



**SPATIAL PROFILE & DRAFT AMENDMENTS TO THE  
SPATIAL DEVELOPMENT FRAMEWORK**

*Integrative Spatial and Infrastructure Planning*

**Approved by Council for Public Comment on 15 March 2023**

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## ABBREVIATIONS

### A

AFS	Annual Financial Statements
AQMP	Air Quality Management Plan
ATC	Adam Tas Corridor
ATC LSDF	Adam Tas Corridor Local Spatial Development Framework

### B

BNG	Breaking New Ground
BTT	Boschendal Treasury Trust

### C

CAPEX	Capital Expenditure
CBA	Critical Biodiversity Area
CBD	Central Business District
CoCT	City of Cape Town
CEF	Capital Expenditure Framework
CEIP Plan	Capital Expenditure Implementation Plan
CIF	Capital Investment Framework
CITP Plan	Comprehensive Integrated Transport Plan
CPI	Consumer Price Index
CSIR	Council for Scientific and Industrial Research
CSP	Cities Support Programme
CWDM	Cape Winelands District Municipality

### D

DCoG	Department of Cooperative Governance
DEA&DP	Department of Environmental Affairs and Development Planning
DGDS	District Growth and Development Strategy
DHS	Western Cape: Department of Human Settlements
DLG	Western Cape: Department of Local Government
DRD&LR	Department of Rural Development

### DTPW

### E

EIA	Environmental Impact Assessment
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### F

FA	Functional Area
FLISP	Finance Linked Individual Subsidy Programme

### G

GAP	Government assisted housing in the affordability “gap” for home owners earning between R3 501 and R18 000 per month
GCM	Greater Cape Metro
GCMRSIF	Greater Cape Metro Regional Spatial Implementation Framework

### GDP

GVA	Gross Value Add
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### H

HA	Hectare
HIV	Human Immunodeficiency Virus
HSDG Grant	Human Settlements Development Grant

### I

I&AP	Interested and Affected Parties
ICM	Intermediate City Municipality
IDP	Integrated Development Plan
IHSP	Integrated Human Settlements Plan
IIIF	Integrated Infrastructure Investment Framework
INEP	Integrated National Electrification Programme
ITP	Integrated Transport Plan
ISC	Integrated Steering Committee
IUDF	Integrated Urban Development Framework

and Land Reform

Western Cape: Department of Transport and Public Works

### IZS

Integrated Zoning Scheme

### IUDG

Integrated Urban Development Grant

### L

LDC	Lynedoch Development Company
LED	Local Economic Development
LG	Local Government
LHOA	Lynedoch Home Owners’ Association
LSDF (s) Framework	Local Spatial Development Framework

### LSU

Large Stock Unit

### LTFM

Long term financial model

### LTFP

Long term financial plan

### LTFS

Long term financial strategy

### LUMS

Land Use Management System

### LUPA

Western Cape: Land Use Planning Act

### M

MAYCO	Mayoral Committee
MPBL law	Stellenbosch Municipal Planning By-law
MERO Outlook	Municipal Economic Review and Outlook
MFMA	Local Government: Municipal Finance Management Act 56 of 2003 (revised 2011)

### MSA

Local Government: Municipal Systems Act, 32 of 2000

### MSDF

Municipal Spatial Development Framework

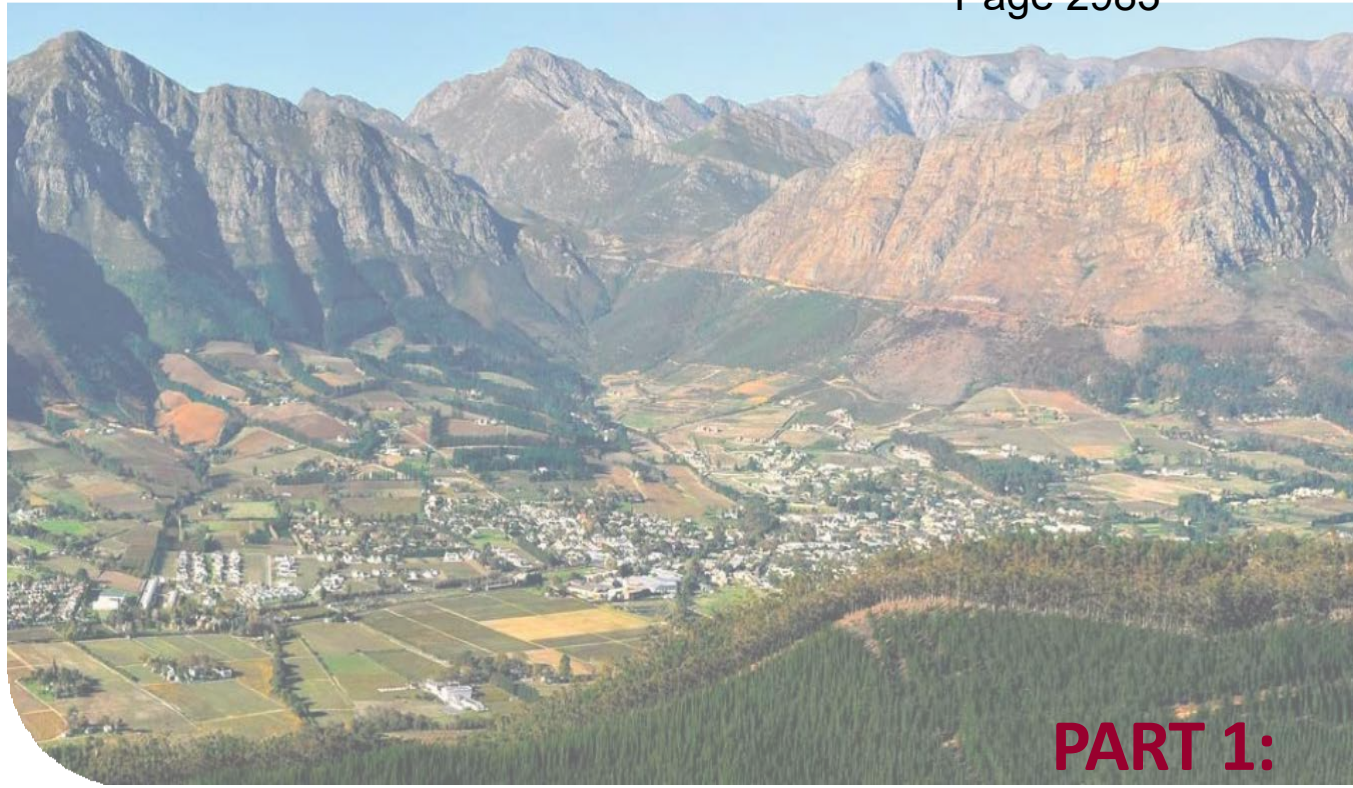
### MTREF

Medium Term Revenue and Expenditure Framework

### N

NDP	National Development Plan
NEMA Act	National Environmental Management Act
NGP	New Growth Path
NHRA	National Heritage Resources Act
NMT	Non-motorised transport

NSDF Framework	National Spatial Development	UDZ	Urban Development Zone
NT	National Treasury	US	University of Stellenbosch
<b>O</b>		USDG	Urban Settlement Development
<b>P</b>		Grant	
PDA	Priority development area	UNESCO	United Nations Educational, Scientific and Cultural Organisation
PERO	Provincial Economic Review and Outlook	<b>V</b>	
PMT	Project Management Team (also known as Project Steering Committee)	V&A	Victoria and Alfred Waterfront
PSDF	Provincial Spatial Development Framework	<b>W</b>	
PSTP Program	Provincial Sustainable Transport	WCG	Western Cape Government
<b>Q</b>		Wesgro	Western Cape Tourism, Trade and Investment Promotion Agency
<b>R</b>			
RSIF	Regional Spatial Implementation Framework		
RAP	Rural Area Plan		
<b>S</b>			
SALGA	South African Local Government Association		
SANBI	South African National Biodiversity Institute		
SEMF	Strategic Environment Management Framework		
SDF(s)	Spatial Development Framework		
SDGs	Sustainable Development Goals		
SM	Stellenbosch Municipality		
SMME(s)	Small and Medium Enterprise		
SOE(s)	State Owned Enterprise		
SPCs	Spatial Planning Categories		
SPOs	Spatial Planning Outcomes		
SPLUMA	Spatial Planning and Land Use Management Act 16 of 2013		
SSU	Small Stock Unit		
StatsSA	Statistics South Africa		
<b>T</b>			
TB	Tuberculosis		
<b>U</b>			
UDS	Urban Development Strategy		



**PART 1:**  
**INTRODUCTION**

## 1. BACKGROUND & PURPOSE

Spatial planning is a high-level planning process that is inherently integrative and strategic, it takes into account a wide range of factors and concerns and addresses the uniquely spatial aspects of those concerns.

The action(s) of spatial planning aims to:

- Enable a vision and consistent direction for the future of the municipal area based on evidence, local distinctiveness, and community-derived objectives.
- Translate this vision and direction into a set of policies, priorities, programmes, and land allocations together with the public sector resources to deliver them.
- Create a framework for private investment and regeneration that promotes economic, environmental, and social well-being.
- Coordinate and deliver the public-sector components of this vision with other agencies and processes to ensure implementation.

In essence, it entails more than land use management; it provides a key role in providing a long-term framework for development and coordinating policies across sectors. By so doing, effective spatial planning helps to avoid the duplication of efforts by the government and can assist in the coordination of sectoral policies to ensure maximum positive impact from the investment of resources to achieve the spatial vision as agreed to by all stakeholders.

### *Integrative Spatial Planning Approach*

Spatial planning is critical for delivering economic, social and environmental benefits (refer to Box 1) by creating more stable and predictable conditions for investment and development, securing community benefits from development, and promoting prudent use of land and natural resources for development. Spatial planning is therefore an important lever for promoting sustainable development and improving the quality of life.

Integrative Spatial Planning is informed by universal planning approaches and concepts; normative - and developmental planning principles, norms and standards. These informants provide clarity on the scope and focus for achieving spatial planning outcomes/benefits (refer to Box 1 & Figure 1) for creating positively performing areas which are generally regarded as successful and liveable settlements.

The characteristics of a desirable and successful settlement tend to be:

- Integrated and connected,
- Inclusive,
- Convenient,
- Resilient and adaptable,
- Efficient,
- Safe and healthy,
- Economically supportive, and –

- Characterful and aesthetically pleasing.

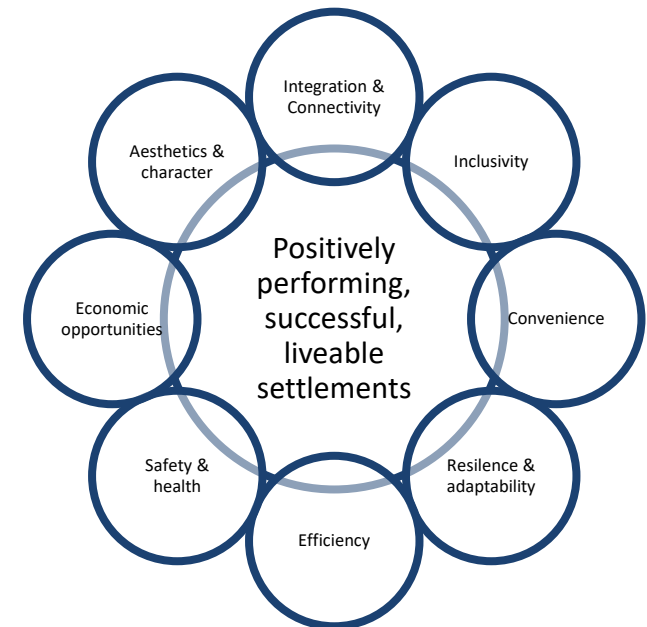


Figure 1

## BOX 1: BENEFITS OF SPATIAL PLANNING

## Economic benefits

- Providing more stability and confidence for investment;
- Identifying land in appropriate locations to meet the need for economic development;
- Ensuring that land for development is well placed in relation to the transport network and the labour force;
- Promoting environmental quality in both urban and rural areas, which can then create more favourable conditions for investment and development;
- Identifying development that meets the needs of local communities;
- Promoting regeneration and renewal;
- Making decisions in a more efficient and consistent way.

## Social benefits

- Considering the needs of the local communities in policy development;
- Improving accessibility when considering the location of new development;
- Supporting the provision of local facilities where they are lacking;
- Promoting the re-use of vacant and derelict land, particularly where it has a negative impact on quality of life and economic development potential;
- Aiding the creation and maintenance of pleasant, healthy, and safe environments.

## Environmental benefits

- Promoting regeneration and the appropriate use of land, buildings and infrastructure;
- Promoting the use of previously developed (brownfield) land and minimizing development on greenfield land;
- Conserving important environmental, historic and cultural assets;
- Addressing potential environmental risks (e.g. flooding, air quality);
- Protecting and enhancing areas for recreation and natural heritage;
- Promoting access to development by all modes of transport (e.g. walking, cycling, and public transport), not just by private vehicle;
- Encouraging energy efficiency in the layout and design of the development.

Box 1

To achieve these positively performing, successful, liveable settlements the following requirements are required of the planning system, namely:

- To achieve a greater mix of land uses and densities in the urban structure that provide a full range of urban functions – housing, employment and services – in a pattern which minimized the need to travel great distances to work, shop or conduct business. The efficient use of land needs to be compatible with social well-being and healthy environmental objectives.
- To initiate urban regeneration in inner city areas and main streets with high-density concentrations of mixed employment, residential and other uses. These areas with adequate investment in modernisation and renovation of the existing stock and infrastructure can provide housing closer to services and a wider range of lifestyle opportunities.
- To enhance and support the regeneration of housing estates through innovative financing, technological and regulatory initiatives, and demonstration projects. Focusing on the elimination of barriers towards investment will facilitate small-scale urban renewal through cooperative efforts and self-help.
- To enhance broad participation, improve community involvement and build support for sustainable planning policies and programmes; to promote community identity through the creation of meeting places, public spaces, pedestrian networks, and preservation of historic buildings and attractive streetscapes.
- To provide a range of cultural and recreation opportunities that correspond to diverse needs

through efficient use of natural areas for passive recreation and cultural purposes; to maintain a system of integrated and interconnected open spaces, parks, and river valleys; to protect the natural habitat and resources in the areas.

- To provide water and sewerage infrastructure that accommodates the needs of the local community, while meeting the healthy environment objectives; to undertake the considerable improvement of existing infrastructure in order to reduce the amount of untreated urban runoff wastewater discharge; to increase the capacity of the existing infrastructure to accommodate urban growth and intensification.
- To improve and expand the transport system to meet the challenges of readjustment in the urban economy and to sustain the competitiveness of public transport. To maximise efficiency, supplement conventional public transit with specialised services directed at specific market segments; to promote energy efficiency and alternative modes of transport.

## 2. MSDF PROGRAMME

### *The system of Integrative Spatial Planning*

One of the legislated spatial planning system tools available to Urban and Regional Planners is Spatial Development Frameworks (SDFs) — a strategic and integrated spatial planning policy —, that must outline specific arrangements for prioritisation,



## *Local spatial strategy informants to the MSDF (2019), review and proposed amendments (2022/2023)*

The approved MSDF, 2019 was informed by various specialist and spatial strategies, namely:

- The development of scenarios of land demand to inform the development of a preferred 20-year growth strategy, development path, and nodal development concepts for SM. This work culminated in status quo and Urban Development Strategy (UDS) documents during 2017.
- The Rural Area Plan (RAP) which provides an analysis and synthesis of the rural areas of Stellenbosch Municipality.
- Heritage surveys and inventories of large-scale landscape areas in the rural domain of the municipality informing proposed heritage areas (complementing previous inventory work completed for urban areas).
- Approved Heritage Inventory, 2018
- Area-based planning investigations for parts of the municipality, notably Stellenbosch town, Klipmuts, and the area north of Kaymandi.
- Capital Expenditure Framework, 2019.

Since the approval of the MSDF (2019), related work has focused on:

- Area-based planning investigations for the Adam Tas Corridor, located in Stellenbosch town culminated in the approval and adoption of the Adam Tas Corridor Local Area Spatial Development Framework (ATC LASDF), 2022 and Development Guidelines. The catalytic

mobilising, sequencing and implementing public and private infrastructural and land development investment in the priority spatial structuring areas as identified in these spatial development frameworks to give effect to the vision, goals and objectives of the municipal Integrated Development Plan (IDP) or related business plans of the government.

The (MSDF) covers the jurisdictional area of the municipality. In the case of SM, the MSDF must answer the following questions: “How is Stellenbosch going to develop over the next ten to thirty years? What kind of development will take place, where will it take place, and who will be responsible for what aspect of the development? What are the non-negotiables and fixes necessary to achieve the proposed development path, and which areas require more detailed studies/precinct plans?” — all while maintaining the best and sustainable use of resources.

With the reform in planning law a shift in focus to integrative spatial planning approach was facilitated. This shift results in:

- More effective coordination of sectoral actions that have a cross-sectional spatial dimension.
- Greater responsibility for operating the system for authorities at regional and local levels, while ensuring conformity and adequate support.
- More effective participation by local communities and other stakeholders.
- The ability of planning authorities to recoup a proportion of the financial gain from the allocation of development rights to private developers to provide or pay for externality effects and provide local community benefits.

