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STELLENBOSCH MUNICIPALITY

MEETING OF SDF DEVELOPMENT WORKING COMMITTEE : 1994-03-31

Notice is hereby given of the above meeting to be held in the Council Chamber, Town Hall Complex, Plein Street, Stellenbosch on **THURSDAY, 1994-03-31 at 19:30** to consider the matters on the attached agenda.

SECRETARY

1994-03-28

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AGENDA :

SDF DEVELOPMENT WORKING
COMMITTEE

: 1994-03-31

1. LEAVE OF ABSENCE

*Adrian
Smithe**Time*

2. STATEMENTS AND COMMUNICATIONS BY THE CHAIRPERSON

will be along

3. CONFIRMATION OF MINUTES OF DWC MEETING HELD ON 1994-03-07

The minutes are attached as PAGES 4 - 11.

FOR CONFIRMATION.

4. MATTERS REFERRED TO THE DWC BY THE SDF AT ITS MEETING HELD ON 1994-03-09

4.1 Item 6 : Agreement on Finance, Services and Service Rendering

The abovementioned agreement and discussion document submitted by Stellenbosch Town Council are attached as PAGES 12 - 18.

It was agreed

- (a) that the matters in the report of a financial policy nature be referred to the CWC and that service and services rendering and payment thereof be referred to the DWC;
- (b) that the non-payment of accounts be referred to the DWC to look at ways to address the situation;
- (c) that in the meantime a friendly reminder in Xhosa, similar to the first reminder sent out in English, be sent to those who defaulted on their payments;
- (d) that the DWC also address the illegal electrical connections in the informal housing section; and
- (e) that the communities (through their SDF representatives) as a matter of urgency, put their grievances in writing to L de Villiers.

A report on the rendering of services in the informal areas of Kaya Mandi is attached as PAGES 19 - 22.

FOR CONSIDERATION.

4.2 Item 10.2 : Kaya Mandi : Establishment of a Library Steering Committee

It was agreed that the names proposed for the Library Steering Committee be approved and that the report that was tabled be referred to the aforesaid Committee.

FOR REPORT-BACK.

4.3 Item 10.3(a) : Kaya Mandi : Opening of Clinic

It was agreed

- Pretorius*
- (a) that the services offered at the Clinic, especially that of the doctor, be communicated to the community via the churches and schools;
 - (b) that the hours of the doctor be increased on a trial basis for say 3 to 6 months and statistics be kept on the visits to the Clinic by the community; and
 - (c) that a comprehensive report on health care in Stellenbosch be submitted to the DWC.

A report will be submitted as soon as possible.

FOR INFORMATION.

4.4 Item 10.3(b) : Sale of Houses/Flats erected with National Housing Funds

It was agreed that the DWC address the issue as a matter of priority, and how it affects the various residential areas.

FOR CONSIDERATION.

4.5 Item 10.4 : Burial tariffs

It was agreed that the burial tariffs for the whole of Stellenbosch, and not only for the residents of Kaya Mandi, be addressed by the DWC.

The present tariffs are as follows:

Grave site	:	R288,00	<i>Homelands!!</i> <i>Bevortius</i>
Digging of grave	:	R175,00 (no charge if family digs its own grave)	

FOR CONSIDERATION.

5. MATTERS STANDING OVER FROM THE DWC MEETING HELD ON 1994-03-07

5.1 Item 3.2 : Overall Housing Development by Stellenbosch Municipality

It was agreed, inter alia:

- April*
- (a) that a short-term development plan for the whole of Stellenbosch be drawn up by Stellenbosch Municipality; and
 - (b) that the question of finance and upgrading of hostels also be addressed in the aforementioned plan.

FOR REPORT-BACK.

de Klerk

AGENDA : SDF DEVELOPMENT WORKING COMMITTEE : 1994-03-31

5.2 Item 3.5 : Stellenbosch and Environs Sub-regional plan : Development and Conservation

It was agreed that a date for a meeting of the Technical Sub-committee of the DWC (Stellenbosch Sub-regional Plan) now be set.

FOR CONSIDERATION.

