WHEREAS the DEVELOPER, together with the MUNICIPALITY as the Local Authority within whose jurisdiction the land described above is situated shall make arrangements for:

The supply and maintenance of the Engineering Services in the TOWNSHIP, in terms of the provisions of Section 49 of the Spatial Planning and Land Use Management Act, 2013 (Act No. 16 of 2013) and Sections 81 and 82 of the Witzenberg Land Use Planning By-Law (P.N 289/2015) as well as the TOWNSHIP establishment conditions which apply or may in future apply thereto;

AND WHEREAS the following services must be provided to the TOWNSHIP:

(Delete or modify as applicable:)

- A. The supply of roads in the TOWNSHIP and the provision of access to the TOWNSHIP from existing roads and streets in the MUNICIPALITY's area of jurisdiction or otherwise;
- B. The provision of a storm water drainage system for the TOWNSHIP;
- C. The provision of all water, including drinking water and irrigation and the distribution thereof in the TOWNSHIP;
- D. The provision of a sewerage system to the TOWNSHIP for sewerage and the removal and purification thereof;
- E. The provision of an electricity service and the distribution thereof to the TOWNSHIP, including street lighting; and
- F. The supply of a solid waste removal service for the TOWNSHIP;

AND WHEREAS the MUNICIPALITY is prepared and able to supply some or all of these services required for the TOWNSHIP, as the case may be, as set out above and subject to the terms and conditions set out hereunder;

AND WHEREAS the MUNICIPALITY prescribed guidelines for the following:

- Engineering Services for new townships, in accordance with what is known as "*Guidelines for human settlement planning and design*" and generally referred to as "The Red Book,"; and
- Electrical Services for new townships, in accordance with *EITHER (delete or modify as applicable:)*
The MUNICIPALITY's standard specifications and conditions for electrical works as set out in their "Standard Electrical Services Agreement" document, according to the instructions of the Director Technical Services.
OR
The present ruling standards of ESKOM, where specifications and drawings shall be subject to ESKOM's approval;

which guidelines, or as amended by the Municipal Manager, form an integral part of this agreement (hereinafter referred to as the "GUIDELINES");

NOW THEREFORE the aforementioned MUNICIPALITY and the DEVELOPER agree as follows:

1. GENERAL

- 1.1 The services of water, electricity and sewerage shall be made available to the DEVELOPER by the MUNICIPALITY and ESKOM *(delete if not applicable)* at such point or points as may be determined and agreed upon by the parties.
- 1.2 The MUNICIPALITY and the DEVELOPER shall be entitled to make changes to the services and infrastructure as envisaged in this agreement subject to their mutual agreement, provided that such changes be recorded in writing and signed by both parties.
- 1.3 The Consulting Engineer appointed by the DEVELOPER must submit proof of his/her Professional Indemnity insurance to the MUNICIPALITY. The technical soundness and sizing of the infrastructure design is the responsibility of the Consulting Engineer.
- 1.4 Before the DEVELOPER undertakes the building of any services, he shall have the necessary plans drawn up by a Consulting Engineer, and shall submit such plans to the MUNICIPALITY for approval before commencing with any works or construction.
- 1.5 Prior to commencing with the design, the DEVELOPER's Consulting Engineer must acquaint himself with, and clarify with the MUNICIPALITY and ESKOM *(delete if not applicable)* the standards of materials and design requirements to be complied with as well as possible costs of connections to existing services.
- 1.6 A Services/Design Report that confirms all standards and the design of services must be approved by the MUNICIPALITY and any other relevant authorities as applicable. The Services Report must clearly state which bulk services upgrades are required to accommodate the full demand of the development.
- 1.7 All connections to existing services will be made by the DEVELOPER's contractor under direct supervision of the MUNICIPALITY and all costs will be for the account of the DEVELOPER.

OR

Connections to existing services will be made by the MUNICIPALITY, for the cost of the DEVELOPER.

- 1.8 The DEVELOPER shall be liable for all damages caused to any existing services due to any action related to the implementation of the TOWNSHIP. The DEVELOPER is responsible for determining the location of existing civil and electrical services. All information provided on previous record drawings or as-built data shall be verified and confirmed on site.
- 1.9 If any graves are present in the proposed TOWNSHIP, the DEVELOPER shall deal therewith in terms of the relevant legislation and to the satisfaction of the MUNICIPALITY, at the DEVELOPER's own cost.
- 1.10 The DEVELOPER is entitled to develop the area in phases subject to the phases being indicated in the designs and plans and the MUNICIPALITY's approval thereof.

- 1.11 A defects liability period of twelve months and that is in accordance with the latest version of the General Conditions of Contract applies for all services installed by the DEVELOPER. This shall also apply to the individual phases in the development.
- 1.12 Any reference to a party shall include a reference to that party's successors in title and assigns.

2. EXTERNAL SERVICES

(The following sections to be amended to the specific environment of this agreement)

2.1 BULK WATER

- 2.1.1 The MUNICIPALITY will provide a connection point and has adequate capacity in the bulk system to accommodate the full demand of the TOWNSHIP.

OR

The MUNICIPALITY will upgrade certain bulk water infrastructure. This upgrade entails the following:

.....

OR

The DEVELOPER will upgrade certain bulk water infrastructure. This upgrade entails the following:

.....

.....

(Include sub-clause 2.1.2 below only when the second or third option in 2.1.1 above is used)

- 2.1.2 The costs for the above upgrade shall include costs for:

- Design and construction including escalation costs
- Environmental applications and management plans required by the Department of Water Affairs & Forestry and the Department of Environmental Affairs and Development Planning, where applicable.
- Costs for compliance with the Occupational Health and Safety Act, 1993 (Act No 85 of 1993) and the Construction Regulations, 2003.
- Costs related to the registrations of servitudes and acquisition of land

These costs will

(include one of the three options as follows:)

EITHER

be carried by the MUNICIPALITY

OR

be carried by the DEVELOPER. In this instance and if a Capital Contribution is applicable, R..... of the cost can be offset against the Capital Contribution payable by the DEVELOPER. Any costs of increased capacity above the capacity required by the TOWNSHIP or any level of service or equipment above the normal level of service provided by the MUNICIPALITY, however, shall be for the account of the MUNICIPALITY.

OR

be shared between the MUNICIPALITY and the DEVELOPER. In this instance the DEVELOPER shall pay R..... If a Capital Contribution is applicable, R..... of the DEVELOPER'S share can be offset against the Capital Contribution payable by the DEVELOPER. Any costs of increased capacity above the capacity required by the TOWNSHIP or any level of service or equipment above the normal level of service provided by the MUNICIPALITY, however, shall be for the account of the MUNICIPALITY.

- 2.1.3 The MUNICIPALITY shall be entitled to levy a water tariff in respect of any water consumption from a metered connection, at published tariffs which may be in force in its area of jurisdiction from time-to-time. The final connections will only be effected once the network has been completed, tested, approved and taken over by the MUNICIPALITY.

2.2 BULK SEWER

- 2.2.1 The MUNICIPALITY will provide a connection point and has adequate capacity in the bulk system to accommodate the full sewage flow of the TOWNSHIP.

OR

The MUNICIPALITY will upgrade certain bulk sewerage infrastructure. This upgrade entails the following:

.....

.....

OR

The DEVELOPER will upgrade certain bulk sewerage infrastructure. This upgrade entails the following:

.....

.....

(Include sub-clause 2.2.2 below only when the second or third option in 2.2.1 above is used)

- 2.2.2 The costs for the above upgrade shall include costs for:
- Design and construction including escalation costs
 - Environmental applications and management plans required by the Department of Water Affairs & Forestry and the Department of Environmental Affairs and Development Planning, where applicable.
 - Costs for compliance with the Occupational Health and Safety Act, 1993 (Act No 85 of 1993) and the Construction Regulations, 2003.
 - Costs related to the registrations of servitudes and acquisition of land

These costs will

(include one of the three options as follows:)

EITHER

be carried by the MUNICIPALITY.

OR

be carried by the DEVELOPER. In this instance and if a Capital Contribution is applicable, R..... of the cost can be offset against the Capital Contribution payable by the DEVELOPER. Any costs of increased capacity above the capacity required by the TOWNSHIP or any level of service or equipment above the normal level of service provided by the MUNICIPALITY, however, shall be for the account of the MUNICIPALITY.

OR

be shared between the MUNICIPALITY and the DEVELOPER. In this instance the DEVELOPER shall pay R..... If a Capital Contribution is applicable, R..... of the DEVELOPER'S share can be offset against the Capital Contribution payable by the DEVELOPER. Any costs of increased capacity above the capacity required by the TOWNSHIP or any level of service or equipment above the normal level of service provided by the MUNICIPALITY, however, shall be for the account of the MUNICIPALITY.

2.3 BULK ELECTRICITY

- 2.3.1 The MUNICIPALITY/ESKOM *(delete as applicable)* will provide a connection point and has adequate capacity in the bulk system to accommodate the full demand of the TOWNSHIP.

OR

The MUNICIPALITY/ESKOM *(delete as applicable)* will upgrade certain bulk electrical infrastructure. This upgrade entails the following:

.....

.....

OR

The DEVELOPER will upgrade certain bulk electrical infrastructure. This upgrade entails the following:

.....

.....

(Include sub-clause 2.3.2 below only when the second or third option in 2.3.1 above is used)

- 2.3.2 The costs for the above upgrade shall include costs for:

- Design and construction including escalation costs
- Environmental applications and management plans required by the Department of Water Affairs & Forestry and the Department of Environmental Affairs and Development Planning, where applicable.
- Costs for compliance with the Occupational Health and Safety Act, 1993 (Act No 85 of 1993) and the Construction Regulations, 2003.
- Costs related to the registrations of servitudes and acquisition of land

These costs will

(include one of the three options as follows:)

EITHER

be carried by the MUNICIPALITY/ESKOM *(delete as applicable)*.

OR

be carried by the DEVELOPER. In this instance and if a Capital Contribution is applicable, R..... of the cost can be offset against the Capital Contribution payable by the DEVELOPER. Any costs of increased capacity above the capacity required by the TOWNSHIP or any level of service or equipment above the normal level of service provided by the MUNICIPALITY/ESKOM *(delete as applicable)*, however, shall be for the account of the MUNICIPALITY/ESKOM *(delete as applicable)*.

OR

be shared between the MUNICIPALITY/ESKOM *(delete as applicable)* and the DEVELOPER. In this instance the DEVELOPER shall pay R..... If a Capital Contribution is applicable, R..... of the DEVELOPER'S share can be offset against the Capital Contribution payable by the DEVELOPER. Any costs of increased capacity above the capacity required by the TOWNSHIP or any level of service or equipment above the normal level of service provided by the MUNICIPALITY/ESKOM *(delete as applicable)*, however, shall be for the account of the MUNICIPALITY/ESKOM *(delete as applicable)*.

2.4 ACCESS ROADS

- 2.4.1 The MUNICIPALITY will provide an access point to the existing road network with sufficient capacity to accommodate the full traffic impact of the TOWNSHIP.

OR

The MUNICIPALITY will upgrade certain bulk road infrastructure. This upgrade entails the following:

.....

OR

The DEVELOPER will upgrade certain bulk road infrastructure. This upgrade entails the following:

.....

(Include sub-clause 2.4.2 below only when the second or third option in 2.4.1 above is used)

- 2.4.2 The costs for the above upgrade shall include costs for:

- Design and construction including escalation costs
- Environmental applications and management plans required by the Department of Water Affairs & Forestry and the Department of Environmental Affairs and Development Planning, where applicable.
- Costs for compliance with the Occupational Health and Safety Act, 1993 (Act No 85 of 1993) and the Construction Regulations, 2003.

- Costs related to the registrations of servitudes and acquisition of land

These costs will

(include one of the three options as follows:)

EITHER

be carried by the MUNICIPALITY.

OR

be carried by the DEVELOPER. In this instance and if a Capital Contribution is applicable, R..... of the cost can be offset against the Capital Contribution payable by the DEVELOPER. Any costs of increased capacity above the capacity required by the TOWNSHIP or any level of service or equipment above the normal level of service provided by the MUNICIPALITY, however, shall be for the account of the MUNICIPALITY.

OR

be shared between the MUNICIPALITY and the DEVELOPER. In this instance the DEVELOPER shall pay R..... If a Capital Contribution is applicable, R..... of the DEVELOPER'S share can be offset against the Capital Contribution payable by the DEVELOPER. Any costs of increased capacity above the capacity required by the TOWNSHIP or any level of service or equipment above the normal level of service provided by the MUNICIPALITY, however, shall be for the account of the MUNICIPALITY.

- 2.4.3 It is confirmed that a Traffic Impact Study has been completed for the proposed development. The Traffic Impact Study must be approved by the MUNICIPALITY and all other applicable authorities. The DEVELOPER shall comply with the requirements of this report.

2.5 BULK STORM WATER DRAINAGE

(The following section to be amended to the specific environment of this agreement)

- 2.5.1 The DEVELOPER shall supply a system to ensure that the concentrated flow of floodwater from higher-lying areas is channelled into, and accommodated in the TOWNSHIP's storm water drainage system. The system, in accordance with the GUIDELINES, shall lead all storm water to a location(s) outside the borders of the TOWNSHIP, as indicated by the MUNICIPALITY. No erosion may be caused at storm water outlets from the TOWNSHIP and provision must be made, to the satisfaction of the MUNICIPALITY and the owner of such areas, regarding the outlet of such storm water.
- 2.5.2 The existing storm water system adjacent to the development has adequate capacity to accommodate flows from the TOWNSHIP for both minor and major storm events. The DEVELOPER may connect directly into these system(s).

OR

The MUNICIPALITY will upgrade certain bulk storm water infrastructure. This upgrade entails the following:

.....

.....

OR

The DEVELOPER will upgrade certain bulk storm water infrastructure. This upgrade entails the following:

.....

.....

(Include sub-clause 2.5.3 below only when the second or third option in 2.5.2 above is used)

- 2.5.3 The costs for the above upgrade shall include costs for:
- Design and construction including escalation costs
 - Environmental applications and management plans required by the Department of Water Affairs & Forestry and the Department of Environmental Affairs and Development Planning, where applicable.
 - Costs for compliance with the Occupational Health and Safety Act, 1993 (Act No 85 of 1993) and the Construction Regulations, 2003.
 - Costs related to the registrations of servitudes and acquisition of land

These costs will

(include one of the three options as follows:)

EITHER

be carried by the MUNICIPALITY.

OR

be carried by the DEVELOPER. In this instance and if a Capital Contribution is applicable, R..... of the cost can be offset against the Capital Contribution payable by the DEVELOPER. Any costs of increased capacity above the capacity required by the TOWNSHIP or any level of service or equipment above the normal level of service provided by the MUNICIPALITY, however, shall be for the account of the MUNICIPALITY.

OR

be shared between the MUNICIPALITY and the DEVELOPER. In this instance the DEVELOPER shall pay R..... If a Capital Contribution is applicable, R..... of the DEVELOPER'S share can be offset against the Capital Contribution payable by the DEVELOPER. Any costs of increased capacity above the capacity required by the TOWNSHIP or any level of service or equipment above the normal level of service provided by the MUNICIPALITY, however, shall be for the account of the MUNICIPALITY.

2.6 SOLID WASTE REMOVAL

(The following section to be amended to the specific environment of this agreement)

- 2.6.1 The MUNICIPALITY undertakes, after proclamation of the TOWNSHIP, to remove household refuse in accordance with its by-laws and shall make its own arrangements with the occupants of erven/home owner's organisation/body corporate ~~(delete as applicable)~~ in the TOWNSHIP, for the removal of such household refuse.
- 2.6.2 Such collection shall be from individual erven/a single centralised waste collection site for the development. ~~(delete as applicable)~~

3. INTERNAL SERVICES

- 3.1 The DEVELOPER shall be solely liable for the design, planning and installation of all the internal services in the proposed development.
- 3.2 Where the DEVELOPER erects improvements on any erf or portion of the development area, then the DEVELOPER will install for each individual property the services, including the erf connections for water, sewer and electricity.
- 3.3 Water connections from reticulation mains must be within 1m of erf boundary.
(delete as applicable)
 This connection must be terminated with an end cap and marker
OR
 This connection must be terminated with a shut off valve and marker
OR
 This connection must be terminated with a water meter including shut off valves and marker
OR
 This connection must be to the household unit including a water meter, shut off valves and marker
- 3.4 Sewer connections to the sewerage system must be
(delete as applicable)
 Supplied to each household unit
OR
 Supplied to within 1m of the erf boundary
- 3.5 Electrical connections to each property must be
(delete as applicable)
 Supplied to each household unit
OR
 Supplied on the erf boundary
- 3.6 All erf connections described in sections 3.2 to 3.5 must be provided by the DEVELOPER
OR
 Erf connections described in section 3.3 and 3.4 for water and sewer must be provided by the DEVELOPER. The electrical connection and metering will be provided by the MUNICIPALITY/ESKOM *(delete as applicable)*.
- 3.7 These connections will be supplied as per the GUIDELINES FOR THE PROVISION OF ENGINEERING SERVICES AND AMENITIES IN RESIDENTIAL TOWNSHIPS (THE RED BOOK) and include:

.....

.....

- 3.8 All ducts including Telkom ducts, electrical ducts and other services ducts are to be installed by the DEVELOPER at his cost. The number, sizes, positions and specifications of Telkom ducts are to be agreed with Telkom. All Telkom services must be built underground. The DEVELOPER shall adhere to the specifications of Telkom (SA). Copies of all correspondence with Telkom shall be handed over to the MUNICIPALITY.
- 3.9 No water or electrical service connection may be made alive unless a meter reading has been taken over by the MUNICIPALITY as well as a service agreement has been signed with the MUNICIPALITY and all required deposit fees are paid in to the MUNICIPALITY.

4. OPEN SPACES AND LANDSCAPED AREAS

- 4.1 The DEVELOPER will be responsible for the development of the open spaces, as well as any landscaped areas within the TOWNSHIP. This development will entail the following:

.....
.....

- 4.2 The DEVELOPER and/or Body Corporate and/or Home Owner's Association will be responsible for the maintenance of the above into perpetuity.

OR

The MUNICIPALITY will be responsible for the maintenance of the above.

5. MAINTENANCE

- 5.1 The MUNICIPALITY shall assume responsibility for..... services and ESKOM shall assume responsibility for services *(delete or reword as applicable)*, to be taken over from the date of Practical Completion of these services, as stated in the latest version of the General Conditions of Contract, subject only to the standard one year defect liability period as maintained by the DEVELOPER. The responsibility for all other services belongs to the Body Corporate and/or Home Owner's Association. It is noted that this shall also apply to the individual phases in the development.

OR

The Body Corporate and/or Home Owner's Association shall assume responsibility for all services from the date of Practical Completion of these services, as stated in the latest version of the General Conditions of Contract, subject only to the standard one year defect liability period as maintained by the DEVELOPER. It is noted that this shall also apply to the individual phases in the development. The DEVELOPER must ensure that the offer to purchase and deed of sale include this obligation and that this is brought to the attention of the buyer.

- 5.2 The DEVELOPER shall be liable to repair at his own expense any inherent faults or defects of the services within the defects liability period after the date of practical completion. In this connection the DEVELOPER's liability is confined to defective workmanship and/or materials.

6. PLANS AND DRAWINGS

- 6.1 The DEVELOPER shall at his own cost, have the necessary plans and drawings compiled by a competent Consulting Engineer in accordance with the specifications, standards and GUIDELINES, for all internal services and connection services which it is deemed that the DEVELOPER knows of, and which form an integral part of this Agreement.
- 6.2 Prior to the commencement of construction of any services by the DEVELOPER, the DEVELOPER shall submit to the MUNICIPALITY, the required plans, drawn by the Consulting Engineer, for their approval.
- 6.3 The Consulting Engineer shall, with lodgement of said plans, confirm in writing to the MUNICIPALITY that he has sufficient professional indemnity insurance.
- 6.4 The MUNICIPALITY, at its sole discretion, may or may not accept said plans, and in the event of said plans not being accepted, the DEVELOPER shall, at his own cost, see to the necessary amendments thereto, to the satisfaction of the MUNICIPALITY.
- 6.5 Prior to takeover, the DEVELOPER shall provide the MUNICIPALITY with hard copies and electronic copies in a file format compatible with the MUNICIPALITY's CAD software of all drawings showing the relevant civil services of the PROPERTY separately and specifying the under-mentioned information in detail:
 - Water reticulation: all erf connection points (X,Y,Z coordinates), pipelines (including pipe diameters), fire hydrants and valves (X,Y coordinates), and copy of test report.
 - Sewerage reticulation: all pipelines (including pipe diameters), services connections (X,Y,Z coordinates), manholes (X,Y,Z coordinates) and copy of test report.
 - Storm water drainage: all pipelines (including diameters), catchpits, manholes, open channels, culverts and headwalls (X,Y,Z coordinates of all structures).
 - Roads: Plans that clearly indicate the layout, including widths of streets, reserve widths, typical cross sections, layerworks, positions of service ducts and diameters of turning circles and radii. And copy of test reports
 - Electrical: service connections, mini-substations, meter boxes, cables, street lights, cable ducts (X,Y coordinates) and the manner in which the main supply has been acquired.
 - Pump stations: final layouts, wiring diagrams, copy of commissioning report, copy of operational manual.

This will be based on the information available to the DEVELOPER's Consulting Engineer and will be subject to verification on site. A completion certificate must be provided by the DEVELOPER's Consulting Engineer stating that the services had been installed properly in accordance with the agreed specifications and drawings.

7. OBTAINING SERVITUDES AND RIGHTS OF WAY

- 7.1 The draft design of all services, including connecting services, must be presented before the General Plan is submitted for approval, so as to ascertain the possible registration of all servitudes inside and outside the proposed TOWNSHIP.
- 7.2 All rights of way and access rights required by the MUNICIPALITY to exercise its duties as set out in this agreement, and which are required within or outside the TOWNSHIP's borders, shall be provided to the MUNICIPALITY by the DEVELOPER at no cost to the MUNICIPALITY, and if the MUNICIPALITY should so require, the DEVELOPER shall register such rights of way and access rights thus required as servitudes against the title deeds of the servient properties.
- 7.3 The DEVELOPER shall be responsible for all costs required for the registration of the servitudes including the acquisition of land. This will include the total costs for the functions carried out by property valuers, surveyors, planners and transfer attorneys
- 7.4 The DEVELOPER shall not be entitled to sell, alienate or otherwise dispose of any properties within the TOWNSHIP over which a servitude must be registered, before any such servitude(s) is registered. Alternatively, the DEVELOPER undertakes to make any such alienation subject to the MUNICIPALITY's right to obtain registration of any such servitude, without any cost to the MUNICIPALITY.
- 7.5 The DEVELOPER shall further be obliged to, at its own cost, obtain the right for the MUNICIPALITY to remove any trees or other obstructions adjoining the route of any pipeline, cable, power line, water pipe or any other construction to be undertaken within the borders of the TOWNSHIP, or in the nearby vicinity thereof, or which may affect the effective functioning of any system installed by the MUNICIPALITY. The MUNICIPALITY may assist with arrangements, but the ultimate responsibility lies with the DEVELOPER.

8. TRANSFER OF ERVEN BY THE DEVELOPER

- 8.1 No erf shall be transferred until the DEVELOPER has provided all the agreed services to all erven in each proposed development phase to the satisfaction of the MUNICIPALITY in accordance with designs, plans and specifications as approved by the MUNICIPALITY prior to the installation of such services. Upon completion of such services, the Consulting Engineers appointed by the DEVELOPER are required to submit a certificate confirming that such services have been installed and completed in accordance with such approved designs, plans and specifications.
- 8.2 No erf shall be transferred until the DEVELOPER has paid all Capital Contributions, if applicable.
- 8.3 The MUNICIPALITY shall issue a certificate signed by the **Municipal Manager**, or delegate, to the DEVELOPER confirming the completion of services to its satisfaction once such work has in fact so been completed.
- 8.4 In terms of Sections 21 and 29 of the Witzenberg Land Use Planning By-Law (P.N 289/2015) as read with Section 118 of the Municipal Systems Act No 32 of 2000, the MUNICIPALITY will not issue the written authority under Section 118 of the Municipal Systems Act unless and until all conditions of rezoning and the conditions set out in this agreement have been complied with by the DEVELOPER.
- 8.5 The DEVELOPER undertakes to comply with all conditions of subdivision and rezoning as laid down by the MUNICIPALITY before occupation certificates shall be issued, unless otherwise agreed herein.
- 8.6 The MUNICIPALITY shall be entitled not to consider any building plans submitted to it prior to the registration of erven in the deeds office.

9. CAPITAL CONTRIBUTIONS (IF APPLICABLE)

9.1 Pro rata Capital Contributions are payable to the MUNICIPALITY for the following bulk services:

- water,
- sewerage,
- roads
- solid waste disposal
- electricity *(delete if not applicable)*

AND

Pro rata Capital Contributions are payable to ESKOM for the bulk electrical services *(delete if not applicable)*

and can be used towards the upgrading of bulk infrastructure as determined by the MUNICIPALITY.

9.2 The MUNICIPALITY may negotiate with the DEVELOPER about the distribution and allocation of the pro rata Capital Contributions.

9.3 The DEVELOPER will ensure that the conditions and terms applicable to the pro rata payments are made known and are binding on the purchasers of any land properties within the township.

9.4 For all civil services the pro rata contributions will be according to the MUNICIPALITY's contribution scheme as determined and approved by the MUNICIPALITY from time to time.

9.5 Pro rata contributions are subject to VAT and are further subject to the provisions and rates contained in the Value Added Tax Act, 1991 (Act No 89 of 1991) as amended.

9.6 Pro rata contributions which are payable to the MUNICIPALITY are subject to annual adjustments by the MUNICIPALITY and the adjusted rates will apply from the implementation date as decided by the MUNICIPALITY.

9.7 The pro rata contributions shall be payable by the DEVELOPER at the time application is made to the MUNICIPALITY for a rates clearance certificate in terms of Section 118 of the Municipal Systems Act No 32 of 2000, to permit an erf/unit to be transferred to the purchaser. The amount payable shall be such amount as may be in force at the time that application for transfer of an erf/unit is made. Should any of the above development and/or individual units not be transferred but rented out by the DEVELOPER, it will become due and payable immediately, upon development.

9.8 Optional – amend as applicable

9.8 The DEVELOPER shall be entitled to offset its costs of providing the bulk services to the property against the respective Capital Contributions. These costs are to be agreed by the DEVELOPER and the MUNICIPALITY but will not be more than and shall be deemed to be a credit against the payment of Capital Contributions.

- 9.9 The installation of services discounted against Capital Contributions shall be procured through a process that will guarantee competitive construction rates. The procurement process to be adopted shall be agreed upon between the DEVELOPER and the MUNICIPALITY.

10. PROPERTY TAX, SERVICE CHARGES AND OTHER FEES

- 10.1 The DEVELOPER and other owners shall, after proclamation of the TOWNSHIP, be responsible for the payment of property tax at the prevailing tariffs, and if applicable the reduced tariff in respect of land of which they are the owners, and all service charges, consumer service charges, inspection fees, plan approval fees, including building plans (if applicable), in respect of any services actually used or provided, inspections actually carried out and/or plans approved.
- 10.2 Liability for basic services charges shall apply from the date on which the MUNICIPALITY connects the erf or unit to the services.

OR

The DEVELOPER's liability for payment of the property tax and services charges as set out in sub clause 10.1 above shall be transferred from the DEVELOPER to a purchaser at the date of transfer of an erf or a unit in a Sectional Title Scheme, and the DEVELOPER shall from that date have no further liability in respect thereof.

11. OCCUPATIONAL HEALTH AND SAFETY ACT

- 11.1 The DEVELOPER is obligated to comply with the requirements of the Occupational Health and Safety Act, 1993 (Act No 85 of 1993) and the Construction Regulations, 2003 issued in terms thereof.
- 11.2 The DEVELOPER may appoint an agent to be his/her representative, so that the responsibilities imposed upon the DEVELOPER in terms of the Act shall as far as reasonably practicable apply to the agent so appointed. The DEVELOPER must inform itself of the proposed agent's competence in terms of the Act. The DEVELOPER shall be responsible for the total costs of such an agent.
- 11.3 The DEVELOPER or its agent must ensure that the contract document for construction includes adequate specification to enforce the requirements of the Act.
- 11.4 The internal electrical reticulation is the responsibility of the Home Owners Association and a suitably qualified person approved by the MUNICIPALITY, will be appointed to take the responsibility for the network as determined in the Occupational Health and Safety Act (85 of 1993), General Machinery Regulations 2(5). The Municipality must be notified of any changes regarding the suitably qualified person.

12. ENVIRONMENTAL MANAGEMENT PLAN (IF REQUIRED)

- 12.1 The DEVELOPER must compile and submit an acceptable construction phase Environmental Management Plan to the MUNICIPALITY, as well as the Department of Environmental Affairs and Development Planning if required, for approval prior to any land clearing or construction commencing. The Environmental Management Plan should describe the level and type of competency required by the Environmental Control Officer. It should clearly define and allocate roles and responsibilities to the Environmental Control Officer.
- 12.2 The DEVELOPER must appoint the Environmental Control Officer. The DEVELOPER must give details and Terms of Reference of the Environmental Control Officer to the MUNICIPALITY prior to contract commencement. The DEVELOPER shall be responsible for the total costs of the Environmental Control Officer.
- 12.3 If an Environmental Management Plan is required, the DEVELOPER must ensure that the contract document for construction includes adequate specification to enforce the stipulations of the Environmental Management Plan.

13. ASSIGNMENT AND SUBCONTRACT

- 13.1 Except if required by a lender, the DEVELOPER shall not, without prior written consent from the MUNICIPALITY, be entitled to renounce, cede, assign or transfer any of its rights or obligations in terms of this Agreement.

14. WAIVER

- 14.1 No concession, relaxation, indulgence or non-enforcement, which may be allowed by any party regarding any provision of this agreement, shall prejudice any of the rights of the party allowing such concession, relaxation, indulgence or non-enforcement.

15. ENTIRE AGREEMENT

- 15.1 The parties acknowledge herewith that this Agreement, read in conjunction with the (name of technical/services report including authors and date) constitutes the entire Agreement between the parties and that no other Agreement albeit verbal or written, has been entered into by them. An addition to, or amendment of this Agreement after the signing hereof, shall not be binding or enforceable on the parties, unless such addition or amendment is put in writing and is signed by both parties. In the case of any conflicting provisions between those contained in the Agreement and any other documentation, the provisions of this Agreement shall enjoy precedence.

16. COMMENCEMENT AND CANCELLATION OF AGREEMENT

16.1 This agreement shall be effective as from (insert specific date OR insert phrase “date of signature of this Agreement”).)