- The responsible consideration of environmental impacts of development, so that any adverse impacts are mitigated and/or compensated for.

### *Users of the MSDF*

The MSDF for SM targets two broad user categories. The first is the government sector, across spheres from national to local government, including State Owned Enterprises (SOEs). While the MSDF is informed by the spatial direction stated in national, provincial, and district level policy, it also sets out the municipality’s spatial agenda for government departments across spheres of government to consider and follow. Most importantly, the MSDF outlines the municipality’s spatial agenda to its own service departments, ensuring that their sector plans, programmes, and projects are grounded in a sound and common spatial logic.

The second user category is the private and community sector, comprising business enterprises, non-government organisations (NGOs), institutions, property developers, and private citizens. While the private sector operates with relative freedom spatially — making spatial decisions within the framework of land ownership, zoning, and associated regulations and processes — the MSDF gives an indication of where and how the municipality intends to channel public investment, influence, and other resources at its disposal. This includes where infrastructure and public facility investment will be prioritised, where private sector partnerships will be sought in development, and how the municipality will view applications for land use change.



initiative was done in partnership with the WCG: DEA&DP.

- In parallel the Adam Tas Corridor Overlay Zone (2022/23) was developed and advertised for public comment. The intention is to finalise the overlay zone in 2023.
- A Memorandum of Understanding (MOU) was signed in 2022 by SM and the collective land owners in the ATC, confirming the spatial vision and implementation of the ATC LASDF. Council approved the MOU in August 2022.
- The Capital Expenditure Framework (CEF) was revised as part of the Integrated Urban development Grant (IUDG) in 2020 and 2021, in alignment with the municipal spatial vision as well as the functional areas (FAs) and priority development areas (PDAs) for the municipality in order to prepare a socio-economic and developmental profile for the municipality and each of the FAs and PDAs. This input enabled an extensive spatial demand quantification and setting of programmatic long-term infrastructure investment targets required to realise the spatial vision of the municipality.
- The Long-term Financial Plan/Strategy (2021) which forms a key component of the CEF was also completed in 2022 as a key budget impact simulator to determine the affordability envelope and the optimal funding mix for capital investment for the municipality based on profiles contained in the CEF.
- A Capital Planning Forum (CPF) was established in (...) to coordinate sector plans, prioritisation, mobilising, sequencing and implementing

public infrastructural and land development investment in the priority spatial structuring areas.

- An updated CEF was commissioned in 2023 due to the approval of the ATC LASDF, 2022 and Development Guidelines. The intention is to finalise and adopt the updated CEF as part of the amendment of SDF/IDP process for 2023/2024.
- The Inclusionary Zoning Policy identified in the MSDF implementation framework was completed and has been published for public comment. The intention is to finalise the policy during 2023. This was done in partnership with the WCG: DEA&DP and Development Action Group (DAG), City of Cape Town and other metropolitan municipalities considering the development of the policy.
- Investigation of the Rhenish complex for economic development opportunities has been concluded in 2021/2022. This is linked to the proposed urban revitalisation of Mill Square and surrounds as initiated by Council in 2022.
- The Klappmuts Concept Plan was approved as part of the MSDF, 2019 and confirmed by Council in 2021. Support was provided for the establishment of the intergovernmental initiative around the development of Klappmuts (Stellenbosch – Drakenstien – WCG via DEA&DP – and other affected government departments) through the Greater Cape Metropolitan Regional Spatial Implementation Framework (GCMRSIF) Intergovernmental

Steering Committee in order to ensure joint planning and development of the node.

- Significant progress has been made in planning and land use decisions for an “Innovation Precinct” or “Smart City district”, directly west of, and adjacent to Klappmuts South. A land agreement with the University of Stellenbosch (US) to possibly establish university related activities in this area is currently being negotiated. Phase 1 – 3 has been approved and some amendments to land use approvals are currently under consideration.
- To support the cross-border catalytic project identified in the MSDF to unlock development in Klappmuts North, as well as to enable the relocation of land extensive manufacturing, logistics, and warehousing enterprises from Stellenbosch town (linked to ATC LASDF) to Klappmuts, the SM accordingly submitted a municipal boundary redetermination application to the Demarcation Board in 2022. The Council approved the submission in 2022 and the re-determination process is currently in progress with feedback expected in 2023/2024.
- Correction of Tables 20 and 28 within the approved MSDF was adopted by Council in 2022.
- SM invasive alien plant management plan and Air Quality Management Plan was reviewed and adopted in November 2022.
- The amendment and adoption of the review of the Stellenbosch By-Law on Municipal Land Use Planning has been advertised for public

comment. The intention is to finalise the review of the by-law during 2023.

- The Housing Pipeline Review was approved in 2022, and the Integrated Human Settlements Plan (IHSP) is being updated and the intention is the finalise and adopt the policy during 2023.
- Comprehensive Integrated Transport Plan (CITP) has been updated and the intention is the finalisation and adoption of the policy during 2023.
- The Idas Valley/Botmaskop Nature Area Environmental Management Plan was approved by Council in February 2023.
- The Integrated Waste Management Plan for SM was approved in 2020.

In parallel to MSDF work, considerable progress has been made, in collaboration with the Western Cape Government (WCG) through participation in the Greater Cape Metropolitan Regional Spatial Implementation Framework (GCMRSIF) Intergovernmental Steering Committee — on a continuous basis – with adjoining municipalities to discuss regional spatial development trends, cross-border challenges, opportunities, risks and infrastructural constraints.

Continued partnership with all local municipalities within the Western Cape and the WCG:DEA&DP to share best practices and improving coordination on matters related to Spatial Planning and Land Use Management sector through the Western Cape Planning Heads Forum.

### **Process and Timeframes**

The continued work on sector plans, prioritisation, mobilising, sequencing and implementing public

infrastructural and land development investment over the medium term (10-years) through the CEF process has highlighted the need to strategically align some sector plans with the MSDF. Accordingly, the review and amendment process of the MSDF was initiated and approved by Council in November 2021 to enable improved municipal policy coherency and vertical alignment. The amendment was included in the Integrated Development Plan (IDP) and Budget Process Plan for 2022-2027 and revised SDF/IDP/Budget time Schedule for 2022/2023.

Council also supported and approved the process as stipulated in terms of Section 11(b) of LUPA; Section 3(1)(b) of the MPBL for amending the MSDF. Therefore, Council approved the establishment of a municipal project committee and the publication of the proposed amendment of the MSDF for a sixty (60) day period for public commenting to all organs of state and the public.

The standard operating procedure for the amendment of the MSDF without an Intergovernmental Steering Committee (ISC) as contained in the WCG: DEA&DP Practice Note was used as a guideline and the steps were recorded in the IDP and Budget Process Plan (as referenced above) in terms of Section 28 of the MSA.

### **Approach**

In preparing the review and amendment of the MSDF; previous studies, new and updated policy documents, and plans have been considered and continues to form the basis of the MSDF, 2019 and its subsequent proposed amendment. The methodology comprised primary and secondary data collection, and intensive consultation with local, national, and provincial government actors as well as the communities.

The collected data were triangulated with a desktop review of multiple literature sources, including academic sources. A set of spatial analyses were conducted from regional, municipal, to neighbourhood scales to define the major challenges and opportunities to inform the implementation plans (including the CEF). These socio-economic, spatial profiles, and spatial demand quantification were initiated during the CEF process in 2021. These profiles and spatial outcomes were reviewed and validated with the strategic assessment, and primary actors in the project.

The profiles informs and confirms the status quo of the MSDF, 2019 and the spatial transformation vision and targets reflected in the spatial strategy. Accordingly the status quo as part of the MSDF has been updated through the CEF process and are reflected in combination with the Status Quo of the MSDF, 2019 and CEF, 2021 in section (...) below. It should be noted that due to various catalytic projects being approved (i.e. ATC LASDF), the profile is currently being updated through the CEF process, 2022/2023 and will be adopted and attached as part of the amended MSDF, 2022/2023 in Part 7 of the document and Appendix G.

The approach for the amendment of the MSDF follows the SDF Guidelines (2017) and consists of four interlinked components in the MSDF process:

- Spatial analytics and urban profiling around substantive spatial themes,
- Developing a strategic vision and scenario building,
- Defining prioritized infrastructure investment and establishing linkage to financing, and –
- Contributing to knowledge exchange (change to M&E).

Some of the MSDF sections were found not necessary to be updated due to no changes being noted since the adoption of the MSDF (2020 - 2022) through the review process. The sections are listed below with an indication provided on which sections have been identified for updates.

- Part 1: Introduction (updated)
- Part 2: Legislative and Policy Context (partially)
- Part 3: Status Quo, Challenges and Opportunities
- Part 4: Vision and Concept
- Part 5: Plans and Settlement Proposals (partially)
- Part 6: Implementation Framework
- Part 7: Capital Expenditure Framework (updated)
- Part 8: Monitoring and Review
- Part 9: Proposed development proposals and comments received for consideration in amended MSDF and maps

To ensure consistency and ease of reference the unchanged sections and maps are transposed into this report. The aim is to also assist in user-friendliness for the target audience.

### 3. STRUCTURE OF THE AMENDED MSDF

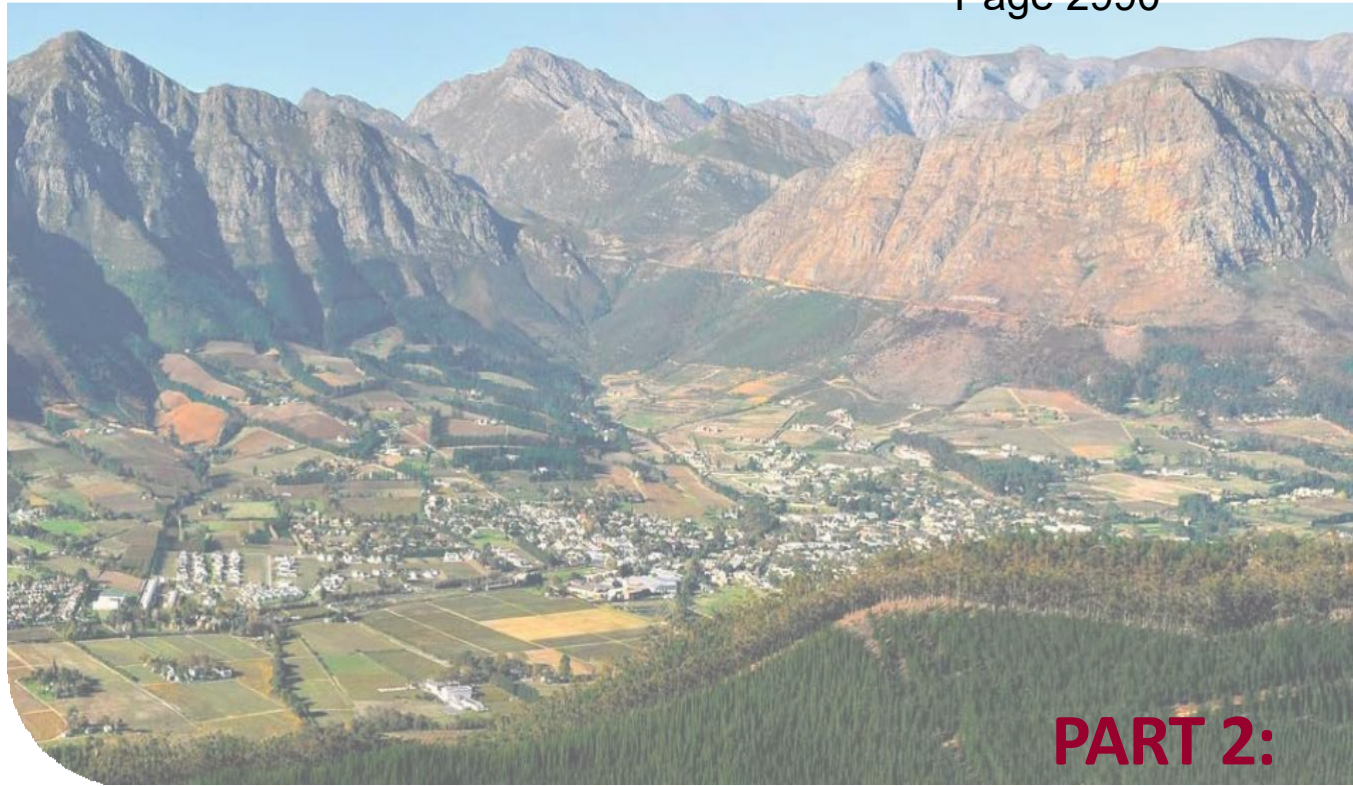
The amended MSDF, 2023 are set out in the following parts:

- Part 2: Legislative and Policy Context (upartially – IDP section)
- Part 3: Status Quo, Challenges and Opportunities (unchanged)
- Part 4: Vision and Concept (unchanged)
- Part 5: Plans and Settlement Proposals (tables 20 and 28)

- Part 6: Implementation Framework (unchanged)
- Part 7: Capital Expenditure Framework (updated)
- Part 8: Monitoring and Review (unchanged).

Appendices related to the status quo, guidelines, public input received and proposed amendments to the urban edge.

- Appendix A: Policy Framework (unchanged)
- Appendix B: Public comment received following the request for submission of development proposal (private & public) (updated)
- Appendix C: Spatial Planning Categories, associated SEMF policy and WCG guidelines (unchanged)
- Appendix D: Thematic guidelines drawn from “WCLUP: Rural Guidelines” which may be applicable to different SPCs (unchanged)
- Appendix E: Norms / Guidelines for the size of agricultural holdings (unchanged)
- Appendix F: Housing pipeline (updated)
- Appendix G: Capital Expenditure Framework (updated)



**PART 2:**

**LEGISLATIVE AND POLICY CONTEXT**



## 4. LEGISLATIVE AND POLICY CONTEXT

The sections below outline key legislative and policy informants of the MSDF (including the amendment).

### *Legislative Requirements for MSDFs*

#### 4.1 Municipal Systems Act

The Municipal Systems Act, 32 of 2000 (MSA) first introduced the concept of a MSDF as a component of the mandatory IDP that every municipality must adopt to govern its allocation of resources. Chapter 5 of the Act deals with integrated development planning and provides the legislative framework for the compilation and adoption of IDPs by municipalities. Within the chapter, section 26(e) specifically requires an SDF as a mandatory component of the municipal IDP. In 2001 the Minister for Provincial and Local Government issued the Local Government: Municipal Planning and Performance Management Regulations. Within these regulations, Regulation 2(4) prescribes the minimum requirements for a MSDF.

#### 4.2 Spatial Planning and Land Use Management Act

With the enactment of the Spatial Planning and Land Use Management Act 16 of 2013 (SPLUMA), a new planning regime was introduced in South Africa. It replaced disparate apartheid era laws with a coherent legislative system as the foundation for all spatial planning and land use management activities in South Africa. It seeks to promote consistency and uniformity in procedures and decision-making. Other objectives include addressing historical spatial imbalances and the integration of the principles of sustainable development into land use and planning regulatory tools and legislative instruments. In broad terms, SPLUMA differentiates between two components of

the planning system:

- SDFs; and -
- The Land Use Management System (LUMS).

As indicated above, SDFs are guiding and informing documents that indicate the desired spatial form of an area and define strategies and policies to achieve this. They inform and guide the LUMS, which includes town planning and zoning schemes, allocating development rights, and the procedures and processes for maintaining the maintenance of or changes in development rights.

SDFs can be prepared for different spatial domains, for example, the country, a province or region, municipal area (MSDF), or part of a municipal area. Plans for parts of a municipal area are referred to as Local Spatial Development Framework (LSDFs) or Precinct Plans. In terms of SPLUMA, a MSDF covers a longer time horizon (i.e. five years or longer) than spatial plans, and sets out strategies for achieving specific objectives over the medium to longer term (10 – 20 years). SDFs are not rigid or prescriptive plans that predetermine or try to deal with all eventualities, or sets out complete land use and development parameters for every land portion or cadastral entity. They should, however, contain sufficient clarity and direction to provide guidance to land use management decisions while still allowing some flexibility and discretion. MSDFs need to distinguish between critical non-negotiables and fixes, and what can be left to more detailed studies. They should be based on normative principles including performance principles that form the basis of monitoring and evaluation of impacts.

Chapter 2 of SPLUMA sets out the development principles that must guide the preparation, adoption and implementation of any SDF, policy or by-law

concerning spatial planning and the development or use of land. These principles, outlined in more detail in Table 1, include the redress of spatial injustices and the integration of socio-economic and environmental considerations in land use management to balance current development needs with those of the future generations in a transformative manner. SPLUMA reinforces and unifies the National Development Plan (NDP) in respect of using spatial planning mechanisms to eliminate poverty and inequality while creating conditions for inclusive growth by seeking to foster a high-employment economy that delivers on social and spatial cohesion.

The SPLUMA principles are aligned with key international treaties and conventions, supported by South Africa, and including the UN Agenda for Sustainable Development, and its associated sustainable development goals (SDGs) and implementation programmes.