5.3 Item 3.3 : Kaya Mandi : Development of Smit/Costa Land

It was noted that tenders will soon be called, for the planning and development of the abovementioned land.

FOR REPORT-BACK.

5.4 Item 4.2 : Compilation of Development Framework for the Total Urban area of Stellenbosch

It was agreed

- (a) that the Department of Planning and Development of the Stellenbosch Town Council be mandated to proceed with the compilation of an umbrella policy document for the total urban area of Stellenbosch, in conjunction with the community and the SDF;
- (b) that a set of proposals for medium- and longer-term planning be submitted to the SDF in due course; and
- (c) that the aforementioned also form part of the housing development plan as agreed to in item 5.1.

FOR REPORT-BACK.

5.5 Item 4.4 : Occupation of illegal structures

It was agreed that SHAC discuss the matter further with the Town Secretary and Chief: Planning and Development.

FOR REPORT-BACK.

5.6 Item 5 : South African Police

It was agreed that the matter stand over for further inputs by S Adams (Facilitator).

FOR CONSIDERATION.

*From our 100
April*

MINUTES OF SDF DEVELOPMENT WORKING COMMITTEE MEETING OF REPRESENTATIVES OF COMMUNITY BASED ORGANISATIONS AND STELLENBOSCH TOWN COUNCIL HELD IN THE COUNCIL CHAMBERS, TOWN HALL COMPLEX, PLEIN STREET, STELLENBOSCH ON MONDAY, 1994-03-07 AT 19:30

PRESENT:

Facilitators : CVR Honey (Chairperson)

FULL MEMBERS

Existing Statutory Bodies:

Stellenbosch Town Council and Management Committee : EPS Taljaard
J Cawood
L de Villiers (Adviser)
JE Delpont (Adviser)
LP Fourie (Adviser)
CTB Davy (Secretary)

Kaya Mandi Town Council : A Cruywagen

* * * * *

SHAC : HC de Klerk
P Louw

SANCO : MM Ngcofe
E Matyatya

Stellenbosch Ratepayers Association : BP Pienaar
FH Stephens

PAC : VV Myataza
S Makomazi

Other observers:

SHAC : C Lewis
J Nortje

Private Developer : S van Vuuren

Eikestadnuus : PH Malan

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1. LEAVE OF ABSENCE

1. RESOLVED

that leave of absence be granted to M Mayekiso and J Mjandana (Kaya Mandi Town Council) and WM Kalazana (SANCO).

2. CONFIRMATION OF MINUTES OF DWC MEETINGS
- 2.1 MEETING HELD ON 1993-11-10
- The minutes are not attached - **previously circulated.**
- FOR CONFIRMATION.**
- 2.1 RESOLVED
- that the minutes be approved.
- 2.2 SPECIAL MEETING HELD ON 1993-11-29
- The minutes are not attached - **previously circulated.**
- FOR CONFIRMATION.**
- 2.2 RESOLVED
- that the minutes be approved.
- 2.3 SPECIAL MEETING HELD ON 1993-12-15
- The minutes are not attached - **previously circulated.**
- FOR CONFIRMATION.**
- 2.3 RESOLVED
- that the minutes be approved.
- 2.4 SPECIAL MEETING HELD ON 1994-01-19
- The minutes are not attached - **previously circulated.**
- FOR CONFIRMATION.**
- 2.4 RESOLVED
- that the minutes be approved.
3. MATTERS ARISING OUT OF THE MINUTES OF THE SPECIAL DWC MEETING HELD ON 1993-11-29 TO BE FURTHER PURSUED BY THE DWC
- 3.1 Item 2.1.1 : Kaya Mandi : Opening of Library and Clinic
- It was agreed

- (a) that it be noted that Consultants Hill Kaplan Scott is at present facilitating the appointment of a library committee from the community, whose task will be to look at staff matters and the continued utilising of the present library building;
- (b) that the insurance assessors investigating the damages to the community hall, library building and equipment, liaise with Jimmy Potgieter of Hill Kaplan Scott when they want to carry out the necessary inspection;
- (c) that the verbal report of Me E van Blommestein be noted but that similar reports be submitted in writing in future; and
- (d) that the report of the Chief: Health Services, that was tabled, be noted and placed on the agenda of the next DWC meeting and that the aforementioned official be requested to be present to answer any question that may arise.