16.2 This agreement will terminate once

(include one of the three options, which ever ends the latest)

The DEVELOPER has paid all outstanding Capital Contributions

OR

The defects liability period has been completed

OR

The DEVELOPER renders a closing account to the MUNICIPALITY

16.3 Should the DEVELOPER fail to comply with any provision of this agreement, the MUNICIPALITY shall be entitled to notify the DEVELOPER of any such failure and should the DEVELOPER fail to rectify any such failure within 90 (ninety) days, calculated from the date of postage, by registered mail, of the MUNICIPALITY 's notice, alternatively the date on which such notice was delivered by hand to the DEVELOPER's duly authorised official, the MUNICIPALITY may, in its discretion, cancel this agreement, alternatively claim specific performance from the DEVELOPER in terms of this agreement.

16.4 In the event of cancellation, the MUNICIPALITY shall be entitled to:

- Claim damages from the DEVELOPER, for damages which the MUNICIPALITY suffered or may suffer as a result of the DEVELOPER's failure/neglect to comply with any provision of this agreement. The damages shall include legal costs.
- Immediately call in the guarantees referred to in (Optional Sections A) and to utilise same for the proper fulfilment and execution of this agreement; and

16.5 Should the MUNICIPALITY decide to enforce this agreement and claim specific performance from the DEVELOPER, all amounts owing by the DEVELOPER to the MUNICIPALITY in terms of this agreement, shall become immediately due and payable, and the MUNICIPALITY shall further be entitled to claim from the DEVELOPER any damages suffered by the MUNICIPALITY as a result of the DEVELOPER's failure to strictly comply with any provision of this agreement.

17. SETTLEMENT, MEDIATION AND ARBITRATION

- 17.1 The parties shall negotiate in good faith with a view to settling any dispute or claim arising out of or relating to this Agreement and may not initiate any further proceedings until either party has, by written notice to the other, declared that such negotiations have failed.
- 17.2 Any such dispute or claim, which cannot be settled between the parties, may be referred by the parties, without legal representation, to mediation by a single mediator. The mediator shall be selected by agreement between the parties and, failing such agreement, shall be nominated by the President of the South African Association of Consulting Engineers. The costs of the mediation shall be borne equally between the parties.
- 17.3 If either party were unwilling to agree to mediation or be dissatisfied with the opinion expressed by the mediator or should the mediation fail then such party may, with written notice to the other party, refer the dispute to arbitration. The arbitration proceedings shall be in accordance with the Arbitration Act, No 42 of 1965, as amended, and in such case, the parties shall agree to the appointment of an arbitrator.
- 17.4 If the parties cannot agree on the appointment of such arbitrator, the President of the South African Institute of Civil Engineers, if the dispute is of a technical nature, or the Chairman of the Cape Town Bar Council if the dispute is of a legal nature, shall be appointed.

OR

The Arbitrator shall, in the event that the dispute being:

- Primarily a legal matter, be a practising Senior Advocate or practising Senior Attorney, with at least 10 (TEN) years experience;
- Primarily an accounting matter, a practising Chartered Accountant with not less than 10 (TEN) years experience;
- Primarily a technical matter, an Engineer with an applicable qualification regarding the dispute, with not less than 10 (TEN) years experience and who is registered as a Professional Engineer and who has the right to practice as such within the Republic of South Africa;
- Any other matter, an independent person to be agreed upon between the parties to the dispute.

In the event of the parties not being able to agree on an Arbitrator within 7 (SEVEN) days from the date that arbitration was requested, an Arbitrator will be appointed by the Head of the Department of Local Government, on request by any of the parties, whose appointment shall be final and binding.

- 17.5 In the event of the parties not agreeing that the dispute is a legal matter, within 7 (SEVEN) days from the date that arbitration was requested, it shall be deemed that such dispute is in fact a legal matter.
- 17.6 The arbitration proceeding shall take place at a venue determined by such arbitrator appointed in terms of clause 14.1 above.
- 17.7 The arbitration hearing shall take place as quickly as possible and shall be finalised as soon as possible.
- 17.8 The parties agree and undertake to abide by the award or order made by the arbitrator, including an order in respect of costs. The parties further agree that the aforementioned arbitrator's finding shall be final and binding upon the parties, which order shall be executed in such manner as determined by the arbitrator and that such arbitration decree can made an order of court.

18. FORCE MAJEURE

If circumstances arise for which either of the parties is not responsible and which make it impossible for it to perform in whole or in part in accordance with this agreement the affected shall inform the other party in writing. The party shall not be in breach of any of its obligations under this agreement under these circumstances.

In these circumstances if certain services have to be suspended, the time for their completion shall be extended until the circumstances no longer apply plus a reasonable period not exceeding 42 (forty two) days for resumption of them.

If the speed of performing certain services has to be reduced, the time for their completion shall be extended as may be made necessary by the circumstances.

19. DOMICILIUM CITANDI ET EXECUTANDI

The parties chose as their *domicilium citandi et executandi*, for the service of any notices in terms of this agreement, the following:

The MUNICIPALITY:

The DEVELOPER:

.....

.....

.....

.....

.....

.....

The representatives of the parties for purposes of receiving notices in terms of the agreement shall be as follows:

DEVELOPER:

MUNICIPALITY:

20. APPROVAL

SIGNED at

on this theday of20....

AS WITNESS

1)

2)

for and on behalf of
(Full title of Municipality)

SIGNED at

on this theday of20....

AS WITNESS

1)

2)

for and on behalf of
(Full title of Developer)

OPTIONAL SECTIONS

A. THE DELIVERY OF GUARANTEES REGARDING THE INSTALLATION OF INTERNAL AND BULK SERVICES

- A.1 To enable the MUNICIPALITY to issue Certificates in terms of Sections 21 and 29 of the Witzenberg Land Use Planning By-Law (P.N 289/2015), the DEVELOPER shall deliver a guarantees(s), as set out more fully hereinafter.
- A.2 The DEVELOPER shall deliver a guarantee(s), issued by an approved Bank or other financial institution, for the proper fulfilment of all his obligations regarding the installation of the internal services which guarantee(s) shall be in the form prescribed and approved by the MUNICIPALITY. Regarding the time of delivery of such guarantee(s), the DEVELOPER's attention is drawn to the fact that no stand in the TOWNSHIP may be alienated before delivery of the said guarantee(s). The DEVELOPER shall be compelled to inform the MUNICIPALITY throughout his planning and program for the installation of the said services.
- A.3 The amount of the guarantee(s) is limited to the cost estimation of the said services, including professional fees, escalation and VAT, determined by the Consulting Engineer of the DEVELOPER and to the satisfaction of the MUNICIPALITY.

OR

The amount of the guarantee(s) shall be determined taking into consideration clause A.4 and A.6 below, limited to the highest estimate, or, if the TOWNSHIP is to be developed in phases, the highest estimate of a single phase, both calculated by the DEVELOPER's Consulting Engineer, to the satisfaction of the MUNICIPALITY.

OR

The guarantee(s) that have to be provided shall be for such amount or amounts as the MUNICIPALITY at its sole discretion may decide, and which shall be deemed to be adequate to cover the full cost of the installation of the said services.

- A.4 If the development of the TOWNSHIP is to take place in phases, the MUNICIPALITY may, after the completion of each phase, grant permission for the guarantee(s) to be transferred to the following phase or sub phase(s) provided that:
- Such transfer is put in writing; and
 - A retention guarantee of 5 % is provided in respect of each completed phase, which guarantee shall be valid up to 12 months after the MUNICIPALITY has taken over the relevant services.
- A.5 The MUNICIPALITY may at any time during the construction period, demand that the amount of the guarantee(s) delivered by the DEVELOPER be increased, and the MUNICIPALITY shall also be entitled to withhold any cancellation of any guarantee(s) until the contractor completing the work, if applicable and if such contractor has been appointed to complete incomplete or faulty work for the MUNICIPALITY, waives all of his retention rights in respect of the work in question.
- A.6 As soon as the MUNICIPALITY conducts a final inspection of all engineering services and signs a final inspection certificate, and, should the MUNICIPALITY so require, proof is received from a Land Surveyor that all stand pegs that were lost or disturbed have been correctly replaced, the MUNICIPALITY shall reduce the

guarantee(s) delivered to an amount equal to 5% of the final contract amount, which reduced guarantee shall then serve as a retention guarantee, which will expire at the end of the retention period, which retention period shall not be less than one year after proclamation of the TOWNSHIP or once the service(s) involved have been taken over by the MUNICIPALITY, whichever date is last provided further that the said Certificate shall not be signed and guarantees not be reduced, before any other service that may be damaged during construction, is repaired by the DEVELOPER.

- A.7 The MUNICIPALITY further reserves the right to, during the retention period, repair or see to the repair of any substantial defect, in the event that the DEVELOPER refuses/neglects to do so and having been given 30 (THIRTY) days written notice to repair such substantial defect. The MUNICIPALITY shall be entitled to claim the costs of such repairs from the retention guarantee(s) and should such funds be insufficient, any balance from the DEVELOPER.
- A.8 Uncompleted services are the reason why guarantees are required. The MUNICIPALITY however, reserves the right at all times to, without any notice to any party and in the event that the DEVELOPER fails to comply with the time periods set out in this Agreement, withdraw the Certificate in terms of Sections 21 and 29 of the Witzenberg Land Use Planning By-Law (P.N 289/2015)

B. LIABILITY AND INDEMNITY

Either party shall be liable to the other party arising out of or in connection with this agreement if a breach of an obligation in terms of this agreement is established. If it is considered that either party is liable to the other, compensation shall be payable only on the following terms:

- a) Such compensation shall be limited to the amount of reasonably foreseeable loss and damage suffered as a result of such breach, but not otherwise.
- b) In any event, the amount of such compensation will be limited to the amount (specify value e.g. equal to the professional fees paid to the DEVELOPER in terms of the agreement, excluding reimbursements and expenses)

C. HOME OWNERS' ASSOCIATION/BODY CORPORATE

The DEVELOPER shall arrange, if necessary, for the establishment of a Home Owners' Association in conformity with the requirements in terms of the Zoning Scheme regulations promulgated in terms of Section 24 of the Spatial Planning and Land Use Management Act, 2013 (Act No. 16 of 2013) and/or a Body Corporate in conformity with the Sectional titles Act No 95 of 1986.

The DEVELOPER shall produce proof to the MUNICIPALITY that a Home Owners' Association and/or Body Corporate has been established to control and maintain the common area, internal roads, side-walks, kerbing, channelling, storm water systems, street lighting and private open spaces and that the owners of all erven/units will be obligated to join and be members of the Home Owners' Association and/or Body Corporate and to contribute in the form of a levy, proportional according to the size of their portions to enable proper maintenance to be performed.

D. PHASED DEVELOPMENT

The MUNICIPALITY will only allow Phased development once it has approved the phases in terms of applicable legislation.

Conditions of Phased Development, (EXAMPLE ONLY):

Since the DEVELOPER wishes to complete the development in phases and the MUNICIPALITY has agreed to such phased development, and the sequence of such phased development is unknown, it is agreed as follows:

- 1) The DEVELOPER at its own risk will develop a first phase of the TOWNSHIP and will thereafter develop further phases in accordance with market demand.
- 2) The first phase to be developed by the DEVELOPER without undue delay, shall consist of an area such that none of the presently available capacities of the essential bulk services will be exceeded, and the DEVELOPER shall within a reasonable time submit to the MUNICIPALITY all documentation in respect of Phase 1 as contemplated in the Services Agreement together with a financial guarantee for the proper fulfilment by the DEVELOPER of his duties in regard to the installation of the essential internal and bulk services which are necessary for the said Phase 1. Notwithstanding any other terms of this agreement, this provision shall also apply to all further phases.
- 3) It is agreed that the MUNICIPALITY's existing infrastructure is sufficient to provide bulk services up to the following limits:

Maximum Peak Sewer Flow:	X l/s
Maximum Water Demand:	Y l/s
Maximum Electrical Demand:	Z kVA
- 4) In accordance with market demand, the DEVELOPER will submit detailed site development plans in respect of future phases and subject to the approval of each such site development plan (which approval cannot be unreasonably withheld) the DEVELOPER shall provide such documentation and financial guarantees, and generally do all such things, in respect of that phase as is required by the provisions of the Service Agreement.

- MEMORANDUM -

AAN / TO: Committee for Rural Economic Development
VAN / FROM: Acting Manager: Socio Economic Development
DATUM / DATE: 27 September 2018
VERWYS/REF.: Proposal for utilization of Busy Bee Building Erven 1567, Piet Retief Str, Tulbagh

Aim of the report

The purpose of the report is to determine the utilization of the old Busy Bee building in Tulbagh, Erven 1567, Piet Retief Str, Tulbagh.

Background

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

Request

It is requested that the Council of Witzenberg provide suggestions for the utilization of the building.

Recommendation

A current proposal is on the table for the building to be provided to Tulbagh Tourism in order to utilize 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.



Mr. R Fick

Acting Manager: Socio-Economic Development



MR D NASSON

MUNICIPAL MANAGER



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 ongewenste 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 waardeur word. Hoor graag van jou.

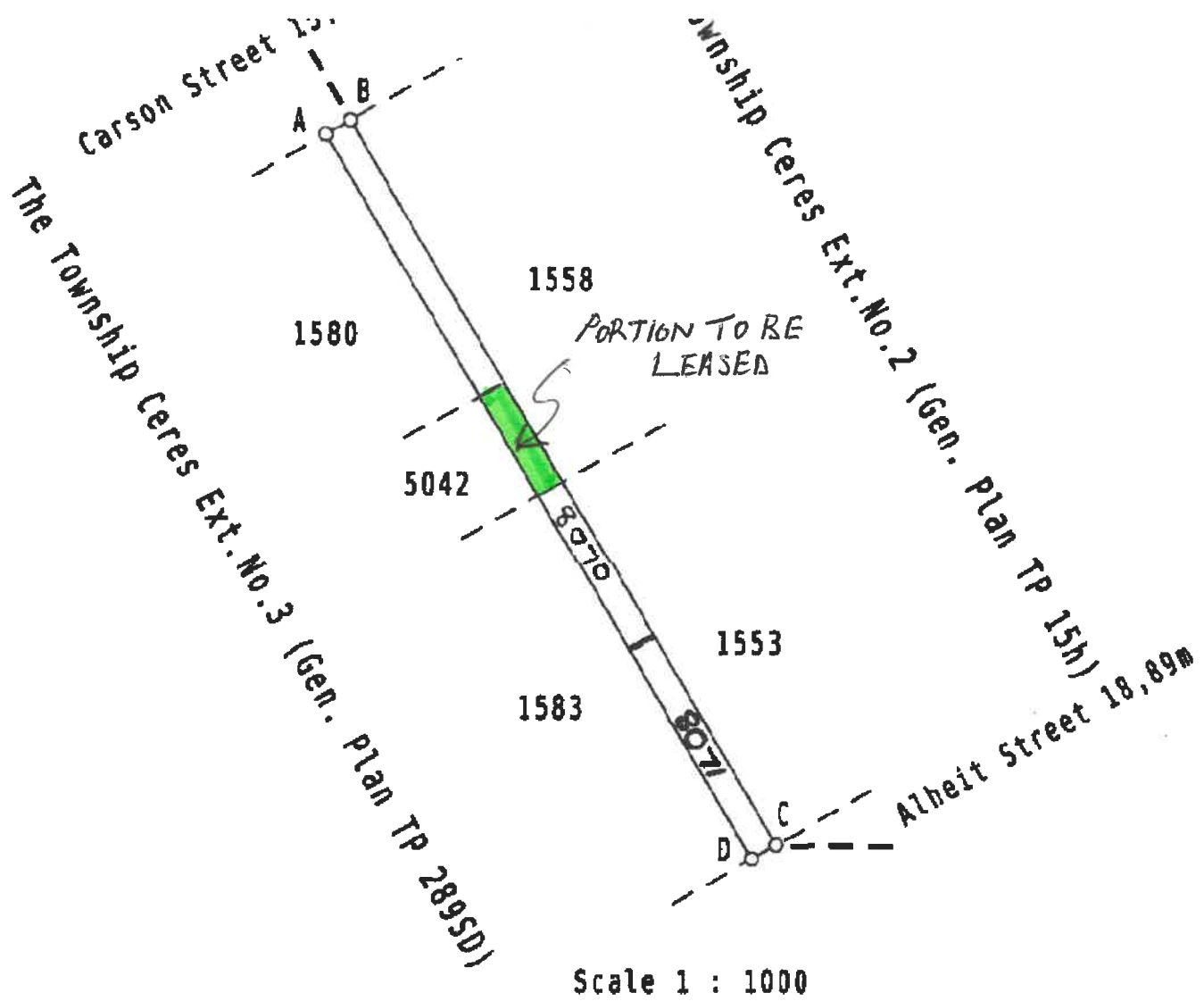
Kind Regards/Groete

Wynand du Plessis



Tel: +27 23 3155293
Fax: +27 23 3155107
Sel: 082 871 5862
Skype: Wynand.du.plessis1

"ANNEXURE B"



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.



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**



COUNCIL MEETING SCHEDULE: APRIL UNTIL DECEMBER 2019

Month	Date	Time	Venue	Meeting
April	No Council meetings scheduled due to National and Provincial elections.			
May	15	15:00	Council Chambers	Local Labour Forum
	16	10:00	Council Chambers	Committee for Housing Matters
	17	08:30	Council Chambers	Performance, Risk and Audit Committee
	21	10:00	Council Chambers	Executive Mayoral Committee
	22	10:00	Council Chambers	Committee for Technical Services
	22	14:00	Council Chambers	Committee for Local Economic Development
	23	10:00	Council Chambers	Committee for Community Development
	23	14:00	Council Chambers	Committee for Corporate and Financial Services
	28	10:00	Council Chambers	Council workshop
	29	10:00	Council Chambers	Council meeting
June	4	10:00	Council Chambers	Executive Mayoral Committee
	7	10:00	Council Chambers	Municipal Public Accounts Committee
	11	10:00	Council Chambers	Executive Mayoral Committee
	12	15:00	Council Chambers	Local Labour Forum
	18	10:00	Council Chambers	Committee for Housing Matters
	19	10:00	Council Chambers	Committee for Technical Services
	19	14:00	Council Chambers	Committee for Local Economic Development
	20	10:00	Council Chambers	Committee for Community Development
	20	14:00	Council Chambers	Committee for Corporate and Financial Services
July	9	10:00	Council Chambers	Executive Mayoral Committee
	10	15:00	Council Chambers	Local Labour Forum
	15 - 19			SALGA Working Groups
	23	10:00	Council Chambers	Committee for Housing Matters
	24	10:00	Council Chambers	Committee for Technical Services
	24	14:00	Council Chambers	Committee for Local Economic Development
	25	10:00	Council Chambers	Committee for Community Development
	25	14:00	Council Chambers	Committee for Corporate and Financial Services
	30	10:00	Council Chambers	Council workshop
	31	10:00	Council Chambers	Council meeting
August	2	08:30	Council Chambers	Performance, Risk and Audit Committee
	6	10:00	Council Chambers	Executive Mayoral Committee
	7	15:00	Council Chambers	Local Labour Forum
	13	10:00	Council Chambers	Committee for Housing Matters
	14	10:00	Council Chambers	Committee for Technical Services
	14	14:00	Council Chambers	Committee for Local Economic Development
	15	10:00	Council Chambers	Committee for Community Development
	15	14:00	Council Chambers	Committee for Corporate and Financial Services
	20	10:00	Council Chambers	Council workshop
	21	10:00	Council Chambers	Council meeting
	27	10:00	Council Chambers	Executive Mayoral Committee
	30	10:00	Council Chambers	Municipal Public Accounts Committee

Month	Date	Time	Venue	Meeting
September	3	10:00	Council Chambers	Executive Mayoral Committee
	10	10:00	Council Chambers	Executive Mayoral Committee
	11	15:00	Council Chambers	Local Labour Forum
	17	10:00	Council Chambers	Committee for Housing Matters
	18	10:00	Council Chambers	Committee for Technical Services
	18	14:00	Council Chambers	Committee for Local Economic Development
	19	10:00	Council Chambers	Committee for Community Development
	19	14:00	Council Chambers	Committee for Corporate and Financial Services
October	1	10:00	Council Chambers	Executive Mayoral Committee
	8	10:00	Council Chambers	Executive Mayoral Committee
	9	15:00	Council Chambers	Local Labour Forum
	11	08:30	Council Chambers	Performance, Risk and Audit Committee
	15	10:00	Council Chambers	Committee for Housing Matters
	16	10:00	Council Chambers	Committee for Technical Services
	16	14:00	Council Chambers	Committee for Local Economic Development
	17	10:00	Council Chambers	Committee for Community Development
	17	14:00	Council Chambers	Committee for Corporate and Financial Services
	22	10:00	Council Chambers	Executive Mayoral Committee
	25	10:00	Council Chambers	Municipal Public Accounts Committee
	29	10:00	Council Chambers	Council workshop
	30	10:00	Council Chambers	Council meeting
November	5	10:00	Council Chambers	Executive Mayoral Committee
	6	15:00	Council Chambers	Local Labour Forum
	11 – 15			SALGA Working Groups
	19	10:00	Council Chambers	Committee for Housing Matters
	20	10:00	Council Chambers	Committee for Technical Services
	20	14:00	Council Chambers	Committee for Local Economic Development
	21	10:00	Council Chambers	Committee for Community Development
	21	14:00	Council Chambers	Committee for Corporate and Financial Services
	22	08:30	Council Chambers	Performance, Risk and Audit Committee
December	3	10:00	Council Chambers	Executive Mayoral Committee
	10	10:00	Council Chambers	Executive Mayoral Committee
	11	10:00	Council Chambers	Council meeting

WITZENBERG MUNICIPALITY

INVITATION TO SUBMIT A FEASIBILITY STUDY AND PROPOSALS FOR THE DEVELOPMENT OF ERVEN 1010, 1011 AND A PORTION OF ERF 1001 CERES

Municipal Manager
Witzenberg Municipality
PO Box 44
Ceres
6835

15/2/14

11 June 2002

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CONTENT

1. Notice
2. Location
3. Development concept
4. Development parameters and requirements
5. Submission of proposals
6. Conditions pertaining to the consideration/evaluation of proposals
7. Conditions pertaining to the submission of proposals
8. Enquiries
9. Annexures

WITZENBERG MUNICIPALITY

INVITATION FOR PROPOSAL

The prospective developers will be required to submit their proposals at a special meeting of the Executive Committee to be held in the Council Chambers, 50 Voortrekker Street, Ceres on Friday, 13 September 2002 at 10:00.

The Executive Committee will also allow each prospective developer two hours to do a presentation.

2. LOCATION

Erven 1010, 1011 and a portion of erf 1001 are vacant land / existing 9 hole golf course situated at the entrance to Ceres from Cape Town.
Portion of rental area on remainder of erf 1001: approximately 6,8 ha
Portion of rental area on remainder of erf 1001: approximately 18,0 ha
(Erven 1010 and 1011 are included in the above areas.)
Portion of unused commonage adjacent to the existing golf course: approximately 38.8 ha.

A locality plan indicating the above area is attached as Annexure A.

3. DEVELOPMENT CONCEPT

The Proposal submission should clearly indicate one of the following development scenarios, either

- 3.1 a development proposal for each of the individual erven, or
- 3.2 a development proposal for the consolidated property, and
- 3.3 redevelopment and upgrading of the existing 9 golf holes and the construction of an additional 9 golf holes.

Please note that for the above proposals a range of development/design themes should be provided for.

4. DEVELOPMENT REQUIREMENTS

The developer to comply with the requirements and land use restrictions as approved by Council and attached hereto as Annexure B.

The developer will be responsible for all administration costs pertaining to his development proposal. This will include costs such as application fees, advertisements, transfer costs, survey etc.

- 4.1 Internal services, for the account of the developer must conform to the standards applicable as will be determined by the Witzenberg Municipalities Civil Engineer and Electrical Engineer.
- 4.2 Civil and electrical bulk infrastructure contribution levies, as determined by the Witzenberg Municipalities Civil and Electrical Engineering Departments, shall be payable to Council in accordance with the policy and tariff rates as applicable at the time of the development of the property.
- 4.3 Potential developers must take note that existing Electrical and Civil

services transverse the property. Detail of the services can be obtained from the Electrical and Civil Engineering Departments from the contact persons as indicated in Section 8. Other services from third parties may exist for which the necessary approval must be obtained.

These services will have to be relocated at the cost of the developer or if considered to be appropriate servitudes must be registered by the developer for services that will be affected by the proposed development.

5. SUBMISSION OF PROPOSALS

It will be expected from the prospective Developer to provide information regarding the development under the following headings:

- 5.1 a site development plan (SDP) showing the proposed lay-out, landscaping and building types envisaged - not a detail design.
- 5.2 details of engineering services as well as access points.
- 5.3 a development programme indicating the proposed phasing of the project with specific time-frames attached if applicable.
- 5.4 estimated costs of the total development.
- 5.5 a financial credit rating by a registered financial institution.
- 5.6 how Previously Disadvantaged Enterprises (PDE's) and Previously Disadvantaged Individuals (PDI's) will benefit from the development.
- 5.7 a list of previous developments undertaken by the developer.

6. CONDITIONS PERTAINING TO THE CONSIDERATION / EVALUATION OF PROPOSALS

The following criteria in addition to information as requested in Section 5, above, will inter alia, be applicable in the consideration and evaluation of proposals:

- 6.1 The acceptability and feasibility of the proposed development proposal;
- 6.2 The successful proposal will be selected by the Council at its sole and absolute discretion on the basis of Councils assessment of the proposals submitted in terms of this invitation;
- 6.3 Council reserves the right in respect of the preferred proposal, to further negotiate with the successful applicant on any aspect related to

the proposal or otherwise;

- 6.4 Councils approval/acceptance of a proposal shall still be subject thereto that Council adhere and comply with all statutory requirements which also includes successful negotiations with the local Ceres Golf club who currently lease municipal land on which the existing golf course is situated or any other party.

7. CONDITIONS PERTAINING TO THE SUBMISSION OF PROPOSALS:

- 7.1 The submission of a proposal shall presume complete acceptance of all the conditions and requirements stipulated in this document;
- 7.2 The applicant shall be deemed to have acquainted himself/herself of all conditions, requirements and circumstances affecting the proposal call. Proposals which do not comply with these conditions, requirements and circumstances will not be considered;
- 7.3 Proposals shall remain open for acceptance by Council for a period of one month calculated from the date of closure of the Proposal. The Council maintains the right to negotiate an extension of time and conditions;
- 7.4 Any proposal received after the closing date and time for receipt of this proposal (as indicated in the notice), and/or which do not include all the required information as indicated in paragraph 5 above, will not be considered;
- 7.5 The highest financial offer or any proposal will not necessarily be accepted;
- 7.6 Any communication, directly or indirectly, in any manner whatsoever with one or more Councillors to promote a proposal prior to a proposal being awarded, shall render such proposal invalid and not eligible for consideration;
- 7.7 The Council is not liable for any costs incurred in the preparation and submission of proposals;
- 7.8 The Council is not bound to accept any proposal and reserves the right to accept any proposal in whole or in part.

8. ENQUIRIES

Further enquiries related to the purchase of this property can be directed to:

SERVICES	CONTACT PERSON	TELEPHONE
Urban Planning	Macroplan	(023) 312-2329
Civil Engineering Services	Mr A Schutte	(021) 316-1854
Electrical Engineering Services	Mr BG van der Watt	(021) 316-1854

9. ANNEXURES

- Annexure A - Locality plan
- Annexure B - Zoning and Land Use Restrictions

Verslag ♦ Ingxelo ♦ Report

VERSLAG AAN DIE SPESIALE UITVOERENDE KOMITEEVERGADERING GEHOUD TE WORD OP
DINSdag, 15 OKTOBER 2002 OM 16:00 IN DIE RAADSAAL, MUNISIPALE KANTOOR,
VOORTREKKERSTRAAT 50, CERES

ONDERWERP:

TERUGVOERVERSLAG TEN OPSIGTE VAN DIE VOORLEGGINGS VIR
DIE ONTWIKKELING VAN DIE CERES GOLFBAAAN



15/2/1/4

1. Doel / Purpose

- 1.1 Die doel van hierdie verslag is om die raad in te lig oor ondersoek en navrae wat gedoen is en om 'n aanbeveling te maak oor die keuse van 'n voorkeur-ontwikkelaar vir verdere onderhandeling insake die ontwikkeling van die Ceres Golfbaan.
- 1.2 Drie voorleggings is oorweeg op Maandag, 07 Oktober 2002, waarna opdrag gegee is aan mnr Dupré Lombaard (vertegenwoordiger van Macroplan) om verdere ondersoek oor die voorleggings vir die aanwys van 'n "golfbaanontwikkelaar" te doen saam met die ander amptenare en die lede van die Ceres Golfklub, sodat aanbevelings gemaak kan word oor met wie verdere onderhandelings gevoer moet word.
- 1.3 Die drie voorstelle is die volgende ;
 - ♦ Par Chance BK (voorlegging deur mnr Piet van Blerk van iCE Group) ;
 - ♦ Group Five Developments (voorlegging deur Group Five) ; en
 - ♦ Mark Brumer Property Development (voorlegging deur mnr Mark Brumer).

2. Beredenering / Reasoning

- 2.1 Die tender het gevra vir voorstelle vir die ontwikkeling van Erwe 1001, 1010 en 1011, Ceres, waarvan Erwe 1010 en 1011 ongeregistreerde erwe is. Die voorleggings wat gemaak is het onder andere ook gedeeltes van Erwe 1889 en 3659 ingesluit in twee van die gevalle, naamlik die van Group Five and Mark Brumer en in die geval van Par Chance is slegs Erf 1889 ook ingesluit in die voorstelle. Die maksimum totale area wat benut kon word vir ontwikkeling, met insluiting van gedeeltes van die berggrond, die spoorweg serwituut, rivier en die vloedvlakte, is 77 ha. Dit is normaal om 'n 18 putjie golfbaan uit te lê op sowat 80 ha grond.
- 2.2 Daar is voorstelle gemaak ten opsigte van die kriteria vir die oorweging van die voorleggings, ten einde te verseker dat alle partye betrokke by die oorweging van die voorleggings dieselfde kriteria gebruik in die analise van die voorleggings. Die puntetoedeling verbonde aan die kriteria is bevraagteken en daarom aangepas, soos hierby aangeheg as Golfbaan Kriteria 2. Daar is nou meer gewig toegeken aan die aspekte soos toegang tot kapitaal, ekonomiese voordeel vir die gemeenskap, omgewingsimpak en ook die Golfklub se behoeftes vir opgradering eerder as uitbreiding, tesame met vorige ondervinding, vorige suksesse, waarborge en waarde van ontwikkeling. Hoewel die punte nie noodwendig in groepsverband deur die Witzenberg se verteenwoordigers toegeken is nie, gee die tabel tog 'n aanduiding van die assessering. Hierby aangeheg is 'n voltooide kriteriaalys, volgens die gewysigde gewigte wat vir die komitee 'n aanduiding kan gee van die opsommende toedrag van sake.