Chapter 4 of SPLUMA provides requirements for the preparation of SDFs, which includes stipulations regarding the process of preparing a SDF and the contents of an SDF. All spheres of government must prepare SDFs that establish a clear vision for spatial development, based on a thorough inventory and analysis and underpinned by national spatial planning principles and local long-term development goals and plans. Sub-section 12(2) of SPLUMA requires that all three spheres must participate in each other's processes of spatial planning and land use management and each sphere must be guided by its own SDF when taking decisions relating to land use and development.

Section 12 (1) of sets out general provisions which are applicable to the preparation of all scales of SDFs. These provisions require that all SDFs must:

- Interpret and represent the spatial development vision of the responsible sphere of government and competent authority.
  - Be informed by a long-term spatial development vision.
  - Represent the integration and trade-off of all relevant sector policies and plans.
  - Guide planning and development decisions across all sectors of government.
  - Guide a provincial department or municipality in taking any decision or exercising any discretion in terms of the Act or any other
  - law relating to spatial planning and land use management systems.
  - Contribute to a coherent, planned approach to spatial development in the national, provincial and municipal spheres.
  - Provide clear and accessible information to the public and private sector and provide direction for investment purposes.
  - Include previously disadvantaged areas, areas under traditional leadership, rural areas, informal settlements, slums and land holdings of state-owned enterprises and government agencies and address their inclusion and integration into the spatial, economic, social and environmental objectives of the relevant sphere.
  - Address historical spatial imbalances in development.
  - Identify the long-term risks of particular spatial patterns of growth and development and the policies and strategies necessary to mitigate those risks.
  - Provide direction for strategic developments, infrastructure investment, promote efficient, sustainable and planned investments by all sectors.
- SDFs should include:
- A report on and an analysis of existing land use patterns.
  - A framework for desired land-use patterns.
  - Existing and future land use plans, programmes and projects relative to key sectors of the economy.
  - Mechanisms for identifying strategically located vacant or under-utilised land and for providing access to and the use of such land.

The time frames for the preparation of a MSDF overlaps with that of the municipal IDP. At the municipal level, IDPs, which include budget projections, financial and sector plans, are set every five years correlating with political terms of office in local government. MSDFs should be subject to a major review every five years, with less comprehensive reviews annually.<sup>2</sup>

In support of SPLUMA, the Department of Rural Development (DRD&LR) and Land Reform prepared detailed process and content “Guidelines for the Development of Provincial, Regional and Municipal Spatial Development Frameworks and Precinct Plans”. The SM follows these guidelines in its work on the MSDF.

PRINCIPLE	MEANING
<b>SPATIAL JUSTICE</b>	<ul style="list-style-type: none"> <li>• Past spatial and other development imbalances must be redressed through improved access to and use of land.</li> <li>• SDFs (and associated policies) must address the inclusion of persons and areas that were previously excluded, with an emphasis on informal settlements, and areas characterised by widespread poverty and deprivation.</li> <li>• Spatial planning mechanisms, including land use schemes, must incorporate provisions that enable redress in access to land by disadvantaged communities and persons.</li> <li>• Land use management systems must include all areas of a municipality and specifically include provisions that are flexible and appropriate for the management of disadvantaged areas and informal settlements.</li> <li>• Land development procedures must include provisions that accommodate access to secure tenure and the incremental upgrading of informal areas.</li> <li>• In considering an application, a Municipal Planning Tribunal may not be impeded or restricted in the exercise of its discretion solely because the value of land or property is affected by the outcome of the application.</li> </ul>
<b>SPATIAL EFFICIENCY</b>	<ul style="list-style-type: none"> <li>• Land development must optimise the use of existing resources and infrastructure.</li> <li>• Decision-making procedures must be designed to minimise negative financial, social, economic or environmental impacts.</li> <li>• Development application procedures must be efficient, streamlined, and timeframes adhered to by all parties.</li> </ul>
<b>SPATIAL SUSTAINABILITY</b>	<ul style="list-style-type: none"> <li>• Only land development that is within the fiscal, institutional and administrative means of government may be promoted.</li> <li>• Special consideration must be given to the protection of prime and unique agricultural land.</li> <li>• Land use issues must be dealt consistently in accordance with environmental management instruments.</li> <li>• Land use management and planning must promote and stimulate the effective and equitable functioning of land markets.</li> <li>• Current and future costs to all parties must be considered when providing infrastructure and social services for land developments.</li> <li>• Land development should only be promoted in locations that are sustainable, limit urban sprawl, and result in communities that are viable.</li> </ul>
<b>SPATIAL RESILIENCE</b>	<ul style="list-style-type: none"> <li>• Spatial plans, policies and land use management systems must be flexible to ensure sustainable livelihoods in communities most likely to suffer the impacts of economic and environmental shocks.</li> </ul>
<b>GOOD ADMINISTRATION</b>	<ul style="list-style-type: none"> <li>• All spheres of government must ensure an integrated approach to land use and land development.</li> <li>• All government departments must provide their sector inputs and comply with any other prescribed requirements during the preparation or amendment of SDFs.</li> <li>• The requirements of any law relating to land development and land use must be met timeously.</li> <li>• The preparation and amendment of spatial plans, policies, land use schemes as well as procedures for development applications, must include transparent processes of public participation that afford all parties the opportunity to provide inputs on matters affecting them.</li> <li>• Policies, legislation and procedures must be clearly set out in a manner which informs and empowers the public.</li> </ul>

### 4.3 National Environmental Management Act

Similar to SPLUMA, the National Environmental Management Act, Act 107 of 1998 (NEMA), is identified as “framework legislation”, intended to define overarching and generally applicable principles to guide related legislation as well as all activities integral to environmental management. Its broad purpose is to provide for co-operative environmental governance by establishing principles for decision-making on matters effecting the environment, institutions that will promote co-operative governance and procedures for coordinating environmental functions exercised by organs of the state, provide for certain aspects of the administration and enforcement of other environmental management laws, and related matters.

NEMA is critical in so far as the issues of environmental sustainability, resilience to climate change, and wise use of the natural resource base, are key to the current and future socio-economic wellbeing of residents in the municipal area. This is especially so because of the fact that sectors such as agriculture and tourism, which all rely to a great extent on the natural assets of the area, remain of great importance to the local economy and are likely to do so in future. In this regard, the National Environmental Management Principles are important and are to be applied in tandem with the development principles set out in SPLUMA. It is also notable that both SPLUMA and NEMA provide for an integrated and coordinated approach towards managing land use and land development processes. This approach is based on co-operative governance and envisages the utilization of spatial planning and environmental management “instruments” such as SDFs and environmental management frameworks to align the imperatives of

enabling development whilst ensuring that biodiversity and other critical elements of the natural environment are adequately protected to ensure sustainability.

### 4.4 The Western Cape Government Land Use Planning Act

The Western Cape Government (WCG), through the Land Use Planning Act 3 of 2014 (LUPA), has adopted its own legislation to consolidate the legal requirements that relates to spatial planning and public investment in the Western Cape. There is some overlap between SPLUMA and LUPA with regard to aspects such as the content and process of preparing and adopting a MSDF. In terms of LUPA, a MSDF must:

- Comply with other applicable legislation.
- Promote predictability in the utilisation of land.
- Address development priorities.
- Where relevant, provide for specific spatial focus areas, including towns, other nodes, sensitive areas, or areas experiencing specific development pressure.
- Consist of a report and maps covering the whole municipal area, reflecting municipal planning and the following structuring elements:
  - Transportation routes.
  - Open space systems and ecological corridors.
  - Proposed major projects of organs of state with substantial spatial implications.
  - Outer limits to lateral expansion.
  - Densification of urban areas.

LUPA also sets out the minimum institutional arrangements for preparing SDFs, enabling participation across spheres of government and sectors. These institutional arrangements are further described in the SM Municipal Land Use Planning By-law 2015 (MPBL). The by-law will give effect to the municipal planning function allocated to municipalities in terms of Part B of Schedule 4 of the Constitution and certain requirements set out in SPLUMA and LUPA.

### *Policy Context for SDFs*

Numerous policy frameworks focus the work of government holistically, the spatial arrangement of activities or specific sectors. These are explored fully in the IDP. In the sections below, only key spatial policy informants are summarised, namely the National Development Plan (NDP), the national Integrated Urban Development Framework (IUDF), the WCG’s Provincial Spatial Development Framework (PSDF), the Greater Cape Metro (GCM) Regional Spatial Implementation Framework (RSIF), and the IDP. A fuller set of applicable policy is attached in table form as Appendix A.

### 4.5 The National Development Plan 2030

The National Development Plan 2030 (NDP), developed by the National Planning Commission and adopted in 2012, serves as the strategic framework guiding and structuring the country’s development imperatives and is supported by the New Growth Path (NGP) and other national strategies. In principle, the NDP is underpinned by, and seeks to advance, a paradigm of development that sees the role of government as enabling by creating the conditions, opportunities and capabilities conducive to sustainable and inclusive economic growth. The NDP sets out the pillars through which to cultivate and expand a robust, entrepreneurial and innovative



economy that will address South Africa's primary challenge of significantly rolling back poverty and inequality by 2030.

The legacy of apartheid spatial settlement patterns that hinder inclusivity and access to economic opportunities, as well as the poor location and under-maintenance of major infrastructure, are two of the nine identified core challenges facing the country's development. Aimed at facilitating a virtuous cycle of expanding opportunity for all, the NDP proposes a program of action that includes the spatial transformation of South Africa's towns, cities and rural settlements given the "enormous social, environmental and financial costs imposed by spatial divides". Of particular relevance for the SM MSDF are the recommendations set out in Chapter 8: Transforming Human Settlements and the National Space Economy, including the upgrading of all informal settlements on suitable, well-located land; increasing urban densities to support public transport and reduce sprawl; promoting mixed housing strategies and compact urban development in close proximity to services and livelihood opportunities; and investing in public transport infrastructure and systems (with a special focus on commuter rail) to ensure more affordable, safe, reliable and coordinated public transport.

#### **4.6 Integrated Urban Development Framework**

The Integrated Urban Development Framework (IUDF), approved by National Cabinet in 2016, aims to steer urban growth nationally towards a sustainable model of compact, connected and coordinated towns and cities. The IUDF provides a roadmap to implement the NDP's vision for spatial

transformation, creating liveable, inclusive and resilient towns and cities while reversing apartheid spatial legacy. To achieve this transformative vision, four overall strategic goals are introduced:

- Spatial integration; to forge new spatial forms in settlement, transport, social and economic areas.
- Inclusion and access; to ensure people have access to social and economic services, opportunities and choices.
- Growth: to harness urban dynamism for inclusive, sustainable economic growth and development.
- Governance; to enhance the capacity of the state and its citizens to work together to achieve spatial and social integration.

These strategic goals inform the priority objectives of nine policy levers, premised on the understanding that integrated urban planning forms the basis for achieving integrated urban development, which follows a special sequence of urban policy actions. Integrated transport needs to inform targeted investments into integrated human settlements, underpinned by integrated infrastructure network systems and efficient land governance. The IUDF states that, taken all together, these levers can trigger economic diversification, inclusion and empowered communities, if supported by effective governance and financial reform.

#### **4.7 The WCG Provincial Spatial Development Framework**

The WCG's Provincial Spatial Development Framework (PSDF) sets out to:

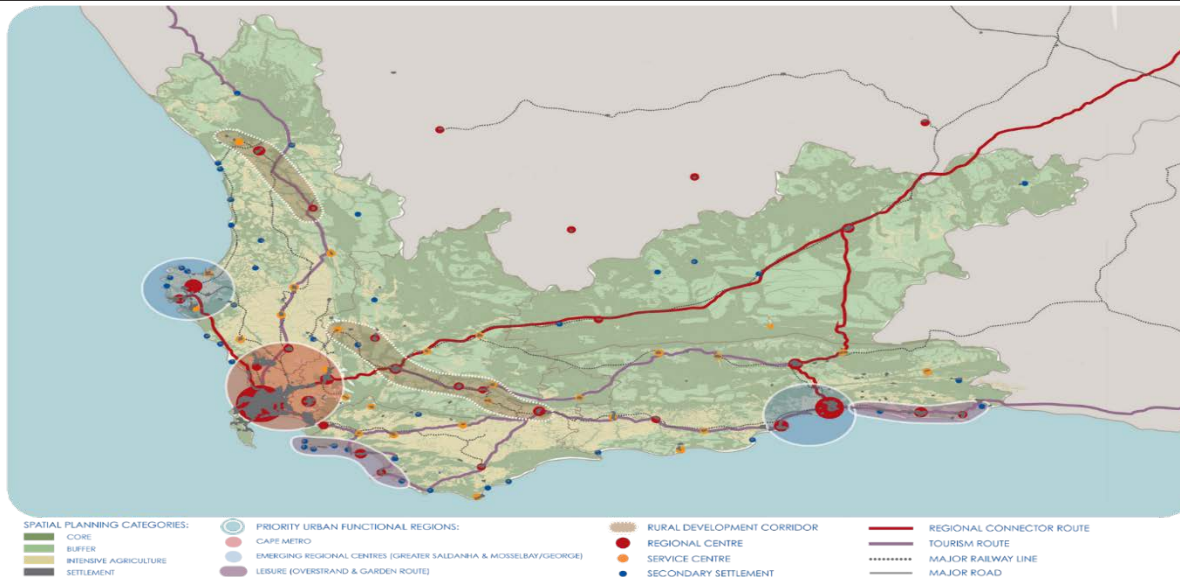
- Address the lingering spatial inequalities that persist because of apartheid's legacy — inequalities that contribute both to current challenges (lack of jobs and skills, education and poverty, and unsustainable settlement patterns and resource use) and to future challenges (climate change, municipal fiscal stress, food insecurity, and water deficits).
- Provide a shared spatial development vision for both the public and private sectors and to guide to all sectoral considerations about space and place.
- Direct the location and form of public investment and to influence other investment decisions by establishing a coherent and logical spatial investment framework.

The spatial agenda advocated by the PSDF is summarised in Table 2.

The PSDF sets out the key strategic spatial transitions required to achieve a more sustainable use of provincial assets, the opening-up of opportunities in the space-economy and the development of integrated and sustainable settlements. These are summarised in Table 3.

The PSDF includes a composite map which graphically portrays the Western Cape's spatial agenda. In line with the Provincial spatial policies, the map shows what land use activities are suitable in different landscapes and highlights where efforts should be focused to grow the Provincial economy. For the agglomeration of urban activity, the Cape Metro functional region, which includes the SM, as well as the emerging regional centres of the Greater Saldanha functional region and the George/Mossel Bay functional region, is prioritised.

FOCUS	WHAT IT INVOLVES
<p><b>GROWING THE WESTERN CAPE ECONOMY IN PARTNERSHIP WITH THE PRIVATE SECTOR, NON-GOVERNMENTAL AND COMMUNITY BASED ORGANISATIONS</b></p>	<ul style="list-style-type: none"> <li>Targeting public investment into the main driver of the Provincial economy (i.e. the Cape Metro functional region, the emerging Saldanha Bay/ Vredenburg and George/ Mossel Bay regional industrial centres, and the Overstrand and Southern Cape leisure and tourism regions).</li> <li>Managing urban growth pressures to ensure more efficient, equitable and sustainable spatial performance.</li> <li>Aligning, and coordinating public investments and leveraging private sector and community investment to restructure dysfunctional human settlements.</li> <li>Supporting municipalities in managing urban informality, making urban land markets work for the poor, broadening access to accommodation options, and improving living conditions.</li> <li>Promoting an urban rather than suburban approach to settlement development (i.e. diversification, integration and intensification of land uses).</li> <li>Boosting land reform and rural development, securing the agricultural economy and the vulnerability of farm residents, and diversifying rural livelihood and income earning opportunities.</li> </ul>
<p><b>USING INFRASTRUCTURE INVESTMENT AS PRIMARY LEVER TO BRING ABOUT THE REQUIRED URBAN AND RURAL SPATIAL TRANSITIONS</b></p>	<ul style="list-style-type: none"> <li>Aligning infrastructure, transport and spatial planning, the prioritisation of investment and on the ground delivery.</li> <li>Using public transport and ICT networks to connect markets and communities.</li> <li>Transitioning to sustainable technologies, as set out in the WCIF.</li> <li>Maintaining existing infrastructure.</li> </ul>
<p><b>IMPROVING OVERSIGHT OF THE SUSTAINABLE USE OF THE WESTERN CAPE'S SPATIAL ASSETS</b></p>	<ul style="list-style-type: none"> <li>Safeguarding the biodiversity network and functionality of ecosystem services, a prerequisite for a sustainable future.</li> <li>Prudent use of the Western Cape's precious land, water and agricultural resources, all of which underpin the regional economy.</li> <li>Safeguarding and celebrating the Western Cape's unique cultural, scenic and coastal resources, on which the tourism economy depends.</li> <li>Understanding the spatial implications of known risks (e.g. climate change and its economic impact, sea level rise associated with extreme climatic events) and introducing risk mitigation and/or adaptation measures.</li> </ul>



PSDF THEME	FROM	TO
<p><b>RESOURCES AND ASSETS (BIO-PHYSICAL ENVIRONMENT)</b></p>	Mainly curative interventions	More preventative interventions
	Resource consumptive living	Sustainable living technologies
	Reactive protection of natural, scenic and agricultural resources	Proactive management of resources as social, economic and environmental assets
<p><b>OPPORTUNITIES IN THE SPACE ECONOMY (SOCIO-ECONOMIC ENVIRONMENT)</b></p>	Fragmented planning and management of economic infrastructure	Spatially aligned infrastructure planning, prioritisation and investment
	Limited economic opportunities	Variety of livelihood and income opportunities
<p><b>INTEGRATED AND SUSTAINABLE SETTLEMENTS (BUILT ENVIRONMENT)</b></p>	Unbalanced rural and urban space economies	Balanced urban and rural space economies built around green and information technologies
<p><b>INTEGRATED AND SUSTAINABLE SETTLEMENTS (BUILT ENVIRONMENT)</b></p>	Suburban approaches to settlement	Urban approaches to settlement
	Emphasis on 'greenfields' development and low density sprawl	Emphasis on 'brownfields' development
	Low density sprawl	Increased densities in appropriate locations aligned with resources and space-economy
	Segregated land use activities	Integration of complementary land uses
	Car dependent neighbourhoods and private mobility focus	Public transport orientation and walkable neighbourhoods
	Poor quality public spaces	High quality public spaces
	Fragmented, isolated and inefficient community facilities	Integrated, clustered and well located community facilities
	Focus on private property rights and developer led growth	Balancing private and public property rights and increased public direction on growth
	Exclusionary land markets and top-down delivery	Inclusionary land markets and partnerships with beneficiaries in delivery
	Limited tenure options and standardised housing types	Diverse tenure options and wider range of housing typologies
Delivering finished houses through large contracts and public finance	Progressive housing improvements and incremental development through public, private and community finance with differentiated levels of service	

#### 4.8 The Greater Cape Metro Regional Spatial Implementation Framework

The Greater Cape Metro (GCM) Regional Spatial Implementation Framework (RSIF), completed under the guidance of the WCG in 2017, aims to build consensus between the spheres of government and state-owned companies on what spatial outcomes the GCM should strive for, where in space these should take place, and how they should be configured. The GCM covers the municipal jurisdictions of Cape Town, Saldanha Bay, Swartland, Drakenstein, Stellenbosch, Breede Valley, Theewaterskloof, and Overstrand.