It was further agreed by the SDF on 1994-02-03 (item 9.7) that a progress report by the Chief: Health Services on the implementation of the new clinic at Kaya Mandi also be submitted to the meeting of 1994-02-10.

A progress report by the Chief: Health Services was previously attached.

FOR CONSIDERATION.

AGREED

- (a) that the Chief: Health Services be present at the SDF on 1994-03-09 to answer questions emanating from his report; and
- (b) that it be noted that a report on the Kaya Mandi Library will be tabled at the SDF on 1994-03-09.

3.1

Item 2.1.2 : Overall housing development by Stellenbosch Municipality

The SDF agreed on 1994-12-02 (item 2.6(b)), inter alia:

- (a) that Stellenbosch Municipality immediately proceed with the acquiring and planning of the land adjacent to Dhelminie Street and Schoongezicht Farms, with report-back to the SDF and relevant committees by latest February 1994;
- (b) that it be noted that the farms Tweespruit and Lekkerbly must also be included but that it also be noted that the land adjacent to Dhelminie Street and Schoongezicht Farms need not be acquired because it is already the property of Stellenbosch Municipality; and
- (c) that it also be noted that the socio-economic survey conducted at present to determine the needs of the community, should be completed within two weeks, whereafter application can be made for the necessary funds for housing.

It was further noted that the Joint Town Council/Management Committee decided at its meeting held on 1993-12-14 that the land adjacent to Dhelminie Street be excluded as it is required for the extension of the sports facilities.

The SDF further agreed on 1994-02-03 (item 5):

- (a) that it be noted that the acquiring of the farms Tweespruit and Lekkerbly are still receiving attention and that clarity on the matter may be obtained within a month;
- (b) that it be noted that Stellenbosch Municipality is proceeding with the planning of the farm Schoongezicht;
- (c) that in future, similar reports as in the aforementioned (a) and (b) be submitted in writing, together with the agenda;
- (d) that the DWC consider whether the land adjacent to Dhelminie Street be utilised for housing or sports development;
- (e) that the sale of the Zimbabwe flats in Borcherds Street and vicinity be referred to the DWC;
- (f) that the verbal report on the socio-economic survey conducted in Kaya Mandi be noted but that the written report be made available to all members of the forum (report by Hill Kaplan Scott was previously attached); and
- (g) that the dismal picture presented by the aforementioned report, especially the housing backlog and development of the Smit/Costa land, be addressed as a matter of urgency.

FOR CONSIDERATION.

3.2

AGREED

- (a) that the report on the development of Schoongezicht Farm, (previously attached), was noted;
- (b) that the land adjacent to Dhelmini Street be utilised for sports development;
- (c) that a short-term development plan for the whole of Stellenbosch be drawn up by Stellenbosch Municipality;
- (d) that the question of finance and upgrading of hostels also be addressed in the aforesaid plan; and
- (e) that the sale of Zimbabwe Flats (State-owned property) be addressed as a separate issue and that A Cruywagen report on the National sales campaign, as applied locally, to the SDF on 1994-03-09.

3.3 Item 2.1.3 : Kaya Mandi : Development of Smit/Costa Land

The Technical Committee concerned is presently addressing the abovementioned matter.

FOR REPORT-BACK.

3.3 AGREED

that it be noted that the planning and design work has reached a stage where tenders can be called for the development of the Costa/Smit land, subject to the availability of funds.

3.4 Item 2.1.4 : Social upliftment in Kaya Mandi

The Technical Committee concerned is presently addressing the abovementioned matter.

See also item 3.2(f) on the agenda.

FOR REPORT-BACK.

3.4 AGREED

that the matter stand over for further attention at a later date.