2.3 Navrae by ander soortgelyke ontwikkelings het daarop gedui dat die belangrikste faktore in die oorweging van 'n ontwikkelingsvoorstel uiteenlopend van aard is, hangende die omstandighede by elke ontwikkeling. Die faktore wat egter die hoogste aangeslaan is vanuit 'n owerheidsoogpunt, is die digtheid en toepaslikheid van die ontwikkeling aanliggend tot die golfbaan sowel as die visuele, estetiese en omgewingsimpak daarvan. 'n Verdere faktor is die beskikbaarstelling van openbare grond vir "twyfelagtige" ontwikkelaars, wat die raad verbind op 'n wyse wat dit baie moeilik maak om later ander ontwikkelaars te kan betrek indien die eerste ontwikkeling nie suksesvol afgehandel word nie. Vanuit die Golfklub se oogpunt is die belangrikste faktor die opgradering van die fasiliteite sonder dat enige langtermyn las op die klub geplaas word vir verdere onderhoudskoste of inperking van toekomstige uitbreidingsmoontlikhede.

2.4 **Par Chance voorstel :** Die Par Chance voorstel is gekenmerk deur 'n projek-spesifieke voorlegging. Dit is baie duidelik dat die Par Chance voorstel gerig is op die Ceres Golfbaan en dat die voorstel gemaak is met 'n grondige kennis van die plaaslike omstandighede, markbehoefte, dienste-infrastruktuur en die biofisiese omgewing.

Par Chance kon egter geen bewys lewer van enige kapitaal tot hulle beskikking vir die finansiering van die ontwikkeling nie. Die ontwikkeling het 'n totale waarde van nagenoeg R120 miljoen waarvan R15 miljoen toegewys is aan die opgradering en moontlike uitbreiding van die bestaande golfbaan. Die ontwikkelingsvoorstel beslaan 2 fases, as volg :

- ♦ Fase 1 bestaan uit 'n hotel (met nagenoeg 100 kamers), konferensiefasiliteite vir sowat 400 afgevaardigdes, ontspanningsfasiliteite, 'n nuwe golfklubhuis en aftreebehuising met 44 wooneenhede. Die eerste fase sluit ook die opgradering van die Golfbaan en die verskuiwing van drie putjies wat tans tussen die spoorlyn en die toegangspad geleë is in sodat hierdie deel gebruik kan word vir ontwikkeling.
- ♦ Fase 2 behels die uitbou van die golfbaan tot 18 putjies, 20 chalets wat toegeken kan word aan die hotel, 'n golflandgoed van 15 woonerwe binne die golfbaan (indien nodig en met ooreenkoms met die golfklub) en 'n crèche of versorgingsarea vir kinders.

Die hotel en chalets is bedoel om deel van die golfbaan-ontwikkeling te vorm, hoewel dit afsonderlik bedryf sou word met die doel om dit 'n langtermyn-bate vir die klub te maak deur middel van huur-inkomste wat daaruit verdien word. Die voorgestelde aftree- en ander behuising is bedoel om onderverdeel te word om kapitaal te genereer vir die voorgestelde ontwikkelings, buiten enige finansieringskapitaal wat deur 'n belegger voorsien sou word.

Par Chance bestaan uit lede van die Ceres gemeenskap en die ontwikkelingsvoorstel sluit opleidingsgeriewe in die hotelwese in vir plaaslike inwoners en ook mense van buite as 'n bydrae tot die gemeenskap.

Die algehele impak van die ontwikkeling op die omgewing is baie laag en dienstebeplanning, ens is reeds as deel van die voorlegging getoon. Die voorstel gaan gepaard met die inkoop van 'n professionele golfbaanontwerper indien dit deur die raad aanvaar word.

2.5 **Group Five.** Die Group Five voorstel is nie spesifiek tot die Ceres Golfbaan gemaak nie en dit het generiese prosesse vir die ontwikkeling, projekbestuur, ens daargestel. Group Five het baie klem op hulle kapitaalbasis, ondervinding in projekbestuur en -ontwikkeling en toegang tot 'n ervare span konsultante gelê. In totaal het die Group Five-ontwikkeling 300 plus wooneenhede voorgestel met geen toeriste-fasiliteite of enige ander fasiliteite vir die Golfklub nie. Die projek het 'n waarde van sowat R100 milj. Die voorstel behels twee fases van ontwikkeling, naamlik :

- ♦ Die eerste fase behels die uitbou van die 9-putjie golfbaan by wyse van uitgraving binne die vloedvlakte asook tussen die treinspoor en die hoofpad, om addisionele grond te bekom waardeur die terrein opgevol kan word vir die skep van 'n ontwikkeling bokant die 1 : 50 jaar vloedlyn. Behuising sal op die bestaande golfbaan uitgelê word, met toegang oor die ou Demeterstasie en paaie wat die bestaande golfbaan deurkruis, vir toegang tot die onderskeie woonselle wat in die golfbaan geskep word. As 'n eerste fase sal ongeveer 125 woonerwe ontwikkel word.

- ♦ As tweede fase word sowat 175 erwe en 'n addisionele 9 putjies ontwikkel word. As deel van die tweede fase van die ontwikkeling word voorgestel dat 'n Golf Akademie en oefenbaan geskep word op Gedeelte 63 van die Plaas Rietvalley 364, wat ook nie ingesluit was by die tenderkennisgewing nie.

Die Group Five ontwikkeling sluit geen voorheen-benadeelde individue in nie, hoewel hulle tog van "skills transfers" en "capacity building" melding gemaak het, deurdat daar opleiding voorsien sal word vir bouberoepe gedurende die ontwikkeling. Die voorstel is dat alle gebou-ontwikkeling op 'n individuele basis sal plaasvind, met ander woorde dat Group Five die erwe diens en bemark, waarna die eienaars volgens ontwikkelingsriglyne moet bou. Behuising word dus nie deur Group Five voorsien nie, slegs die uitleg en diens van erwe asook die ooreengekome opgradering van die golfbaan ter vergoeding van die toegang tot die ontwikkelingsgrond.

Hoewel Group Five waarskynlik toegang tot die meeste kapitaal het wat benodig sou word vir 'n ontwikkeling van die aard is dit baie duidelik gestel dat daar eers 70 % van alle erwe in die eerste fase van die ontwikkeling uitverkoop moet word alvorens 'n aanvang daarmee gemaak sal word. Erwe van ongeveer 450 – 600 m² word voorgestel, asook kleiner uitlegte vir groepbehuising, wat aan ontwikkelaars verkoop kan word vir eenmalige ontwikkeling. Die gemiddelde erfprys wat voorgestel is beloop R125 000,00, volgens huidige syfers.

2.6 **Mark Brumer.** Mark Brumer het 'n sogenaamde Edenvally Golf Village vir Ceres voorgestel, wat daarop klem lê dat slegs 'n 9-putjie golfbaan daargestel sal word, maar dat hierdie waarskynlik die beste 9-putjie golfbaan in Suid-Afrika sal wees. Die ontwikkeling sal verder sowat 275 wooneenhede tesame met 'n hotel op die grond van die ou Demeterstasie insluit. In die Brumer-voorstel moet sowat 50 % van alle wooneenhede uitverkoop word alvorens voortgegaan sal word met die ontwikkeling, maar sowat R3 miljoen ontwikkelingskapitaal sal vooraf investeer word in die projek, wat 'n totale waarde van R60 milj het.

- ♦ Die projek bestaan uit twee fases, waarvan die eerste fase die uitleg en ontwikkeling van erwe is tesame met die opgradering van die golfbaan, met insluiting van die heruitleg daarvan. Toegang word vanaf die hoofpad verkry, met redelike infrastruktuur-ontwikkeling deur die golfbaan. Onder andere sluit die voorstel ook die uitgraving van die rivier in ten einde 'n kunsmatige meer daar te stel met 'n lengte van ongeveer 1 km. Daar is ook 'n voorstel vir 'n hotel met 60 kamers en konferensiefasiliteite op die ou Demeterstasie se grond.

- ♦ Die tweede fase behels die ontwikkeling van 'n museum, restaurant, mark en gemeenskapsfasiliteite op die aanliggende Erf 3775, wat deel is van die skougronde.

Die drie putjies tans geleë tussen die spoorlyn en die hoofpad sal herontwikkel word op Erf 3659 en die aanliggende gedeelte van Erf 1889. Die gedeelte grond waar die drie putjies verwyder word sal aangewend word vir die ontwikkeling van sowat 100 wooneenhede.

Geen voorheen-benadeelde of ander lede van die plaaslike gemeenskap is in die projek ingesluit nie, hoewel daar melding gemaak is van die moontlikheid om 'n nominale aandeel-oordrag aan lede van die gemeenskap te maak en om opleiding te voorsien in die bouberoepe as bydrae tot die gemeenskap. Die voorgestelde ontwikkeling sal berus op die beginsels wat van toepassing gemaak is by 'n soortgelyke ontwikkeling in Robertson. Aanduidings van die Robertson-ontwikkeling is egter nie positief nie en hierdie ontwikkeling is tot dusver totaal onsuksesvol en bron van bekommernis vir feitlik al die amptenare met wie gesprek gevoer is.

2.7 Uit bogenoemde drie voorstelle is die voorstelle van Par Chance en Group Five die mees-aanvaarbare, veral gesien in die lig van die ondervinding van die Robertson-ontwikkeling van Mark Brumer.

Die golfklub op Robertson asook die munisipaliteit en amptenare by die PAWK het gedurende die ondersoek baie ernstige vermanings geopper dat daar eerder na alternatiewe voorstelle gekyk moet word as die van mnr Brumer, gegewe die probleme wat by Robertson ontstaan. Verder is die voorstel van mnr Brumer waarskynlik die een met die hoogste omgewingsimpak, deurdat die rivier en die vorming van 'n kunsmatige reeks mere die fokus van die ontwikkeling sal vorm. Dit is ook te betwyfel of 275 wooneenhede plus 'n hotel werklik lewensvatbaar sal wees gegewe die R250 000,00 pryspakket wat aan 'n erf gekoppel word en die gepaardgaande R500 000,00 vir 'n ten

volle ontwikkelde erf. Dit impliseer 'n huis hier van sowat 65 m² wat tipies van die ontwikkeling in Table View of Kraaifontein is, waar eerste huiskopers of mense op afteestadum vestig.

Hoewel Group Five aanspraak maak op "onbeperkte kapitaalbronne" moet die voorstel van 300 onbeboude erwe waarvan 70 % verkoop moet word teen 'n gemiddelde prys van R125 000,00 per erf, alvorens die kapitaal investeer sal word in die projek, deeglik oorweeg word. In die afgelope jaar is daar slegs drie onbeboude erwe in Ceres verkoop, met 'n maksimum prys van R65 000,00. Die munisipale erwe op die oewer, geprys teen R65 000,00 per erf word tans glad nie verhandel nie. Dit is dus baie ernstig te betwyfel of die lewensvatbaarheid van die Group Five-voorstel oorweging werd is, gesien in die lig van die situasie in die dorp, wat waarskynlik nie binne die volgende 12 maande (beplanningstydperk) dramaties sal verbeter nie. Dit impliseer dat die Group Five-voorstel daartoe sal aanleiding gee dat die ontwikkeling sowat 15 tot 20 jaar sal neem vir voltooiing, mits die ekonomie 10-voudig verbeter.

Die enigste realistiese voorstel, asook die een met die laagste impak (sowat 100 wooneenhede) en met 'n kapitaalwaarde soortgelyk aan die van Group Five en Mark Brumer se Edenvally, is die van Par Chance. Par Chance bied ook geleenthede aan voorheen-benadeelde individue, lede uit die gemeenskap en opleiding in 'n veld waar daar tans geen ander voorsiening voor is in die Witzenberg nie, naamlik die hotelwese en toerisme.

2.8 Hoewel toerisme een van die "hoë-risiko" ekonomiese sektore is volgens die Europese norme en standaarde, soos oorgedra deur die Belgiese besoekers vanaf Essen, dui Wesgro daarop dat toerisme tans nog in 'n groei-fase is en dat daar waarskynlik die geleentheid bestaan om toerisme uit te bou tot sowat 10 % van die Witzenberg se bruto streeksprodukt. Tans het die Witzenberg, binne die Breederivierstreek, slegs 'n 7,6 % aandeel in alle toerisme tot die Wes-Kaap. Dit is interessant om te let dat Wesgro nie golfbaan-ontwikkelings as toerisme-aantreklikhede ag in hul mees onlangse verslae nie, maar wel konferensiesentra, gekoppel aan aktiwiteite soos byvoorbeeld golfbane, natuureservate en strandoorde. Hiermee saam meld Wesgro dat toerisme-fasiliteite in eksklusiewe omstandighede, soos byvoorbeeld van toepassing op die Ceres Golfbaan tans voorkeur geniet, eerder as toeristeakkommodasie soos byvoorbeeld die Belmont Hotel wat binne in 'n stedelike omgewing geleë is. Die fokus is op "core attractions and specialised attractions relating to sport, eco-tourism, health-tourism and back-packers". Dus, mag die ontwikkelingsvoorstel van Par Chance (met inagneming van die feit dat daar geen verdere oorweging geskenk word aan die Mark Brumer-voorstel nie) die beter opsie op die langtermyn vir die Witzenberg wees, gegewe 'n lae impak met toeriste aantreklikheid eerder as naweek-bewoning of erwe wat nie ten volle benut word nie, soos in die Group Five-voorstel.

2.9 Omdat al die ontwikkelaars / voorstellers daarop gedui het dat hulle voorstelle "onderhandelbaar" is, kan die probleme, vrese en bekommernisse van al die rolspelers aangespreek word deur verdere onderhandelings te voer met twee van die groepe, naamlik Group Five en Par Chance. Dit sou vir beide die geleentheid gee om in die een geval af te skaal op die voorstelle en die onaanvaarbaar hoë impak te verminder en om in die ander bewys te lewer van die kapasiteit om die kapitaalinvestering wat belowe is te kan waarborg en deurvoer, tesame met die voorlegging van 'n professionele span verbonde aan die beplanning en ontwikkeling van die golfbaan ter bevrediging van die Golfklub.

3. Wetgewing / Legislation

- 3.1 Die Ordonnansie op Grongebruikbeplanning, 1985, Ordonnansie 15 van 1985.
- 3.2 Die Paaie Ordonnansie, 1976, Ordonnansie 19 van 1976.
- 3.3 Die Nasionale Waterwet, 1998, Wet 36 van 1998.
- 3.4 Die Wet op Omgewingsbewaring, 1989, Wet 73 van 1989.
- 3.5 Die Wet op die Adverteer Langs en Toeboou van Paaie, 1940, Wet 21 van 1940.

4. Raadsbeleid / Council's policy

- 4.1 Geen.

- 5.1 Geen finansiële implikasies is op hierdie stadium bekend nie, behalwe dat die voorstel van Group Five getoon het dat die grond teen 'n nominale bedrag bekom moet word in ruil vir die opgradering daarvan, terwyl die Par Chance-voorstel daarop gedui het dat die prys van die grond onderhandelbaar sou wees. Die voorstel van Par Chance het daarop gedui dat alle dienste kon inskakel by die bestaande en dat daar voorsiening gemaak is vir die skep van 'n addisionele riool-pompstasie, eksterne dienstegelydings, ens. terwyl daar geen aandag aan hierdie aspekte gegee is in die voorstel van Group Five nie.

6. Aanbeveling / Recommendation

- 6.1 Dit word aanbeveel dat verdere onderhandelings moet plaasvind met Group Five en Par Chance, met voorkeur vir die ontwikkeling wat deur Par Chance voorgestel is.
- 6.2 Die daarstelling van 'n klein getal wooneenhede (maksimum 100) tesame met 'n hotel en toeriste-fasiliteite, eerder as gedienste persele, en die totale opgradering van die bestaande 9-putjie golfbaan as 'n eerste fase met die moontlikheid om dit later tot 18-putjies uit te brei mits die inkomste van die baan die addisionele las op die onderhoud sou dek is dus die eerste keuse vir die ontwikkeling.

MUNISIPALE BESTUURDER

0447.190

KRITERIA VIR DIE
OORWEGING VAN
GOLFBAAN
TENDER

Kriterium	Maksimum waarde 200	Kandidaat 1 Par Chance/ICE	Opmerkings	Kandidaat 2 McGregor / Group 5	Opmerkings	Kandidaat 3 CDC / Brumer	Opmerkings
Aanvaarbaarheid van voorstel	5						
Argitektuur pas by omgewing	10						
Benutting van infrastruktuur	5						
Benutting van ontwikkeling deur VBI'e / groot groep	5						
Ekonomiese voordeel vir gemeenskap	15						
Estetika	5						
Insluiting van VBI'e	5						
Kennis van prosesse	5						
Lae impak dienste	5						
Lae impak golfklub	10						
Lae omgewingsimpak	15						
Onderhandelbaarheid	5						
Opgradering golfbaan	10						
Opinie / gevoel	5						
Professionele span	5						
Toegang tot kapitaal	20						
Uitbreiding golfbaan	5						
Uitvoerbaarheid	10						
Vernuwende denke	5						
Voordeel vir gemeenskap	5						
Voordeel vir Raad	5						
Vorige ondervinding	10						
Vorige suksesse	10						
Waarborge	10						
Waarde van ontwikkeling	10						

WITZENBERG

MUNISIPALITEIT UMISIPALA MUNICIPALITY

Verslag ♦ Ingxelo ♦ Report

VERDERE VERSLAG AAN DIE SPESIALE UITVOERENDE KOMITEEVERGADERING WAT OP
 DONDERDAG, 24 OKTOBER 2002 OM 16:00 IN DIE RAADSAAL, MUNISIPALE KANTOOR,
 VOORTREKKERSTRAAT 50, CERES

ONDERWERP: KRITERIA VIR DIE ONTWIKKELING VAN DIE CERES GOLFBAAN

1. Doel / Purpose 15/2/1/4

- 1.1 Die doel van hierdie verslag is om die raad in te lig oor ondersoeke en navrae wat gedoen is en om 'n aanbeveling te maak oor die ontwikkelingskriteria van toepassing op verdere onderhandeling insake die ontwikkeling van die Ceres Golfbaan.
- 1.2 Terugvoer op die drie ontwikkelingsvoorstelle / konsepvoorleggings is oorweeg op Dinsdag, 15 Oktober 2002, waarna opdrag gegee is aan mnr Dupré Lombaard (verteenwoordiger van Macroplan) om verdere voorleggings te doen oor die kriteria waarvolgens ontwikkeling kan geskied sodat aanbevelings gemaak kan word oor verdere onderhandelings met ontwikkelaars.

2. Beredenering / Reasoning

- 2.1 Die tender het gevra vir voorstelle vir die ontwikkeling van die Ceres Golfbaan geleë op Erwe 1001, 1010 en 1011, Ceres, waarvan Erwe 1010 en 1011 ongeregistreerde erwe is. Die maksimum totale area wat benut kon word vir ontwikkeling, met insluiting van die rivier en die vloedvlakte is 77 ha grond. Dit sluit ook gedeeltes van die berggrond in, sowel as die spoorwegserwituut.
- 2.2 Meegaande tabele gee besonderhede van golfbane in die Kaapse Metropolitaanse Area (KMA).

GOLFBAAN	PUTJIES	OPPERVLAKTE (ha)	WOONEENHEDE	DIGTHEID
Erinvale	18	140	390	2,8
Boschenmeer	27	50	130	0,9
Steenberg	18	96	220	2,3
De Zalze	18	250	450	1,8
Atlantic Beach	18	160	950 (ook woonstelle)	6
Durbanville	18	54	40 (langs)	0,7
Devon Valley	18	78	100	1,3
Welgemoed	18	57	30 (langs)	0,5
Milnerton	18	51	-	-
Royal Cape	18	61	-	-
King David	18	76	-	-
Simonstad	9	16	-	-
Parow	18	65	-	-
Wellington	9	20	-	-

- 2.3 Daar is in die vorige verslag baie breë voorstelle gemaak ten opsigte van die ontwikkelingskriteria vir die oorweging van die voorleggings, ten einde te verseker dat dieselfde kriteria in onderhandelings met ontwikkelaars gebruik sal word. Van kardinale belang is die moontlike omgewingsimpak en ook die golfklub se behoeftes vir opgradering (goeie nege putjies) eerder as uitbreiding (duur 18 putjies). Die genot van Ceres Golfbaan lê juis in die "bergkarakter" daarvan, met ander woorde enige "verstedeliking" van die golfbaan sal die aantreklikheid daarvan affekteer. Verder het die golfbaan die kenmerk van ruimte, wat enige amateur of beginner toelaat om tot so ver as 40 m van die skoonveld af te wyk, maar dan steeds toe te laat dat die bal gespeel kan word. Indien huise en erwe op die baan opgerig word, mag die bal nie gespeel word indien dit in 'n woonerf beland nie, wat beteken dat swakker spelers strenger gepenaliseer word en deel van die genot en gemak van die baan verlore gaan. Erwe moet minstens 35 - 40 m van die middellyn van die skoonveld geplaas word om 'n mate van vryheid vir spelers toe te laat. Die ligging van enige erwe en wonings op die golfbaan en die uitleg daarvan is dus van kritiese belang.
- 2.4 Soos in die vorige verslag word herbevestig dat navrae by ander soortgelyke ontwikkelings daarop gedui het dat die belangrikste faktore in die oorweging van 'n ontwikkelingsvoorstel uiteenlopend van aard is, hangende die omstandighede by elke golfbaan. Die faktore wat egter die hoogste aangeslaan is vanuit 'n owerheidsoogpunt, is die digtheid en toepaslikheid van die ontwikkeling aanliggend tot die golfbaan sowel as die visuele, estetiese en bio-fisiese omgewingsimpak daarvan. Die tabel hierbo toon digthede wat wissel tussen 0,5 (Welgemoed, groepsbehuising) en 6 eenhede per hektaar (Atlantic Beach, enkel woonerwe, groepsbehuising en woonstelle). Met dit in gedagte beteken dit tussen 40 en 460 wooneenhede op die Ceres Golfbaan. Indien die beperkings in oppervlakte egter ingereken word, met ander woorde die spoorlyn, vloedvlakte (en rivier) en steil hellings, dan is daar slegs 48 ha bruikbare grond vir die golfbaan, wat dele van Erwe 1889 en 3659 insluit tot by Lyellstraat (pad na rioolwerke). Dit is skaars genoeg vir 'n 18 putjie golfbaan en sal hoogstens 'n nege putjie golfbaan plus 288 wooneenhede kan akkommodeer, wat 'n "stedelike - golfbaan - met - woonstelle" (Atlantic Beach) impliseer. Indien 'n tipiese "landelike" golfbaan (Steenberg of Devon Valley) as die norm gebruik sou word, dan 60 - 110 eenhede.
- 2.5 Die lae digtheid / landelike karakter, die berg en die rivier is die hoof aantrekkings vir die golfspelers op Ceres se baan. Daar is skynbaar van die huise aangrensend aan die golfbaan wat skadunetbeskerming opgerig het vir balle wat van die skoonveld afwyk en dit is ook een van die "minder aangename" putjies om te speel. Dit sal egter die norm wees indien die volle 48 ha ook gebruik word vir behuising en ontwikkeling, aangesien daar minstens 26 ha grond nodig sal wees vir die speelarea alleen, uitgesonder tuinery, sirkulasieruimte en die golfklubhuis met gepaardgaande parking. Dit impliseer 110 erwe met 'n maksimum grootte van 1 363 m², sonder enige toelating vir toegangspaaie en infrastruktuur, op die oorblywende 22 ha.
- 2.6 Toegang deur die golfbaan moet tot 'n enkele pad beperk word. Strate wat deur die golfbaan loop verminder ook die genot van die golfspelers, aangesien daar konstante konflik tussen inwoners se sirkulasie en die spelers ontstaan. Dit verminder ook die kapasiteit van die golfbaan, maw minder spelers per dag.
- 2.7 Dit wil voorkom asof die beste opsie vir die Raad en die Golfklub 'n kombinasie is van voorstelle, met ander woorde waar grond beskikbaar gestel word op die golfbaan en in die dorp, soos byvoorbeeld gedeeltes van Erwe 3775 (skougronde), 1002 (langs Dennebos) en 1498 (Meent) vir eksklusiewe medium digtheid ontwikkeling sodat fondse bekom kan word vir opgradering van die golfbaan en die vestiging van 'n hotel / toeriste-akkommodasie perseel. Dan kan ongeveer 50 - 65 erwe op die Ceres Golfbaan uitgelê word, met sowat 30 tot 45 "dorpshuise", met ander woorde skakeleenhede van hoë waarde en uitstaande ontwerp. Dit sal voldoende ruimte laat vir 'n aantreklike nege putjie golfbaan en selfs 18 (somer) putjies, indien die Departement Waterwese en Bosbou uiteindelik toestemming gee vir bowwe, setperke en baan-infrastruktuur onder die 1 : 50-jaar vloedlyn en daar "hoë" bowwe uitgelê word teen die berghang.
- 2.8 Een van die faktore wat verdere aandag moet geniet en 'n belangrike rol speel in al die golfbaanontwikkelings, is voorsiening van toeriste akkommodasie en -fasiliteite op of as

deel van die golfbaan, sodat besoekers ook gelok kan word, eerder as net eienaars en hulle gaste.

3. Wetgewing / Legislation

- 3.1 Die Ordonnansie op Grongebruikbeplanning, 1985, Ordonnansie 15 van 1985.
- 3.2 Die Munisipale Ordonnansie, 1974, Ordonnansie 20 van 1974.
- 3.3 Die Paaie Ordonnansie, 1976, Ordonnansie 19 van 1976.
- 3.4 Die Nasionale Waterwet, 1998, Wet 36 van 1998.
- 3.5 Die Wet op Omgewingsbewaring, 1989, Wet 73 van 1989.
- 3.6 Die Wet op die Adverteer Langs en Toebou van Paaie, 1940, Wet 21 van 1940.

4. Raadsbeleid / Council's policy

- 4.1 Geen.

5. Finansiële implikasies / Financial Implications

- 5.1 Geen finansiële implikasies op hierdie stadium bekend nie.

6. Aanbeveling / Recommendation

- 6.1 Dit word aanbeveel dat bogenoemde beginsels implementeer moet word in die ontwikkeling van erwe en woongebou op of by die golfbaan, maw dat :
 - 'n maksimum van 110 wooneenhede op die golfbaan toegelaat sal word ;
 - die kleinste enkel woonhuis 'n oppervlakte van 120 m² met motorhuis ingesluit sal dek ;
 - die gemiddelde vloeroppervlakte van dorpshuise / groepsbehuising 98 m² sal wees met motorhuis ingesluit ;
 - toegang tot wooneenhede deur die golfbaan tot twee strate / paaie beperk sal word ;
 - nege putjies van die golfbaan onder alle weersomstandighede en in alle vloedtoestande laer as die 1 : 50-jaar vloed toeganklik en bruikbaar sal wees vir spelers ;
 - die ontwikkelaar 'n erf of erwe vir die doel van 'n gastehuis / herberg of hotel moet toelaat en daar voorsiening moet wees vir 'n restaurant / toeristefasiliteite, hetsy as deel van die bestaande klubhuis of doelontwerp as deel van die golfbaan ; en
 - die toegang tot die dorp, maw sowat 65 – 90 m langs Voortrekkerstraat, nie toegebou mag word nie.

UITGEREIK AAN

15/4/2015

Vir aandag en afhandeling	MB	WAMB Korp. Dienste	WAMB Gem. Dienste	WAMB Sivele Dienste	WAMB Elektriese Dienste	WAMB Finansies	ADA	PB	HB	J Swanepoel	SEKR	BERG
Ter inligting	MB	WAMB Korp. Dienste	WAMB Gem. Dienste	WAMB Sivele Dienste	WAMB Elektriese Dienste	WAMB Finansies	ADA	PB	HB	J Swanepoel	SEKR	BERG

Geliewe die volgende saak wat op bogemelde vergadering behandel is, so spoedig doenlik u aandag te skenk.

5. **DORPSBEPLANNING EN -BEHEER:
GHOLFBAAN ONTWIKKELING**

~~(15/2/14)~~



Bogenoemde saak was bespreek tydens 'n spesiale raadsvergadering op 6 November 2002 waar die volgende aanbevelings van die Uitvoerende Komitee soos per item 8.5 van sy vergadering van 29 Oktober 2002 gedien het:

- (a) Dat die voornemende ontwikkelaars in die volgende voorkeur orde aangewys word, naamlik:

- ❖ McGregor Estates (Group 5)
- ❖ Mark Brumer
- ❖ Par Chance CC

SCANNED

- (b) Dat die volgende beginsels geïmplementeer word met die ontwikkeling van erwe en wooneenhede op of by die golfbaan, naamlik:

- (i) 'n Maksimum van 110 wooneenhede op die golfbaan toegelaat word;
- (ii) Die kleinste enkelwoonhuis 'n oppervlakte van 120 m² met motorhuis ingesluit, sal dek;
- (iii) Die gemiddelde vloeroppervlakte van dorpshuise/groepsbehuising 98 m² sal wees met motorhuis ingesluit;
- (iv) Toegang tot wooneenhede deur die golfbaan tot twee strate/paaie beperk sal word;
- (v) Nege putjies van die golfbaan onder alle weersomstandighede en in alle vloedtoestande laer as die 1:50-jaar vloed toeganklik en bruikbaar sal wees vir spelers;

NOTULE: SPESIALE RAADSVERGADERING: 20 MEI 2003

UITGEREIK AAN

Vir aandag en afhandeling	MB	WAMB Korp. Dienste	WAMB Gem. Dienste	WAMB Siviele Dienste	WAMB Elektriese Dienste	WAMB Finansies	ADA	PB	HB	J Swanepoel	SEKR	BERG
Ter inligting	MB	WAMB Korp. Dienste	WAMB Gem. Dienste	WAMB Siviele Dienste	WAMB Elektriese Dienste	WAMB Finansies	ADA	PB	HB	J Swanepoel	SEKR	BERG

Geliewe die volgende saak wat op bogemelde vergadering behandel is, so spoedig doenlik u aandag te skenk.