The regional settlement concept proposed by the GCM RSIF is built on the following key tenets:

- Containing settlement footprints by curtailing the further development of peripheral dormitory housing projects.
- Targeting built environment investments within regional centres, specifically in nodes of high accessibility and economic opportunity.
- Targeting these locations for public and private residential investment, especially rental housing, to allow for maximum mobility between centres within the affordable housing sector.
- Using infrastructure assets (specifically key movement routes) as “drivers” of economic development and job creation.
- Promoting regeneration and urban upgrading within strategic economic centres as well as high-population townships across the functional region.
- Shifting to more urban forms of development

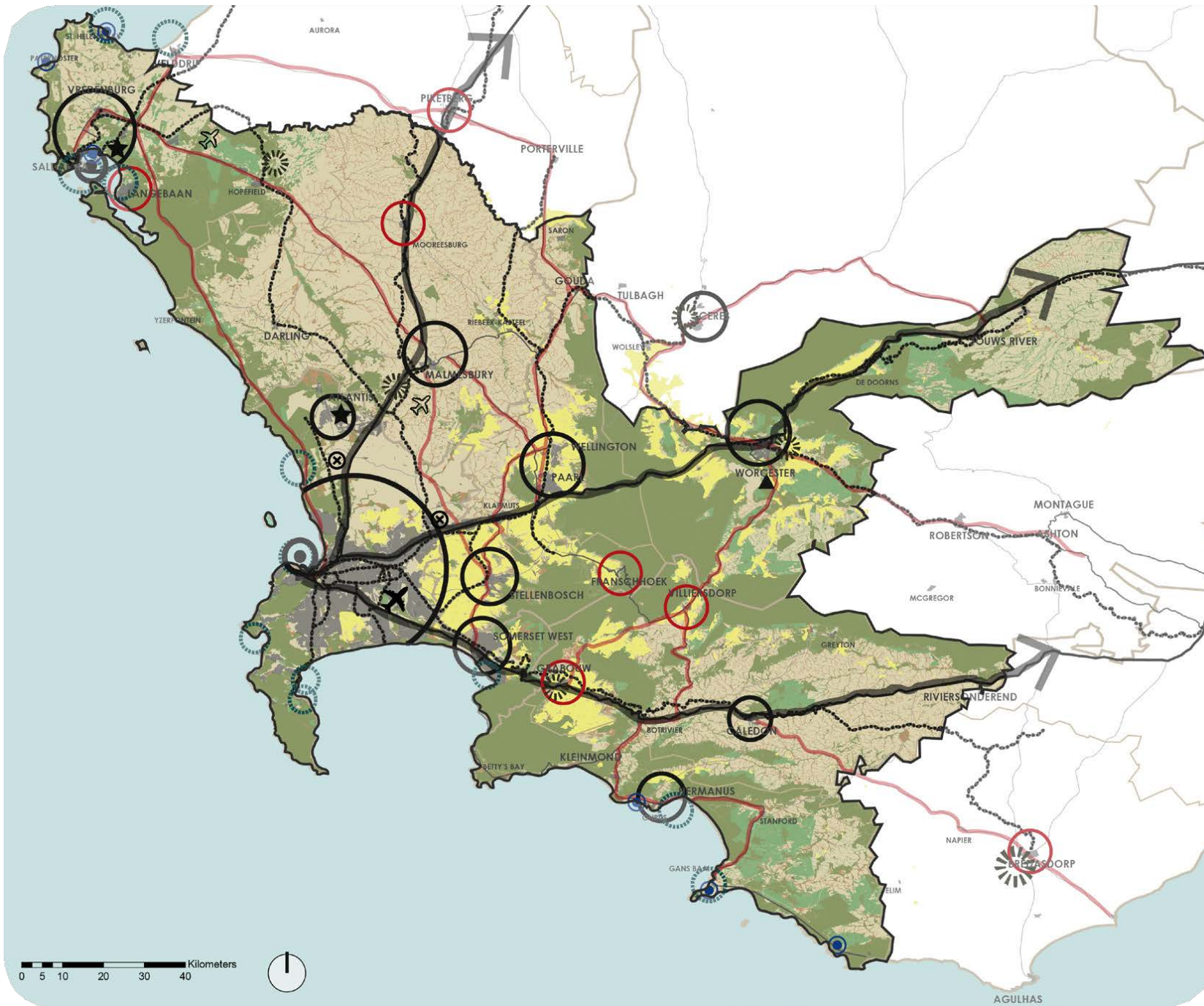
within town centres including higher densities and urban format social facilities.

- Connecting these nodes within an efficient and flexible regional public transport and freight network.
- Maintaining valuable agricultural and nature assets.

In terms of role and function, Paarl and Wellington is designated as the Northern Winelands service, administrative, tertiary education, agri-processing and distribution, and tourist centre, with very high or high growth potential. Stellenbosch is designated as the Southern Winelands service, administrative, tertiary education and research, and agri-processing centre, as well as home to multi-national enterprise headquarters, a key tourism destination, and focus for technology industry, with very high growth potential.

In relation to Klapmuts, the RSIF recognises that:

- Existing infrastructure in the area (i.e. the N1, R101, R44 and the Paarl-Bellville railway line and station), which dictate the location of certain transport, modal change or break-of-bulk land uses.
- Klapmuts is a significant new regional economic node within metropolitan area and spatial target for developing a “consolidated platform for export of processed agri-food products (e.g. inland packaging and “containerisation port”) and “an inter-municipal growth management priority”.



**Legend**

Spatial Planning Categories

- Core 1
- Core 2
- Buffer 1
- Buffer 2
- Intensive Agriculture
- Settlement
- National Freight Corridors
- Regional Freight Corridors
- Rail Network
- Cape Town International Airport
- Additional Airport Options
- Harbours
- Regional Centres
- District Centres
- ⊗ Inland Port Site Options
- Sea Port
- ☼ Proposed Agri-Hubs
- Proposed Aqua Parks & Hubs
- ★ Special Economic Zones (SEZ)
- ▲ Rural Development Area



#### 4.9 SM Integrated Development Plan

The SM Integrated Development Plan 2022-2027 (IDP) is aimed at coordinating the efforts of various municipal departments in achieving the vision for the municipality as a “integrated valley of opportunity and innovation”. Efforts to achieve this vision are channeled into five specific focus areas:

- Valley of possibility – aimed at attracting investment, growing the economy and employment.
- Green and sustainable valley – aimed at ensuring

that the asset base of the municipality is protected and enhanced.

- Safe Valley – aimed at ensuring that its residents are and feel safe.
- Dignified living – aimed at improving conditions for residents through access to education and economic opportunities.
- Good governance and Compliance – aimed at ensuring that municipality is managed efficiently and effectively to the benefit of all stakeholders.

Budget expenditure is closely linked to these focus areas and achieving these outcomes.

Table 4 illustrates how the MSDF will contribute, in terms of its focus and contribution, to achieving the aims articulated for each strategic focus area. The intent of the Strategic goals for the 5<sup>th</sup> Generation IDP 2022-2027 will remain the same as the strategic goals of the 4<sup>th</sup> Generation IDP. The strategic focus areas directly relates to achieving the five municipal strategic focus areas contained in the IDP. The table below illustrates the spatial alignment between the IDP and SDF.

IDP STRATEGIC FOCUS AREA	RELATED CONCERNS OF THE SDF	SDF STRATEGIC DIRECTION
<b>SFA1: VALLEY OF POSSIBILITY</b>	The way settlements, nature and agriculture are spatially developed and managed to enhance individual and collective livelihood opportunities and enterprise development, and overcome inequity and exclusion.	<ul style="list-style-type: none"> <li>• Containment of settlements to protect nature / agricultural areas and enable public and non-motorised transport and movement.</li> <li>• A focus on public and non-motorised transport and movement.</li> </ul>
<b>SFA2: GREEN AND SUSTAINABLE VALLEY</b>	The way settlements, nature and agricultural areas are spatially developed and managed to maintain and enhance natural resources and ensure a future balance between human settlement and its use of natural resources and opportunity.	Protection of natural areas, agricultural areas, and river corridors.
<b>SFA3: SAFE VALLEY</b>	The way settlements, nature and agricultural areas are spatially developed and managed to ensure individual and collective safety in living, in movement, at work, institutions, and play.	Denser settlements with diverse activity to ensure surveillance.
<b>SFA4: DIGNIFIED LIVING</b>	The way settlements, nature and agricultural areas are spatially developed and managed to ensure equal access to shelter, facilities and services, notwithstanding material wealth, age, gender, or physical ability.	A specific focus on the needs of “ordinary” citizens, experiencing limited access to opportunity because of restricted available material resources.
<b>SFA5: GOOD GOVERNANCE AND COMPLIANCE</b>	The way settlements, nature and agricultural areas are spatially developed and managed to ensure individual and collective participation – based on accessible information and open processes – in matters related to spatial planning and land use management.	Presenting information, including opportunities and choices in a manner that assists its internalisation by all.

## Policy implications

The table below sets out key policy imperatives for

the MSDF in summary form, drawn from higher level policy directives and organised in relation to broad themes of enquiry identified in the SPLUMA

guidelines.

THEME	SUB-THEME	IMPLICATIONS FOR THE SM SDF	
<b>BIOPHYSICAL ENVIRONMENT</b>	Biodiversity and ecosystem services Water Soils and mineral resources Resource consumption and disposal Landscape and scenic assets	<ul style="list-style-type: none"> <li>• Protection and extension of Critical Biodiversity Areas, protected, and vulnerable areas.</li> <li>• Precautionary approach to climate change and sea level rise.</li> <li>• Responsible water use.</li> <li>• Protection of water resources.</li> <li>• Protection of valuable soils for agriculture.</li> </ul>	<ul style="list-style-type: none"> <li>• Protection of mineral resources for possible extraction.</li> <li>• Energy efficiency and change to alternative fuels.</li> <li>• Waste minimization and recycling.</li> <li>• Retaining the essential character and intactness of wilderness areas.</li> </ul>
<b>SOCIO-ECONOMIC ENVIRONMENT</b>	Regional and municipal economic infrastructure Rural space-economy Settlement space-economy	<ul style="list-style-type: none"> <li>• Developing and maintaining infrastructure as a basis for economic development and growth</li> <li>• The protection of agricultural land, enablement of its use and expansion of agricultural output.</li> <li>• Focus on undeveloped and underdeveloped land in proximity to existing concentrations of activity and people and as far as possible within the existing footprint of settlements.</li> <li>• The protection and expansion of tourism assets.</li> <li>• The expansion of entrepreneurial opportunity (also for emergent entrepreneurs).</li> </ul>	<ul style="list-style-type: none"> <li>• Focus resources in those areas that have both high or very high growth potential, as well as high to very high social need.</li> <li>• Better linkages between informal settlements/ poorer areas and centres of commercial/ public activity.</li> <li>• A richer mix of activities in or proximate to informal settlements (including employment opportunity).</li> <li>• The protection and expansion of tourism assets.</li> <li>• The expansion of entrepreneurial opportunity (also for emergent entrepreneurs).</li> </ul>
<b>BUILT ENVIRONMENT</b>	Sense of place and settlement patterns Accessibility Land use and density Facilities and social services Informality, housing delivery, inclusion and urban land markets	<ul style="list-style-type: none"> <li>• The protection of places and buildings of heritage/ cultural value (while ensuring reasonable public access, also as a means of economic development).</li> <li>• A focus on public transport to ensure user convenience and less dependence on private vehicles (there is a recognition that many citizens will never afford a private vehicle and that the use of private vehicles has significant societal costs).</li> <li>• Compact, denser development.</li> <li>• Pedestrian friendly development.</li> </ul>	<ul style="list-style-type: none"> <li>• A focus on improving and expanding existing facilities (schools, libraries, and so on) to be more accessible and offer improved services.</li> <li>• The significance of well-located and managed public facilities as a platform for growth, youth development, increased wellness, safety, and overcoming social ills.</li> <li>• The clustering of public facilities to enable user convenience and efficient management.</li> <li>• The upgrading of informal settlements.</li> <li>• Housing typologies which meet the different needs of households and income groups.</li> </ul>
<b>GOVERNANCE</b>	Way of work	<ul style="list-style-type: none"> <li>• A more coordinated and integrated approach in government planning, budgeting and delivery.</li> <li>• Partnering with civil society and the private sector to achieve agreed outcomes (as reflected in the IDP and associated frameworks/ plans).</li> </ul>	<ul style="list-style-type: none"> <li>• Active engagement with communities in the planning, resourcing, prioritization, and execution of programmes and projects.</li> </ul>



**PART 3:  
STATUS QUO, ISSUES, CHALLENGES &  
OPPORTUNITIES**



## 5. SPATIAL CONTEXTUALISATION

### Demarcation history

South Africa undergoes a reassessment of its municipal boundaries before each municipal election. Changes in municipal boundaries affect all levels of planning and also long-term development strategies. The next table shows the municipality(s) which previously formed part of the current municipality.

	2011	2006	2001
District municipality(s) / Metropolitan area(s) affected:	Cape Winelands	Cape Winelands DC	Boland DM, City of Cape Town MM
Local municipality(s) affected:	Stellenbosch	Stellenbosch	City of Cape Town
Number of wards	22	19	19

The data shows that Stellenbosch had little demarcation disruptions over its history. This contributes to stability in the municipal administrative area. Major shifts in demarcations can have a disruptive impact.

### Regional context

Stellenbosch Municipality (SM) is located in the heart of the Cape Winelands, a highly valued cultural landscape with globally important natural habitats. The municipality is bounded to the east and south by the Drakenstein, Wemmershoek and Limietberg mountain ranges. The Hottentots Holland range (i.e. Stellenbosch, Jonkershoek and Simonsberg Mountains) and the Bottelary Hills form the backdrop to the town of Stellenbosch itself. These mountains, and the

fertile agricultural valleys which they shelter, are key elements contributing to the sense of place of the municipal area. Significant portions of the municipality fall within globally recognised biosphere areas with large tracts of land designated as public and private conservation areas.

The greater part of the municipal area comprises fertile soils, constituting some of the country's highest yielding agricultural land (in terms of income and employment generation). The region's extensive agricultural areas, particularly those under vineyards and orchards, also attribute scenic value and character to the region, valued by both local inhabitants and visitors. Nature, scenic value, and agriculture add significantly to the value of the area as one of South Africa's premier tourist destinations.

Institutionally, SM forms part of the Cape Winelands District Municipality (CWDWM) of the Western Cape Province of South Africa. The municipality adjoins the City of Cape Town (CoCT) to the west and south and the Breede Valley, Drakenstein and Theewaterskloof Municipalities to the east and north (refer to Figure 2).