3.5 Item 3 : Stellenbosch and Environs Sub-Regional Plan : Development and Conservation

It was agreed

- (a) that the report be noted and the matter be pursued by the SDF Technical Committee;
- (b) that regarding this matter, more organisations be involved in the Technical Committee, especially from adjoining areas such as Jamestown, Kylemore, Johannesburg and Pniel;
- (c) that the SDF determine which organisations should be represented in the Technical Committee to address the Stellenbosch and Environs Sub-Regional Plan; and
- (d) that the consultants concerned also be invited to the meetings when the matter is addressed.

It was further agreed by the SDF on 1993-12-02 (item 2.6(b)):

- (a) that the matters agreed upon be approved; and
- (b) that the Technical Committee of the DWC (Stellenbosch Sub-Regional Plan) should comprise of at least one representative of each organisation (observer-members included) and that the Klipmuts Steering Committee also be co-opted on the aforesaid Technical Sub-committee.

RECOMMENDED

that a date now be set for a meeting of the Technical Committee concerned.

- 3.5 A progress report was tabled.

NOTED.

- 3.6 **Item 4 : Post Office for Kaya Mandi**

It was agreed that the SDF investigate the possibility of obtaining part of the offices of the Kaya Mandi Town Council for the purposes of a post office.

FOR CONSIDERATION.

- 3.6 **AGREED**

that it be noted that the matter is presently being pursued by L de Villiers.

4. **MATTERS REFERRED TO THE DWC BY THE SDF MEETING HELD ON 1994-02-03**

- 4.1 **Item 8 : Plight of Farm Workers**

It was agreed

(a) that it be noted that the Farm and Rural Workers Support Association is presently pursuing the matter of the conditions under which farm workers are being transported to Stellenbosch for their weekly/monthly shopping and that they will report back at the next SDF meeting; and

(b) that the housing situation of farm workers also be addressed by the DWC.

FOR CONSIDERATION.

- 4.1 **AGREED**

that the matter stand over for a report from the Farm and Rural Workers Support Association, whereafter it can be taken up with the Regional Services Council and/or Agricultural Unions if necessary.

- 4.2 **Item 9.1 : Compilation of Development Framework for the Total Urban Area of Stellenbosch**

It was agreed that the report, previously tabled, be referred to the DWC.

RECOMMENDED

that the matter be referred to the Technical Committee as in item 3.6 of the agenda.

4.2 AGREED

- (a) that the Department of Planning and Development of the Stellenbosch Town Council be mandated to proceed with the compilation of an umbrella policy document for the total urban area of Stellenbosch, in conjunction with the community and the SDF;
- (b) that a set of proposals for medium- and longer-term planning be submitted to the SDF in due course; and
- (c) that the short-term development plan as agreed to in item 3.2(c), also form part of the aforementioned plan.

4.3 Item 9.3 : Agreement on Finance, Services and Service Rendering

A report on the abovementioned matter was attached - see DWC agenda of 1994-03-31 (item 4.1).

It was agreed that the report be submitted to both the DWC and CWC to determine which Committee should address the matter.

FOR CONSIDERATION.

4.3 AGREED

- (a) that the following matters agreed upon by the CWC on 1994-03-09 (item 3.4) be noted, viz:
 - (i) that the matter be further pursued once the Transitional Local Government has been appointed;
 - (ii) that the alleged grievances of the Kaya Mandi residents concerned be conveyed personally to L de Villiers and that the SDF also address the matter;
- (b) that as mentioned in paragraph 2.2.4 of the agreement, it also be noted that the question of arrears be addressed no later than 30 days after the promulgation of the Local Government Transition Act, 1993, viz. 1994-02-20;
- (c) that it further be noted that L de Villiers is at present addressing the matter mentioned in (b) and that he will report back to the SDF in due course; and
- (d) that a report regarding the provision of electricity to the informal areas in Kaya Mandi will also be submitted to the SDF in due course.

4.4 Item 9.5 : Occupation of Illegal Structures

It was agreed that the matter be referred to the DWC for further investigation.

FOR CONSIDERATION.

4.4 **AGREED**

that SHAC discuss the matter further with the Town Secretary and Chief: Planning and Development.