- (vi) Die ontwikkelaar 'n erf of erwe vir die doel van 'n gastehuis/herberg of hotel moet toelaat en daar voorsiening moet wees vir 'n restaurant/toerismefasiliteit, hetsy as deel van die bestaande klubhuis of doel ontwerp as deel van die gholfbaan; en
- (vii) Die toegang tot die dorp, met ander woorde sowat 65 tot 90 meter langs Voortrekkerstraat, nie toegebou mag word nie.
- (c) Dat die bedrag van die grond verder met die voornemende ontwikkelaar onderhandel word en dit gekoppel word aan doelwitte en bouklousules.
- (d) Dat die Raad 'n onderhandelingspan aanstel om verder met die voornemende ontwikkelaar te onderhandel en Mnre. Macroplan en die Raad se prokureur ook ingesluit word.

Die Raad het per item 8.9 van 'n vergadering gehou op 30 April 2003 besluit:

- (a) Dat die onderskeie politieke party koususse 'n tydperk van veertien dae gegun word ten einde die dooiepunt wat hier ontstaan het, uit te sorteer.
- (b) Dat na afloop van 'n periode van veertien dae, volmag aan die Speaker verleen word om 'n spesiale raadsvergadering vir hierdie doel byeen te roep en dat die doel van die spesiale raadsvergadering sal wees om 'n besluit oor hierdie aangeleentheid te neem. Voorts dat indien die dooiepunt nie opgelos is voor die spesiale raadsvergadering nie, die Raad sal oorgaan tot stemming, mediasie of watter ander meganisme daar op besluit mag word, met dien verstande dat die aangeleentheid wel by die betrokke raadsvergadering afgehandel moet word.
- (c) Dat die voorstel om Mnre. Equinox Bemagtigingsgroep aan te stel om as tussenganger die aangeleentheid behoorlik te ondersoek en 'n aanbeveling aan die Raad te maak, nie aanvaar word nie en dat Mnre. Equinox onmiddellik hiervan in kennis gestel word.

MUNISIPALITEIT WITZENBERG

NOTULE: SPESIALE RAADSVERGADERING: 20 MEI 2003

UITGEREIK AAN

Vir aandag en afhandeling	MB	WAMB Korp. Dienste	WAMB Gem. Dienste	WAMB Swiele Dienste	WAMB Elektriese Dienste	WAMB Finansies	ADA	PB	HB	J Swanepoel		SEKR	BERG
Ter inligting	MB	WAMB Korp. Dienste	WAMB Gem. Dienste	WAMB Swiele Dienste	WAMB Elektriese Dienste	WAMB Finansies	ADA	PB	HB	J Swanepoel		SEKR	BERG

Geliewe die volgende saak wat op bogemelde vergadering behandel is, so spoedig doenlik u aandag te skenk.

- (vi) Die ontwikkelaar 'n erf of erwe vir die doel van 'n gastehuis/herberg of hotel moet toelaat en daar voorsiening moet wees vir 'n restaurant/toerismefasiliteit, hetsy as deel van die bestaande klubhuis of doel ontwerp as deel van die gholfbaan; en
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- (c) Dat die voorstel om Mnre. Equinox Bemagtigingsgroep aan te stel om as tussenganger die aangeleentheid behoorlik te ondersoek en 'n aanbeveling aan die Raad te maak, nie aanvaar word nie en dat Mnre. Equinox onmiddellik hiervan in kennis gestel word.

NOTULE: SPESIALE RAADSVERGADERING: 20 MEI 2003

UITGEREIK AAN

Vir aandag en afhandeling	MB	WAMB Korp. Dienste	WAMB Gem. Dienste	WAMB Swiele Dienste	WAMB Elektriese Dienste	WAMB Finansies	ADA	PB	HB	J Swanepoel	SEKR	BERG
Ter inligting	MB	WAMB Korp. Dienste	WAMB Gem. Dienste	WAMB Swiele Dienste	WAMB Elektriese Dienste	WAMB Finansies	ADA	PB	HB	J Swanepoel	SEKR	BERG

Geliewe die volgende saak wat op bogemelde vergadering behandel is, so spoedig doenlik u aandag te skenk.

Die volgende skrywes word ingebind:

- ❖ 'n Skrywe van Orange Tree Securities, gedateer 25 April 2003: **Bylae 5(a)**.
- ❖ 'n Skrywe van Ceres Gholflklub, gedateer 9 Mei 2003: **Bylae 5(b)**.

Aangesien die besluitneming met betrekking tot die gholfbaanontwikkeling in die hande van die Raad is, het die Burgemeester versoek dat die Munisipale Bestuurder die gholflklub in kennis stel dat 'n vergadering met die Uitvoerende Komitee nie nou kan plaasvind nie en dat die saak na die Raad verwys sal word. Die aangeleentheid word dus na die Raad verwys vir verdere besluitneming.

Die volgende aanbeveling dien voor die Raad:

- (a) Ter oorweging van die versoek van die Ceres Gholflklub vir 'n vergadering oor die aangeleentheid.
- (b) Ter besluitneming van die aanstelling van 'n ontwikkelaar vir die gholfbaanontwikkeling.

Die ANC stel sy posisie as volg:

- (a) Dat 'n gesamentlike onderneming aangegaan word tussen Mnre. McGregor Estates (Group 5) en Par Chance CC en dat die ontwikkelingsvoorstelle van beide hierdie groepe aldus aanvaar word op voorwaarde dat die partye dertig dae tyd gegun word om 'n ooreenkoms te realiseer by versuim waarvan die ontwikkelingsgeleentheid by die gholfbaan heradverteer word vir ontwikkelingsvoorstelle.
- (b) Dat die Raad, na suksesvolle onderhandeling tussen die betrokke partye, 'n komitee aanwys om verder met die gesamentlike onderneming te onderhandel oor die verdere voorwaardes, ontwikkelingsvoorstelle en die voortsetting van die projek.

MUNISIPALITEIT WITZENBERG

NOTULE: SPESIALE RAADSVERGADERING: 20 MEI 2003

UITGEREIK AAN

Vir aandag en afhandeling	MB	WAMB Korp. Dienste	WAMB Gem. Dienste	WAMB Siviele Dienste	WAMB Elektriese Dienste	WAMB Finansies	ADA	PB	HB	J Swanepoel	SEKR	BERG
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Geliewe die volgende saak wat op bogemelde vergadering behandel is, so spoedig doenlik u aandag te skenk.

Die NNP stel sy posisie as volg:

Dat die ontwikkelingsvoorstel van Mnre. McGregor Estates (Group 5) aanvaar word en dat dit genotuleer word dat sou daar 'n hofgeding ontstaan, die lede van die NNP (uitgesluit raadslid P Waterboer wat buite stemming bly, volgens sy e-pos boodskap aan die Munisipale Bestuurder) nie verantwoordelik gehou kan word vir die kostes nie.

Mnre. Manjiya en Heradien stel hulle posisie as volg:

We disagree with the position of the ANC and we wish to be noted.

Die Speaker bring die voorstelle tot stemming en nege stemme word ten gunste van die ANC voorstel uitgebring en vyf stemme ten gunste van die NNP voorstel.

BESLUIT

- Dat 'n gesamentlike onderneming aangegaan word tussen Mnre. McGregor Estates (Group 5) en Par Chance CC en dat die ontwikkelingsvoorstelle van beide hierdie groepe aldus aanvaar word op voorwaarde dat die partye dertig dae tyd gegun word om 'n ooreenkoms te realiseer by versuim waarvan die ontwikkelingsgeleentheid by die gholfbaan heradverteer word vir ontwikkelingsvoorstelle.*
- Dat die Raad, na suksesvolle onderhandeling tussen die betrokke partye, 'n komitee aanwys om verder met die gesamentlike onderneming te onderhandel oor die verdere voorwaardes, ontwikkelingsvoorstelle en die voortsetting van die projek.*

Raadslid Rysbergen versoek dat die NNP se teenstemme teen die besluit aangeteken word.

NOTULE: SPESIALE RAADSVERGADERING: 20 MEI 2003

UITGEREIK AAN

Vir aandag en afhandeling	MB	WAMB Korp. Dienste	WAMB Gem. Dienste	WAMB Siviële Dienste	WAMB Elektriese Dienste	WAMB Finansies	ADA	PB	HB	J Swanepoel		SEKR	BERG
Ter inligting	MB	WAMB Korp. Dienste	WAMB Gem. Dienste	WAMB Siviële Dienste	WAMB Elektriese Dienste	WAMB Finansies	ADA	PB	HB	J Swanepoel		SEKR	BERG

Geliewe die volgende saak wat op bogemelde vergadering behandel is, so spoedig doenlik u aandag te skenk.

Die NNP stel sy posisie as volg:

Dat die ontwikkelingsvoorstel van Mnre. McGregor Estates (Group 5) aanvaar word en dat dit genotuleer word dat sou daar 'n hofgeding ontstaan, die lede van die NNP (uitgesluit raadslid P Waterboer wat buite stemming bly, volgens sy e-pos boodskap aan die Munisipale Bestuurder) nie verantwoordelik gehou kan word vir die kostes nie.

Mnre. Manjiya en Heradien stel hulle posisie as volg:

We disagree with the position of the ANC and we wish to be noted.

Die Speaker bring die voorstelle tot stemming en nege stemme word ten gunste van die ANC voorstel uitgebring en vyf stemme ten gunste van die NNP voorstel.

BESLUIT

- (a) *Dat 'n gesamentlike onderneming aangegaan word tussen Mnre. McGregor Estates (Group 5) en Par Chance CC en dat die ontwikkelingsvoorstelle van beide hierdie groepe aldus aanvaar word op voorwaarde dat die partye dertig dae tyd gegun word om 'n ooreenkoms te realiseer by versuim waarvan die ontwikkelingsgeleentheid by die gholfbaan heradvertiseer word vir ontwikkelingsvoorstelle.*
- (b) *Dat die Raad, na suksesvolle onderhandeling tussen die betrokke partye, 'n komitee aanwys om verder met die gesamentlike onderneming te onderhandel oor die verdere voorwaardes, ontwikkelingsvoorstelle en die voortsetting van die projek.*

Raadslid Rysbergen versoek dat die NNP se teenstemme teen die besluit aangeteken word.

UITGEREIK AAN

Vir aandag en afhandeling	MB	WAMB Korp. Dienste	WAMB Gen. Dienste	WAMB Swiele Dienste	WAMB Elektriese Dienste	WAMB Finansies	ADA	PB	HB	J Swanepoel	SEKR	BERG
Ter inligting	MB	WAMB Korp. Dienste	WAMB Gen. Dienste	WAMB Swiele Dienste	WAMB Elektriese Dienste	WAMB Finansies	ADA	PB	HB	J Swanepoel	SEKR	BERG

Geliewe die volgende saak wat op bogemelde vergadering behandel is, so spoedig doenlik u aandag te skenk.

8.9 Dorpsbeplanning en -beheer:
Golfbaan ontwikkeling
(15/2/14)

Die Speaker, raadslid J Phungula, het die Munisipale Bestuurder versoek om die aangeleentheid op die agenda te plaas vir finalisering deur die Raad. Die saak was bespreek tydens 'n spesiale raadsvergadering op 6 November 2002 waar die volgende aanbevelings van die Uitvoerende Komitee soos per item 8.5 van sy vergadering van 29 Oktober 2002 gedien het:

- (a) Dat die voornemende ontwikkelaars in die volgende voorkeur orde aangewys word, naamlik:

- ❖ McGregor Estates (Group 5)
- ❖ Mark Brumer
- ❖ Par Chance CC

SCANNED

- (b) Dat die volgende beginsels geïmplementeer word met die ontwikkeling van erwe en wooneenhede op of by die golfbaan, naamlik:

- (i) 'n Maksimum van 110 wooneenhede op die golfbaan toegelaat word;
- (ii) Die kleinste enkelwoonhuis 'n oppervlakte van 120 m² met motorhuis ingesluit, sal dek;
- (iii) Die gemiddelde vloeroppervlakte van dorpshuise/groepsbehuising 98 m² sal wees met motorhuis ingesluit;
- (iv) Toegang tot wooneenhede deur die golfbaan tot twee strate/paaie beperk sal word;
- (v) Nege putjies van die golfbaan onder alle weersomstandighede en in alle vloedtoestande laer as die 1:50-jaar vloed toeganklik en bruikbaar sal wees vir spelers;

MUNISIPALITEIT WITZENBERG

NOTULE: RAADSVERGADERING: 30 APRIL 2003

UITGEREIK AAN

Vir aandag en afhandeling	MB	WAMB Korp. Dienste	WAMB Gem. Dienste	WAMB Siviele Dienste	WAMB Elektriese Dienste	WAMB Finansies	ADA	PB	HB	J Swanepoel	SEKR	BERG
Ter inligting	MB	WAMB Korp. Dienste	WAMB Gem. Dienste	WAMB Siviele Dienste	WAMB Elektriese Dienste	WAMB Finansies	ADA	PB	HB	J Swanepoel	SEKR	BERG

Geliewe die volgende saak wat op bogemelde vergadering behandel is, so spoedig doenlik u aandag te skenk.

- (vi) Die ontwikkelaar 'n erf of erwe vir die doel van 'n gastehuis/herberg of hotel moet toelaat en daar voorsiening moet wees vir 'n restaurant/toerismefasiliteit, hetsy as deel van die bestaande klubhuis of doel ontwerp as deel van die gholfbaan; en
- (vii) Die toegang tot die dorp, met ander woorde sowat 65 tot 90 meter langs Voortrekkerstraat, nie toegebou mag word nie.
- (c) Dat die bedrag van die grond verder met die voornemende ontwikkelaar onderhandel word en dit gekoppel word aan doelwitte en bouklousules.
- (d) Dat die Raad 'n onderhandelingspan aanstel om verder met die voornemende ontwikkelaar te onderhandel en Mnr. Macroplan en die Raad se prokureur ook ingesluit word.

Die Raad het per item 8.4 van 26 Maart 2003 besluit dat hierdie aangeleentheid tydens 'n spesiale vergadering hanteer moet word. Die Speaker het by die vergadering aangedui dat die saak slegs by 'n spesiale vergadering hanteer sou word indien daar konsensus tussen die onderskeie partye is. Konsensus is skynbaar nie bereik nie en daarom is 'n spesiale vergadering nog nie gehou nie.

Die aangeleentheid word na die raadsvergadering verwys vir beslissing.

'n Skrywe van Orange Tree Securities, gedateer 25 April 2003, word ingebind as **bylae 8.9**.

'n Verdere memorandum van die Munisipale Bestuurder, gedateer 30 April 2003, word ingebind as **bylae 8.9(a)**.

MUNISIPALITEIT WITZENBERG

NOTULE: RAADSVERGADERING: 30 APRIL 2003

UITGEREIK AAN

Vir aandag en afhandeling	MB	WAMB	WAMB	WAMB	WAMB	WAMB	WAMB	ADA	PB	HB	J Swanepeel	SEKR	BERG
Ter inligting	MB	WAMB	WAMB	WAMB	WAMB	WAMB	WAMB	ADA	PB	HB	J Swanepeel	SEKR	BERG
		Korp. Dienste	Gem. Dienste	WAMB Swiele Dienste	WAMB Elektriese Dienste	WAMB Finansies							

Geliewe die volgende saak wat op bogemelde vergadering behandel is, so spoedig doenlik u aandag te skenk.

BESLUIT

- Dat die onderskeie politieke party koususse 'n tydperk van veertien dae gegun word ten einde die dooiepunt wat hier ontstaan het, uit te sorteer.*
- Dat na afloop van 'n periode van veertien dae, volmag aan die Speaker verleen word om 'n spesiale raadsvergadering vir hierdie doel byeen te roep en dat die doel van die spesiale raadsvergadering sal wees om 'n besluit oor hierdie aangeleentheid te neem. Voorts dat indien die dooiepunt nie opgelos is voor die spesiale raadsvergadering nie, die Raad sal oorgaan tot stemming, mediasie of watter ander meganisme daar op besluit mag word, met dien verstande dat die aangeleentheid wel by die betrokke raadsvergadering afgehandel moet word.*
- Dat die voorstel om Mnre. Equinox Bemagtigingsgroep aan te stel om as tussenganger die aangeleentheid behoorlik te ondersoek en 'n aanbeveling aan die Raad te maak, nie aanvaar word nie en dat Mnre. Equinox onmiddellik hiervan in kennis gestel word.*

NOTULE: UITVOERENDE BURGEMEESTERSKOMITEE: 4 NOVEMBER 2003

UITGEREIK AAN

Vir aandag en afhandeling	MB	WAMB Korp. Dienste	WAMB Gem. Dienste	WAMB Siviele Dienste	WAMB Elektriese Dienste	WAMB Finansies	ADA	PB	HB	J Swanepoel		SEKR	BERG
Ter inligting	MB	WAMB Korp. Dienste	WAMB Gem. Dienste	WAMB Siviele Dienste	WAMB Elektriese Dienste	WAMB Finansies	ADA	PB	HB	J Swanepoel		SEKR	BERG

Geliewe die volgende saak wat op bogemelde vergadering behandel is, so spoedig doenlik u aandag te skenk.

**9.1.3 Dorpsbeplanning en -beheer:
Ontwikkeling van Ceres gholfbaan
(15/4/1/1/5)**

'n Skrywe gedateer 31 Oktober 2003 op 'n briefhoof van Orange Tree Developments, onderteken deur beide verteenwoordigers van McGregor Group Five Ontwikkeling en Par Chance CC, word ingebind as bylae 9.1.3.

Die partye het nou amptelik 'n ooreenkoms bereik en daar kan voortgegaan word om die gholfbaan ontwikkeling toe te ken en verder te onderhandel.

Die ooreenkoms behels dat daar 'n uitgebreide ontwikkeling sal wees, wat ook grond insluit in die omgewing van die Victoriapark sportgronde teen die berg en ook waar die vorige jukskeiklub grond van die Raad gehuur het. Dit sal ook in die verdere onderhandelinge uitgeklaar moet word. Die partye sal daadwerklik presies moet aandui watter grond alles ter sprake is waaroor die Raad 'n besluit moet neem. Voorts sal die Ceres Gholfklub en die eienaars van Victoriapark ingetrek moet word by die onderhandelinge.

SCANNED

UITGEREIK AAN

Vir aandag en afhandeling	MB	WAMB Korp. Dienste	WAMB Gem. Dienste	WAMB Siviele Dienste	WAMB Elektriese Dienste	WAMB Finansies	ADA	PB	HB	J Swanepoel		SEKR	BERG
Ter inligting	MB	WAMB Korp. Dienste	WAMB Gem. Dienste	WAMB Siviele Dienste	WAMB Elektriese Dienste	WAMB Finansies	ADA	PB	HB	J Swanepoel		SEKR	BERG

Geliewe die volgende saak wat op bogemelde vergadering behandel is, so spoedig doenlik u aandag te skenk.

Mnr. Dupré Lombaard van Macroplan is versoek om 'n raamwerk te voorsien waarbinne onderhandel kan word en dit sal voorgelê word sodra dit ontvang word.

BESLUIT

- (a) Vir kennisname.
- (b) *Dat die gholfbaan ontwikkeling met die uitgebreide gedeeltes soos onderhandel staan te word, amptelik toegeken word aan Mnre. McGregor Group Five in samewerking met Mnre. Par Chance CC, soos ooreengekom tussen die partye op voorwaarde dat die volgende tussen die Raad en ander partye waar nodig, onderhandel word en in 'n formele ooreenkoms vervat word:*
- (i) *Die omvang en tydraamwerk van die ontwikkeling.*
 - (ii) *Die detail van die ontwikkeling.*
 - (iii) *Die raadsgrond ter sprake en hoe dit vervreem staan te word.*
 - (iv) *Die instemming van ander tersaaklike partye.*
- (c) *Dat onderhandelinge in die hande gelaat word van die Munisipale Bestuurder en ander tegniese personeel wat van tyd tot tyd moet verslag doen aan die Uitvoerende Burgemeester, wat finaal daarvoor sal besluit in samewerking met die Uitvoerende Burgemeesterskomitee.*

**BESLUIT: UITVOERENDE BURGEMEESTER
VIR UITVOERENDE BURGEMEESTERSKOMITEE VERGADERING 4 MEI 2004**

UITGEREIK AAN

Vir aandag en afhandeling	MB	WAMB Korp. Dienste	WAMB Gem. Dienste	WAMB Siviele Dienste	WAMB Elektriese Dienste	WAMB Finansies	ADA	PB	HB	J Swanepoel	SEKR	BERG
Ter inligting	MB	WAMB Korp. Dienste	WAMB Gem. Dienste	WAMB Siviele Dienste	WAMB Elektriese Dienste	WAMB Finansies	ADA	PB	HB	J Swanepoel	SEKR	BERG

Geliewe die volgende saak wat op bogemelde vergadering behandel is, so spoedig doenlik u aandag te skenk.


**7.30 Dorpsbeplanning en -beheer:
Golfbaanontwikkeling, Ceres
(15/4/1/1/05)**

'n Skrywe van Par Chance Propreties CC, gedateer 9 Maart 2004, word ingebind as bylae 7.30.

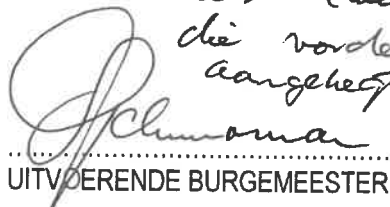
AANBEVEEL

Ter oorweging.

**BESLUIT VAN UITVOERENDE BURGEMEESTER
(Merk asb. met ✓ waar van toepassing)**

Aanbeveling word aanvaar. Verwys na Uitvoerende Burgemeesterskomitee vir kennisname.	
Verwys aanbeveling as 'n aanbeveling na die Uitvoerende Burgemeesterskomitee.	
Verwys aangeleentheid (sonder enige aanbevelings) na die Uitvoerende Burgemeesterskomitee.	
Enige ander aanbevelings, besluite of opdragte:	✓

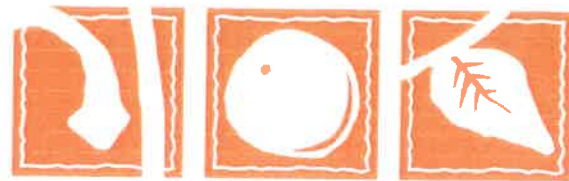
Versaek dat die MB 'n gesprek reël met twee partye om 'n verslag te luy i/s die vordering van die projek, asook die aangehegte skrywe


.....
UITVOERENDE BURGEMEESTER

28/04/2004
.....
DATUM

SCANNED

OPMERKINGS



O R A N G E
Tree
D E V E L O P M E N T S

UBK 04/11/2003

Witzenberg
15/4/11/5/047

31 October 2003

The Municipal Manager
Witzenberg Municipality
P O Box 44
CERES
6835

Dear Sir

GOLF COURSE ESTATE DEVELOPMENT

We refer to the above and confirm that a meeting took place in Cape Town between ourselves and representatives of Par Chance CC on 25 October 2003.

An agreement was reached between the parties which will entail the following:

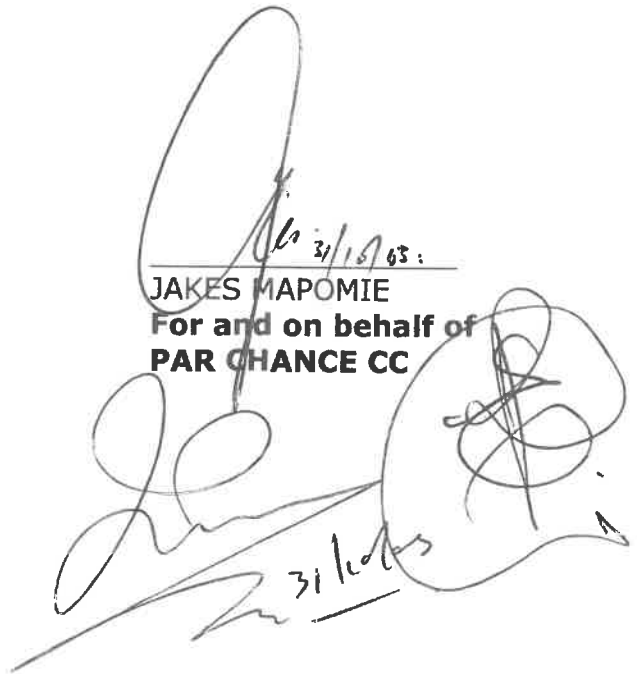
1. That a portion of the net profit attained on the sale of approximately 55 erven, which form part of the first phase of the development proposed by the Orange Tree Development and Group Five consortium, as calculated by the consortium, will be made available to Par Chance CC to be utilized in their development of the newly identified property earmarked for both residential and hotel development.
2. That Orange Tree Development will act as project facilitator to Par Chance CC with their development.
3. That Orange Tree Development will charge their normal fee to Par Chance for such services rendered, *based on FICA regulations*
4. That Orange Tree Development will further endeavor to involve ICE Consulting Engineers where, in the opinion of the Orange Tree Development and Group Five consortium, there is an opportunity to do so.

5. That a formal agreement will be drafted and signed between the parties involved should the Witzenberg Municipality Golf Club and any other interested parties such as the Agricultural Society as well as the Ceres Rugby Club etc. agree to the proposed development of the Orange Tree Development/Group Five consortium as presented to the Council.

We trust that you will find the above in order.

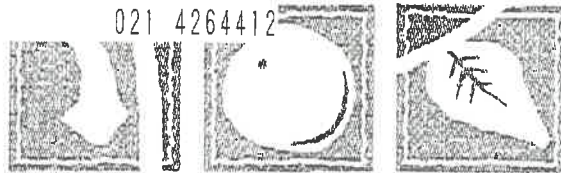


DERICK DU TOIT
For and on behalf of
ORANGE TREE DEVELOPMENT (PTY) LTD



31/10/05
JAKES MAPOMIE
For and on behalf of
PAR CHANCE CC

021 4264412



15/4/2/16. O R A N G E
Tree

pas

D E V E L O P M E N T S

To: Witzenberg Municipality	From: Derick du Toit
Attn: The Municipal Manager	Pages: 1
Fax No: (023) 316 1877	Date: 10 October 2003
Subject: Proposed Golf Course Development	

Dear Mr du Plessis

We wish to advise that after careful consideration we agree to work together with Par Chance CC on the following basis:

1. That we will reduce our proposed development from 301 erven, as per the tender presentation to 240 erven. We believe that this is the minimum amount required in order to make the golf estate viable.
2. That we will negotiate with the relevant bodies to acquire additional land for development by Par Chance (as proposed by the Mayor at our various meetings).
3. To identify a hotel site for development by Par Chance CC.
4. That we will develop the golf estate including the golf course and that we will assist Par Chance on a technical and skill transfer basis with the development of their approximately 40 to 50 newly identified erven on the property as well as the development of the proposed hotel site as per our Draft Plan 4. of 17 September 2003.

This we believe will be economically viable for both parties and will reduce the financial burden on Par Chance but will give them approximately the same size development as per their tender document of 7 October 2002.

I trust that this issue can now finally be resolved so that we can get on with the process.

Yours faithfully

For and on behalf of
ORANGE TREE DEVELOPMENT (PTY) LTD


DERICK DU TOIT



CC: RANDAL WELLS – GROUP FIVE DEVELOPMENT – FAX (011) 803 9107
PAR CHANCE – C/O ALAN TRUTER – FAX (023) 316 2102
P. GERBER – ANC : MP – FAX (021) 873 7840

SCANNED

A MEMBER OF THE ORANGE TREE GROUP OF COMPANIES

Orange Tree Developments (Pty) Ltd. Co. Reg. No. 2003/005779/07 1st Floor Leadership House, 40 Shortmarket Str, Cape Town, 8001. P O Box 3594, Cape Town, 8000. Tel: +27 21 426 4406 Fax: +27 21 426 4412

A Member of the Orange Tree International Investments Group
Directors: D du Toit (Managing) J.P. Terblanche B(Econ)

Verslag ♦ Ingxelo ♦ Report

VERSLAG AAN UITVOERENDE BURGEMEESTERSKOMITEE

**WAARDEBEPALING VAN DIE GROND VIR DIE ONTWIKKELING VAN DIE CERES GOLFBAAN
EN MUNISIPALE GROND TE VICTORIAPARK**

15/4/11/5 1050

1. Doel / Purpose

- 1.1 Die doel van hierdie verslag is om 'n waarde te bepaal vir die munisipale grond benodig vir die ontwikkeling van die Ceres Golfbaan en te Victoriapark. Die presiese omvang en grense van die grond is nog nie bekend nie, daarom word 'n nominale waardebeoordeling voorgestel vir verdere onderhandelings met die ontwikkelaars.
- 1.2 Die doel van die verslag is verder om delegasie te verkry vir 'n tegniese komitee om die onderhandelings insake die ontwikkeling deur te voer, ingesluit die gelde wat betaal sal word vir die grond en die ontwikkelingsregte.

2. Beredenering / Reasoning

- 2.1 Die grond waarop die ontwikkeling sal plaasvind is hoofsaaklik grond wat belas is met saaklike regte, bv. langtermynhuur of voorwaardelike verkoop met 'n terugvalklousule, in welke geval 'n opheffing van beperkings nodig sou wees. Dit is 'n waardebeoordeling, aangesien die raad se belange in die grond en daarom regte op 'n inkomste eers realiseer indien die huur opgeskort word of verval (na ongeveer 20 jaar), of as die bestaande eienaars dit vir ander doeleindes wil verkoop of aanwend as wat die titelakte bepaal. Daar is dus nie 'n realistiese verwagting op die genereer van enige inkomste op die grond nie.
- 2.2 Hoewel die grond nie gesoneer is vir ontwikkeling nie, is daar 'n redelike kans dat dit wel vir ontwikkeling goedgekeur sou kon word, onderhewig aan sekere voorwaardes, neergelê ingevolge die toepaslike wetgewing. Hierdie voorwaardes word ook as beperkend op enige grondwaarde geag, want ondervinding dui daarop dat ontwikkeling in 'n sensitiewe omgewing soos die etlike duisende rande by die ontwikkelingskoste voeg.
- 2.3 Gegewe voornoemde, moet aanvaar word dat die realistiese inkomste wat uit die ontwikkeling verwag kan word 'n langtermyn inkomste is, bereken op die lewensvatbare voorsiening van dienste, vermindering in onderhoudsuitgawes en die verbreding van die belastingbasis. Die ontwikkeling moet ook geen las op die bestaande belastingbetalers plaas nie, maw dit moet, indien daar geen direkte inkomste verdien word nie, ook geen koste vir die raad meebring, soos bv. die opgradering van dienstenetwerke of stoor- en verwerkingskapasiteite nie.
- 2.4 Die koste aan die opgradering van die grootmaatsdienste-infrastruktuur (siviël en elektrisiteit) moet van die ontwikkelaars verhaal word deur die hef van grootmaatsdiensteheffings, soos tans die raad se beleid. Buiten die heffings is daar bydraes tot die gemeenskapsfasiliteitefonds, wat ook verhaal sal word. Konserwatief bereken, beloop die twee bedrae wat betaalbaar is (2003 – waardes) R936 000,00 in die golfbaan se geval en in die Victoriapark-geval sowat R360 000,00 (bereken op 240 en 100 eenhede onderskeidelik). Dit sal na raming voldoende inkomste bied om te verseker dat die raad nie uit ander bronne finansies hoef te bekom vir enige opgraderings nie en behoort as voldoende inkomste geag te word.