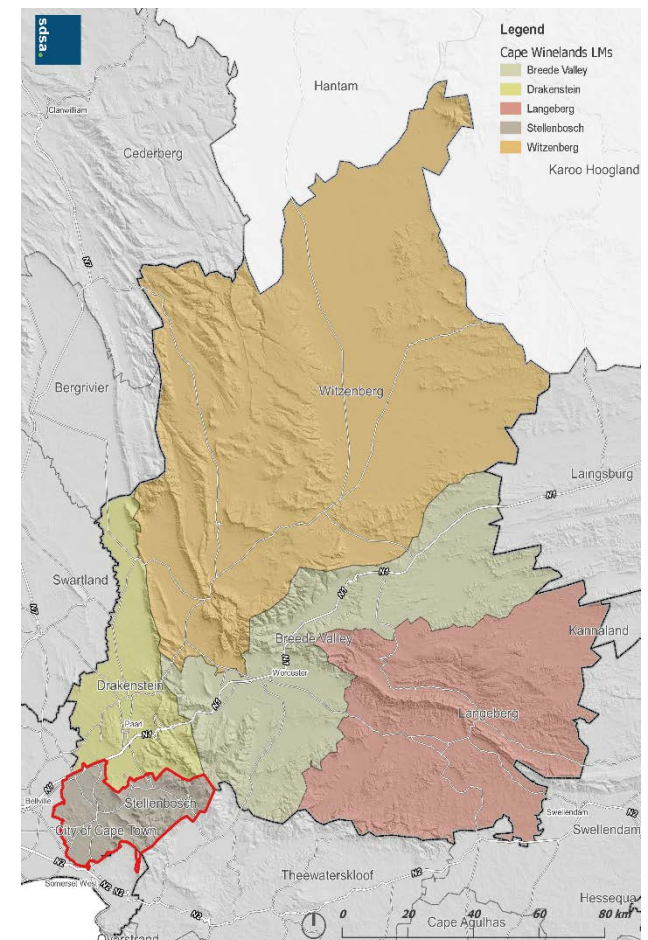
Functionally, SM forms part of the Cape Town Region and covers a geographical area of approximately 830km<sup>2</sup>.

### Local context

The main settlements are the historic towns of Stellenbosch (including Jamestown) and Franschhoek, and Klapmuts. There are also several smaller rural nodes, including Pniel, Johannesdal, Lanquedoc, Lynedoch, and Raithby. New nodes are emerging around agricultural

service centres, for example, Koelenhof and Vlotenburg.

The location of Stellenbosch in the regional context is significant. On the one hand, it has a strong link with the Cape Town area through its location. On the other hand, however, its location on the fringe of one of South Africa's most prominent city regions provides challenges in its spatial and economic competitiveness. Issues related to its urban-rural transitional character



provide challenges of growth and development (refer to Figure 3).







## Part 5.

# PLANS AND SETTLEMENT PROPOSALS

Table 20. Plan Elements and Proposals for Stellenbosch Town

TYPE OF SDF ELEMENT ACTION		SPATIAL PROPOSALS RELATED NON SPATIAL PROPOSALS	
Protective Actions	<b>CBA's, ESA's, Protected areas</b>	<ul style="list-style-type: none"> <li>Maintain and improve the nature areas surrounding Stellenbosch town.</li> <li>Work to increasingly connect and integrate nature areas, also with the urban green areas, to form an integrated green web or framework across the town and its hinterland area.</li> </ul>	<ul style="list-style-type: none"> <li>Implement management actions contained in the SEMF.</li> </ul>
	<b>Water courses</b>	<ul style="list-style-type: none"> <li>Improve public continuity, access, and space along the Kromrivier, Plankenbrug, Eerste River, and Blaauklippen River corridors.</li> </ul>	<ul style="list-style-type: none"> <li>Improve water quality in the Plankenbrug River (through infrastructure improvements in</li> </ul>
	<b>Agricultural land</b>	<ul style="list-style-type: none"> <li>Retain and improve the relationship between Stellenbosch town and surrounding agricultural land.</li> </ul>	
	<b>Urban edge</b>	<ul style="list-style-type: none"> <li>As a general principle, contain the footprint of Stellenbosch town as far as possible within the existing urban edge (while enabling logical, small extensions).</li> </ul>	
	<b>Scenic landscapes, scenic routes, special places</b>	<ul style="list-style-type: none"> <li>Retain the strong sense of transition between agriculture and human settlement at the entrances to the town.</li> </ul>	
	<b>Historically and culturally significant precincts and places</b>	<ul style="list-style-type: none"> <li>Maintain the integrity of historically and culturally significant precincts and places (as indicated in completed surveys).</li> <li>Improve public space and movement routes within historically and culturally significant precincts, with a focus on pedestrianism.</li> <li>Work to grow the extent of historically and culturally significant precincts and places in daily use and accessible to the public (through appropriate re-design and use of specifically disused industrial buildings along the Adam Tas Corridor).</li> <li>Define and hold the northern and eastern edges of Kayamandi.</li> <li>Support land use change along George Blake Road to enable the integration of Kayamandi with the Adam Tas Corridor and Stellenbosch central area.</li> </ul>	
Change Actions	<b>Informal settlements to be upgraded</b>	<ul style="list-style-type: none"> <li>Support land use change along George Blake Road to enable the integration of Kayamandi with the Adam Tas Corridor and Stellenbosch central area.</li> </ul>	<ul style="list-style-type: none"> <li>Utilise government land assets to enable integration between informal settlements and established areas.</li> </ul>
	<b>Areas for residential densification and infill</b>	<ul style="list-style-type: none"> <li>Pro-actively support higher density infill residential opportunity in the town centre, areas immediately surrounding it, and along major routes (with consideration of historic areas and structures).</li> </ul>	<ul style="list-style-type: none"> <li>Utilise government land assets to enable residential densification and infill development.</li> </ul>
	<b>Areas for mixed land use and improved economic opportunity</b>	<ul style="list-style-type: none"> <li>Retain and actively support mixed use redevelopment and building within the town centre and surrounding areas, comprising living space above active streetfronts.</li> <li>Actively support pedestrianism and improved public space within the old town centre</li> </ul>	<ul style="list-style-type: none"> <li>Support private sector led institutional arrangements assist with urban management in the town centre.</li> </ul>
	<b>Improved access and mobility</b>	<ul style="list-style-type: none"> <li>Pro-actively improve conditions for walking and NMT within Stellenbosch town.</li> <li>Improve access to the Techo Park, specifically from the north-west.</li> </ul>	<ul style="list-style-type: none"> <li>Pro-actively, and in partnership with key corporations/ institutions, introduce transport mode demand measurements favouring public and NMT.</li> <li>Ensure that the design of all roads within and surrounding the town provides for appropriate NMT movement.</li> </ul>
	<b>Community/ Institutional use</b>	<ul style="list-style-type: none"> <li>Cluster community facilities together with commercial, transport, informal sector and other activities so as to maximise convenience, safety and socio-economic potential.</li> <li>Retain, as far as is possible, University and other educational uses within Stellenbosch town.</li> </ul>	<ul style="list-style-type: none"> <li>Actively support the shared use of community facilities.</li> </ul>
	<b>Improved landscaping and public amenity</b>	<ul style="list-style-type: none"> <li>As far as possible, focus investment in parks, open space, and social facilities accessible by public and NMT, in this way also increasing the surveillance of these facilities.</li> </ul>	<ul style="list-style-type: none"> <li>Actively involve local communities in the development and management of public amenities.</li> </ul>

<b>New Development Actions</b>	<b>Significant new mixed use development</b>	<ul style="list-style-type: none"> <li>Develop the Adam Tas Corridor as a mixed-use, high density urban district, with strong internal and external public and NMT connections.</li> </ul>	<ul style="list-style-type: none"> <li>Support private sector led institutional arrangements to enable joint planning and redevelopment.</li> <li>Support redevelopment by making available government land assets.</li> </ul>
	<b>Significant new residential development</b>	<ul style="list-style-type: none"> <li>Support inclusive infill development on vacant public land within Cloetesville, Idas Valley, Central Stellenbosch, and Jamestown.</li> <li>Support infill development on private land within Stellenbosch town in a manner which serves to compact the town, expand residential opportunity, and rationalize the edges between built and unbuilt areas.</li> </ul>	
	<b>Significant change to access and mobility provision</b>	<ul style="list-style-type: none"> <li>Explore the feasibility of changing/ complementing the rail service along the Baden Powell Drive-Adam Tas-R304 corridor to a system providing a more frequent, flexible service better integrated into the urban realm. Alternatively, a regular bus service should be explored serving the same route.</li> </ul>	<ul style="list-style-type: none"> <li>Support private sector led institutional arrangements to enable joint planning and unlocking of the opportunity.</li> </ul>





**Part 6.**

**IMPLEMENTATION FRAMEWORK**

Table 28. Proposed Settlement Hierarchy

ROLE		DEVELOPMENT AND LAND USE MANAGEMENT FOCUS
<b>PRIMARY SETTLEMENTS</b>		
<b>STELLENBOSCH TOWN</b>	<ul style="list-style-type: none"> <li>• A significant centre comprising extensive education, commercial and government services with a reach both locally and beyond the borders of the municipality, tourism attractions, places of residence, and associated community facilities.</li> </ul>	<ul style="list-style-type: none"> <li>• Broadening of residential opportunity for lower income groups, students, and the lower to middle housing market segments.</li> <li>• Upgrade of informal settlements.</li> <li>• Retention of University functions in town.</li> <li>• Enablement of the Adam Tas Corridor.</li> <li>• Sensitive residential infill and compaction.</li> <li>• Drive to established “balanced” precincts (e.g. Cloetesville).</li> <li>• Public transport development, travel demand management, parking controls, and NMT improvements.</li> </ul>
<b>KLAPMUTS</b>	<ul style="list-style-type: none"> <li>• Focus for economic development (utilizing a favorable location for manufacturing, logistics, and warehousing enterprises) and associated residential opportunity.</li> </ul>	<ul style="list-style-type: none"> <li>• Support for development of RE/Farm 736 as a lever to economic development utilising a favorable location for manufacturing, logistics, and warehousing enterprises.</li> <li>• Balanced housing provision in Klappmuts South, focused on those who can benefit from employment provision through unlocking Klappmuts North.</li> <li>• Establishing the Klappmuts town centre.</li> <li>• NMT improvements.</li> </ul>
<b>FRANSCHHOEK</b>	<ul style="list-style-type: none"> <li>• Secondary service centre, significant tourist destination, and place of residence.</li> </ul>	<ul style="list-style-type: none"> <li>• Upgrade of informal settlements</li> <li>• NMT improvements.</li> <li>• Sensitive infill within urban edge providing inclusive housing and extended commercial opportunity (also for small and emerging entrepreneurs).</li> <li>• Retention of historic character.</li> </ul>
<b>• SECONDARY SETTLEMENTS</b>		
<b>LA MOTTE</b>	<ul style="list-style-type: none"> <li>• Contained rural settlement.</li> </ul>	<ul style="list-style-type: none"> <li>• Diversification of existing activities to curtail the need for movement.</li> <li>• Sensitive location of diversified uses closer to the R45.</li> <li>• Limited further housing development.</li> </ul>
<b>WEMMERSHOEK</b>	<ul style="list-style-type: none"> <li>• Contained rural settlement.</li> </ul>	<ul style="list-style-type: none"> <li>• Possible extension of residential opportunity linked to re-use of saw-mill site and local employment opportunity.</li> </ul>
<b>GROOT DRAKENSTEIN</b>	<ul style="list-style-type: none"> <li>• Contained historic rural settlements.</li> </ul>	<ul style="list-style-type: none"> <li>• Accommodation of sensitive private and public sector initiatives offering expanded livelihood (including tourism) and residential opportunity.</li> </ul>
<b>DWARS RIVER VALLEY</b>	<ul style="list-style-type: none"> <li>• Contained historic rural settlements.</li> </ul>	<ul style="list-style-type: none"> <li>• Accommodation of sensitive private and public sector initiatives offering expanded livelihood (including tourism) and residential opportunity.</li> </ul>
<b>JONKERSHOEK</b>	<ul style="list-style-type: none"> <li>• Contained, but dispersed collection of institutional, recreational and residential uses.</li> </ul>	<ul style="list-style-type: none"> <li>• Rationalisation and containment of existing occupation rights.</li> </ul>
<b>MULDERSVLEI KOELENHOF</b>	<ul style="list-style-type: none"> <li>• Contained rural settlement.</li> <li>• Contained rural settlement.</li> </ul>	<ul style="list-style-type: none"> <li>• Potential future consolidated, inclusive settlement linked to rail/bus.</li> <li>• Potential future consolidated, inclusive settlement linked to rail/bus.</li> </ul>
<b>VLOTTENBURG</b>	<ul style="list-style-type: none"> <li>• Contained rural settlement.</li> </ul>	<ul style="list-style-type: none"> <li>• Potential future consolidated, inclusive settlement linked to rail/bus.</li> </ul>
<b>LYNEDOCH</b>	<ul style="list-style-type: none"> <li>• Contained village and institutional cluster.</li> </ul>	<ul style="list-style-type: none"> <li>• Gradual expansion of unique development model based focused on sustainable living and education.</li> </ul>
<b>SPIER</b>	<ul style="list-style-type: none"> <li>• Contained tourism and cultural centre.</li> </ul>	<ul style="list-style-type: none"> <li>• Containment and limited expansion of existing offering.</li> </ul>
<b>RAITHBY</b>	<ul style="list-style-type: none"> <li>• Contained historic rural settlement.</li> </ul>	<ul style="list-style-type: none"> <li>• Protection of unique historic settlement structure and form.</li> </ul>

## CATALYTIC INITIATIVES

### Adam Tas Corridor

The most strategically located land in Stellenbosch town comprises large industrial spaces, including land previously occupied by Cape Sawmills and Distell facilities. A significant proportion of these have been vacated or will be vacated in the foreseeable future in response to changes in the operating context of manufacturing enterprises.

Thoughtful redevelopment of these spaces – at scale – can contribute meaningfully to meeting existing challenges and MSDF objectives.

In simple terms, the concept is to launch the restructuring of Stellenbosch town through redevelopment of the Adam Tas Corridor, the area stretching along the R310 and R44 along the foot of Papegaaiberg from the disused Cape Sawmills site in the west to Kayamandi and Cloeteville in the north.

It forms the western edge to the town but is not well integrated with the rest of Stellenbosch, largely because of the barrier/ severance effect of the R44 and the railway line. Much of the area has a manufacturing use history. It includes the disused sawmill site, the government owned Droë Dyke area, Distell's Adam Tas facility, Oude Libertas, various Remgro property assets, Bosman's Crossing, the rail station, Bergkelder complex, Van der Stel sports complex, the George Blake Road area, and parts of Kayamandi and Cloeteville. Underutilised and disused land in the area measures more than 300ha.

Conceptually, a linear new district within Stellenbosch is envisaged adjacent to and straddling (in places) Adam Tas Road, the R44, and railway line. Overall, development should be mixed, high density and favour access by pedestrians and cyclists.

A central movement system (with an emphasis on public transport and NMT) forms the spine of the area, and is linked to adjacent districts south

and west of the corridor. The corridor retains west-east and north-south vehicular movement (both destined for Stellenbosch town and through movement) as well as the rail line. Remote parking facilities will form part of the corridor concept, with passengers transferring via public transport, cycling and walking to reach destinations within the town of Stellenbosch. The R44 and rail line specifically could be bridged in parts to enable integration across the corridor to access adjacent areas.

The corridor is not envisaged as homogenous along its length, with uses and built form responding to existing conditions and its relationship with surrounding areas. Conceptually, three areas could be defined, each linked through a sub-district.

- The southern district comprises the disused sawmill site, Droë Dyke, and the Adam Tas complex. It can accommodate a mix of high density residential and commercial uses, as well as public facilities (including sports fields).
- The central district is the largest, including Bosman's Crossing, the Bergkelder, and the Van der Stel Sports complex. Here, development should be the most intense, comprising a mix of commercial, institutional, and high density residential use. The "seam" between this district and west Stellenbosch is Die Braak and Rhenish complex. The southern and central districts are linked through Oude Libertas. Oude Libertas remains a public place, although some infill development (comprising additional public/ educational facilities) is possible.
- The northern district focuses on the southern parts of Kayamandi. The central and northern districts are linked through George Blake Road. This area effectively becomes the "main street" of Kayamandi, a focus for commercial, institutional, and high density residential use integrated with the rest of the corridor and western Stellenbosch town.

Along the corridor as a whole – depending on local conditions – significant re-use of existing

buildings is envisaged. This is seen as a fundamental prerequisite for diversity, in built character and activity (as reuse offers the opportunity for great variety of spaces). Aspects of the industrial use history of the area should remain visible. A range of housing types, in the form of apartments should be provided, accommodating different income groups and family types.

Redevelopment in terms of the concept offers the opportunity to:

- Grow Stellenbosch town – and accommodate existing demand – in a manner which prevents sprawl, and create conditions for efficient, creative living and working.
- Stimulate and act as a catalyst for the development of improved public transport and NMT
- Rethink and reconstruct infrastructure, and particularly the movement system, including the possible partial grade separation of east- west and north-south movement systems, in turn, integrating the east and west of town and releasing land for development.
- Integrate Kayamandi and Stellenbosch town seamlessly.
- Shift new development focus to the west of town, with Die Braak and Rhenish complex forming the center and seam between the new west and east of Stellenbosch town.
- Accommodate the parking of vehicles on the edge of town whilst the corridor provides for and promotes a greater focus on pedestrianism and cycling into the core town.
- Accommodate uses which meet urgent needs, specifically higher density housing and university expansion, also assisting in establishing a compact, less sprawling town, public transport, and pedestrianism.
- Increases land value east of the R44 and in the area between Kayamandi and the Bergkelder complex. Existing manufacturing enterprises can gradually

relocate to the north, closer to the N1 logistics corridor (as planned by Distell for their operations).