4.5 **Item 9.7 : Siyakhala and Lindelani : Places of Safety near Koelenhof**

It was agreed that a report on the abovementioned places of safety near Koelenhof be submitted to the DWC.

FOR CONSIDERATION.

4.5 **AGREED**

that the matter stand over for further inputs by W Nel (SHAC/ANC).

5. **SOUTH AFRICAN POLICE**

The following matters, which will be further explained during the meeting, were referred to the DWC by the Stellenbosch Peace Committee:

- (a) Cloetesville Police Station;
- (b) police emergency number; and
- (c) present Police Stations.

FOR CONSIDERATION.

5. **AGREED**

that the matter stand over for further inputs by S Adams (Facilitator).

The meeting adjourned at 21:45.

CONFIRMED.

CHAIRPERSON.

**AGREEMENT ON FINANCE, SERVICES
AND SERVICE RENDERING**

1. PREAMBLE

Whereas the signatories agree that a financial, services and service rendering crisis exists, especially in black local authority areas, and wish to resolve that crisis, the signatories commit themselves to a process to promote and expedite the normalisation and stabilisation of the situation.

The signatories acknowledge that the adoption of the Local Government Transition Act, 1993 by Parliament will mark the start of the process of restoring legitimacy and credibility to local government in general, and stability and viability to local government in general, and stability and viability to local government finance, services and service rendering in particular.

2. AGREEMENT

The signatories therefore agree to the following:

2.1 Services and Service Rendering

2.1.1 Transitional councils, established in terms of the Local Government Transition Act, shall immediately commence with a programme to:

- (a) resume municipal services and service rendering;
- (b) improve the rendering and maintenance of such services; and
- (c) upgrade and extend the services in its area of jurisdiction.

2.1.2 While the primary responsibility of ensuring the availability of all essential services is vested in local government, the financing, planning and implementation will require regional and national financing and support.

2.1.3 A local government shall make provision for access by all persons residing within its area of jurisdiction to water, sanitation, transportation facilities, electricity, primary health, education, housing and security: Provided that such services are rendered in an environmentally sustainable manner and are financially and physically practicable.

2.1.4 Residents need to experience a visible and sustained improvement in the quality and quantity of services and service rendering over a time.

2.1.5 The immediate priority is to provide services to a level that meets basic health and functional requirements for each resident. The medium term goal is to provide services to a level that meets the basic requirements for sustained economic activity for each resident, and the community as a whole. The long term goal is to provide services to a level that promotes equal and equitable access to all such services for all persons situated within the area of jurisdiction of a local authority.

2.2 Finance

2.2.1 All municipal finance should be based on the principle of one municipality, one taxbase.

2.2.2 Transitional councils shall utilise all resources within their areas of jurisdiction on an efficient and equitable basis.

2.2.3 In order to address historical backlogs, transitional councils will require fiscal transfers from other tiers of government.

- 2.2.4 On a decision of a local government forum as contemplated by section 6 of the Local Government Transition Act, the competent legislative authority shall deal with arrears in respect of service charges owed by residents, no later than 30 days after the promulgation of the Local Government Transition Act, or after such earlier date as agreed upon in terms of locally negotiated agreement: Provided that where a forum cannot reach an agreement on the matter, it shall be referred to the Administrator for a decision; and furthermore Provided that debts accrued after the date of promulgation of said Act shall not be dealt with in such a manner.
- 2.2.5 Transitional councils should not inherit debts and liabilities accumulated by black local authorities except in so far as such debts or liabilities are in respect of infrastructure that will generate revenue or can be utilised for the purpose for which it was provided: Provided that other debts and liabilities shall be dealt with by or in consultation with the competent legislative authority in each instance.

2.3 Tariffs

- 2.3.1 The cost of providing services must, as far as possible, be recovered by the relevant tariff structures.
- 2.3.2 The capital and associated costs of providing or extending municipal services shall be equitably borne within the area of jurisdiction of the Transitional Council.
- 2.3.3 The principle of equity in tariffs for different municipal services and service rendering shall apply across all classes of consumers in the area of jurisdiction of Transitional Councils.
- 2.3.4 Transitional Councils shall, in their discretion, determine such interim tariffs as may be appropriate for the restoration of good governance in their area

of jurisdiction.