- 2.5 Die betaling van die grootmaatdiensteheffings en bydraes tot die gemeenskapsfasiliteitefonds word eers na goedkeuring, maw wanneer die omvang van die ontwikkeling finaal bepaal is, vereis, hoewel kennisgewing van die verwagte omvang daarvan reeds tydens die aansoek gegee word (uiteengesit in die aansoekvorms). In 'n geval soos die, waar die bedrag baie groot is, moet dit gekoppel word aan fases, sodat daar 'n betaling geskied voordat uitklaring gegee sal word van enige erf of wooneenheid in enige fase van 'n ontwikkeling en dan teen die koers wat op daardie stadium van toepassing is (maw teen 2004 of 2006-waarde), afhangend van wanneer die oordragte plaasvind, sodat daar ook 'n eskalasie daaraan gekoppel word.

3. Wetgewing / Legislation

- 3.1 Die Ordonnansie op Grongebruikbeplanning, 1985, Ordonnansie 15 van 1985.
3.2 Die Munisipale Ordonnansie, 1974, Ordonnansie 20 van 1974.
3.3 Die Paaie Ordonnansie, 1976, Ordonnansie 19 van 1976.
3.4 Die Nasionale Waterwet, 1998, Wet 36 van 1998.
3.5 Die Wet op Omgewingsbewaring, 1989, Wet 73 van 1989.
3.6 Die Wet op die Adverteer Langs en Toebou van Paaie, 1940, Wet 21 van 1940.

4. Raadsbeleid / Council's policy

- 4.1 Geen.

5. Finansiële implikasies / Financial Implications

- 5.1 Geen finansiële implikasies is op hierdie stadium bekend nie.

6. Aanbeveling / Recommendation

- 6.1 Dit word aanbeveel dat die grootmaatdiensteheffings aanvaar moet word as voldoende inkomste vir die raad uit die ontwikkeling van erwe en woongebruike op of by die golfbaan.
- 6.2 Dit word aanbeveel dat die Munisipale Bestuurder en Departementshoofde gedelegeer word as 'n tegniese komitee om die onderhandelings insake die ontwikkeling en betaling van gelde vir die ontwikkeling deur te voer.

D Lombaard
14 November 2003

MUNISIPALE BESTUURDER
0447.472

MUNISIPALITEIT WITZENBERG

NOTULE: UITVOERENDE BURGEMEESTERSKOMITEE: 18 NOVEMBER 2003

UITGEREIK AAN

Vir aandag en afhandeling	MB	WAMB Korp. Dienste	WAMB Gem. Dienste	WAMB Siviele Dienste	WAMB Elektriese Dienste	WAMB Finansies	ADA	PB	HB	J Swanepoel		SEKR	BERG
Ter inligting	MB	WAMB Korp. Dienste	WAMB Gem. Dienste	WAMB Siviele Dienste	WAMB Elektriese Dienste	WAMB Finansies	ADA	PB	HB	J Swanepoel		SEKR	BERG

Geliewe die volgende saak wat op bogemelde vergadering behandel is, so spoedig doenlik u aandag te skenk.

7.11 Dorpsbeplanning en –beheer: Gholfbaan ontwikkeling (15/4/1/1/5)

Die eerste onderhandelinge met betrekking tot die ontwikkeling van die gholfbaan het plaasgevind op Woensdag, 12 November 2003 in die Paarl. Die Munisipale Bestuurder, die Raad se prokureur, mnr. P Kotzé, en mnr. Dupré Lombaard het die Raad verteenwoordig terwyl Mnre. Par Chance verteenwoordig was deur mnr. Eddie Langeveldt en McGregor Group Five deur mnre. R Wells en D du Toit.

Die onderhandelinge het op 'n goeie voet afgeskop en die verwysingsraamwerk waarbinne onderhandel sal word, is onder andere:

1. Die identifisering van die spesifieke grond betrokke
2. Koste van die raadsgrond
3. Omvang van die ontwikkeling
4. Betrokkenheid van ander partye soos die Ceres gholfklub, die landbougenootskap en Ceres rugbyklub
5. Omgewingsimpakstudie, hersonering en gebruik van grond
6. Beskerming van regte van huidige gholfklub lede

Die proses sal as volg verloop:

1. 'n Konsep hoofde van ooreenkoms sal deur die ontwikkelaars opgestel en voorgelê word vir bespreking by 'n volgende geleentheid.
2. 'n Finale hoofde van ooreenkoms sal gefinaliseer word voor die sluiting van die verrigtinge vanjaar.

MUNISIPALITEIT WITZENBERG

NOTULE: UITVOERENDE BURGEMEESTERSKOMITEE: 18 NOVEMBER 2003

UITGEREIK AAN

Vir aandag en afhandeling	MB	WAMB Korp. Dienste	WAMB Gem. Dienste	WAMB Siviele Dienste	WAMB Elektriese Dienste	WAMB Finansies	ADA	PB	HB	J Swanepoel		SEKR	BERG
Ter inligting	MB	WAMB Korp. Dienste	WAMB Gem. Dienste	WAMB Siviele Dienste	WAMB Elektriese Dienste	WAMB Finansies	ADA	PB	HB	J Swanepoel		SEKR	BERG

Geliewe die volgende saak wat op bogemelde vergadering behandel is, so spoedig doenlik u aandag te skenk.

Ten einde die hoofde van ooreenkoms op te stel, benodig die ontwikkelaars dringend die Raad se besluit met betrekking tot die grondkoste. Die ontwikkelaars het in hulle voorleggings aan die Raad destyds aanduiding gegee dat die grond teen 'n nominale fooi beskikbaar gestel word, aangesien die voordeel wat verkry word met die ontwikkeling daarin geleë is dat die golfbaan ten volle herontwikkel word en dat die ontwikkelaars self instaan vir die koste van opgradering van eksterne dienste en die volle koste dra van alle interne dienste. Voorts word die Raad se voordeel verkry vanuit belastings en dienstegelde wanneer die eiendomme ontwikkel en verkoop is.

Die volgende kommentaar is per e-pos van mnr. Dupré Lombaard ontvang:

"Daar is konserwatief geraam 240 erwe op die golfbaan en 50 erwe met 50 kamers geraam in 'n hotel/woonstel op Victoriapark - sien uittreksel uit verslag. Konserwatief bereken, beloop die twee bedrae wat betaalbaar is (2003 - waardes) R936 000,00 in die golfbaan se geval en in die Victoriapark-geval sowat R360 000,00 (bereken op 240 en 100 eenhede onderskeidelik).

Die grootmaat inkomste sal ooglopend verander volgens die aantal erwe en wooneenhede, maar ek skat die laagste bedrag wat betaalbaar sal wees in 2003-waardes is R1 miljoen, wat voorsiening maak vir 210 erwe op die golfbaan en afslag op die hotel/woonstel op Victoriapark."

'n Memorandum van mnr. Dupré Lombaard, gedateer 14 November 2003, word ingebind as bylae 7.11.

BESLUIT

- (a) Vir kennisname.
- (b) Dat 'n mandaat aan die Munisipale Bestuurder gegee word om verder te onderhandel met die ontwikkelaars op die basis dat die Raad bereid is om die grond teen 'n nominale waarde te verdiskonteer op voorwaarde dat die ontwikkeling geen koste vir die belastingbetaler inhou nie en dat grootmaat diensteheffings steeds betaal sal word. Voorts dat die ontwikkelaars ook verantwoordelik sal wees vir die totale dienstevoorsiening om die ontwikkeling moontlik te maak.

25 AUG 2005

2. Ceres Gholfbaan ontwikkeling
(15/4/1/1/5)

VERTROULIK

Item 11.1.5 van die Uitvoerende Burgemeesterskomitee vergadering gehou op 16 Augustus 2005, verwys.

Ingebind as **bylae 2(a)** vind u 'n konsep ooreenkoms wat deur die ontwikkelaars aan ons voorsien is ten opsigte van die gronde wat betrokke is. Daar is meer as een stuk grond betrokke, alhoewel dit eintlik in twee dele verdeel kan word. Daar is kleinere gedeeltes van sekere afgesnyde gedeeltes van grond wat ingesluit word by hierdie twee groter gedeeltes. Die twee gedeeltes wat eintlik ter sprake is, is die gronde wat aan die gholfbaan grens en wat spesifiek vir die gholfbaan ontwikkeling en gepaardgaande gholfoord aangewend sal word en die ander gedeelte wat betrokke is, is die grond wat grens aan Victoria Park en waar slegs verdere behuisingseenhede opgerig sal word. Voorts ook in daardie area, die gedeelte grond wat voorheen as 'n jukskeibaan gebruik was en wat vir 'n hotelperseel gereserveer word.

Die volgende waardasies wat deur onafhanklike waardeerders wat deur die ontwikkelaar aangestel is ingedien is, word ingebind as **bylae 2(b)**:

- (i) Adval Waardasiesentrum BK: Waardasie van erf 3775 Ceres
- (ii) Traut Dockel & Associates: Waardasie van erf 3775 Ceres
- (iii) Adval Waardasiesentrum BK: Waardasie van verskeie gedeeltes van erwe 1001, 1010, 1011, 1889, 2035, 3659 en 4542
- (iv) Traut Dockel & Associates: Waardasie van verskeie gedeeltes van erwe 1001, 1010, 1011, 1889, 2035, 3659 en 4542

'n Ontleding van hierdie waardasies is deur mnr. Dupré Lombaard gedoen en sy verslag word ingebind as **bylae 2(c)**.

'n Afdruk van die bestaande huurooreenkoms met die Ceres Gholflklub word ook ingebind as **bylae 2(d)**.

Die konsep ooreenkoms wat aan die Raad voorgelê word, maak voorsiening vir twee opsies waaroor daar besluit moet word:

1. Die eerste opsie is dat die grond waarop die gholfbaan ontwikkel staan te word (die huidige gholfbaan plus 'n uitgebreide gedeelte) aan die ontwikkelaars verkoop word en dat dit na ontwikkeling terug gegee word aan die Ceres Gholflklub om dit te bestuur en in stand te hou. In hierdie geval kan die grond teen markwaarde verkoop word en dit is uit die Raad se hande uit of die grond kan verkoop word met 'n terugval klousule. Die terugval klousule sal spesifieke bewoording moet bevat dat die grond net gebruik kan word vir die doeleindes van die bedryf en bestuur van 'n gholfbaan en indien dit ter enige tyd in die toekoms nie meer vir dié doel gebruik word nie, die grond terugval na die Raad sonder enige kostes. Dit sou impliseer dat die verbeterings op die grond en die grond self steeds publieke eiendom bly. Voorts sal die Raad in hierdie geval moet besluit oor die belasbaarheid al dan nie van die grond.

MUNISIPALITEIT WITZENBERG

BESLUIE: UITVOERENDE BURGEMEESTER: 17 AUGUSTUS 2005

2. Die tweede opsie behels dat die grond word verhuur aan die Ceres Gholfklub, wat dit bestuur en in stand hou. In hierdie geval versoek die ontwikkelaars dat 'n 99 jaar huurpag opsie uitgeoefen word. Die verhuringsopsie sal tot gevolg hê dat daar voortdurend oor huurgelde onderhandel moet word.

'n Verdere aangeleentheid waaroor beginseluitklaring verkry sal moet word, is die wyse waarop dispute, sou daar dispute ontstaan, hanteer moet word. Die huidige ooreenkoms maak steeds voorsiening vir mediasie en arbitrasie, terwyl die Uitvoerende Burgemeester duidelik aangetoon het oor die afgelope tyd dat hy nie gelukkig is met sodanige klousules nie. Die alternatief sou wees dat 'n mediasie klousule ingebring word en indien daar nie deur mediasie ooreengekom kan word nie, die saak verwys word na die Laerhof en dat die Laerhof in Ceres sodanige dispuut dan moet hanteer.

Die aspekte waaroor die Uitvoerende Burgemeesterskomitee uitklaring sal moet gee, is die volgende:

1. Die wese en inhoud van die ooreenkoms en hoe die aangeleentheid verder hanteer moet word. Moontlik die aanstelling van 'n subkomitee om verder met die ontwikkelaar te onderhandel.
2. Oorweging van die twee opsies, naamlik die verkoop of verhuring van die grond en ook die termyn van verhuring indien verhuring as 'n opsie gekies word, tesame met die huurgelde en hoe dit sou eskaleer of heronderhandel sal word. Indien die opsie van koop uitgeoefen word, die verkoopsprys, inaggenome die waardasies wat deur die ontwikkelaars voorgelê is en die kwessie van 'n terugval klousule.
3. Hoe dispute hanteer moet word.

Ten slotte kan net gemeld word dat die Munisipale Bestuurder die waardasies getoets het met 'n gesoute waardeerder wat voorheen by die Provinsiale Administrasie in die Wes-Kaap as 'n waardeerder gewerk het en tans privaat waardasies in die Suid-Kaap hanteer. Die waardeerder is 'n sekere mnr. Van der Vyver en hy het aangedui dat hy baie saamwerk met die betrokke waardeerders wat die betrokke waardasies ingedien het en dat die integriteit en professionaliteit van die waardeerders bo verdenking is. Mnr. Van der Vyver het ook aangedui dat hy dikwels saam met die betrokke waardeerders in waardasiehowe sake namens kliënte hanteer en dat hulle hoog aangeslaan word. Verder dat die wyse wat gevolg is om die grond te waardeer, heeltemal in lyn is met standaard waardasiepraktyke.



MUNISIPALITEIT WITZENBERG

BESLUIITE: UITVOERENDE BURGEMEESTER: 17 AUGUSTUS 2005

AANBEVEEL

- (a) *Dat die grond waarop die gholfbaan ontwikkel staan te word (die huidige gholfbaan plus 'n uitgebreide gedeelte) en meer spesifiek die betrokke gedeeltes van erwe 1001, 1010, 1011, 1889, 2035, 3659 en 4542 aan die ontwikkelaars verkoop word en dat die ontwikkelaar self en op eie koste verantwoordelik sal wees vir die omgewingsimpakstudie, hersonering en onderverdeling en enige ander relevante prosesse om die ontwikkeling van die grond, soos beoog, moontlik te maak.*
- (b) *Dat daardie gedeelte van die grond soos omskryf in (a) hierbo, wat vir die bedryf en bestuur van 'n gholfbaan ontwikkel staan te word, na ontwikkeling op die koste van die ontwikkelaar oorgedra word aan die Ceres Gholffklub om dit te bestuur en in stand te hou.*
- (c) *Dat die grond soos omskryf in a) hierbo verkoop word teen 'n redelike markwaarde wat beraam word op R 1 000 000 (Een Miljoen Rand).*
- (d) *Dat 'n terugval klousule op die grond soos in (b) van toepassing gemaak word tot dien effekte dat die grond net gebruik kan word vir die doeleindes van die bedryf en bestuur van 'n gholfbaan en indien dit ter enige tyd in die toekoms nie meer vir dié doel gebruik word nie, die grond plus verbeterings daarop, terugval na die Raad sonder enige kostes.*
- (e) *Dat die grond soos in (a) verkoop word met die spesifieke bedoeling dat die bestaande Ceres Gholffklub verbeter word en daarmee tesame 'n aantal residensiële erwe en 'n hotel ontwikkel en opgerig word en dat die aantal residensiële erwe sal afhang van die finale goedkeuring met die hersonerings- en onderverdelingsproses.*
- (f) *Dat die grond soos in (a) slegs vervreem kan word deur die ontwikkelaar nadat dit verbeter is en indien die ontwikkeling soos beoog nie voortgaan nie behou die munisipaliteit 'n eerste weieringsreg daarop welke weieringsreg uitgeoefen kan word teen die oorspronklike waarde waarop die grond aan die ontwikkelaar verkoop is en indien 'n gedeelte of gedeeltes van die grond ter sprake is, sal die waarde van terugkoop bereken word op 'n pro rata basis op die grootte van die grond teenoor die oorspronklike waarde waarop dit verkoop is.*
- (g) *Dat die huidige terugvalklousule ten opsigte van erf 3775, sover dit die gedeelte grond aanbetref wat deel uitmaak van die ontwikkelingsvoorstel van die ontwikkelaar, opgehef word.*
- (h) *Dat die besluit aan die ontwikkelaar bekend gemaak word en indien dit aanvaar word, die voorgestelde ooreenkoms vir die verkoop van die grond aan die Uitvoerende Burgemeesterskomitee vir goedkeuring voorgelê word.*
- (i) *Dat alle koste ten opsigte van die oordrag van die grond soos in (a) na die ontwikkelaar en later ook die grond soos in (b) hierbo na die Ceres Gholffklub vir die rekening van die ontwikkelaar sal wees.*



MUNISIPALITEIT WITZENBERG

BESLUIT: UITVOERENDE BURGEMEESTER: 17 AUGUSTUS 2005

BESLUIT VAN UITVOERENDE BURGEMEESTER

(Merk asb. met √ waar van toepassing)

1.	Aanvaar aanbeveling.	✓
2.	Verwys met volmag na Komitee vir Gesondheid, Veiligheid en Geriewe.	
3.	Verwys met volmag na Komitee vir Korporatief en Tegniese Dienste.	
4.	Verwys vir aanbeveling na Komitee vir Gesondheid, Veiligheid en Geriewe.	
5.	Verwys vir aanbeveling na Komitee vir Korporatief en Tegniese Dienste.	
6.		


.....
UITVOERENDE BURGEMEESTER

..... 24/8/05
DATUM

HAUPTFLEISCH & KOTZE ING/INC

Reg Nr / Reg No 2000/005182/21

**PROKUREURS, TAKSATEURS & AFSLAERS
ATTORNEYS, APPRAISERS & AUCTIONEERS**

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85 VOORTREKKER ST/STR. 85

POSBUS/P.O. BOX 6

CERES 6835

DOCEX 3

Die Munisipale Bestuurder
Munisipaliteit Witzenberg
Voortrekkerstraat
CERES
6835

15/4/11/105

12 September 2005

U VERW:

YOUR REF:

Mnr D Du Plessis

ONS VERW:

OUR REF:

PJKOTZé/ok/W123

PER HAND

Geagte Meneer



BEOOGDE GHOLFBAANONTWIKKELING

Skrywer bevestig dat hy die samespreking met die ontwikkelaar bygewoon het op 8 deser en dat die volgende belangrike aspekte daaruit gekom het :

1. Dat die ontwikkelaar skrywer teen Woensdag, 14 September 2005 sal voorsien van sy gewysigde ooreenkoms.
2. Die ontwikkelaar bevestig dat hy reeds sy kontrak met Par Chance gesluit het en dat hy u reeds voorsien het van 'n kopie daarvan.
3. Die ontwikkelaar bevestig dat hy ook reeds in besit is van die ooreenkoms met die Gholfklub.
4. Ten opsigte van Klousule 2.9 ontbreek 'n terugvalklousule en sal ons moet seker maak dat dit voorkom in die finale Ooreenkoms wat voorgelê word deur die ontwikkelaar.
5. Na oorweging van die gesprek was dit vir skrywer duidelik dat daar twee aspekte is wat nie aangespreek is nie, aangesien dit nie vervat is in die ooreenkoms nie. Dit behels die kwessie rondom 'n borgstelling deur die direkteure van die testigte maatskappy waarna hulle persoonlik verantwoordelikheid neem vir die suksesvolle afhandeling van die projek. Tweedens is die kwessie rondom die benutting van plaaslike arbeid en kundigheid nie aangespreek by die gesprek nie en is dit ook nie vervat in die ooreenkoms nie.
6. Tydens die gesprek is daar gepoog om 'n tydskegule vas te stel en kon ons wel die volgende ooreenkoms bereik :

DIREKTEUR / DIRECTOR : PIERRE JOHAN KOTZE

SCANNED

- 6.1 Die voorinleidingskontrak moet afgehandel en geteken wees voor of op 30 September 2005.
- 6.2 Die ratifisering van die voorinleidingskontrak deur die direksie van die ontwikkelaar-maatskappy moet geskied voor of op 15 Oktober 2005. Teen hierdie datum moet die ontwikkelaar ons ook reeds voorsien het van bewys van oprigting van die maatskappy, bewys van aanstelling van direkteure en die bewys van ratifisering van die ooreenkoms.
- 6.3 Onmiddellik by ratifisering van die ooreenkoms deur die direksie moet die koop-ooreenkoms ten opsigte van die gronde met die ontwikkelaar aangegaan word en sal daar voortgegaan word met die transporterings van die eiendom.
- 6.4 Gelyktydig met ondertekening van die Koopkontrak sal die ontwikkelaar met sy impakstudie begin en is 'n periode van twaalf maande daaraan gekoppel onderworpe daaraan dat die partye anders ooreen kan kom indien die periode langer verloop as twaalf maande.
- 6.5 Die ontwikkeling self sal eers kan begin na 'n gunstige impakstudie en sal die ontwikkeling nie begin alvorens 70% (sewentig persent) van die wooneenhede reeds verkoop is nie.
- 6.6 Die hersonering en die verkrygings van die nodige toestemmings sal in aanvang neem sodra die uitslag van die impakstudie ontvang word.
- 6.7 Die resoluksie waarna verwys word in die voorinleidingskontrak om voort te gaan met die projek deur die aandeelhouers sal geneem word na ontvangs van die gunstige impakstudie en sodra 70% (sewentig persent) van die eiendom reeds verkoop is.
- 6.8 Die opmeting van die erwe en die verskaffing van die dienste sal ook geskied onmiddellik na die besluit om voort te gaan met die projek.

'n Periode sal gekoppel moet word aan die finale voltooiing van die baan en klubhuis en sal daar ook meer duidelikheid wees rondom die terugtransportering van die golfbaan aan die golfklub.

In hoof was dit skrywer se gevolgtrekkings wat hy gemaak het tydens die vergadering, maar moontlik sal u in staat wees om dit verder te verfyn met die ontwikkelaar.

Die uwe

HAUPTFLEISCH & KOTZÉ INGELYF

per:



Reference/Verwysing/iRef : 15/4/1/1/5
Enquiries/Navrae/Imibuzo: Mnr. D du Plessis

24 Augustus 2005

derick@otsec.com

Mnr. Derick du Toit
Posbus 605
Milnerton
7435



Meneer

CERES GHOLFBAAN ONTWIKKELING

Ek gee graag hiermee die besluit wat die Uitvoerende Burgemeester vandag geneem het aan u deur en verneem graag of dit u goedkeuring wegdra.

- (a) *Dat die grond waarop die gholfbaan ontwikkel staan te word (die huidige gholfbaan plus 'n uitgebreide gedeelte) en meer spesifiek die betrokke gedeeltes van erwe 1001, 1010, 1011, 1889, 2035, 3659 en 4542 aan die ontwikkelaars verkoop word en dat die ontwikkelaar self en op eie koste verantwoordelik sal wees vir die omgewingsimpakstudie, hersonering en onderverdeling en enige ander relevante prosesse om die ontwikkeling van die grond, soos beoog, moontlik te maak.*
- (b) *Dat daardie gedeelte van die grond soos omskryf in (a) hierbo, wat vir die bedryf en bestuur van 'n gholfbaan ontwikkel staan te word, na ontwikkeling op die koste van die ontwikkelaar oorgedra word aan die Ceres Gholffklub om dit te bestuur en in stand te hou.*
- (c) *Dat die grond soos omskryf in a) hierbo verkoop word teen 'n redelike markwaarde wat beraam word op R 1 000 000 (Een Miljoen Rand).*
- (d) *Dat 'n terugval klousule op die grond soos in (b) van toepassing gemaak word tot dien effekte dat die grond net gebruik kan word vir die doeleindes van die bedryf en bestuur van 'n gholfbaan en indien dit ter enige tyd in die toekoms nie meer vir dié doel gebruik word nie, die grond plus verbeterings daarop, terugval na die Raad sonder enige kostes.*
- (e) *Dat die grond soos in (a) verkoop word met die spesifieke bedoeling dat die bestaande Ceres Gholffklub verbeter word en daarmee tesame 'n aantal residensiële erwe en 'n hotel ontwikkel en opgerig word en dat die aantal residensiële erwe sal afhang van die finale goedkeuring met die hersonerings- en onderverdelingsproses.*

Rig asseblief alle korrespondensie aan die Munisipale Bestuurder/ Kindly address all correspondence to the Municipal Manager/ Yonke imbalelwano mayithunyelwe kuMlawuli kaMasipala

*Witzenberg, the Eden of Africa, aspires that all residents shall live together in harmony and prosperity.
Witzenberg, die Eden van Afrika, streef daarna dat alle inwoners in harmonie en voorspoed saamleef.
Witzenberg, iEden yase Africa igquashalazele ekubeni bonke abahlali bakhawulelezise ukuhlalisana ngolomwalo.*

- (f) *Dat die grond soos in (a) slegs vervreem kan word deur die ontwikkelaar nadat dit verbeter is en indien die ontwikkeling soos beoog nie voortgaan nie behou die munisipaliteit 'n eerste weieringsreg daarop welke weieringsreg uitgeoefen kan word teen die oorspronklike waarde waarop die grond aan die ontwikkelaar verkoop is en indien 'n gedeelte of gedeeltes van die grond ter sprake is, sal die waarde van terugkoop bereken word op 'n pro rata basis op die grootte van die grond teenoor die oorspronklike waarde waarop dit verkoop is.*
- (g) *Dat die huidige terugvalklousule ten opsigte van erf 3775, sover dit die gedeelte grond aanbetref wat deel uitmaak van die ontwikkelingsvoorstel van die ontwikkelaar, opgehef word.*
- (h) *Dat die besluit aan die ontwikkelaar bekend gemaak word en indien dit aanvaar word, die voorgestelde ooreenkoms vir die verkoop van die grond aan die Uitvoerende Burgemeesterskomitee vir goedkeuring voorgelê word.*
- (i) *Dat alle koste ten opsigte van die oordrag van die grond soos in (a) na die ontwikkelaar en later ook die grond soos in (b) hierbo na die Ceres Gholfklub vir die rekening van die ontwikkelaar sal wees.*

Ek verneem graag so spoedig moontlik van u.

Die uwe



D DU PLESSIS
MUNISIPALE BESTUURDER

/asp

HAUPTFLEISCH & KOTZE ING/INC

Reg Nr / Reg No 2000/005182/21

**PROKUREURS, TAKSATEURS & AFSLAERS
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Munisipaliteit Witzenberg
Voortrekkerstraat
CERES
6835

15/4/11/1/05

12 September 2005

U VERW:
YOUR REF: Mnr D Du Plessis

ONS VERW:
OUR REF: PJKOTZé/ok/W123

PER HAND

Geagte Meneer



BEOOGDE GHOLFBAANONTWIKKELING

Skrywer bevestig dat hy die samespreking met die ontwikkelaar bygewoon het op 8 deser en dat die volgende belangrike aspekte daaruit gekom het :

1. Dat die ontwikkelaar skrywer teen Woensdag, 14 September 2005 sal voorsien van sy gewysigde ooreenkoms.
2. Die ontwikkelaar bevestig dat hy reeds sy kontrak met Par Chance gesluit het en dat hy u reeds voorsien het van 'n kopie daarvan.
3. Die ontwikkelaar bevestig dat hy ook reeds in besit is van die ooreenkoms met die Gholfklub.
4. Ten opsigte van Klousule 2.9 ontbreek 'n terugvalklousule en sal ons moet seker maak dat dit voorkom in die finale Ooreenkoms wat voorgelê word deur die ontwikkelaar.
5. Na oorweging van die gesprek was dit vir skrywer duidelik dat daar twee aspekte is wat nie aangespreek is nie, aangesien dit nie vervat is in die ooreenkoms nie. Dit behels die kwessie rondom 'n borgstelling deur die direkteure van die testigte maatskappy waarna hulle persoonlik verantwoordelikheid neem vir die suksesvolle afhandeling van die projek. Tweedens is die kwessie rondom die benutting van plaaslike arbeid en kundigheid nie aangespreek by die gesprek nie en is dit ook nie vervat in die ooreenkoms nie.
6. Tydens die gesprek is daar gepoog om 'n tydskedule vas te stel en kon ons wel die volgende ooreenkoms bereik :

DIREKTEUR / DIRECTOR : PIERRE JOHAN KOTZE

SCANNED

- 6.1 Die voorinleidingskontrak moet afgehandel en geteken wees voor of op 30 September 2005.
- 6.2 Die ratifisering van die voorinleidingskontrak deur die direksie van die ontwikkelaar-maatskappy moet geskied voor of op 15 Oktober 2005. Teen hierdie datum moet die ontwikkelaar ons ook reeds voorsien het van bewys van oprigting van die maatskappy, bewys van aanstelling van direkteure en die bewys van ratifisering van die ooreenkoms.
- 6.3 Onmiddellik by ratifisering van die ooreenkoms deur die direksie moet die koop-ooreenkoms ten opsigte van die gronde met die ontwikkelaar aangegaan word en sal daar voortgegaan word met die transporter van die eiendom.
- 6.4 Gelyktydig met ondertekening van die Koopkontrak sal die ontwikkelaar met sy impakstudie begin en is 'n periode van twaalf maande daaraan gekoppel onderworpe daaraan dat die partye anders ooreen kan kom indien die periode langer verloop as twaalf maande.
- 6.5 Die ontwikkeling self sal eers kan begin na 'n gunstige impakstudie en sal die ontwikkeling nie begin alvorens 70% (sewentig persent) van die wooneenhede reeds verkoop is nie.
- 6.6 Die hersonering en die verkrygings van die nodige toestemmings sal in aanvang neem sodra die uitslag van die impakstudie ontvang word.
- 6.7 Die resoluëie waarna verwys word in die voorinleidingskontrak om voort te gaan met die projek deur die aandeelhouers sal geneem word na ontvangs van die gunstige impakstudie en sodra 70% (sewentig persent) van die eiendom reeds verkoop is.
- 6.8 Die opmeting van die erwe en die verskaffing van die dienste sal ook geskied onmiddellik na die besluit om voort te gaan met die projek.

'n Periode sal gekoppel moet word aan die finale voltooiing van die baan en klubhuis en sal daar ook meer duidelikheid wees rondom die terugtransportering van die golfbaan aan die golfklub.

In hoof was dit skrywer se gevolgtrekkings wat hy gemaak het tydens die vergadering, maar moontlik sal u in staat wees om dit verder te verfyn met die ontwikkelaar.