A spatial plan for the corridor is needed. This plan should spell out – in broad terms – what activities should ideally happen where (and in what form), where to start, and what infrastructure is anticipated by when. However, a spatial plan is not enough. The preparation of the plan has to be situated within a broader surround of development and transport objectives, institutional arrangements and agreements, and parallel professional work streams.

Institutional arrangements are critical. It would include broad agreement between land owners and the municipality to pursue the corridor development, the objectives to be sought, how to resource the work, and associated processes.

It would appear that the private sector is best situated to lead the initiative. Land owners – unlike the municipality – have the resources to undertake planning.

Parallel work streams should explore:

- Economic modelling of development options.
- Corridor access and mobility planning and scenario modelling.
- How ordinary citizens with limited material wealth can benefit from the development.
- The nature of efficient, “smart” infrastructure to support living, services, and business.

Critically, development of the corridor needs to be supported by broader strategies impacting on Stellenbosch town as a whole. These include:

- Focusing University functions on the town (as opposed to decentralisation).
- Private vehicle demand management (specifically to curtail the use of private vehicles for short trips within the town).

Critical also, both for the Adam Tas Corridor and the broader Baden Powell-Adam Tas-R304

development corridor is to explore the feasibility of introducing a more reliable and frequent rail service along the Eerste River-Stellenbosch-Muldersvlei-Klapmuts rail line. The aim should be to have a more frequent passenger service along the corridor, and connected larger and smaller settlements. Safe crossing of rail infrastructure also requires specific attention.

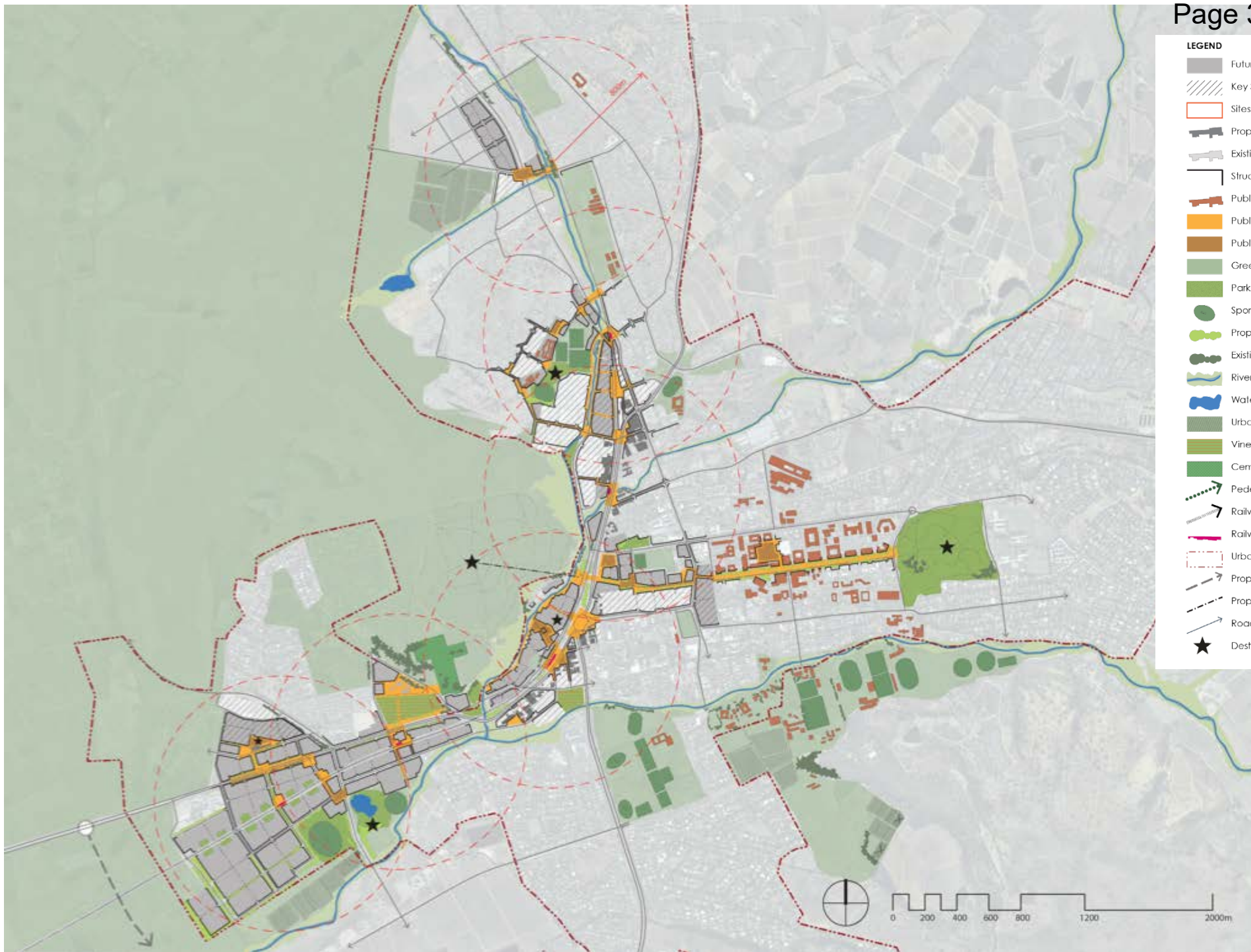
At the time of submission of the MSDF, considerable progress has been made by and owners, the municipality, WCG, and the University, to prepare for joint planning of the Adam Tas Corridor.

The Adam Tas Corridor is a significant opportunity, similar in potential scope and impact over generations to the establishment of the university, the Rupert-initiated drive to save and sustain historic precincts and places, and the declaration of core nature areas for preservation. It is a very large project, some five times the extent of the successful Victoria & Alfred Waterfront (V & AW) in Cape Town.

It involves more stakeholders and land owners than the V & AW did, and similarly challenging obstacles. It will require sustained, committed work over a prolonged period of time, trade-offs, and a departure of current norms.

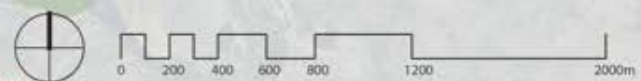
Given the scope and complexity of the project, the immediate focus is to understand what it will take to achieve mindful redevelopment of the corridor. Its feasibility, dependencies, and risks need to be fully understood with a view to making recommendations to land owners and other parties involved as to how to proceed in the most responsible way.





LEGEND

- Future Development
- Key Sites for future changes
- Sites for Development
- Proposed New Buildings
- Existing Buildings
- Structuring Edges
- Public (Educational) Buildings
- Public Space
- Public Squares
- Green Open Space
- Parks
- Sports Fields
- Proposed Trees
- Existing Trees
- River
- Waterbodies
- Urban Agriculture
- Vineyards
- Cemetary Park
- Pedestrian Movement
- Railway
- Railway Stations
- Urban Edge
- Proposed Bypass
- Proposed Cableway/ Fenicular
- Road Network
- Destination Nodes





## Part 7.

# CAPITAL EXPENDITURE FRAMEWORK



## CAPITAL EXPENDITURE FRAMEWORK

### Introduction

SPLUMA requires that MSDFs “determine a capital expenditure framework for the municipality’s development programmes, depicted spatially”. SPLUMA does not provide further detail on what this Capital Expenditure Framework (CEF) should include and there is currently no specification for a SPLUMA-compliant CEF. The intention appears to more effectively link the Municipality’s spatial development strategies to one of the primary means with which to implement these strategies, namely the Municipality’s budget and the budgets of other government stakeholders. By providing more specific guidance on what investments should be made where, in what order of priority, alignment between the Municipality’s strategies, plans and policies and development on the ground is better maintained and the risk that budget allocations undermine or contradict the MSDF are mitigated.

The Capital Expenditure Framework (CEF) has become a key tool supporting government’s initiatives to achieve national settlement development and management objectives. The Integrated Urban Development Framework (IUDF), approved by Cabinet in 2016, sets out the national policy framework for transforming and restructuring South Africa’s urban spaces, guided by the vision of creating “livable, safe, resource efficient cities and towns that are socially integrated, economically inclusive and globally competitive”. In addition the IUDF proposes an urban growth model premised on compact and connected cities and towns. With the acceptance of the IUDF as policy, the emphasis has now shifted to implementation.

The IUDF is coordinated by the Department of Cooperative Governance (DOCG), which has set up the institutional arrangements for the coordination of activities across government departments and agencies, under the overall management of an IUDF Working Group on which partner organizations such as National Treasury, organized local government and the World Bank are represented. Within the IUDF, the Intermediate City Municipality Programme (ICM), which includes 39 municipalities, is intended to provide support for the cities in the middle size and density range of the continuum. Stellenbosch Municipality is part of the ICM.

The purpose of the ICMs support strategy is to help translate IUDF policy into practical programmes of action in the ICMs. In so doing the initiative aims to give impetus to achieve the main IUDF goals, which are forging new integrated forms of spatial development; ensuring that people have access to social economic services, opportunities and choices; harnessing urban dynamism to achieve inclusive and sustainable growth; and enhancing the governance capacity of the state and citizens in ICMs.

One element of the implementation of the IUDF is the introduction of a consolidated infrastructure grant and all 39 ICMs are all eligible for the Integrated Urban Development Grant (IUDG) from 2019/ 20. The business plan for the IUDG is a three- year capital programme that is aligned with a long- term CEF. There are a number of key intentions in introducing the CEF as the basis for monitoring the IUDG:

- To ensure that priorities identified in the spatial development framework are translated into capital programmes.

- To promote long-term infrastructure planning.
- To promote infrastructure planning that is better integrated across sectors and spheres and within space.
- To promote a more integrated approach to planning within municipalities that brings together technical, financial and planning expertise.

The DCOG recently prepared a “Guide to preparing a Capital Expenditure Framework (Draft Document)” to provide ICMs with guidance with regard to what a CEF is, what it should include for the purposes of the IUDG, and how to go about a CEF. The Guide defines a CEF as “a consolidated, high-level view of infrastructure investment needs in a municipality over the long term (10 years) that considers not only infrastructure needs but also how these needs can be financed and what impact the required investment in infrastructure will have on the financial viability of the municipality going forward.”

Stellenbosch Municipality has updated the CEF in 2022/2023, in parallel with the MSDF amendment. The updated CEF is incorporated into the SDF as Appendix G. Work on the CEF is on-going, including its alignment with the MSDF.

## **APPENDICES**



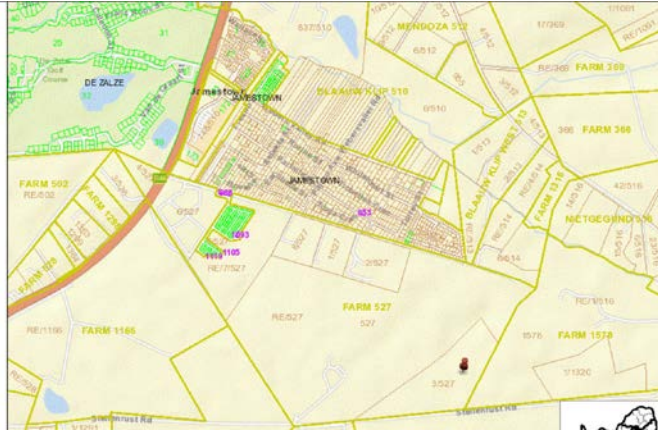
## **B. DEVELOPMENT PROPOSALS RECEIVED DURING PUBLIC COMMENT (2022)**

The proposal to amend the SM SDF, 2019 was advertised during September 2022. The public and all interested and affected parties were invited to register as I&AP. In addition the public was provided an opportunity to submit comments to be included in the review of the MSDF, as well as the submissions for development proposal to inform the proposed amendment process of the MSDF. Five (5) development proposals were submitted by the public, of which four (4) were resubmissions from the previous MSDF process, and only one (1) was new.

During this time the CPF initiated the CEF amendment process (2022/2023) and various discussion were held with each of the Directorates around projects that require alignment with the MSDF. During this strategic and spatial alignment phase only two (2) development proposals were submitted for consideration as amendments to the MSDF.

Private and public submissions received are summarised in Tables 51.

Table 51. Summary table of first round comments received as well as associated responses

SUBMISSION	DEVELOPMENT PROPOSAL	COMMENTS/RECOMMENDATIONS
<p><b>PRIMARY SETTLEMENT SUBMISSIONS</b></p> <p>SM: INTEGRATED HUMAN SETTLEMENTS</p> <p>STELLENBOSCH</p>	<p>JAMESTOWN PHASE 4</p> <ul style="list-style-type: none"> <li>Portion 3 of Farm No 527, Stellenbosch forms part of the IRDP &amp; FLISP housing programme as noted in the adopted Housing Pipeline (Council resolution 25/05/2022) and forms part of the greater Jamestown development proposed. An estimated 1500 – 2000 service sites and top structures is proposed.</li> </ul> 	<ul style="list-style-type: none"> <li>The project is forms part of the Municipality’s Housing Pipeline and is incorporated in the Municipal 5-year IDP (dated 2022 – 2027).</li> <li>The project is located within the proclaimed Stellenbosch PHDA and will provide new housing opportunities in the GAP Market which is a strategic objective of the Integrated Human Settlements Directorate.</li> <li>The proposal is consistent with the inclusive development supported by the approved SDF and from a strategic spatial alignment perspective, the project falls within the spatially targeted areas i.e. the functional area and priority development area.</li> </ul> <p><b>Recommendation:</b> Include Portion 3 of the Farm No 527 earmarked for urban infill within the urban edge.</p>

SM: WASTE SERVICES

SM: ORGANIC WASTE TRANSFER STATION

- A Portion of Farm 279, Stellenbosch is currently being used as vineyards, an oxidation pond from the WWTW and the Stellenbosch Material Recovery Facility and Recycling.
- The municipality has adopted the IWMP and the SM Organic Waste Diversion Plan (2021) and subsequently appointed a service provider to conduct all the necessary basic assessments (environmental, visual, heritage, civil & traffic) for the submission of a subdivision and rezoning application to urban services.
- Environmental Authorisation has been granted by DEA&DP in April 2021.
- SM Engineering Services Department proposes to expand and cluster the current and proposed waste services, to accommodate the current and future development pressures within Stellenbosch, and Klapmuts.



- The proposal is in line with the adopted Council policies (i.e. IWMP and Organic Waste Diversion Plan) and will assist the municipality to reach its target as set by DEA&DP to reduce the organic waste stream by 50% in 2022 and complete diversion (100%) by 2027.
- The municipality owns the property and the proposed land uses is an extension of the current WWTW, landfill and associated uses.
- The project is incorporated in the Municipal 5-year IDP (dated 2022 – 2027).

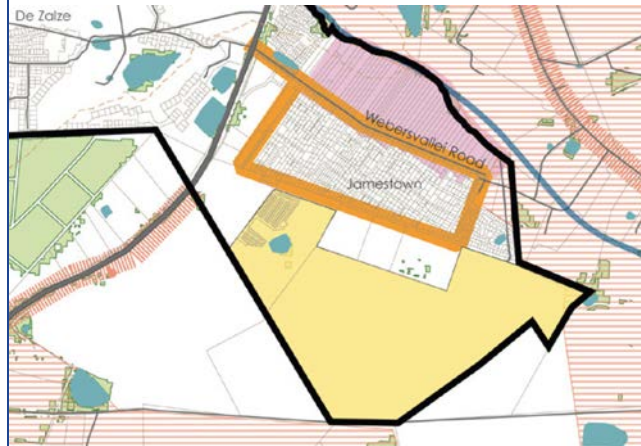
**Recommendation:** Include the proposed subdivided portion of Farm 279, Stellenbosch for urban services within the urban edge.

STELLENBOSCH

Friends of Stellenbosch  
Mountain

#### JAMESTOWN WATER ERVEN

- Proposes the exclusion of the water erven from the urban edge on the northern edge of Jamestown due to its high heritage status and to reinforce the planning principles in the MSDF. This will reinforce the municipal administrations assessments on urban developments on these erven and ensure policy coherence and consistent decision-making.
- FSM suggests that the urban edge should be returned to its pre-2010 alignment to run along the edge of Webersvallei Road. All the cadastral units between Webersvallei Road and the Blaauwklippen River which lie east of La Clemence should be excluded from the urban edge.

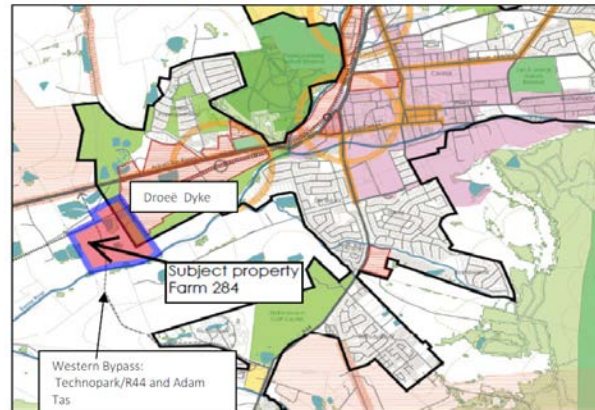


- This comment was strongly supported by the Jamestown community during the public participation process with regards to the urban development approved on Portions 52, 53,54, & 71 of Farm 510, Stellenbosch. The spatial trend of high-density, up-market, gated residential urban development on these water erven are noted and has since increased significantly. To ensure policy coherence with the intent set out by the MSDF to protect the most significant cultural and heritage element of the settlement as identified by the Stellenbosch Heritage Inventory, and to ensure consistent decision making the comments are supported.