2.3.5 Tariff structures should be set in such a manner that they address the problems of poverty and unemployment.

2.4 Payment for Services

2.4.1 The principle of payments for services is accepted by all parties and payment for services should continue or commence on or before the date contemplated in subsection 2.2.4 of this Agreement.

2.4.2 Where services are inadequately provided, or do not meet basic standards, a Transitional Council may, in its discretion, apply an interim tariff as contemplated in subsection 2.3.4, until such services are adequately restored.

2.4.3 Procedures must be established to deal with cases of genuine indigence.

2.4.4 Equitable and fair default procedures to deal with instances of non-payment for services, must be established by Transitional Councils in accordance with national guidelines.

2.4.5 Transitional Councils must immediately take all practical steps to enhance payment for services, especially in areas where such steps or measures have been disrupted. This includes, *inter alia*, the compilation or updating of all municipal records, the rendering and delivery of accurate accounts on a regular (preferably monthly) basis, the establishment of properly administered offices to receive payments and issue receipts.

2.4.6 Failure to deliver statements of accounts, shall not absolve any consumer from the liability to pay for municipal services rendered and consumed.

2.5 Promoting the Agreement

All parties to this Agreement hereby undertake to promote all aspects of the Agreement as from the date of the promulgation of the Local Government Transition Act, 1993.

THE AGREEMENT ON FINANCE, SERVICES AND SERVICE RENDERING

INTRODUCTION

The agreement was signed by Mr FW de Klerk and Mr Nelson Mandela at the summit meeting on local government at Kempton Park on 1994-01-20. At that meeting it was also signed by nearly 1 000 representatives of community and political organisations and central, provincial and local government. Since that date many more representatives of such bodies have signed the agreement.

NATURE OF AGREEMENT

The agreement is basically an undertaking to alleviate the unacceptable situation (called a crisis situation) which has arisen mostly in black local authority areas, by improving services and service rendering. Residents must experience a visible and sustained improvement in the quality of services "provided that the services are rendered in a sustainable manner and are financially and physically practicable."

The costs of providing such services must be recovered by relevant and equitable tariff structures which should however make provision for those unable to pay on account of poverty or unemployment. The principle of payment for services is accepted by all parties.

Reference is also made to the arrears in respect of service charges owed by residents and the agreement states that a local forum should take a decision on this matter. Furthermore, transitional councils should not inherit the debts and liabilities of black local authorities.

DECISIONS TAKEN BY THE SDF

The SDF has agreed on various measures to improve service rendering in Kaya Mandi which are presently being implemented. The rendering of accounts and payment arrangements were addressed and agreements entered into.

It was furthermore decided that arrears in respect of service charges should be "frozen" and that any appointed transitional council would not be burdened by the old debts of the Kaya Mandi council.

It is therefore obvious that the SDF has made considerable progress towards implementing at least some of the matters raised in the agreement.

The SDF could consider to support and promote all aspects of the agreement.

FURTHER ASPECTS OF THE AGREEMENT WHICH COULD BE CONSIDERED BY THE CWC AND DWC

As a broad guideline the following could be considered:

- (i) That the CWC consider financial policy matters, eg obtaining financial assistance, budgeting, basic tariff structures and dealing with "old" arrear payments and debts.
- (ii) That the DWC concentrate on aspects such as the rendering and improvement of services, the practical arrangements regarding the payment for services rendered, actions to be taken in the case of non-payments taking into account cases of genuine indigence.

Regarding financial arrangements (par. 2.2) the implementation of "one council/one tax base" should be considered by the CWC and attention given to the 1994/95 budget. As was indicated above, the SDF resolved that arrears of residents should be "frozen" and the writing off of some or all of such debts should now be considered by the CWC. The outstanding commitments of the Kaya Mandi council could be considered by the CWC provided a report on the nature and amounts of these debts are prepared (possibly by the Treasurers department).