Die uwe

HAUPTFLEISCH & KOTZÉ INGELYF

per:



Reference/Verwysing/iRef : 15/4/1/1/5
Enquiries/Navrae/Imibuzo: Mnr. D du Plessis

24 Augustus 2005

derick@otsec.com

Mnr. Derick du Toit
Posbus 605
Milnerton
7435



Meneer

CERES GHOLFBAAN ONTWIKKELING

Ek gee graag hiermee die besluit wat die Uitvoerende Burgemeester vandag geneem het aan u deur en verneem graag of dit u goedkeuring wegdra.

- (a) Dat die grond waarop die gholfbaan ontwikkel staan te word (die huidige gholfbaan plus 'n uitgebreide gedeelte) en meer spesifiek die betrokke gedeeltes van erwe 1001, 1010, 1011, 1889, 2035, 3659 en 4542 aan die ontwikkelaars verkoop word en dat die ontwikkelaar self en op eie koste verantwoordelik sal wees vir die omgewingsimpakstudie, hersonering en onderverdeling en enige ander relevante prosesse om die ontwikkeling van die grond, soos beoog, moontlik te maak.
- (b) Dat daardie gedeelte van die grond soos omskryf in (a) hierbo, wat vir die bedryf en bestuur van 'n gholfbaan ontwikkel staan te word, na ontwikkeling op die koste van die ontwikkelaar oorgedra word aan die Ceres Gholfklub om dit te bestuur en in stand te hou.
- (c) Dat die grond soos omskryf in a) hierbo verkoop word teen 'n redelike markwaarde wat beraam word op R 1 000 000 (Een Miljoen Rand).
- (d) Dat 'n terugval klousule op die grond soos in (b) van toepassing gemaak word tot dien effekte dat die grond net gebruik kan word vir die doeleindes van die bedryf en bestuur van 'n gholfbaan en indien dit ter enige tyd in die toekoms nie meer vir dié doel gebruik word nie, die grond plus verbeterings daarop, terugval na die Raad sonder enige kostes.
- (e) Dat die grond soos in (a) verkoop word met die spesifieke bedoeling dat die bestaande Ceres Gholfklub verbeter word en daarmee tesame 'n aantal residensiële erwe en 'n hotel ontwikkel en opgerig word en dat die aantal residensiële erwe sal afhang van die finale goedkeuring met die hersonerings- en onderverdelingsproses.

Rig asseblief alle korrespondensie aan die Munisipale Bestuurder/ Kindly address all correspondence to the Municipal Manager/ Yonke imbalelwano mayithunyelwe kuMlawuli kaMasipala

Witzenberg, the Eden of Africa, aspires that all residents shall live together in harmony and prosperity.
Witzenberg, die Eden van Afrika, streef daarna dat alle inwoners in harmonie en voorspoed saamleef.
Witzenberg, iEden yase Africa igquashalazele ekubeni bonke abahlali bakhawulelezise ukuhlalisana ngolomwalo.

- (f) *Dat die grond soos in (a) slegs vervreem kan word deur die ontwikkelaar nadat dit verbeter is en indien die ontwikkeling soos beoog nie voortgaan nie behou die munisipaliteit 'n eerste weieringsreg daarop welke weieringsreg uitgeoefen kan word teen die oorspronklike waarde waarop die grond aan die ontwikkelaar verkoop is en indien 'n gedeelte of gedeeltes van die grond ter sprake is, sal die waarde van terugkoop bereken word op 'n pro rata basis op die grootte van die grond teenoor die oorspronklike waarde waarop dit verkoop is.*
- (g) *Dat die huidige terugvalklousule ten opsigte van erf 3775, sover dit die gedeelte grond aanbetref wat deel uitmaak van die ontwikkelingsvoorstel van die ontwikkelaar, opgehef word.*
- (h) *Dat die besluit aan die ontwikkelaar bekend gemaak word en indien dit aanvaar word, die voorgestelde ooreenkoms vir die verkoop van die grond aan die Uitvoerende Burgemeesterskomitee vir goedkeuring voorgelê word.*
- (i) *Dat alle koste ten opsigte van die oordrag van die grond soos in (a) na die ontwikkelaar en later ook die grond soos in (b) hierbo na die Ceres Golfklub vir die rekening van die ontwikkelaar sal wees.*

Ek verneem graag so spoedig moontlik van u.

Die uwe



D DU PLESSIS
MUNISIPALE BESTUURDER

/asp

HAUPTFLEISCH & KOTZE ING/INC

Reg Nr / Reg No 2000/005182/21

15/4/11/05

PROKUREURS, TAKSATEURS & AFSLAERS
ATTORNEYS, APPRAISERS & AUCTIONEERS

TELEFOON/TELEPHONE (023) 312 1090/1/2

FAKS/FAX (023) 316 1607

INTERNET / E-Mail kotze@lando.co.za

85 VOORTREKKER ST/STR. 85

POSBUS/P.O. BOX 6

CERES 6835

DOCEX 3

Die Munisipale Bestuurder
Witzenberg Munisipaliteit
Voortrekkerstraat
CERES
6835



30 November 2005

U VERW: 15/4/11/05
YOUR REF: Mnr. D du Plessis

ONS VERW:
OUR REF: PJKOTZé/alr

Geagte Meneer

SCANNED

GRONDONTWIKKELING : CERES GOLFBAAN

Aangeheg geliewe te vind afskrif van koopkontrak ten opsigte van die vaste eiendom vir die beoogde golfbaan ontwikkeling vir u rekords.

Ons bevestig dat ons die oorspronklike hou met die oog op die oordrag wat gedoen moet word. Volgens die kontrak het die koper sestig dae tyd om finansiering te bekom en verneem ons graag of ons nou reeds kan voortgaan met die opstel van die dokumentasie en of ons moet wag tot die sestig dae uitgeloop het.

Ons verneem graag van u.

Die uwe

HAUPTFLEISCH & KOTZé INGELYF

per:

A handwritten signature in black ink, appearing to be 'P. Kotze', written over a horizontal line.

HIERDIE KANTORE SLUIT 21 DESEMBER 2005 EN HER-OPEN 16 JANUARIE 2006

HAUPTFLEISCH & KOTZE INGELYF

REG NR / REG NO 2000/005182/21

Voortrekkerstraat 85
Posbus 6
CERES
6835

Telefoon Nr 023-3121090/1/2
Faks Nr 023-3161607

Koopakte

MEMORANDUM VAN OOREENKOMS AANGEGAAN DEUR EN TUSSEN

MUNISIPALITEIT WITZENBERG

hierin verteenwoordig deur DANIEL DU PLESSIES in sy hoedanigheid as
Munisipale Bestuurder en behoorlik daartoe gemagtig

(hierna die VERKOPER genoem) van

Voortrekkerstraat, Ceres, 6835

en

MOPUTSO INVESTMENTS NR 24 (PTY) LTD
REG NR 2005/020332/07

Hierin verteenwoordig deur DERICK DU TOIT in sy hoedanigheid as Direkteur
en behoorlik daartoe gemagtig

(hierna die KOPER genoem) van

Die VERKOPER verkoop hiermee aan die KOPER wie koop, die eiendom hierna
beskrywe onderhewig aan die voorwaardes hierna uiteengesit.

1. EIENDOM:

ERF 1010 CERES

In die Munisipaliteit Witzenberg, Afdeling Ceres, Provinsie Wes-Kaap

GROOT: 9176 Vierkante Meter

GEHOU KRAGTENS Grondbrief 118/1932



Bladsy 2

2. ERF 1011 CERES

In die Munisipaliteit Witzenberg, Afdeling Ceres, Provinsie Wes-Kaap

GROOT: 3.1898 Hektaar

GEHOU KRAGTENS Transportakte Nr T27968/1983

3. RESTANT ERF 1001 CERES

In die Munisipaliteit Witzenberg, Afdeling Ceres, Provinsie Wes-Kaap

GROOT: 2295,8918 Hektaar

GEHOU KRAGTENS Grondbrief 89/1933 & Transportakte Nr T59051/2005

4. RESTANT ERF 1889 CERES

In die Munisipaliteit Witzenberg, Afdeling Ceres, Provinsie Wes-Kaap

GROOT: 355,6021 Hektaar

GEHOU KRAGTENS CEQ4-15/1895 GEDATEER 3 JULIE 1895

5. ERF 2035 CERES

In die Munisipaliteit Witzenberg, Afdeling Ceres, Provinsie Wes-Kaap

GROOT: 400 Vierkante Meter

GEHOU KRAGTENS Transportakte Nr T22045/1955

6. RESTANT ERF 3659 CERES

In die Munisipaliteit Witzenberg, Afdeling Ceres, Provinsie Wes-Kaap

GROOT: 5.3861 Hektaar

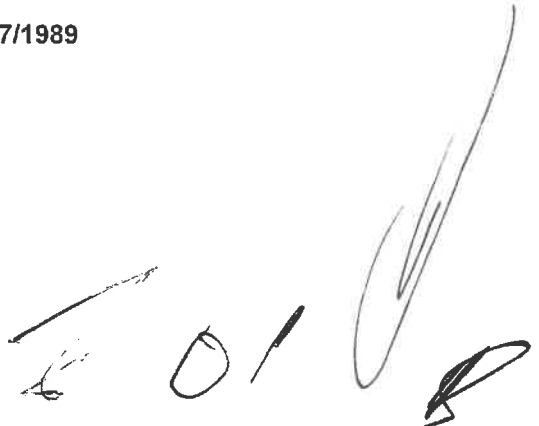
GEHOU KRAGTENS Transportakte Nr T7259/1984

7. ERF 4542 CERES

In die Munisipaliteit Witzenberg, Afdeling Ceres, Provinsie Wes-Kaap

GROOT: 1.1784 Hektaar

GEHOU KRAGTENS Transportakte Nr T51667/1989

Handwritten signatures and initials in black ink, located at the bottom right of the page. There are several distinct marks, including what appears to be a large signature and some smaller initials or marks.

Bladsy 3

2. KOOPPRYS EN MANIER VAN BETALING DAARVAN

Die koopprys betaalbaar deur die KOPER aan die VERKOPER beloop die som van R1 000 000.00 (EEN MILJOEN RAND) plus BTW en is betaalbaar as volg :

In kontant vry van enige bankkoste, op datum van registrasie van transport, direk aan Mnre Hauptfleisch & Kotzé Ingelyf, Ceres, en die KOPER sal gemelde prokureurs van 'n behoorlike bankgewaarborgde tjek voorsien vir die volle koopsom, vry van enige bankkoste of bankkommissie, en wel binne 14 dae na aanvraag en wel voor registrasie van transport.

3. DATUM VAN VERKOOP

By ondertekening hiervan.

4. IN BESITNEMING

Besit van die eiendom sal aan die KOPER gegee word op dag van registrasie.

5. RISIKO

Die Eiendom sal op die risiko van die VERKOPER bly tot datum van registrasie vanaf welke datum die eiendom algeheel op die risiko van die KOPER sal wees. Die KOPER sal vanaf datum van registrasie die koste van alle Munisipale dienste self dra.

6. OORDRAG

Registrasie van Transport van die eiendom sal gedoen word deur die VERKOPER se prokureurs, Hauptfleisch & Kotzé Ingelyf, en sal gegee en geneem word so spoedig moontlik.

7. BELASTING

Die KOPER sal aanspreeklik wees vir betalings van eiendomsbelasting op die eiendom vanaf datum van registrasie van transport en meer spesifiek op die basis soos ooreengekom in die aangehegde ooreenkoms gedateer 20 Oktober 2005 tussen die partye.



Bladsy 4

8. OORDRAGSKOSTE

Die KOPER sal alle gewone oordragskoste van die eiendom insluitende seëlreg, herereg/B.T.W., onkoste van alle nodige beëdigde verklarings en alle ander onkoste wat aangegaan mag word om te voldoen aan statutêre voorskrifte of ander wette en regulasies met betrekking tot die registrasie van transport van die eiendom, asook alle landmetersonkoste en die onkoste verbonde aan die goedkeuring van die kaarte (indien dit nodig is) en die onkoste van hierdie koopakte, betaal sodra dit versoek word deur die VERKOPER of sy gevolmagtigde. Indien hierdie transaksie te eniger tyd sou skipbreuk lei as gevolg van die koper se nalate, sal die koper steeds aanspreeklik wees vir alle verspilde kostes. Indien die verkoper se nalate tot dieselfde gevolg sou aanleiding gee, sal die verkoper vir sodanige verspilde kostes aanspreeklik wees.

9. SERTIFIKAAT TEN OPSIGTE VAN VOLDOENING AAN ELEKTRIESE BEDRADING EN -VOORSIENING WAAR GEËLEKTRIFISEERDE GEBOUE OP EIENDOM VOORKOM

Indien enige elektriese sertifikate bekom moet word op die eiendom wat hiermee gekoop word sal dit verkry word op koste van die KOPER wie ook aanspreeklik sal wees vir betaling van enige herstelkoste aan enige elektriese installasie ongeag of 'n elektriese sertifikaat (e) verkry moet word, al dan nie.

10. AGENTEKOMMISSIE

Aangesien die Verkoper nie deur middel van 'n eiendomsagent hierdie eiendom aan die Koper verkoop het nie, vrywaar die Koper die Verkoper teen enige eis van enige eiendomsagent vir betaling van verkoopskommissie en plaas die Koper hiermee op rekord dat hy/sy nie deur bemiddeling van 'n eiendomsagent die eiendom hierin beskryf koop nie.

11. BELASTING OP TOEGEVOEGDE WAARDE

- 11.1. Indien enige BTW betaalbaar is op die koopsom of 'n gedeelte daarvan, dan sal sodanige BTW betaal word deur die KOPER teen die heersende voorgeskrewe koers direk aan die VERKOPER teen datum van registrasie van transport, behalwe in die geval waar klousule 3 hieronder van toepassing is.
- 11.2. In enige geval (behalwe vir residensiële eiendomme) waar daar BTW betaalbaar is op die koopsom (of 'n gedeelte daarvan), word die KOPER se aandag daarop gevestig dat sou die heersende BTW koers styg na ondertekening hiervan, maar voordat registrasie kan geskied, dat BTW deur die KOPER betaalbaar sal wees teen sodanige hoër koers op die volle koopsom teen datum van registrasie van transport.

The image shows three handwritten signatures or initials in black ink. From left to right: the first appears to be 'F.' with a long horizontal stroke; the second is 'D.P.'; and the third is a large, stylized signature that looks like 'B' or 'B.'.

Bladsy 5

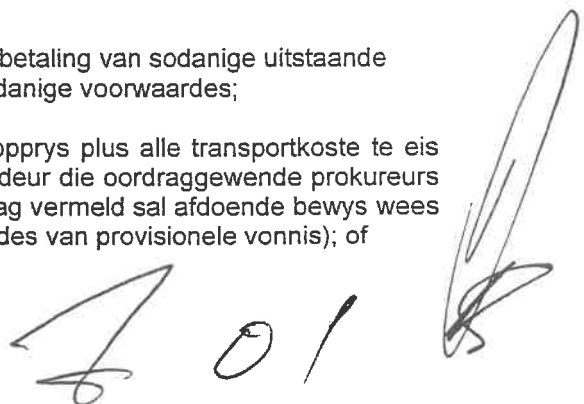
- 11.3. Ook in enige geval waar BTW nie betaalbaar is op die koopsom (of 'n gedeelte daarvan) nie omrede die VERKOPER nie vir BTW geregistreer is nie, word die VERKOPER se aandag daarop gevestig dat sou dit na ondertekening hiervan of na registrasie van transport blyk dat die Ontvanger van Inkomste die VERKOPER ag 'n BTW-pligtige te wees, dan sal die VERKOPER self aanspreeklik wees vir die BTW bedrag wat die Ontvanger van Inkomste mag hef op die verkoop van die eiendom.

12. VOETSTOOTS

- 12.1 Die eiendom word verkoop soos beskryf in die VERKOPER se Kaart en Transport. Dit is onderhewig aan alle voorwaardes en servitute oor die eiendom of wat vermeld word of na verwys word in die gesegde transportakte/s, ander transporte, vorige dokumente of ooreenkomste. Die KOPER neem oordrag van die eiendom soos gehou deur die VERKOPER wat nie aanspreeklik sal wees vir enige tekort in die grootte van die eiendom nie en ook nie sal baat by 'n oorskot wat daar mag blyk te wees by opmeting of heropmeting nie.
- 12.2 Die eiendom word verkoop met alle geboue en verbeteringe daarop (indien enige) voetstoots (soos dit is) en die VERKOPER sal nie aanspreeklik wees vir enige gebreke nie, hetsy verborge of sigbaar en dit word hiermee ooreengekom en verklaar dat daar geen waarborge of voorstellings stilswyend of uitdruklik ten opsigte van die bogemelde eiendom gegee is nie. Die KOPER verklaar homself/haarself/huself vertrou en tevrede te wees met die toestand van die gemelde eiendom.
- 12.3 Die Koper verklaar dat hy/sy aanspreeklikheid aanvaar vir enige defekte in die geboue, met inbegrip, maar nie beperk nie, tot enige lekkasie in dakke, enige gebreke of beskadigde items soos vensters, knippe, deure, matte, mure, krane, warmwatersilinders, plafonne, kaste, antennes, televisieskottels, elektriese toerusting, pompe, omheining, paaie, ens.

13. WANPRESTASIE

- 13.1 Ingeval die KOPER sou versuim om enige van die terme of voorwaardes van hierdie koopakte na te kom of om enige uitstaande gelde op vervaldag te betaal, sal die VERKOPER sonder om afbreuk te doen aan enige ander regte wat hy mag hê om na 7 (sewe) dae skriftelike kennisgewing gerig aan die KOPER by sy gekose domicilium citandi et executandi:
- 13.1.1 Dagvaarding uit te reik vir betaling van sodanige uitstaande gelde of nakoming van sodanige voorwaardes;
- 13.1.2 Betaling van die volle koopprys plus alle transportkoste te eis (en 'n sertifikaat uitgereik deur die oordraggewende prokureurs wat die verskuldigde bedrag vermeld sal afdoende bewys wees van die bedrag vir doeleindes van provisionele vonnis); of



Bladsy 6

13.1.3 Hierdie koopakte te kanselleer, in welke geval die VERKOPER ook geregtig sal wees om:

13.1.3.1 alle bedrae wat reeds deur die KOPER aan hom betaal is ingevolge hierdie koopakte te behou en sodanige paaiemente sal dan deur die KOPER verbeur word; en

13.1.3.2 betaling van alle uitstaande gelde te eis (en 'n sertifikaat uitgereik deur die oordraggewende prokureurs wat die verskuldigde bedrag vermeld sal afdoende bewys wees van die bedrag vir doeleindes van provisionele vonnis);

13.1.3.3 in die alternatief tot sub-paragraaf 1 en 2 hierbo om skadevergoeding van die KOPER te eis ten opsigte van alle skade deur hom gely as gevolg van die KOPER se kontrakbreuk.

13.1.4 Ingeval van die kansellasië van die kontrak sal die VERKOPER verder geregtig wees om onmiddellik herbesit van die eiendom te neem en om die KOPER of enige okkupeerder onmiddellik die eiendom te laat ontruim.

13.1.5 Ingeval die VERKOPER sou versuim om enige van die terme of voorwaardes van hierdie koopakte na te kom, sal die KOPER sonder om afbreuk te doen van enige ander regte wat hy mag hê, die reg hê om na 7 (sewe) dae skriftelik kennisgewing aan die VERKOPER by sy gekose domicilium citandi et executandi.

13.1.5.1 Hierdie koopakte te kanselleer, in welke geval die KOPER ook geregtig sal wees om alle bedrae wat reeds deur hom aan die VERKOPER betaal is ingevolge hierdie koopakte terug te eis sonder afbreuk aan sy reg om skadevergoeding te verhaal vir skade deur hom gely as gevolg van die VERKOPER se kontrakbreuk, met dien verstande dat die KOPER die eiendom sal ontruim teen datum van betaling van sodanige skadevergoeding, of;

13.1.5.2 Spesifieke nakoming te eis vir die lewering van transport en die nakoming van alle terme van hierdie koopkontrak sonder afbreuk aan sy reg om skadevergoeding te verhaal vir skade deur hom gely as gevolg van die VERKOPER se versuim en/of kontrakbreuk.

Handwritten signature and initials in black ink, located at the bottom right of the page. The signature appears to be 'A. O. P.' followed by a large, stylized flourish.

Bladsy 7

14. SKAAL VAN KOSTE

Indien dit vir die Verkoper nodig sou wees om die Koper aan te spreek vir die nie-nakoming van enige van die voorwaardes, terme of bedinge hierin vervat, met insluiting van die nalate om enige bedrag of bedrae in terme van hierdie koopakte te betaal, sal die Verkoper geregtig wees om al sy prokureur- en kliëntkoste, sowel as invorderingskoste van die Koper te verhaal.

15. DOMICILIUM

Die partye kom ooreen dat hulle adresse soos hierbo uiteengesit hul gekose domicilium citandi et executandi is en dat dit die adresse sal wees waarheen alle kennisgewings en ander dokumente in verband hiermee aan hulle gestuur mag word.

16. WYSIGING VAN KOOPOOREENKOMS

Hierdie koopakte maak die hele ooreenkoms tussen die partye uit, en geen byvoeging, wysiging of verandering daaraan is geldig nie, tensy dit op skrif gestel en deur beide partye hierby onderteken is.

17. TOEGEWING EN TYDSVERLENING

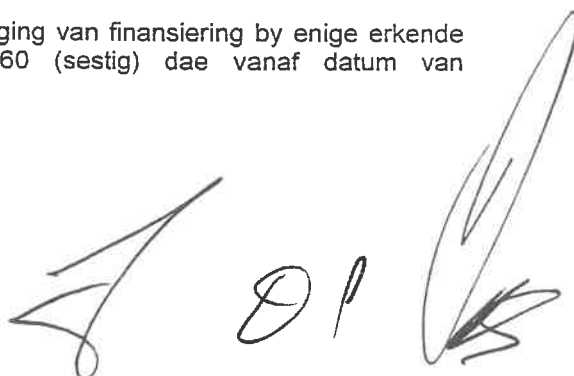
Nieteenstaande enige strydige uitdruklike of geimpliseerde bepalings van hierdie koopakte word geen toegewing of tydsverlenging wat deur die VERKOPER toegestaan word ten opsigte van enige aangeleentheid of enigiets wat die KOPER verplig is om uit te voer of na te kom ingevolge hiervan, nie onder enige omstandighede beskou as 'n afstanddoening van die VERKOPER se regte om te eniger tyd en sonder kennisgewing strenge en stiptelike nakoming van iedere en elke bepaling of voorwaarde hiervan te vereis nie.

18. VERBETERINGS

Indien hierdie ooreenkoms verval deurdat daar nie aan hierdie voorwaardes voldoen word nie, sal die KOPER nie op enige vergoeding geregtig wees ten opsigte van verbeterings deur hom aan die eiendom aangebring terwyl hy ingevolge die bepalings van hierdie ooreenkoms in besit van die eiendom was nie.

19. OPSKORTENDE VOORWAARDE

Hierdie koop is onderworpe aan verkryging van finansiering by enige erkende finansiële instelling en wel binne 60 (sestig) dae vanaf datum van ondertekening hiervan.



20. VERTEENWOORDIGER

Indien hierdie ooreenkoms geteken word deur 'n verteenwoordiger van die KOPER of VERKOPER, dan waarborg sodanige ondertekenaar:

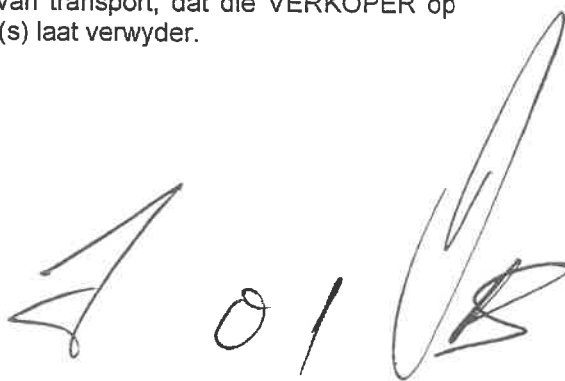
- 20.1 dat hy die magtiging het om die KOPER of VERKOPER tot hierdie ooreenkoms te bind, en;
- 20.2 sover die KOPER aanbetref, verbind hy homself as borg- en medehoofskuldenaar met die KOPER vir die behoorlike en stiptelike nakoming van die KOPER van al sy verpligtinge in terme van hierdie ooreenkoms.

21. JURISDIKSIE

Vir doeleindes van die beregting van enige dispuut wat mag bestaan of ontstaan tussen die partye, stem die partye hiermee toe tot die jurisdiksie van die Landdroshof vir die distrik van Ceres synde 'n hof andersins bevoeg en met jurisdiksie beklee oor die persoon van die partye as gevolg daarvan dat elkeen van hulle of woon of besigheid bedryf of in diens geneem is binne die area van jurisdiksie van die hof, nieteenstaande die feit dat sodanige verrigtinge andersins buite die hof se jurisdiksie is. Hierdie klousule sal geag word die nodige geskrewe toestemming te wees wat aan die hof jurisdiksie verleen kragtens artikel 45 van die wet op Landdroshowe 32 van 1944 of enige wysiging daarvan op voorwaarde dat die VERKOPER en die KOPER die reg sal hê om ter eie keuse en goeë dunske die saak aanhangig te maak in enige ander bevoegde hof ten opsigte van enige eis wat, as dit nie vir bostaande was nie, die jurisdiksie van die landdroshof sou oorskry.

22. SPESIALE TERME

- 22.1 Die partye kom ooreen dat die aangehegde ooreenkoms gedateer 20 Oktober 2005 part en deel vorm van hierdie koop-ooreenkoms asof dit van meent af hierby ingelyf is en in die mate waartoe dit betrekking op hierdie ooreenkoms en meer spesifiek, maar ook nie beperk nie, tot die inhoud van paragrawe 2.16, 2.17, 4.2, 6.1.2, 6.1.3, 6.2, 6.3 en 6.4 daarvan.
- 22.2 Die VERKOPER plaas op rekord dat hy nie kennis dra van enige brondeise ten opsigte van die eiendom wat verkoop word nie.
- 22.3 Die VERKOPER plaas op rekord dat daar geen vorm van plakkery op die eiendom is nie en sou daar enige onwettige besetters op die eiendom wees teen registrasie van transport, dat die VERKOPER op sy koste so 'n onwettige besetter(s) laat verwyder.

The image shows three handwritten signatures or initials in black ink. From left to right: a stylized 'A' or 'L' shape, the number '01', and a large, flowing signature that appears to be 'B' or 'R'.

ALDUS GETEKEN deur die VERKOPER te CERES op hierdie
29ste dag van November 2005.

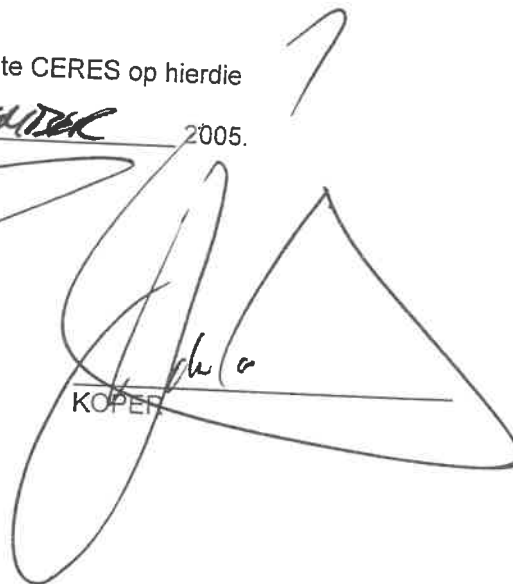
AS GETUIES:

1. 
2. 


VERKOPER

ALDUS GETEKEN deur die KOPER te CERES op hierdie
29de dag van November 2005.

AS GETUIES:
1. 
2. 


KOPER

HAUPTFLEISCH & KOTZE ING/INC

Reg Nr / Reg No 2000/005182/21

PROKUREURS, TAKSATEURS & AFSLAERS
ATTORNEYS, APPRAISERS & AUCTIONEERS

TELEFOON/TELEPHONE (023) 312 1090/1/2
FAKS/FAX (023) 316 1607
INTERNET / E-Mail kotze@lando.co.za
85 VOORTREKKER ST/STR. 85
POSBUS/P.O. BOX 6
CERES 6835
DOCEX 3

SCANNED

Die Munisipale Bestuurder
Witzenberg Munisipaliteit
Voortrekkerstraat
CERES
6835

30 November 2005

U VERW: 15/4/11/05
YOUR REF: Mnr. D du Plessis

ONS VERW:
OUR REF: PJKOTZé/alr

Geagte Meneer



GRONDONTWIKKELING : CERES GOLFBAAN

Geliewe aangeheg te vind oorspronklike kopie van ooreenkoms aangegaan tussen Ceres Golfklub, uself en die Ceres Golf Estate Development Company.

Ons versoek dat u op die afskrif hiervan behoorlik ontvangs erken.

Die uwe

HAUPTFLEISCH & KOTZé INGELYF

per:

HIERDIE KANTORE SLUIT 21 DESEMBER 2005 EN HER-OPEN 16 JANUARIE 2006

DIREKTEUR / DIRECTOR : PIERRE JOHAN KOTZE

A G R E E M E N T

BETWEEN

CERES GOLF CLUB

(the CLUB)

AND

THE MUNICIPALITY OF WITZENBERG

(the MUNICIPALITY)

AND

DERICK DU TOIT AND RIAAN KNUPPEL AS STIPULATORS ON BEHALF OF

CERES GOLF ESTATE

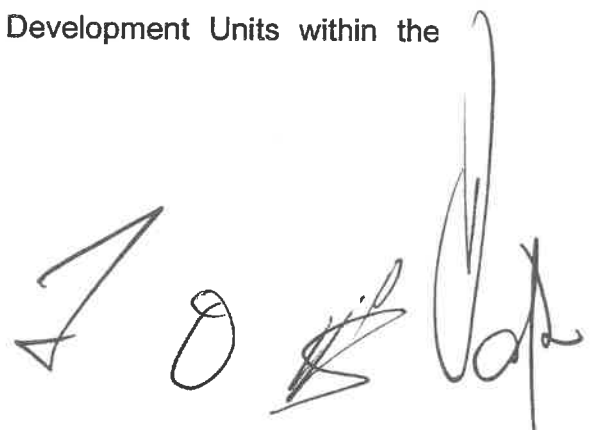
DEVELOPMENT COMPANY (PTY) LIMITED TO BE FORMED

(the DEVELOPER)

Handwritten signatures of Derick du Toit and Riaan Knuppel, representing the stipulators on behalf of the Ceres Golf Estate Development Company.