**Recommendation:** Exclude the Jamestown water erven from the urban edge



- Inclusion of the total extent of Remainder Farm 284 within the western urban edge boundary of Stellenbosch Town.
- The site is strategically situated and adjacent to the Adam Tas Corridor with the Techno Park/R310 link alignment currently being proposed (SM MSDP & and the SM Roads Master Plan) over the property, rendering the site not viable for the continued use of agricultural purposes.

**LOCATION OF THE PROPERTY IN RELATION TO THE STELLENBOSCH TOWN URBAN EDGE**

- The road is currently in the pre-planning feasibility phase and the exact location is not finalised and the project timeline falls in the medium to long term. In addition, the first phase for the implementation of the ATC over the next 10-years does not include precinct 1 – i.e. Droeë Dyke and the proposed development application at this stage is premature based on the capital expenditure focus over the next 10-years for the ATC.

**Recommendation:** Do not include this portion within the urban edge.

STELLENBOSCH

TV3 ARCHITECTS, TOWN PLANNERS & URBAN DESIGNERS

BRANDWACHT

- A portion of Farm 1049, Stellenbosch.
- Site specific deviation from the approved Stellenbosch Municipality's Spatial Development Framework, 2019 to initiate an urban infill development outside the approved urban edge of Stellenbosch is currently being circulated for public comment.



- Spatial transformation to create a more balanced and inclusive town, is currently the focus from the Municipality as identified in the MSDF implementation plan, ATC LASDF, and CEF. The intention of the development is for an up-market, low-density gated estate located on agricultural land and an open space system provided for in the MSDF. In terms of the Heritage Inventory the site has been graded within the area of green transition conservation system, which values agricultural land and the rural character as high and safeguards this area from urban sprawl. Due to the inconsistency with the principles contained in the MSDF regarding maintaining the natural environment (SPLUMA spatial sustainability development principle), and pursuing balanced communities the development deviates from the policy intentions of the municipality and should not be considered.

**Recommendation:** Do not include this portion within the urban edge.

KLAPMUTS

TV3 ARCHITECTS, TOWN PLANNERS & URBAN DESIGNERS

ARRA

- Portion of Portion 7 of Farm 744, Klapmuts.



- No new studies, market support or a formal application has been received with regards to the Arra development as previously commented on in the public participation response table in the MSDF 2019. The Klapmuts urban edge has been considerably adjusted in 2019 to accommodate the Stellenbosch Bridge development and the timeframe for development falls within the medium to long term (10 – 20 years) with no visible progress at this stage. Accordingly this southern urban expansion into agricultural land is not supported.

**Recommendation:** Do not include this portion within the urban edge

KLAPMUTS

TV3 ARCHITECTS, TOWN PLANNERS & URBAN DESIGNERS  
TV3 & FRANCOIS KLOMP

BRAEMER FARM MIXED USE DEVELOPMENT

- Portion 2 of Farm 742, Klapmuts and Portion 2 of Farm 748, Klapmuts.



- No new studies, market support or a formal application has been received with regards to the Arra development as previously commented on in the public participation response table in the MSDF 2019. The Klapmuts urban edge has been considerably adjusted in 2019 to accommodate the Stellenbosch Bridge development and the timeframe for development falls within the medium to long term (10 – 20 years) with no visible progress at this stage. Accordingly this southern urban expansion into agricultural land is not supported.

**Recommendation:** Do not include this portion within the urban edge

SM: SPATIAL PLANNING & DEVELOPMENT MANAGEMENT

ANURA LIFESTYLE ESTATE

- Portion 41 of Farm 748, Paarl
- Approval was given for the rezoning, subdivision, departure, amendment of conditions, and Site Development Plan – with an extension of these land use rights approved in June 2019.



**Recommendation:** Determine and delineate an urban edge only around this approved development.

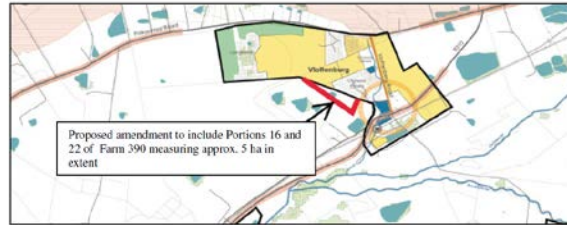
## SECONDARY SETTLEMENT (RURAL NODE) SUBMISSIONS

## VLOTTENBURG

EMILE VAN DER MERWE  
TOWN PLANNING  
CONSULTANTS

- The inclusion of Portions 16 & 22 of Farm 390, Stellenbosch within the south western urban edge boundary of the approved Vlotenburg node. Currently the properties are functioning as residential smallholdings (3ha and 2.9ha) and not suited to be farmed as viable economic agricultural entities.

LOCATION OF THE PROPERTY IN RELATION TO THE VLOTTENBURG URBAN EDGE



- The settlement character of Vlotenburg as defined by the Heritage Inventory is that of an agri-industrial node within a rural agricultural landscape. In terms of the MSDF the development of Vlotenburg should not be prioritised until a well-functioning public transport system to Stellenbosch town is functioning to address the envisaged transport requirements.
- The development criteria for Vlotenburg as stated in the Heritage Inventory is to promote densification within the urban node and to contain sprawl into the rural area and agricultural land.
- The land consist of good agricultural land and the development thereof should not be considered due to the size of the land units. The proposed inclusion of the property into the urban edge constitutes urban sprawl which should be resisted.

**Recommendation:** Do not include within the urban edge.



## F. HOUSING PIPELINE

[PLACEHOLDER]

The most recent housing development pipeline will serve at Council simultaneously as the proposed amended MSDF and after this process, it will be included and consolidated for public comment. The type and number of units may change as relevant studies are concluded.

## G. CAPITAL EXPENDITURE FRAMEWORK

[PLACEHOLDER]

CEF will serve as a separate item and it will be included and consolidated for public comment.



Property Rates is considered a more stable income source for the municipality and has annually grown by an average of 8% between 2011 and 2018 to R 309.99 million.

Equitable Share income increased from R 36.78 million to R 110.63 million in 2018. However, the total grants/revenue ratio decreased from 16% in 2016 to 13% in 2018, mainly driven by significant decreases in capital grants received.

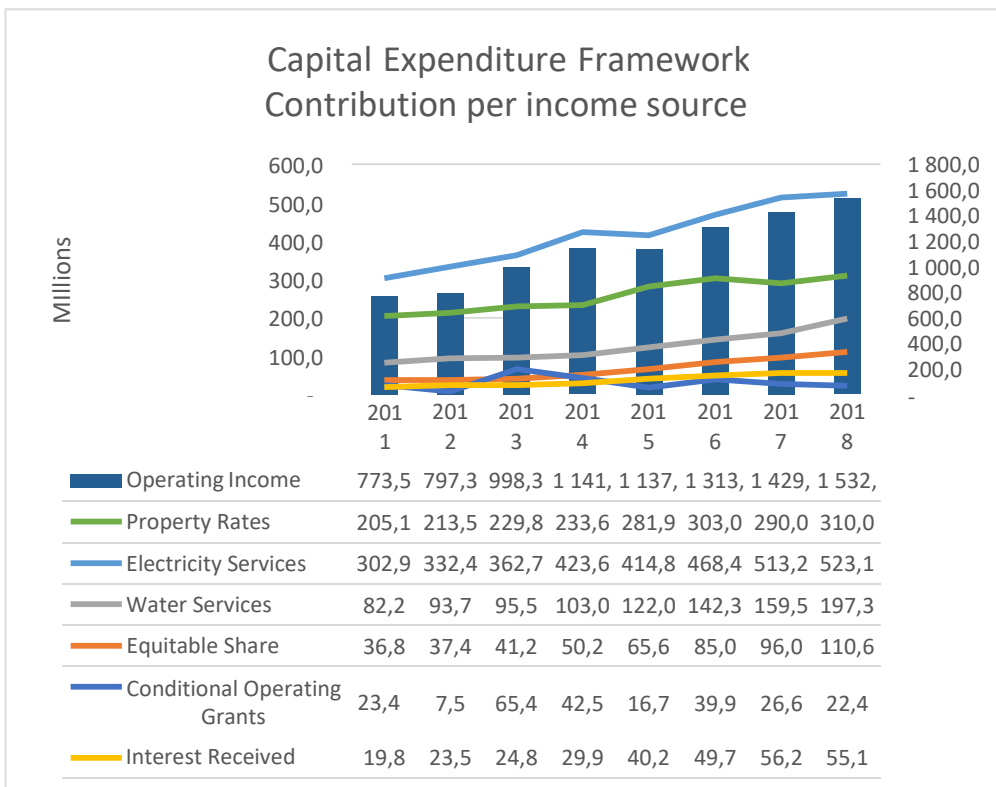


Figure 14: Contribution per income source

### Capital Expenditure Framework Cash Generated from Operations / Own Source Revenue

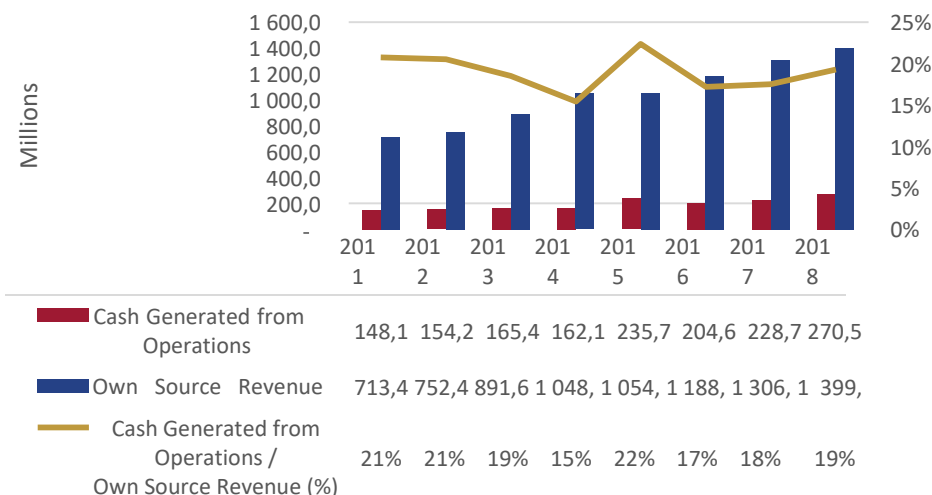


Figure 15: Cash Generated from Operations/ Own Source Revenue

Staff Cost, Electricity Bulk Purchases and Depreciation represent 53% of Total Operating Expenses. The annual increases in staff costs were generally high, with an average increase of 11% in the past 7 years.

Electricity Services, being the largest contributor to Total Operating Income, represents the second largest expense after staff costs. The surplus margins from this service remained high although decreasing from 41% in 2011 to 38% in 2018.

Over the short term, expected steep increases in bulk electricity prices may narrow historic margins, lead to increased electricity theft and cause both businesses and higher income households to consider alternative energy sources. This will further reduce electricity sales

decrease in interest received in 2018 is due to a decrease in cash and cash equivalents. The 1% interest paid to total expenditure ratio is very low, highlighting Stellenbosch’s limited utilisation of external borrowing and its minimal debt levels. As a consequence a healthy scope exists for taking up borrowing for service delivery and development in the future.

**Table 4: Contribution per Key Income Source (Rm)**

	2011	2012	2013	2014	2015	2016	2017	2018
Property Rates	205.1	213.5	229.8	233.6	281.9	303.0	324.0	310.0
Electricity Services	302.9	332.4	362.7	423.6	414.8	468.4	513.2	523.1
Water Services	82.2	93.7	95.5	103.0	122.0	142.3	159.5	197.3
Equitable Share	36.8	37.4	41.2	50.2	65.6	85.0	96.0	110.6
Conditional Operating Grants	23.4	7.5	65.4	42.5	16.7	39.9	26.6	22.4
Interest Received	19.8	23.5	24.8	29.9	40.2	49.7	56.2	55.1
Operating Income	773.5	797.3	998.3	1 141.5	1 137.1	1 313.3	1 426.5	1 532.9

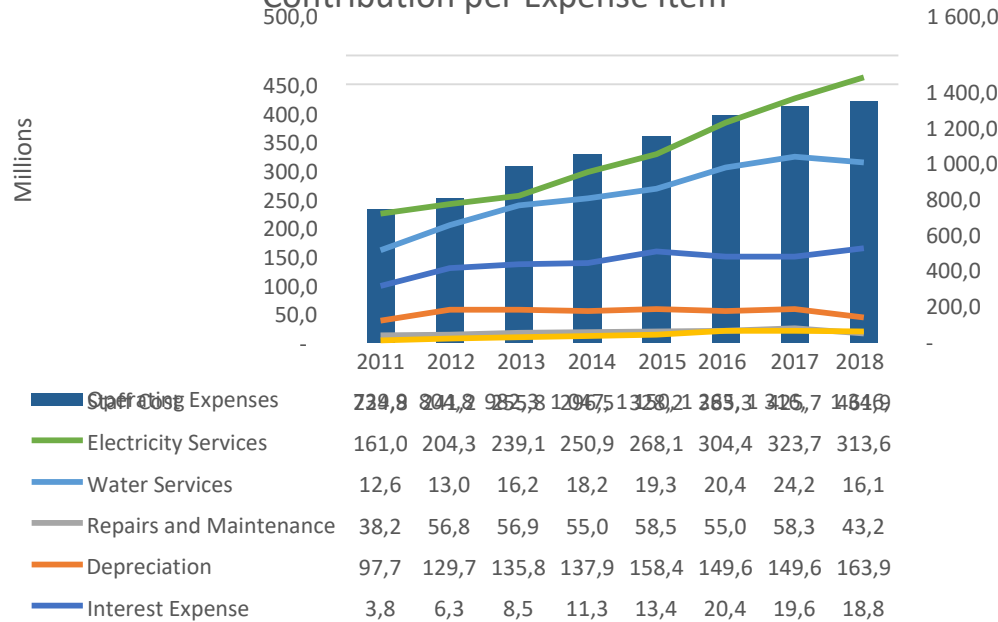
**Table 5: Contribution per Key Expenditure Item (Rm)**

	2011	2012	2013	2014	2015	2016	2017	2018
Staff Cost	224.8	241.2	255.8	296.5	328.2	383.3	423.9	461.9
Electricity Services	161.0	204.3	239.1	250.9	268.1	304.4	323.7	313.6
Water Services	12.6	13.0	16.2	18.2	19.3	20.4	24.2	16.1
Repairs and Maintenance	38.2	56.8	56.9	55.0	58.5	55.0	58.3	43.2
Depreciation	97.7	129.7	135.8	137.9	158.4	149.6	149.6	163.9
Interest Expense	3.8	6.3	8.5	11.3	13.4	20.4	19.6	18.8
Operating Expenses	739.9	804.8	982.3	1 047.6	1 150.8	1 265.6	1 307.5	1 346.0

#### 4.7 Cash Flow

The increased financial performance and the positive R 270.47 million cash generated by Stellenbosch (excluding capital grants) in 2018, puts the municipality in a strong position to maintain and increase capital expenditure and timeous investment in capital asset replacement.

### Capital Expenditure Framework Contribution per Expense Item



**Figure 16: Contribution per Expense item**

Interest received from external investments exceeded interest paid on external borrowings throughout the assessment period; resulting in R 36.33 million accumulated net interest inflow. The



Total capital expenditure for the past 8 years was R 2.08 billion. It's been characterised by a sharp and sustained increase of almost 150% from 2014-2018 with minimal external financing. The Capital Funding Mix of Stellenbosch, over the review period, has been reliant on the municipality's own Cash Reserves (66.4%). The other funding sources were Capital Grants (23.6%), Borrowings (9.6%) and Sale of Fixed Assets (0.4%). Noteworthy is that external borrowings were not utilised since 2016.