The DWC could consider the present tariff structures, how cases of indigence could be accommodated and what actions should be taken in cases of non-payment for services. The DWC should also consider what improvements to service rendering should be made with the available funds.

(DISCUSSION DOCUMENT SUBMITTED BY STELLENBOSCH COUNCIL)

1994-02-21

guide/cr

RENDERING OF SERVICES IN INFORMAL AREAS : KAYA MANDI

Progress was recently made in addressing the appalling living conditions of the people in the informal areas. Solving these problems are in the best interest of the whole Stellenbosch community.

Services can be seen in two main categories namely:

1. essential services such as refuse removal, sewerage and water; and
2. electricity.

As agreed in the SDF the informal areas were structured into "zones" and each zone was asked to designate a "zone committee". To date a number of meetings were held with the zone committees where the rendering of the essential services were dealt with.

1. RENDERING OF ESSENTIAL SERVICES

In this regard the following was agreed on with the zone committees:

1.1 *Responsibilities of zone committee*

- 1.1.1 It is the responsibility of the zone committee to motivate the community of their specific zone to act as a interactive community in the interest of their zone within the framework of the Stellenbosch community.
- 1.1.2 The zone committee will be responsible to prevent water wastage in the zone.
- 1.1.3 The zone committee will also see to it that the services and facilities are used in a orderly manner, and cared for.
- 1.1.4 Although the supervisor for each zone is employed by the Municipality, the zone committee will inform the Municipality if their supervisor does not do his work properly.
- 1.1.5 If it is found that someone in their zone is using electricity on a illegal basis, the zone committee will, with the assistance of the zone community, assist the Municipality to remove such electricity connections.
- 1.1.6 The Municipality will supply the zone committee with a monthly list of accountholders who did not pay for their services. The zone committee will take the matter up with the persons involved in order to find a solution.

1.2 *Allocating of toilets and washing facilities*

- 1.2.1 For the purpose of standardization it was agreed to use the term "accountholder" rather than family or structure, on condition that the number of people attached to an accountholder should be more or less the same as that of an average family.
- 1.2.2 The zone committees will assist in compiling the list of accountholders.
- 1.2.3 Five accountholders will be allocated to each toilet facility and a key for a particular toilet will be allocated to each accountholder.

1.2.4 The zone committee will designate, and the Municipality will employ a person as a supervisor for each zone. The supervisor will be responsible to care for and maintain the outside of the toilets and the washing facilities, see to it that water is not wasted, arrange and help to organize the handling of refuse and refuse bags as well as look after the general cleanliness in the zone.

1.2.5 Each accountholder will clean and care for the inside of their toilets.

1.2.6 The toilet structures will be placed amongst the housing structures as conveniently as possible, but the moving of housing structures may be necessary in some cases.

1.2.7 The toilet structures will be erected on the basis of "job-creation".

1.3 *Payment for essential services*

1.3.1 Each accountholder will pay a once only connection fee of R20,00.

1.3.2 Each accountholder will pay a monthly service charge of R20,00 on the first day of each month. The service charge will be subject to increase in accordance with normal procedures when necessary.

1.3.3 Each accountholder will receive a kind of identification card with an accountnumber. All payments will be recorded in the computer. No accounts will be rendered and each accountholder will pay the monthly service charge on his own account with the aid of the card issued to him. A list of non-payers will be compiled monthly for liaison with the zone committee.

1.3.4 The monthly service charge of R20,00 is made up as follows:

Sewerage service	R 5,00
Payment for erection and use of toilets	R 5,00
Water consumed	R 5,00
Refuse removal	R 3,00
Site rent	<u>R 2,00</u>
	R20,00

1.4 *Financing of toilet and washing facility project*

1.4.1 A total amount of R1 000 000 was made available by Stellenbosch Town Council as a interest free advance.

1.4.2 The amount of R5,00 per month paid by each accountholder for erection and use of toilets (see paragraph 1.3.4) is paid in against the mentioned advance.

2. **RENDERING OF ELECTRICITY SERVICE**

The availability of electricity was promised to the informal area and after some planning and investigation, the following "package" is recommended as a possible solution:

2.1 *Who will qualify for a electricity service?*

2.1.1 In *principle* any housing structure can be supplied with electricity given that the necessary reticulation system has been installed.

