

8.3	TABLING OF THE REVISED CAPITAL EXPENDITURE FRAMEWORK
------------	---

Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good Governance and Compliance

22 March 2023 & 29 March 2023

1. SUBJECT: TABLING OF THE REVISED CAPITAL EXPENDITURE FRAMEWORK

2. PURPOSE

Is to obtain Council's approval of the Revised Capital Expenditure Framework (CEF).

3. DELEGATED AUTHORITY

Council.

4. EXECUTIVE SUMMARY

The Integrated Urban Development Framework (IUDF) was approved by Cabinet in April 2016, which led to the Integrated Urban Development Grant (IUDG). The IUDG was introduced in the 2019/2020 Division of Revenue Act as a Consolidated Grant for Intermediate City Municipalities (ICMs). Stellenbosch Municipality was identified as one of the municipalities to benefit from this new grant, subject to specified criteria.

The purpose of the ICMs support strategy is to help translate IUDF policy into practical programmes of action in the ICMs.

The business plan for the IUDG is a three-year capital programme that is aligned with a long-term plan (CEF). With the revisions to the SDF and the implementation of the Adam Tas Corridor it required a review of the current Capital Expenditure Framework.

5. RECOMMENDATION

that council approve the revised Capital Expenditure Framework for public comment.

6. DISCUSSION / CONTENTS

According to section 21(n) of the Spatial Planning and Land Use Management Act (SPLUMA), Act No. 16 of 2013, the content of a municipal spatial development framework must determine a CEF for the municipality's development programmes. This means that the CEF is informed by the Spatial Development Framework i.e. stating the spatial vision of the municipality where the CEF states the financial vision of the municipality.

The Integrated Urban Development Framework (IUDF) was approved by Cabinet in April 2016, which led to the Integrated Urban Development Grant (IUDG). The IUDG was introduced in the 2019/2020 Division of Revenue Act as a Consolidated Grant for Intermediate City Municipalities (ICMs). Stellenbosch Municipality was identified as one of the municipalities to benefit from this new grant, subject to specified criteria. The purpose of the ICMs support strategy is to help translate IUDF policy into practical programmes of action in the ICMs.

The business plan for the IUDG is a three-year capital programme that is aligned with a long-term plan (CEF). With the revisions to the SDF and the implementation of the Adam Tas Corridor it required a review of the current Capital Expenditure Framework.

There are a number of key intentions in introducing the CEF as the basis for monitoring the IUDG:

- a) To ensure that priorities identified in the spatial development framework are translated into capital programmes;
- b) To promote long-term infrastructure planning;
- c) To promote infrastructure planning that is better integrated across sectors and spheres and within space; and
- d) To promote a more integrated approach to planning within municipalities that brings together technical, financial and planning expertise.

6.1. Financial Implications

The financial implications of this report will be dealt with Medium Term Revenue and Expenditure Framework (Budget).

6.2 Legal Implications

The recommendations in this report comply with Council's policies and all applicable legislation.

6.3 Staff Implications

This report has no staff implications to the Municipality.

6.4 Previous / Relevant Council Resolutions:

None

6.5 Risk Implications

None

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2023-03-22: ITEM 6.3

that Council approve the revised Capital Expenditure Framework for public comment.

Annexure A: Revised Capital Expenditure Framework

FOR FURTHER DETAILS CONTACT:

NAME	<i>Mr. Kevin Carolus</i>
POSITION	<i>Chief Financial Officer</i>
DIRECTORATE	<i>Financial Services</i>
CONTACT NUMBERS	<i>021 – 808 8528</i>
E-MAIL ADDRESS	<i>Kevin.Carolus@ Stellenbosch.gov.za</i>
REPORT DATE	<i>15 March 2023</i>