1. **DEFINITION**

- 1.1 Headings of clauses shall be deemed to have been included for purposes of convenience only and shall not affect the interpretation of the agreement.
- 1.2 Words importing a particular gender shall be deemed to include the other genders, words importing natural persons shall be deemed to include corporate bodies and associations of persons, and words importing the singular shall be deemed to include the plural and vice versa.
- 1.3 All annexures to this agreement shall be part thereof as if specifically incorporated.
- 1.4 The following words shall have the meanings assigned to them hereunder:
- 1.4.1 **"Additional 9 Holes"** means an additional 9 golf holes, with tees, fairways and greens to be added to the existing 9 hole golf course in accordance with the discretion of the Developer but in consultation with the Club;
- 1.4.2 **"Architect"** means the architect appointed by the Developer to act as the architect for all purposes under this Agreement;
- 1.4.3 **"Architectural Guidelines"** means the architectural guidelines to be prepared by the Architect in order to maintain high standards and with a view to ensuring an attractive and harmonious development within the Estate, which all purchasers of Development Units within the Estate shall be required to adhere to;



“Architectural Plans” means the architectural plans to be produced by the Developer in its discretion but in consultation with the Club, and any additional or modified plans issued by or on behalf of the Developer in accordance with this agreement. It is recorded that the Sketch Plans attached hereto marked **“E”** will form the basis of the Architectural Plans that the architect will be instructed to prepare.

1.4.4 **“Club”** means the Ceres Golf Club constituted as such by its constitution adopted by the members of the club, which is responsible for the management of the Course;

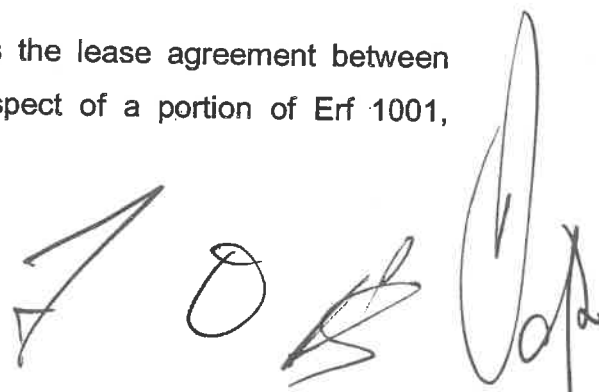
1.4.5 **“Club’s Representatives”** means those persons appointed by the Club, who shall be given the authority necessary to act on behalf of the Club for all purposes in terms of this agreement;

“Common Areas” means those areas of the Estate in respect of which members of the Club make use of, and without limiting the generality of the foregoing roads leading to the club house, the gardens surrounding the club house, gardens alongside the road leading to the club house and the entrance to the Course and the offices where security personnel are stationed at the main entrance to the Estate.

1.4.6 **“Construction Programme”** means a construction programme to be produced by the Developer in its discretion but in consultation with the Club;

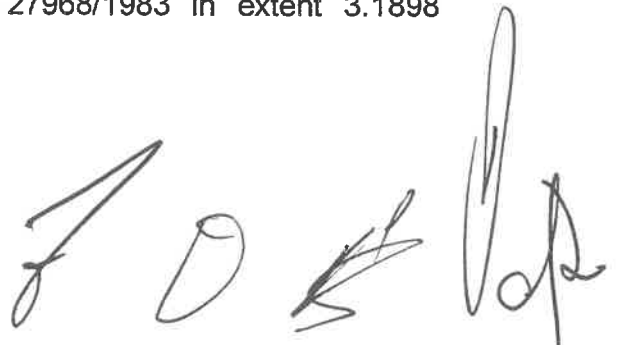
1.4.7 **“Course”** means the existing 9 hole golf course and facilities, plus the Additional 9 Holes once the Additional 9 Holes are constructed;

1.4.8 **“Current Lease Agreement”** means the lease agreement between the Municipality and the Club in respect of a portion of Erf 1001,



compromising the existing golf course as described in the notarial lease agreement with number K554/95;

- 1.4.9 **“Defects’ Notification Period”** means the period for notifying defects in the Works;
- 1.4.10 **“Developer”** means a company to be formed with the name Ceres Golf Estate Development Company (Pty) Limited, or such other name as the Registrar of Companies may allow, through which the joint venture between Group Five and Orange Tree will be conducted;
- 1.4.11 **“Development”** means the proposed development of the Properties by the Developer as required by Group Five and Orange Tree;
- 1.4.12 **“Development Unit/s”** means the proposed individual residential and/or commercial erven into which the Properties may be sub-divided, with or without buildings and improvements thereon, and/or the sectional title units which may be erected on the Properties and/or the real rights of extension relating to any sectional title scheme which may form part of the Development;
- 1.4.13 **“Effective Date”** means the date upon which the suspensive conditions contained in clause 3 are fulfilled or waived;
- 1.4.14 **“Erf 1010”** means Erf 1010 Ceres, currently owned by the Ceres Municipality under Title Deed No. G118/1932 in extent 0.9176 hectares;
- 1.4.15 **“Erf 1011”** means Erf 1011 Ceres, currently owned by the Ceres Municipality under Title Deed No. T27968/1983 in extent 3.1898 hectares;



- 1.4.16 **"Erf 2035"** means Erf 2035 Ceres currently owned by the Ceres Municipality under Title Deed No. T22045/1955 measuring in extent approximately 0.0418 hectares;
- 1.4.17 **"Erf 4542"** means Erf 4552 Ceres currently owned by the Ceres Municipality under Title Deed No. T51667/1989 measuring in extent 1.1784 hectares;
- 1.4.18 **"Estate"** means the Properties to be acquired from the Municipality and thereafter to be sub-divided into Development Units and developed into a secure golf course housing estate by the Developer around the Course, it being recorded that the Estate will comprise numerous sub-divisions that will be created from the original parent properties and that it is accordingly impractical to record the precise descriptions of all the properties, which together, will constitute the Estate. The boundaries of the Estate as currently envisaged are depicted in brown on the Survey Diagram;
- 1.4.19 **"Golf Course Drawings"** means the drawings to be produced by the Developer in its discretion but in consultation with the Club;
- 1.4.20 **"Golf Course Specification"** means the specification to be produced by the Developer in its discretion but in consultation with the Club;
- 1.4.21 **"Group Five"** means means Group Five Construction (Pty) Limited (Registration No. 1974/003166/07);



- 1.4.22 **"Head of the Household"** means the head of the household of any Development Unit. It is recorded that there may be only one head of the household in respect of any Development Unit.
- 1.4.23 **"Home Owners' Association"** means an association to be incorporated under Section 21 of the Companies Act;
- 1.4.24 **"Municipality"** means the Witzenberg Municipality;
- 1.4.25 **"Municipality's Representatives"** means those persons appointed by the Municipality who shall be given the authority necessary to act on behalf of the Municipality for all purposes in terms of this agreement;
- 1.4.26 **"New Lease Agreement"** means the new agreement of lease to be concluded between the Developer and the Club with the terms to be agreed upon;
- 1.4.27 **"Orange Tree"** means Orange Tree Development (Pty) Limited, (Registration No. 2003/005779/07);
- 1.4.28 **"Portion of Erf 1889"** means a portion of Erf 1889 Ceres currently owned by the Ceres Municipality under Title Deed No. CEQ4-15/1895 measuring in extent 355.6021 hectares, which portion is to be subdivided and which portion will measure approximately 27.5300 hectares in extent as reflected on the provisional diagram attached hereto marked **"A"**.
- 1.4.29 **"Portion of Erf 3659"** means a portion of Erf 3659 Ceres currently owned by the Ceres Municipality under Title Deed No. T7259/1984 measuring in extent 5.3861 hectares which portion is to be subdivided and which portion will measure approximately 2.7858 hectares in



extent as reflected on the provisional diagram attached hereto marked "B";

1.4.30 **"Portion of Erf 1001"** means a portion of Erf 1001 Ceres currently owned by the Ceres Municipality under Title Deed No. G89/1993 in extent 2 295.8918 hectares and which portion is to be subdivided and which portion will measure approximately 27.2995 hectares in extent as reflected on the provisional diagram attached hereto marked "C";

1.4.31 **"Properties"** means the immovable properties on which the Course is situated and adjoining properties, known as:

1.4.31.1 Portion of Erf 1001;

1.4.31.2 Erf 1010;

1.4.31.3 Erf 1011;

1.4.31.4 Portion of Erf 1889;

1.4.31.5 Erf 2035

1.4.31.6 Portion of Erf 3659;

1.4.31.7 Erf 4542;

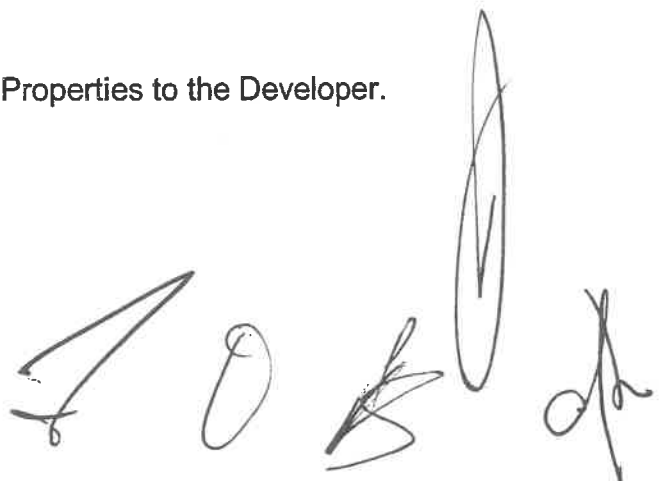
1.4.32 **"Sale Agreement"** means the agreement of sale to be concluded with the Municipality;

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- 1.4.33 “**Servitude**” means a servitude to be registered restricting the use of the Properties constituting the Course as a golf course in favour of the Club;
- 1.4.34 “**Specification**” means the document to be produced by the Developer in its discretion but in consultation with the Club setting out the specifications for the upgrading of the Clubhouse, furniture and equipment as more fully described in the agreement;
- 1.4.35 “**Survey Diagram**” means the survey diagram attached hereto marked annexure “D”;
- 1.4.36 “**Taking-Over Certificate**” means the Certificate issued under clauses 6 and 7;
- 1.4.37 “**Works**” means the works to be executed by the contractor employed by the Developer in accordance with the Architectural Plans.

2 RECORDALS

- 2.1 The Club currently leases Portion of Erf 1001 in terms of the Lease Agreement from the Municipality.
- 2.2 There is land owned by the Municipality surrounding the Course, which can be used to develop the Estate.
- 2.3 The Municipality has agreed to sell the Properties to the Developer.

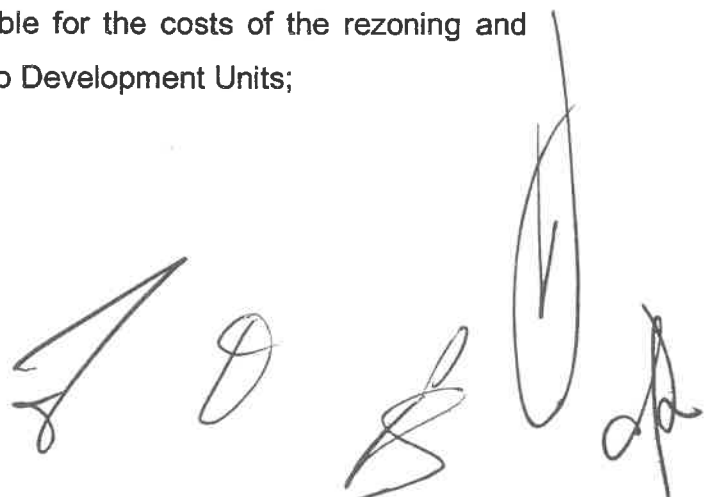


2.4 Subject to the fulfilment of the various conditions, Group Five and Orange Tree have agreed to enter into a joint venture with each other as shareholders of the Developer, for the purposes of purchasing the Properties and developing the Properties into a golf course estate, the final details of which shall be agreed by Group Five and Orange Tree and may comprise the sub-division of portions of the Properties into individual residential erven for resale, with or without improvements thereon and/or a sectional title scheme/s comprising individual sectional title units, including:


- 2.4.1.1 residential dwellings;
- 2.4.1.2 commercial and leisure facilities;
- 2.4.1.3 certain other related improvements;
- 2.4.1.4 and/or the sale of the real rights of extension relating to a sectional title scheme for sale to individual purchasers.

2.5 The Group Five, Orange Tree, the Municipality and the Club have entered into negotiations, which have culminated into the following agreement being reached in principle, namely that :

- 2.5.1 the Properties will be developed into a secure golf course housing estate by the Developer;
- 2.5.2 the Properties will be subdivided;
- 2.5.3 the Developer will be responsible for the costs of the rezoning and subdivision of the Properties into Development Units;



- 2.5.4 the Developer be responsible for marketing and selling the Development Units;
 - 2.5.5 the Developer will construct the Additional 9 Holes and upgrade the existing 9 holes;
 - 2.5.6 the Club will amend its Constitution to cater for owners of the Development Units becoming members of the Club;
 - 2.5.7 the Club and the Municipality will co-operate with the Developer to ensure that the Properties are rezoned and divided into Development Units.
- 2.6 The Current Lease Agreement is to be cancelled and the New Lease Agreement concluded between the Developer and the Club for a period of 99 (ninety nine) years at a nominal rental of R100 (one hundred Rand) per year. At the election of the Developer, if the Developer elects to pass transfer of the properties constituting the Course to the Homeowners' Association, the New Lease Agreement shall be concluded between the Homeowners' Association and the Club.
- 2.7 If for any reason whatsoever the Course ceases to be used as a golf course in the future, the Developer or its legal successor in title agrees to transfer the Properties constituting the Course back to the Municipality for no consideration.

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NOW THEREFORE THE PARTIES AGREE AS FOLLOWS :

3 SUSPENSIVE CONDITIONS

- 3.1 This agreement is subject to the suspensive conditions that :
- 3.1.1 the Municipality enter into the Sale Agreement of the Properties to the Developer for a purchase price of R1 million (one million Rand) on terms and conditions acceptable to Group Five and Orange Tree, the Developer and the Municipality;
 - 3.1.2 the grant to the Developer of the requisite loan finance from a Financial Institution/s to enable the Developer to pay the purchase price of the Properties and to pay for the cost of developing the Estate;
 - 3.1.3 the successful rezoning of the Properties and the grant of all other consents and approvals as may be required for the sale and transfer of the Properties to the Developer, for the sub-division of the Properties by the Developer, and for the development of the Properties in accordance with the intentions of the Developer;
 - 3.1.4 a resolution of each of Group Five and Orange Tree to proceed with the purchase of the Properties by the Developer and with the Development.
 - 3.1.5 the Developer is able to raise the requisite loan finance from a Financial Institution to enable the Developer to pay the purchase price for the Properties and for the cost developing the Estate;
 - 3.1.6 the Developer is successful with an application for the rezoning of the Properties and the grant of all other consents and approvals as may be required for the sale and transfer of the Properties to the



Developer, for the sub-division of the Properties by the Developer, and for the development of the Properties in accordance with the intention of the Developer;

- 3.1.7 A resolution is passed by the Board of Directors of Group Five and Orange Tree at a Board Meeting, after the Financial Institution grants the Developer the requisite loan finance, that the Developer may proceed with the Development.
- 3.1.8 That the Developer pre-sell 70% (seventy percent) of the Development Units.

4 THE DEVELOPMENT

- 4.1 Subject to the fulfillment of the suspensive conditions in clause 3 the Developer agrees to develop the Estate in accordance with the Construction Programme. It is recorded that it is intended that the Estate will not be developed in phases and that there will be an overall development of the entire Estate. The Developer undertakes to endeavour to finalise the development of the entire Estate within a period of 36 (thirty six) months after the suspensive conditions in clause 3 hereof, have been fulfilled.
- 4.2 The Properties to be sold by the Municipality to the Developer will be on the basis that should the Properties or any one of the individual erven forming part of the Properties not be developed or utilised for the purposes described in this agreement, or should the Club or its successor in title cease to exist as a Golf Club, those erven constituting the Course and the property from which the Club operated, shall be transferred from the Developer to the Municipality at the cost of the Developer. Upon transfer the Municipality undertakes to lease the property on which the Course and



the Club are situated to the Club on terms in accordance with the Current Lease Agreement if the New Lease Agreement has not yet been concluded and on terms in accordance with the New Lease Agreement if the New Lease Agreement has been concluded.

- 4.3 The Club and the Municipality agree to support the rezoning and subdivision of the Properties as per the Survey Diagram.

5 REPRESENTATIVES TO BE APPOINTED ON BEHALF OF THE CLUB AND THE MUNICIPALITY

- 5.1 The Club undertakes to appoint 3 representatives who shall be given the necessary authority to act on behalf of the Club for all purposes in terms of this agreement.
- 5.2 The Municipality undertakes to appoint 4 representatives to act on behalf of the Municipality for all purposes in terms of this agreement.

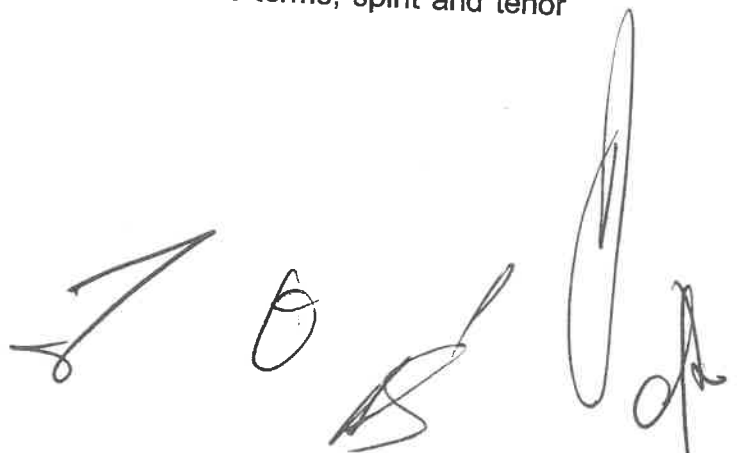
6 UPGRADING THE CLUBHOUSE, FURNITURE AND EQUIPMENT

- 6.1 The Developer agrees to upgrade the clubhouse of the Club substantially in accordance with the Architectural Plans and Specification or such modified plans as may be agreed upon with the Club's Representatives in accordance with the Construction Programme and Specification. It is recorded that the Developer has acknowledged the desire of the Club to have the Clubhouse refurbished at an early stage of the development of the Estate.
- 6.2 The Developer undertakes to supply new furniture and equipment for the Club, substantially in accordance with the Specification. It is recorded that

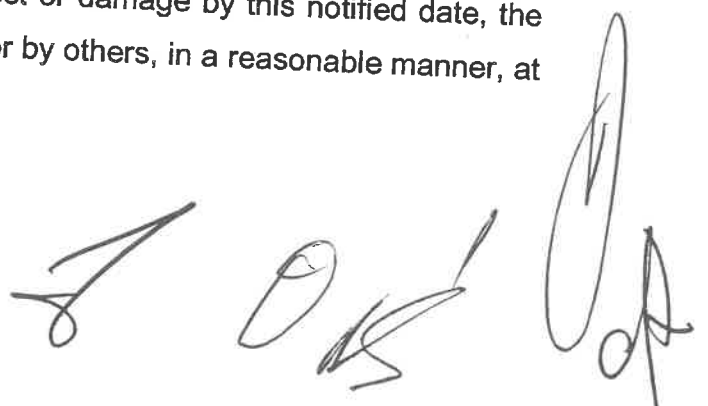


the intention is that the Developer will supply sufficient equipment to enable the Course to be properly maintained.

- 6.3 Any material amendments to the Architectural Plans or the Specification (once agreed upon) shall require agreement between the Developer and the Club's Representatives. The Developer undertakes to ensure that a workshop and store-room are constructed in accordance with the Architectural Plans.
- 6.4 It is recorded that the details of the development of the Properties will unfold through the planning, design and implementation process that will follow hereafter and it will, in all likelihood, transpire that there will be amendments to the Architectural Plans and the Specification. The object of the venture is to develop the Properties in accordance with the principles and plans specified herein and generally with a view to facilitating the creation of a market for a multi-faceted development, which will encompass recreational, sporting and commercial components. It is the intention of the Municipality and the Club to use to their advantage, the expertise that has been developed and acquired by the Developer. The parties acknowledge that the terms and principles regarding the proposed development of the Properties as set out in this agreement, constitute the initial guiding principles and that there will be numerous issues, which will need to be dealt with in undertaking the planning and implementation of the development processes, in order to achieve the fundamental objectives of the parties.
- 6.5 The parties undertake to co-operate with each other in an endeavour to implement this agreement, in accordance with the terms, spirit and tenor hereof.



- 6.6 If there is any disagreement between the Club and the Developer regarding the Architectural Plans, or any amendments thereto, or the Specification of the new furniture and equipment to be supplied, it is intended that the dispute be resolved without any delay by the Club's Representatives with the Developer. It is intended that only substantial and material disputes should be referred to mediation and arbitration as provided for in this Agreement. The object in this regard is that minor issues of disagreement should be resolved quickly by the parties attempting to compromise with each other. If there is a serious deadlock which relates to major issues between the parties and which cannot be resolved within 5 (five) calendar days after the dispute has arisen, by discussion and debate amongst the parties, the serious deadlock will be determined in accordance with clauses 20 and 21;
- 6.7 Upon delivery of the furniture and equipment by the Developer to the Club, the Developer shall deliver the Taking-Over Certificate listing the furniture and equipment delivered to the Club.
- 6.8 Within 14 (fourteen) business days of the Taking-Over Certificate being delivered, the Club shall deliver a written notice to the Developer of any defects in the furniture and equipment and the Developer shall be obliged to remedy any defects within a reasonable time, and in determining what a reasonable time is, it shall be taken into account that the furniture and equipment may have to be repaired by the manufacturer thereof.
- 6.9 If the Developer fails to remedy the defect or damage within a reasonable time, a date may be fixed by the Club, on or by which the defect or damage is to be remedied and such date notified to the Developer. If the Developer fails to remedy the defect or damage by this notified date, the Club may carry out the work itself or by others, in a reasonable manner, at



the Developer's cost, and the Developer shall pay to the Club the costs reasonably incurred by the Club in remedying the defect or damage.

6.10 Save for the list of defects, the Taking-Over Certificate shall be conclusive evidence of the sufficiency in delivery of the furniture and equipment as per the Specification and the Developer shall be deemed to have fulfilled its obligation in terms of this agreement in regard to the delivery of the furniture and equipment.

6.11 The Developer shall not be liable for any latent defects in the furniture and equipment, but shall cede any right of action the Developer may have against the manufacturer, to the Club.

6.12 The Developer will provide temporary facilities for the Club while the clubhouse is under construction as is set out in the Specification.

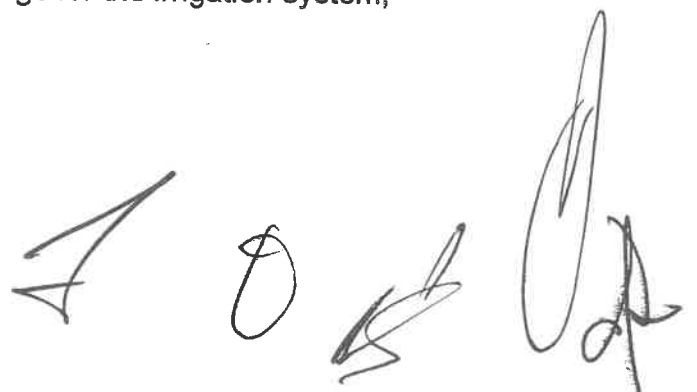
7 UPGRADING OF THE COURSE

7.1 The Developer undertakes to:

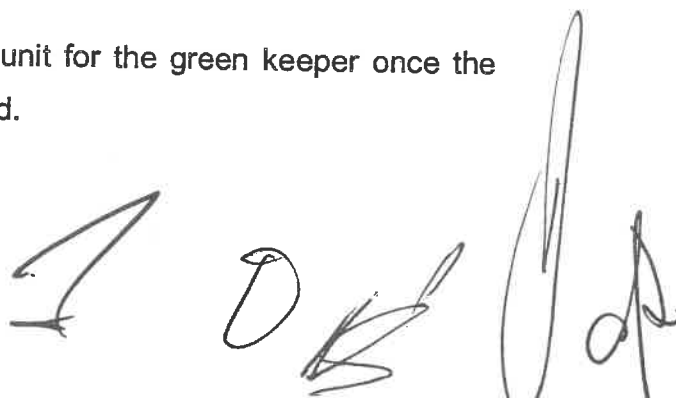
7.1.1 appoint DANIE OBERMEYER of Design Corporation CC, to undertake the design and supervision of the upgrading of the existing 9 Holes and the construction of the Additional 9 Holes in accordance with the Golf Course Drawings and the Golf Course Specification. He shall be instructed to design the Additional 9 Holes to endeavour to retain the character of the Course and to liaise with the Club when preparing his design. In specifying the type of grass to be used on the Additional 9 Holes, DANIE OBERMEYER shall have regard to the grass currently used on the Course and shall seek expert advice prior to specifying the type of grass to be used;



- 7.1.2 construct the Additional 9 Holes as per the Golf Course Drawings and the Golf Course Specification;
- 7.1.3 reconstruct the banks of the river which runs through the Course, in accordance with the Golf Course Drawings and the Golf Course Specification;
- 7.1.4 plant and remove the trees in accordance with the Golf Course Drawings and Golf Course Specification;
- 7.1.5 install a new computerised water reticulation system as specified in the Golf Course Specification;
- 7.1.6 construct a practise putting area as indicated on the Golf Course Drawings and the Golf Course Specification;
- 7.1.7 construct a residential unit substantially in accordance with the Architectural Plans for the green keeper, at the place indicated on the Golf Course Drawings;
- 7.1.8 construct storage facilities for the equipment of the Club at the place provided on the Golf Course Drawings and in accordance with the Architectural Plans;
- 7.1.9 install a stormwater system for the Course;
- 7.1.10 supply as-built engineering drawings for the Course;
- 7.1.11 supply as-built engineering drawings for the irrigation system;



- 7.1.12 supply as-built architectural drawings for the clubhouse and other buildings;
- 7.1.13 point out and obtain the prior written approval of the Club regarding any material deviations from the design as per the Architectural Plans, the Specifications, the Golf Course Drawings and the Golf Course Specification;
- 7.1.14 ensure that the construction work in respect of the upgrading of the facilities of the Club and the Course is carried out in a proper and workmanlike manner;
- 7.1.15 ensure that all work is carried in a safe manner and in compliance with all Government regulations concerning health and safety;
- 7.1.16 complete the construction work substantially in accordance with the Construction Programme but the parties recognise that there may be delays beyond the control of the Developer;
- 7.1.17 endeavour to construct the Additional 9 Holes in such a manner that there is always 9 holes capable of being played on;
- 7.1.18 restore the Course and its surrounding area if the Course and its surrounding area is affected by the laying of any waterpipes or the moving of soil ;
- 7.1.19 submit a progress report once a month from the commencement of the construction work until it is completed;
- 7.1.20 demolish the existing residential unit for the green keeper once the new residential units is constructed.

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- 7.2 Upon the Developer fulfilling its obligations referred to in clauses 7.1.1 to 7.1.20, the Developer shall deliver to the Club the Taking-Over Certificate.
- 7.3 Within sixty (60) days of the Taking-Over Certificate being delivered, the Club shall deliver a written notice to the Developer of any damage or defects and the Developer will be obliged to commence remedying any defects within a further period of 60 (sixty) days from the date of having received notification of the damage or defects and the Developer undertakes to complete the remedying of the defects thereafter, as soon as is reasonably possible.
- 7.4 If the Developer fails to remedy the defects or damage within the period aforesaid, the Club may carry out the work itself or by others, in a reasonable manner, at the Developer's cost and the Developer shall pay to the Club the cost reasonably incurred by the Club in remedying the defect or damage.
- 7.5 Save for the list of defects, the Taking-Over Certificate shall be conclusive evidence of the sufficiency of the obligations of the Developer under this clause and the Developer shall be deemed to have fulfilled its obligations in terms of this agreement in regard to its performance.
- 7.6 The Developer shall not be liable for any latent defects in the Work, but shall cede any right of action which the Developer may have against the Contractor, to the Club.



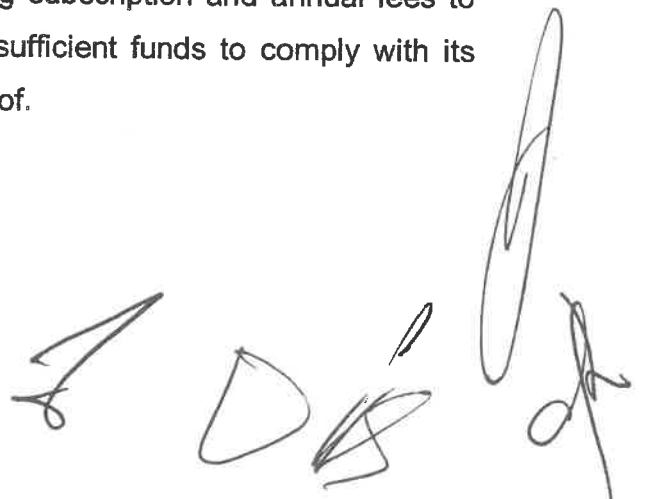
8 PAYMENTS BY THE DEVELOPER TO THE CLUB

- 8.1 The Developer agrees to pay to the Club an amount of R15 000 (Fifteen Thousand Rand) inclusive of VAT (if applicable), per Development Unit which amount will be payable on registration of transfer of each Development Unit to the first purchaser thereof. It is recorded that any sectional title development will be regarded as one Development Unit by the Developer.
- 8.2 The Club agrees that as consideration for the payment of the amount of R15 000 (fifteen thousand Rand) payable by the Developer, that the Developer shall be entitled in its absolute discretion to require the Club to admit the Head of the Household of each Development Unit as a member with a full family membership, which will entitle the entire family to the use of the facilities of the Club. The Head of the Household shall be required to pay the annual membership fees prescribed by the Club, which membership fee shall be the same than the membership fee payable by other members. It is recorded that the Club is in the process of reviewing its Constitution and when doing so it will do so in consultation with the Developer.
- 8.3 In the absolute discretion of the Developer, the Developer shall be entitled to require owners of Development Units on the Estate to compensate it either fully or partly for the amount of R15 000 (fifteen thousand Rand) which the Developer is obliged to pay the Club in terms of clause 8.1 above.