2.1.2 Electricity connections will only be supplied on application.

- 2.1.3 Only an accountholder (as explained in paragraph 1.2) will qualify to apply for an electricity connection.
- 2.1.4 Only after the reticulation for a specific zone is installed, the applications for that zone can be processed and a firm date for that will be set by the Electrical Engineer.
- 2.1.5 Only electricity connections *officially* supplied by the Municipality will be recognised as a legal connection.
- 2.1.6 People with illegal connections will have two months from the date determined in paragraph 2.1.4 to apply for a legal connection, whereafter the Municipality will exercise its rights to remove such connections.

2.2 ***Payment for electrical connections***

- 2.2.1 The cost of a connection including a pre-payment meter and a ready-board is calculated as R1 200,00 per connection. (The cost will increase from time to time in accordance to normal procedures).
- 2.2.2 A once only connection fee of R50,00 will be payable for each connection.
- 2.2.3 Application will be made to Eskom for a subsidy of R400,00 per connection. (Discussions with Eskom already took place and the necessary application is being prepared. Although it is believed that Eskom will approve the application, final approval must still be obtained).
- 2.2.4 The balance of R750,00 is treated as an interest free advance to the accountholder.
- 2.2.5 An additional charge of 8 cents per unit purchased is charged and will be applied towards the downpayment of the advance. If an average of 200 units is consumed per month, it will mean that an amount of R16,00 will be paid off on the advance every month. At this rate it will take the accountholder about four years to redeem his advance.
- 2.2.6 The payments received towards the advance as mentioned in 2.2.5 will be recorded in the computer, and the outstanding balance can be made available on request.
- 2.2.7 Should Eskom not approve of the application for the subsidy, it will take the accountholder about six years to pay back his advance.
- 2.2.8 Accountholders who wish to pay the connection in full will also qualify for the R400,00 subsidy from Eskom (if approved) and will not pay the additional 8 cents per unit.
- 2.2.9 If practically possible, the pre-payment meter and ready-board can be re-utilised in the case where an accountholder is moved to a formal registered plot.

2.3 ***Financing of electricity service***

- 2.3.1 Stellenbosch Town Council made a loan of R1 500 000 available towards the capital cost of reticulation. The cost of this loan will form part of the cost-structure of the greater Stellenbosch. Most of this reticulation is also for the future advantage and use of the Township.
- 2.3.2 Stellenbosch Town Council also made an amount of R1 000 000 available to enable the connections as explained in paragraph 2.2.

2.4 *Existing conventional houses*

- 2.4.1 A need has been expressed by numerous conventional house owners to replace their existing electricity meter with a pre-payment meter.
- 2.4.2 In these cases Eskom will not be prepared to subsidise.
- 2.4.3 The cost of replacing the existing meter with a pre-payment meter is presently calculated at R850,00. For this amount no other electrical work such as wiring, ready-board etc. is included.
- 2.4.4 In the case of existing houses without electricity the same cost of R1 200,00 (as in paragraph 2.2.1) will apply. If the applicant does not need a ready board, the cost will be adjusted accordingly. Only in cases where Eskom or RSC for instance give a subsidy, such subsidies will be applied in favour of the applicant.
- 2.4.5 The same method of financing as was explained in paragraph 2.3 can be used, namely: the occupant pays the full amount with installation, or the occupant pays R50,00 cash plus an additional 8 cents per unit purchased for as long as it takes to pay of the interest free advance.

RECOMMENDATION

That the contents of the report be noted and accepted with specific reference to the following:

1. The operation of the zone-committees and their responsibilities.
2. The basis of allocating toilets and washing facilities.
3. The process of payment, the tariffs as well as the method of financing of essential services (sewerage, refuse, water, site rent).
4. The basis for qualification and application for electrical connections.
5. The proposed method of financing the electricity connections, as well as the process of payment, namely a R50,00 connection fee and the additional tariff.

DEPUTY TOWN TREASURER

(L:KMDIENS3)