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9 SECURITY OF TENURE BY THE CLUB AND THE CLUB'S RESPONSIBILITY FOR ITS OWN MANAGEMENT

- 9.1 The Developer undertakes to register the Servitude to provide the Club with security of tenure in respect of the Course.
- 9.2 The Developer undertakes to enter into the New Lease Agreement with the Club.
- 9.3 The Current Lease Agreement is to be cancelled and the New Lease Agreement concluded between the Developer and the Club for a period of 99 (ninety nine) years at a nominal rental of R100 (one hundred Rand) per year. At the election of the Developer, if the Developer elects to pass transfer of the properties constituting the Course to the Homeowners' Association, the New Lease Agreement shall be concluded between the Homeowners' Association and the Club. It is recorded that the New Lease Agreement will be a fully repairing lease where the Club will be responsible for all the maintenance both interior and exterior of the club house and for the full maintenance of the Course.
- 9.4 It is recorded that the Club shall remain responsible for its own management and that the Club will retain the right to set its subscription and annual fees payable by members.
- 9.5 The Club, however, undertakes to manage the Club in consultation with the Developer during the period of the development of the Estate and to consult with the Developer when setting subscription and annual fees to ensure that at all times the Club has sufficient funds to comply with its obligations recorded in clause 16.1 hereof.

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10 ARCHITECTURAL GUIDELINES AND OBLIGATIONS ON PURCHASERS TO CONSTRUCT HOMES

- 10.1 The Developer undertakes to procure that the Architect produces Architectural Guidelines, in consultation with the Club, which purchasers of Development Units will be required to comply with as a term of the agreement of sale to them .
- 10.2 The Developer undertakes to require purchasers of Development Units to construct homes thereon within a period to be stipulated by the Developer in consultation with the Club.

11 RATES AND TAXES

- 11.1 It is recorded that in terms of Section 15 of the Local Government : Municipal Rates Act 6 of 2004, read together with the existing Rates Policy of the Municipality, the Developer, or its legal successors in title, is exempt from paying rates in respect of the land and buildings occupied by the Club and the land comprising the Course.
- 11.2 It is furthermore recorded that any proposed change by the Municipality of its Rates Policy that will affect the Developer or the Club or its legal successor in title, will be subject to the Municipality consulting with the Developer and/or the Club or their legal successors in title, and any proposed change will be subject to negotiation between the parties. It is recorded that any proposed change to the Rates Policy shall be restricted to the maximum tariff applicable to agricultural land.
- 11.3 It is recorded that the rates and taxes payable in respect of the remainder of the Development i.e. in respect of the Development Units, will be payable at normal rates.



12 THE HOME OWNERS' ASSOCIATION

The Developer agrees to establish a Home Owners' Association in accordance with articles of association deemed suitable by the Developer in consultation with the Club's Representatives.

13 SECURITY

13.1 The Developer undertakes to erect a perimeter fence around the Estate as per the Specification to secure the Estate.

13.2 The Home Owners' Association shall be responsible for the maintenance of the perimeter fence.

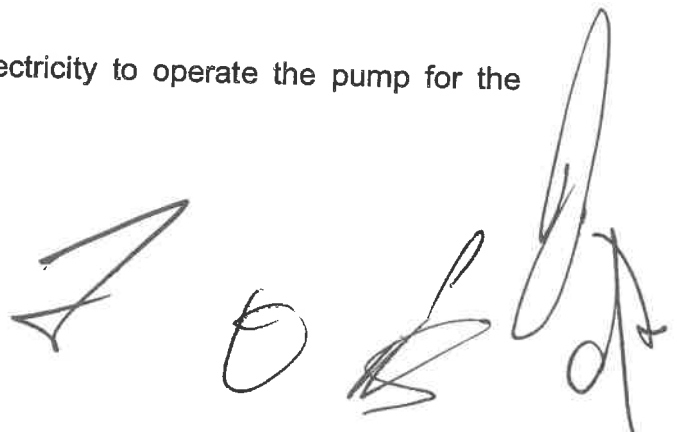
14 SUPPLY OF WATER TO THE CLUB

14.1 The Municipality agrees to:

14.1.1 supply a minimum of 750 000 (seven hundred and fifty thousand) litres per day of water to the Developer and the Club, free of charge, from a sewage plant, to irrigate the Course. It is, however, recorded that the Municipality shall not be obliged to supply this water, if it is unable to do so due to a drought, which prevents it from doing so or for the period it is unable to do so as a consequence of the failure of the Municipality's plant and equipment. In the event of a breakdown or failure of the plant and equipment, the Municipality undertakes to cause the plant and equipment to be repaired as soon as is reasonably possible.

14.1.2 enter into a Services Agreement with the Developer on terms to be agreed regarding the provision of water for domestic use in sufficient quantities to meet the requirements of the Developer and residents on the Estate.

14.2 The Club agrees to pay for the electricity to operate the pump for the water.



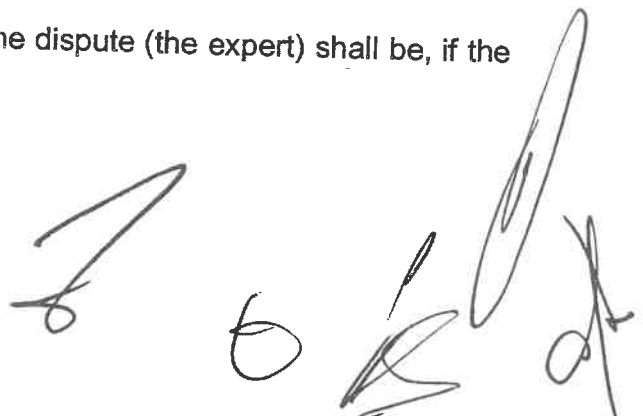
- 14.3 The Club shall be liable for the cost of the consumption of water in the Clubhouse and other facilities, at the normal rates charged by the Municipality.

15 GUARANTEE

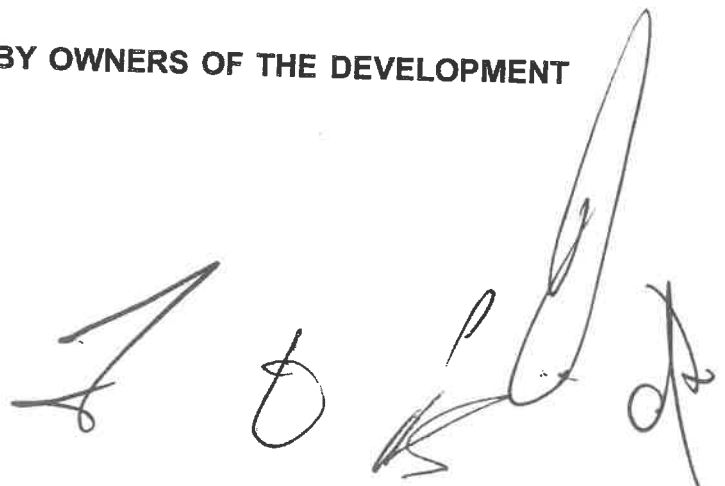
- 15.1 The Developer under signature of OTD and Group Five agrees to furnish the Club with a suitable Performance Guarantee to cover the obligations of the Developer to the Club.
- 15.2 The Developer shall deliver the Performance Guarantee to the Club within 14 (fourteen) days after fulfillment of the suspensive conditions referred to in clause 3.

16 OBLIGATIONS OF THE CLUB

- 16.1 The Club undertakes to agree or cause to procure that the Course and all other amenities, plant and equipment and other fixed assets of the Club are maintained at the sole cost of the Club, in good order and repair, and shall cause or procure that such repairs, refurbishment and maintenance are undertaken as may be required, in order that the same shall remain fully operational and comply with the standards in keeping with those of a top class country club and to maintain the Course in accordance with top class golf course standards.
- 16.2 If any dispute arises between the Club and the Homeowners' Association pursuant to the obligations of the Club in terms of clause 16.1 and remains unresolved after the parties have used their best endeavours to reach an amicable settlement of any dispute, then such dispute shall be resolved in terms of this clause 16 by means of a hearing to be conducted by a third party, who shall act as an expert and not as an arbitrator.
- 16.3 The person appointed to determine the dispute (the expert) shall be, if the question in issue is :

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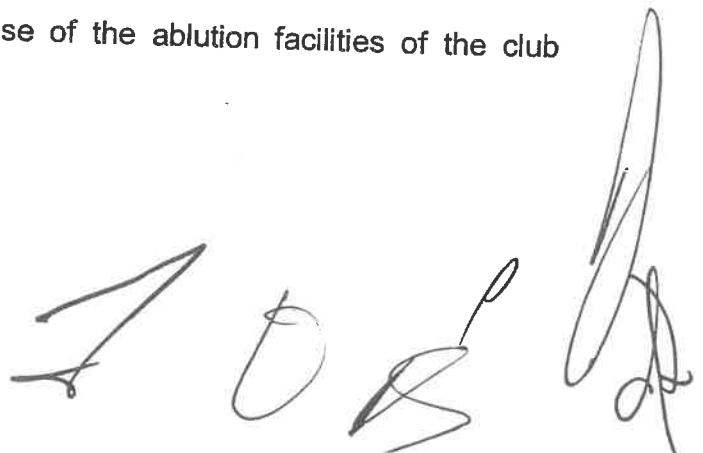
- 16.3.1 primarily an accounting matter, an independent accountant with not less than 10 years working experience; or
- 16.3.2 or primarily a legal matter, an advocate with not less than 10 years working experience; or
- 16.3.3 a maintenance or construction matter relating to the Club's facilities, an independent architect with not less than 10 years working experience; or
- 16.3.4 the maintenance of the Course, an expert in the keeping of golf courses.
- 16.4 The expert shall be agreed upon between the parties, or failing such agreement, within 7 days after the date on which the hearing is demanded, will be nominated by the Chairman of the Cape Bar Council in respect of disputes under clause 16.3.2, or by the President for the time being of the South African Institute of Chartered Accountants in respect of disputes under clause 16.3.1 or by the President for the time being of the South African Institute of Architects, in respect of disputes under clause 16.3.3 or by the Chairman of the Professional Golfers' Association of South Africa if the dispute relates to the maintenance of the Course in respect of disputes under clause 16.3.4.
- 16.5 Should the dispute relate to the maintenance of the Course, and the expert is of the opinion that the Club has breached its obligations regarding the maintenance of the Course, the Club shall have a period of 3 months from the notification by the expert of his decision, to remedy the situation. Should the situation not be remedied to the satisfaction of the expert within the aforesaid period of 3 months, the Club agrees that the Homeowners' Association may take over the responsibility for the maintenance of the Course at the expense of the Club.
- 17 **MEMBERSHIP OF THE CLUB BY OWNERS OF THE DEVELOPMENT UNITS**



It is recorded that owners of Development Units will be required to be members of the Club on a basis to be agreed between the Developer and the Club.

18 MARKETING OF THE DEVELOPMENT BY THE DEVELOPER

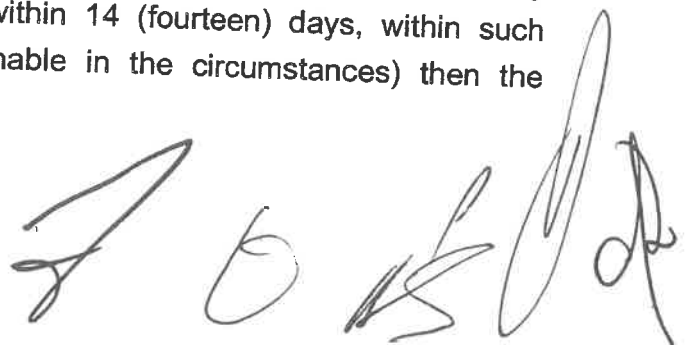
- 18.1 A marketing site office will be erected by the Developer on one of the Properties at a suitable place to be decided on by the Developer in consultation with the Club.
- 18.2 The Developer shall :
- 18.2.1 be entitled to hold and host golf days at the Course to promote the Development. Such golf days will only be held in conjunction with and in consultation with the Club and shall not unduly interfere with the operations of the Club;
- 18.2.2 invitees to play golf to promote the Development shall not be expected to pay green fees and nor shall the Developer be expect to pay;
- 18.2.3 be entitled to distribute marketing material on any golf day at the Club, as well as to the place brochures in the entrance to the club house. The Developer shall be entitled to erect signboards on the Properties and the Course in consultation with the Club.
- 18.3 The Developer's marketing personnel :
- 18.3.1 may take prospective clients on the Course, if required;
- 18.3.2 agree to exercise due care when accessing the Course so as not to disturb players or damage the Course;
- 18.3.3 as well as invitees may make use of the ablution facilities of the club house.



- 18.4 The Developer agrees to include a clause in its sale agreements when selling Development Units that stipulates that when a purchaser (hereinafter referred to as a re-seller) re-sells or otherwise disposes of a Development Unit that the re-seller shall pay 1.5% of the selling price of the Development Unit to the Club (plus VAT) on transfer of the Development Unit to the new purchaser. The Club shall utilize the payments received from re-sellers for maintaining Common Areas and maintaining the Course and the club house on a basis to be agreed upon between the Homeowners' Association and the Club.
- 18.5 Should there be any dispute between the Developer and/or the Club and/or the Homeowners' Association regarding the spend by the Club in terms of clause 18.5 such dispute will be determined in terms of clause 16 hereto and the arbitrator shall be vested with the power to make a decision taking into accounts any circumstances that he considers necessary and shall make a decision that he considers to be fair under the circumstances.
- 18.6 It is recorded that the obligation of re-sellers of Development Units to pay 1.5% of the selling price of Development Units to the Club, plus VAT, relates only to re-sales of Development Units and does not apply to first sales by the Developer.
- 18.7 The Homeowners' Association shall be instructed not to give approval for the transfer from a re-seller to a new purchaser of a Development Unit until the amount of 1.5% plus VAT, aforesaid has been secured to the satisfaction of the Conveyancers attending to the transfer.

19 **BREACH**

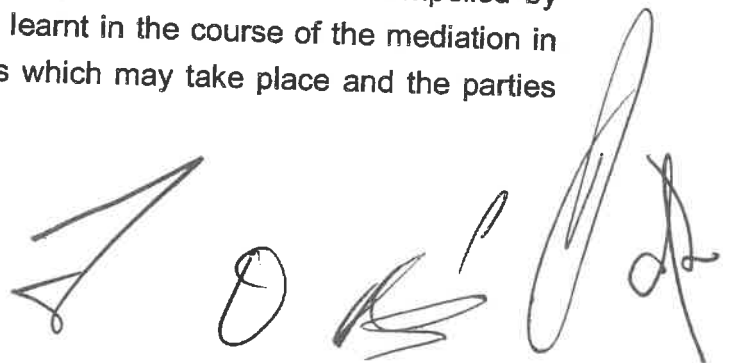
If any party breaches any material provision or term of this agreement (other than those which contain their own remedies in the event of a breach thereof) and fails to remedy such breach within 14 (fourteen) days of receipt of written notice requiring it to do so (or if it is not reasonably possible to remedy the breach within 14 (fourteen) days, within such further period as may be reasonable in the circumstances) then the



aggrieved party shall be entitled without notice (in addition to any other remedy available to it at law or under this agreement, including obtaining an interdict), to claim specific performance of any obligation without prejudice to the aggrieved party's right to claim damages.

20 **MEDIATION**

- 20.1 If any dispute arises between any of the parties in regard to this agreement or the termination or purported termination thereof, the parties agree to negotiate with each other in good faith in an effort to resolve such dispute.
- 20.2 If such negotiations fail or do not occur within 14 (fourteen) days after the dispute arises, the dispute shall not become the subject of litigation or arbitration until it has been heard by a mediator.
- 20.3 Such dispute shall be referred to mediation before a mediator within 14 (fourteen) days after the dispute arises. The mediator shall be appointed by the parties or failing agreement by them as to the mediator, shall be nominated by the chairman for the time being of the Association of Arbitrators of Southern Africa.
- 20.4 The mediation shall terminate upon the mediator informing the disputants that in the mediator's opinion no useful purpose will be achieved in continuing the mediation.
- 20.5 All communications made by the disputants to the mediator or to each other during or in connection with the mediation are made without prejudice to any rights which they may have and form part of *bona fide* settlement negotiations.
- 20.6 The parties shall keep the mediation proceedings and any recommendations made by the mediator confidential, save to the extent otherwise contemplated herein. The mediator shall not be compelled by any disputant to disclose any fact learnt in the course of the mediation in any subsequent legal proceedings which may take place and the parties

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waive their rights to require the mediator to testify regarding what transpired in the mediation.

20.7 The mediator shall:

20.7.1 be entitled to communicate and meet with any disputant either in the presence of the other disputant(s) or in private;

20.7.2 not disclose any information furnished in confidence by any one disputant to the mediator, to any other disputant without the prior written consent of the disputant who furnished the information;

20.7.3 act impartially and disclose to the disputants any relationship or dealings which the mediator may have had with any of the disputants;

20.7.4 not make any decision which is binding upon the disputants, the resolution of the dispute depending entirely upon the disputants achieving agreement in respect thereof.

21 **ARBITRATION**

21.1 Should the dispute not be resolved by mediation as aforesaid, any dispute between any of the parties shall, unless resolved amongst the parties to the dispute, be referred to and be determined by arbitration in Cape Town in terms of this clause.

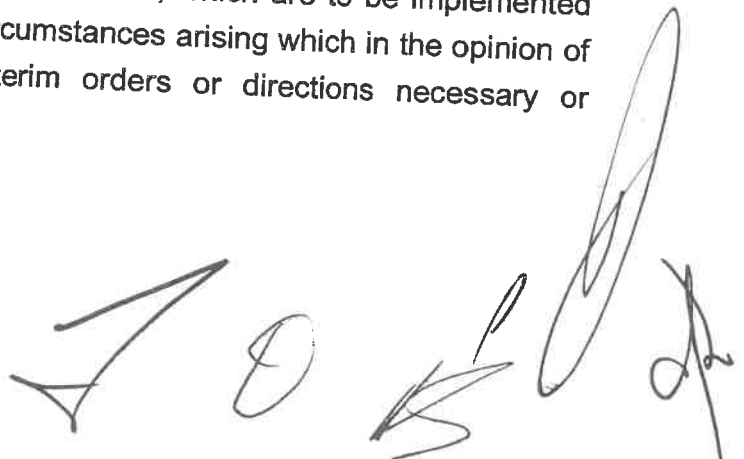
21.2 Each party to the dispute shall be entitled to be represented at such arbitration proceedings by its legal representatives and/or any other appointed expert or specialist.

21.3 The arbitrator shall be such suitably qualified person with appropriate skills and knowledge in relation to the matter in dispute, as may be appointed by agreement between the parties within ten (10) days of the dispute being referred to arbitration by any party, and failing such agreement, then as



may be appointed by the Chairman of the Association of Arbitrators of Southern Africa as follows:-

- 21.3.1 if the dispute is primarily an accounting matter, an independent practising Chartered Accountant;
- 21.3.2 if the dispute is primarily a legal matter, a practising advocate of not less than ten (10) years experience as such;
- 21.3.3 if the dispute relates to any other matter, an independent expert with appropriate knowledge and skills in relation to the matter in issue.
- 21.4 The arbitration shall be conducted at such place in Cape Town as may be deemed appropriate by the arbitrator.
- 21.5 The parties to the dispute shall within fourteen (14) days after the appointment of the arbitrator meet with him in order to agree the procedures to be followed at the arbitration proceedings. Failing such agreement within the said period of seven (7) days, the Rules for the Conduct of Arbitrations (4th Edition, August 2000) shall apply to the arbitration.
- 21.6 The decision of the arbitrator shall be final and binding upon all parties to the dispute and capable of being made an order of Court upon the application of any of them and there shall be no right of appeal.
- 21.7 Nothing herein contained or implied shall preclude a party from applying to Court for a temporary interdict, or other relief of any urgent and temporary nature, pending the award of the arbitrator.
- 21.8 The arbitrator is further vested with powers to make interim orders and to give directions as to alternative provisions, which are to be implemented by the parties in the event of circumstances arising which in the opinion of the arbitrator render such interim orders or directions necessary or desirable.

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- 21.9 The arbitrator shall have the power to give default judgment if any party fails to make submissions on due date either as agreed or in terms of the Rules, as the case may be, and/or fails to appear at the arbitration.
- 21.10 The costs of an incidental to any such arbitration proceedings shall be in the discretion of the arbitrator, who shall be entitled to direct whether they be taxed as between "party and party", or as between "attorney and client".
- 21.11 The provisions of this clause –
- 21.11.1 constitute an irrevocable consent by the parties to any proceedings in terms hereof and no party shall be entitled to withdraw therefrom or claim at any such proceedings that it is not bound by such provisions;
- 21.11.2 are severable from the rest of this agreement and shall remain in effect despite the termination of or invalidity for any reason of this agreement.

Five handwritten signatures in black ink, arranged horizontally at the bottom of the page. The signatures are stylized and vary in length and complexity.

22 **DOMICILIUM CITANDI ET EXECUTANDI**

- 22.1 The parties choose as their *domicilium citandi et executandi* for all purposes under this agreement, whether in respect of court process, notices or other documents or communications of whatsoever nature (including the exercise of any option), the following addresses:

The Club

: *BERGSH STREET*
CERES
6835

The Developer

:ATTENTION: MR J WHALL &
MR R KNUPPEL
C/O GROUP FIVE CONSTRUCTION
371 Rivonia Road
RIVONIA
GAUTENG
And to:
ATTENTION: MR D DU TOIT
1A COTSWOLD DRIVE
MILNERTON
7441
Tel: 086 111 44 80

The Municipality

: c/o: Municipal Manager
50 Voortrekker Street
CERES
6835



- 22.2 Any notice or communication required or permitted to be given in terms of this agreement shall be valid and effective only if in writing but it shall be competent to give notice by telefax.
- 22.3 Either party may by notice to the other party change the physical address chosen as its *domicilium citandi et executandi* to another physical address where postal delivery occurs in South Africa or its telefax number. Provided that the change become effective on the 7th (seventh) business day from the deemed receipt of the notice by the other party.
- 22.4 Any notice to party:
- 22.4.1 by prepaid registered post (by airmail if appropriate) in a correctly addressed envelope to it at an address chosen at its *domicilium citandi et executandi* to which post is delivered shall be deemed to have been received on the 7th (seventh) business day after posting (unless the contrary is proved);
- 22.4.2 delivered by hand to responsible person during ordinary business hours at the physical address chosen as its *domicilium citandi et executandi* shall be deemed to have been received on the day of delivery; or
- 22.4.3 sent by telefax to its chosen telefax number stipulated in clause 22.1, shall be deemed to have been received on the date of dispatch provided that it is faxed during normal business hours (unless the contrary is proved).
- 22.5 Notwithstanding anything to the contrary herein contained a written notice or communication actually received by a party shall be an adequate written notice or communication to it notwithstanding that it was not sent to or delivered at its chosen *domicilium citandi et executandi*.

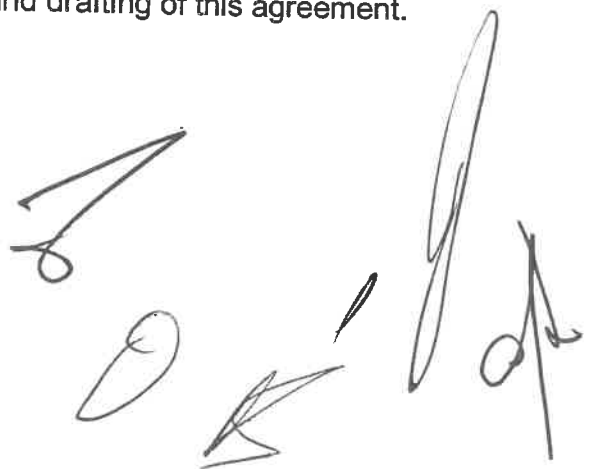
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23 WHOLE AGREEMENT, NO AMENDMENT

- 23.1 This agreement constitutes the whole agreement between the parties relating to the subject matter hereof.
- 23.2 No amendment or consensual cancellation of this agreement or any provision on term thereof or of any agreement, bill of exchange or other document issued or executed pursuant to or in terms of this agreement and no settlement of any disputes arising under this agreement and no extensions of time, waiver or relaxation or suspension of any of the provisions or terms of this agreement or of any agreement, bill of exchange or other document issued pursuant to or in terms of this agreement shall be binding unless recorded in written document signed by the parties. Any such extension, waiver or relaxation or suspension which is so given or made shall be strictly construed as relating strictly to the matter in respect whereof it was made or given.
- 23.3 No extension of time or waiver or relaxation of any of the provisions or terms of this agreement or any agreement, bill of exchange or other document issued or executed pursuant to or in terms of this agreement, shall operate as an estoppel against any party in respect of its rights under this agreement, nor shall it operate so as to produce such party thereafter from exercising its rights strictly in accordance with this agreement.
- 23.4 No party shall be bound by any express or implied term, representation, warranty, promise or the like not recorded herein, whether it included the contract and/or whether it was negligent or not.

24 LEGAL COSTS

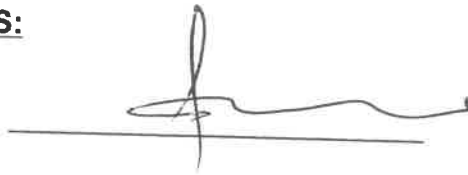
The Developer, the Municipality and the Club shall each pay their own legal costs in respect of the negotiation and drafting of this agreement.

The block contains several handwritten signatures in black ink. There are approximately six distinct signatures of varying lengths and styles, some appearing to be initials or full names, located in the bottom right corner of the page.

SIGNED AT **CERES** ON THIS THE **29th** DAY OF **NOVEMBER** 2005.

WITNESS:

1.

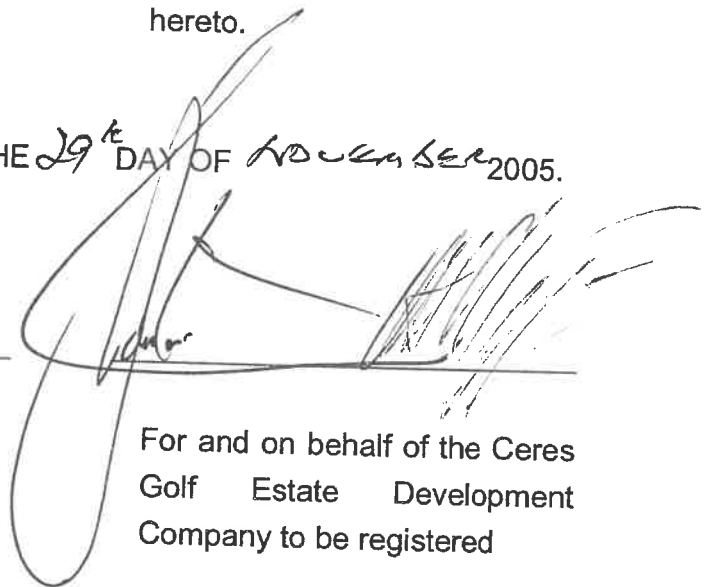


For and on behalf of the Club,
who by his signature warrants
that he is duly authorized
hereto.

SIGNED AT **Ceres** ON THIS THE **29th** DAY OF **NOVEMBER** 2005.

WITNESS:

1.

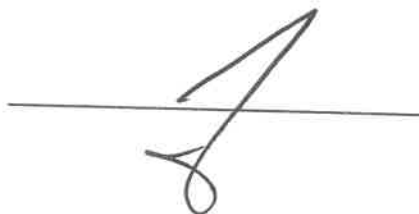


For and on behalf of the Ceres
Golf Estate Development
Company to be registered

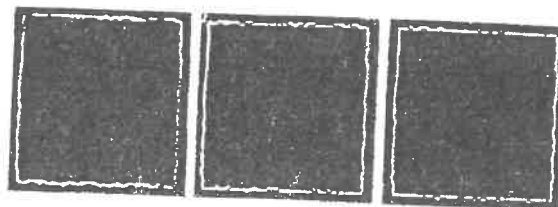
SIGNED AT **Ceres** ON THIS THE **29th** DAY OF **NOVEMBER** 2005.

WITNESS:

1.



For and on behalf of the
Municipality, who by his
signature warrants that he is
duly authorized hereto.



O R A N G E

Tree

S E C U R I T I E S

25 April 2003

15/2/11/4

The Municipal Manager
Witzenberg Municipality
P O Box 44
CERES
6835

FAX: (023) 316 1877

Dear Sir

CERES GOLF ESTATE

I wish to thank you and Mr Schuurman for your endeavours in ensuring that the development takes place.

As per our last meeting and my subsequent meeting with Mr John Schuurman, I understand that you would like to see direct involvement of a black empowerment Initiative in the development.

We stressed that we will empower the local contractors and that we have an excellent track record in this regard. We are, however, willing to listen to your suggestions.

It was suggested that the whole approval process could be finalised in a matter of two weeks if we can show the involvement/participation of a black empowerment partner. We therefore agreed to meet with "Par Chance" in an attempt to ascertain what value they can add to the development. When you informed us that they were unwilling to meet with us, our board approved a black empowerment initiative in which 70% of Orange Tree Construction will be made available to black builders from the Witzenberg area who are well respected in the community. These people will benefit directly from the development and can in turn add direct value to the development.

I am therefore happy to announce that Orange Tree Construction (Witzenberg) is now 70% owned by black businessmen of your own community and 30% by ourselves.

INTERNATIONAL FINANCIAL ADVISORY SERVICES
Orange Tree Securities (Pty) Ltd. Co. Reg. No. 99/04680/07 First Floor Leadership House, 40 Shortmarket Street
Shortmarket Square, Cape Town 8001. P O Box 3594 Cape Town 8000. Tel: +27 21 426-4406 Fax: +27 21 426-4412
A Member of The Orange Tree International Investments Group
Directors: J.P. Terblanche (Nkon) E. von Wielligh W.N. van den Berg (CA(SA) HDip(Tax))

Received Time 25.Apr. 12:16

Our new shareholders are:

Mr Esman Boer	17.5%
Mr Eddie Ruiters	17.5%
Mr Willem Nel	17.5%
Mr Michael Geldenhuys	<u>17.5%</u>
	<u>70.0%</u>

By bringing these shareholders into our group of companies we are able to remain true to your condition that no new proposals will be accepted but at the same time benefiting the local community directly.

I would however like to stress that our commitment to empower the rest of the Witzenberg community remains the same and that the local builders and contractors will be given an opportunity to partake in the construction process.

I again want to thank you and especially Mr Schuurman for the professional and unbiased manner in which you represented your community thereby ensuring that Ceres and its people receive the benefit of a high quality and professionally delivered development.

I trust that this displays our commitment to Ceres and its people.

Let us build together.

Yours faithfully

For and on behalf of
ORANGE TREE DEVELOPMENT (PTY) LTD



DERICK DU TOIT

CC: CERES GOLF CLUB
FAX: (023) 316 1366