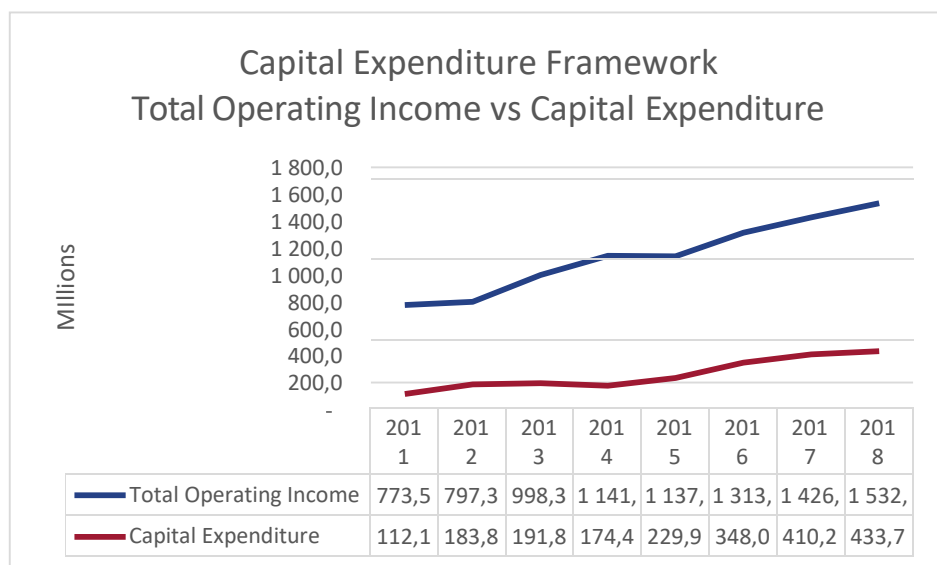


Figure 17: Total Operating Income vs Capital Expenditure

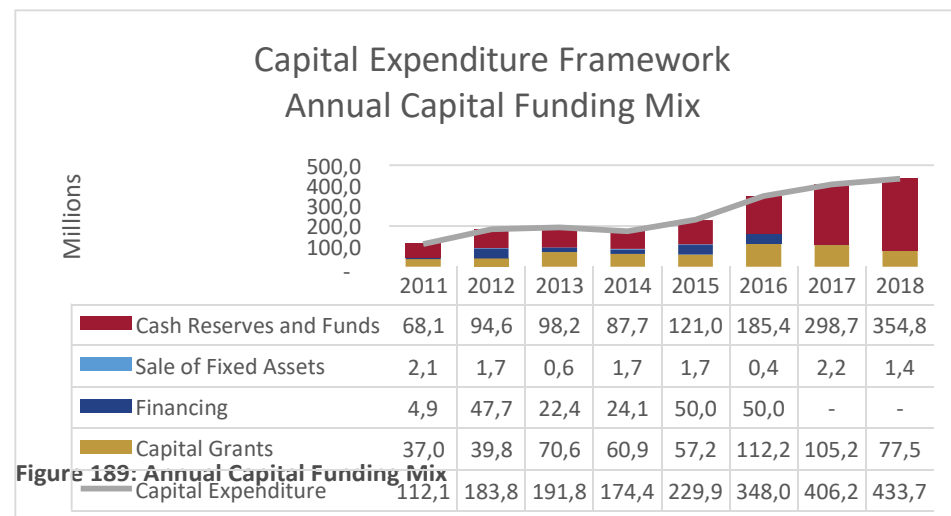
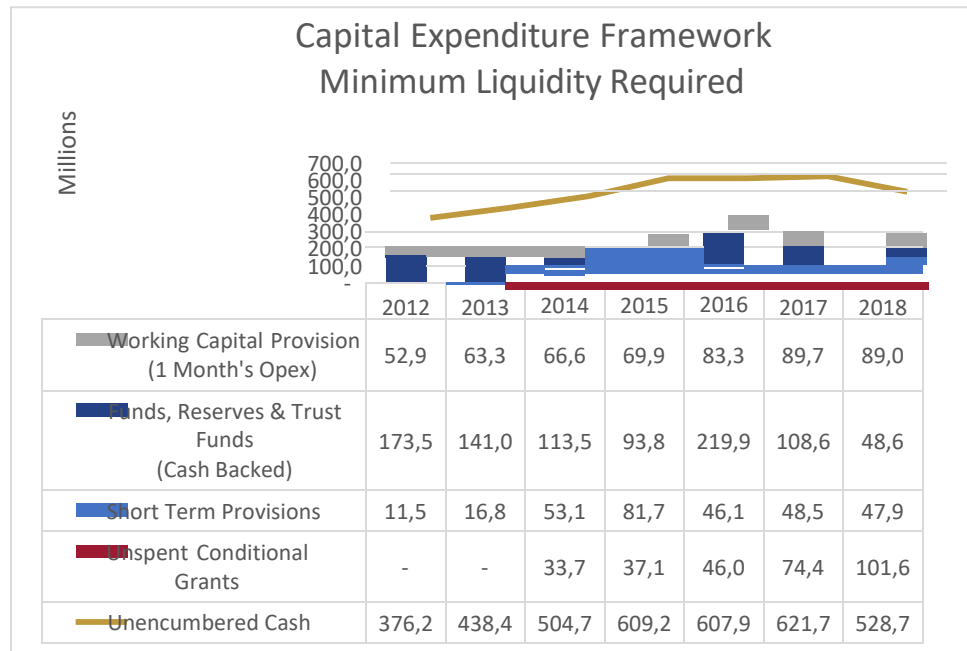


Figure 189: Annual Capital Funding Mix

Total cash and cash equivalents increased from R 325.0million in 2011 to R 528.7 million in 2018. This level of cash sufficiently covers the minimum liquidity requirements which includes Short Term Provisions of R 47.9 million, Unspent Conditional Grants and Receipts of R 101.6 million, Cash-backed reserves of R 48.6 million and Working capital provision (including one month's opex) of R 89.0 million. The cash surplus was R 241.6 million at the end of the 2018 financial year, decreased from the highest level of R 326.6 million in 2015.



**Figure 1910: Minimum Liquidity Required**

The cash coverage ratio (including working capital) remained positive at 1.8 as at the end of the 2018 financial year.

	2011	2012	2013	2014	2015	2016	2017	2018
Unspent Conditional Grants	-	-	-	33.7	37.1	46.0	74.4	101.6
Short Term Provisions	5.4	11.5	16.8	53.1	81.7	46.1	48.5	47.9
Funds, Reserves & Trust Funds (Cash Backed)	125.1	173.5	141.0	113.5	93.8	219.9	108.6	48.6
<b>Total</b>	<b>130.5</b>	<b>185.0</b>	<b>157.8</b>	<b>200.4</b>	<b>212.6</b>	<b>312.0</b>	<b>231.5</b>	<b>198.1</b>
Uncommitted Cash	325.0	376.2	438.4	504.7	609.2	607.9	621.7	528.7
Cash Coverage Ratio (excl. Working Capital)	2.5	2.0	2.8	2.5	2.09	1.9	2.7	2.7
Working Capital Provision (1 Month's Opex)	49.4	52.9	63.3	66.6	69.9	83.3	89.7	89.0
Cash Coverage Ratio (incl. Working Capital)	1.8	1.6	2.0	1.9	2.2	1.5	1.9	1.8
Minimum Liquidity Required	179.9	237.9	221.1	266.9	282.5	395.4	321.2	287.1
Cash Surplus/(Shortfall)	145.2	138.3	217.3	237.7	326.6	212.6	300.5	241.6

Stellenbosch Local Municipality remained in a profitable position during the past 8 years of assessment. This was demonstrated by an Accounting Surplus of R 263.58 million posted at the end of the 2018 financial year, which increased from R 70.28 million in 2011.

Positive to note is that the municipality still managed to generate an operating surplus of R 186.10 million compared to R 33.63 million in 2011 when capital grants are excluded.

The municipality's strong financial performance, together with a healthy collection rate of 96%, enabled the municipality to generate R 270.47 million in cash from its operations (excl. capital grants). This was R 122.40 million higher than the cash generated from operations in 2011.

In 2018, the municipality spent R 433.68 million on capital infrastructure programs utilising most of its cash generated from operations (R 354.79 million) as well as Capital Grants to the value of R 77.48 million. The funding structure was similar during the previous financial year.

In absence of new external loan liabilities taken during the past two years, the municipality maintained a healthy lower level of gearing of 11%, which is also the average level for the 8 years of assessment. The debt service coverage ratio was high in 2018 (8.49), mainly as a result of higher repayment capability brought about by the positive cash generated by operations. These ratios are an indication that Stellenbosch still has the potential to increase gearing and obtain a more balanced funding mix.

Current Assets exceeded Current Liabilities by R 509.09 million in 2018. The gap between Current Assets and Current Liabilities remained positive during the assessment period. The healthy liquidity position was represented by a Liquidity Ratio of 2.19:1 in 2018 (2.19:1 at the end of the 2017 financial year). The ratio remains strong at 2.01:1 should debtors older than 30 days be excluded. This is underlined by the cash coverage ratio (including 1 month's working capital) of 1.8 at the end of the 2018 financial year.

The cash and investments balance of R 528.7 million (2017/18: R 621.7 million) was sufficient to cover minimum liquidity required. This comprised of Short Term Provisions of R 47.9 million, Unspent Conditional Grants and Receipts of R 101.6 million, Cash-backed reserves of R 48.6 million and working capital provision (including 1 month's opex) of R 89.0 million, resulting in a cash surplus of R 241.6 million at year end (2017: R 300.5 million).

Cognisance is taken of the increase in unspent conditional grants, especially in the last two financial periods.

**Table 3: Investment Strengths and Weaknesses**

Strengths	Weaknesses
-----------	------------

<ul style="list-style-type: none"> <li>• Strong balance sheet &amp; liquidity position;</li> </ul>	<ul style="list-style-type: none"> <li>• Own cash reserves decreasing due to heavy reliance on own cash resources to fund its capital programme and the low reliance on utilisation of external borrowing</li> </ul>
<ul style="list-style-type: none"> <li>• Low gearing</li> </ul>	<ul style="list-style-type: none"> <li>• Urban limits &amp; difficulties to densify</li> </ul>
<ul style="list-style-type: none"> <li>• Investment-grade credit rating</li> </ul>	<ul style="list-style-type: none"> <li>• Repairs and Maintenance – below National Treasury Norm</li> </ul>
<ul style="list-style-type: none"> <li>• Strong cashflows from own operations and limited reliance on transfers from national and provincial treasuries</li> </ul>	<ul style="list-style-type: none"> <li>• High levels of unspent conditional grants since 2017</li> </ul>
<ul style="list-style-type: none"> <li>• High collection rate of 96%</li> </ul>	<ul style="list-style-type: none"> <li>• Declining GVA growth rate</li> </ul>
<ul style="list-style-type: none"> <li>• Accelerated capex since 2014</li> </ul>	
<ul style="list-style-type: none"> <li>• Diversified economy with educational infrastructure</li> </ul>	
<ul style="list-style-type: none"> <li>• Aggressive addressing of backlogs</li> </ul>	
<ul style="list-style-type: none"> <li>• High-quality financial and institutional governance evidenced by among others, clean audits</li> </ul>	

#### 4.8 Future Capital Investment

The total affordable capital expenditure for the 10-year planning period amounts to R 4 129 million.

This 10-year amount was calculated by the Long Term Financial Model:

- by relying on and maintaining the capital programme and funding mix over the MTREF period up to 2020/21 (3 years), as contained in the latest approved MTREF budget of Stellenbosch; and
- forecasting the optimal capital programme and funding mix, taking several indicators and parameters into account, for the next 7 years of the forecast period.

The annual affordable envelope, which entails the forecast capital expenditure and proposed funding mix per annum is dealt with in detail in the next section of this report, alternatively in the 2019/20 Capital Expenditure Framework.

#### 4.9.1 MTREF Funding Mix

Stellenbosch Municipality’s MTREF budget 2018/19 – 2020/21 expects a capital budget amounting to ±R1.4 billion. With the 2019/20, 2020/21, and 2021/22 financial years totalling to the amount of R558 276 528, R414 612, 759 and R426 337 700 respectively.

The Long Term Financial Model accommodated the increased Borrowing of R340m, Internally Generated Funding of R789 m and Capital Grants of R219m for the MTREF period of 3 years to 2020/21 and allowed the model to calculate the future funding mix. Here we note the potential impact of the strong liquidity position on capital expenditure. Following sustained increases in the capital expenditure since 2014, this now declines over the MTREF-period to about R414m in 2020/21. To keep pace with anticipated population growth and ongoing investment in new infrastructure as well as upgrading and renewal projects,



we increased the capital expenditure from 2020/21 over the planning period. The municipality has both sufficient own resources and capacity to borrow, allowing it to accelerate capital investment, despite the decreased grant transfers. (Fluctuations in grant amounts due to the allocation of housing grants for top structures and for infrastructure in different years.)

The capital expenditure budget of the municipality is financially feasible. Due to the healthy liquidity position, the budgeted capital expenditure can be implemented. Cash available is sufficient to cover the minimum recommended liquidity level to cater for unspent conditional grants, short term provisions, and working capital. These findings are illustrated in the graphs below.

The municipality's mainly relies on own reserves to fund the capital expenditure. The strong financial and liquidity position of the municipality allows it to accelerate the capital investment programmes which can further be supported by borrowing.

#### 4.9.2 10-Year Capital Funding Mix

**Table 9: 10-Year Capital Funding Mix**

Source	Rm	%
Public & Developers' Contributions	0	0%
Capital Grants	897	22%
Financing	1 529	37%
Cash Reserves and Funds	1 703	41%
Cash Shortfall	0	0%
Capital Expenditure	4 129	100%

Due to the prevailing national fiscal constraint, reliance on grant funding in future is probably is not recommendable and the amount of capital transfers in this latest estimate, when compared to previous estimates, has declined.

A balanced funding mix, incorporating a conservative level of external borrowing, will preserve Stellenbosch's own cash resources and will improve long term financial sustainability. Equally important is the average duration at which external borrowing are obtained in the market and the impact that this may have on liquidity and gearing levels. The most optimal average duration for loans is forecast at 13 years, to avoid breaching liquidity and/or gearing levels. Stellenbosch will breach minimum liquidity levels should an average duration of 10 years be achieved, while an average duration of 15 years may result in a breach of the upper gearing limit of 35%. Even at this upper gearing limits, these levels remain affordable and sustainable.

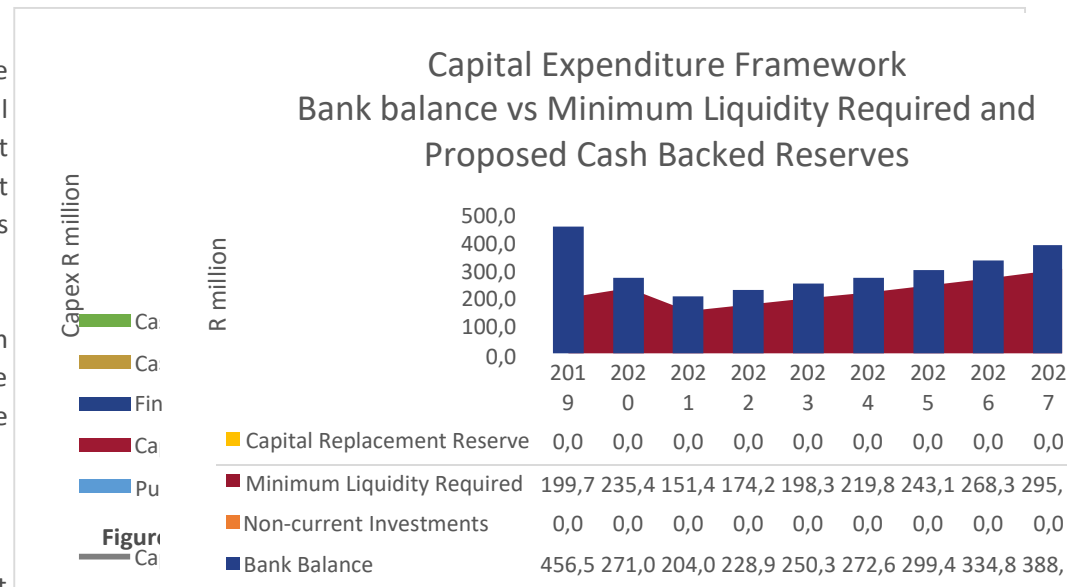
## 1. AFFORDABILITY ENVELOPE

The affordability envelope, or otherwise stated, the funding envelope is the result of the Long Term Financial Strategy. The aim of the Long Term Financial Model is to define a set of parameters to which the municipality can roll out capital expenditure projects. The key parameter of interest for the budget fit process to continue is the total capital expenditure that is deemed as affordable per year.

The purpose of this section is therefore to take the results of the Long Term Financial Strategy and to indicate what should be actively used to guide capital investment through the budget fit template – better defined as the total available capital expenditure budget per year.

### 1.1 Sustainable Funding Mix

The annual funding mix proposed by the model, given the approved budget and optimal forecast thereafter, is illustrated by the graph below.



Noteworthy though, is the decrease in liquidity over the MTREF period. Sufficient cash remains available to fund capital projects required with further potential for borrowing. The municipal bank balance recovers above the minimum required in later years of the Capital Expenditure Framework period.



**Figure 21: Bank balance vs Minimum Liquidity Required and Proposed Cash Backed Reserves**

### 1.2 Borrowing

Stellenbosch Local Municipality has a debt policy which sets the gearing-level to 35%. The model forecast that gearing increases from 2019 and peaks at 35% during 2028, but never breaches this level. This level of gearing is within both its policy and National Treasury guidelines.

A summary of the capital need and affordability envelope by year is presented in the table below:

The amount of annual external financing is estimated to be distributed as follows:

**Table 104: Capex Investment Need**

Year	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	Total
Capex Need	R1 155 145 272	R959 878 659	R740 192 900	R740 017 754	R433 019 619	R458 314 256	R393 318 130	R419 737 630	R245 045 909	R198 933 462	R5 743 603 591

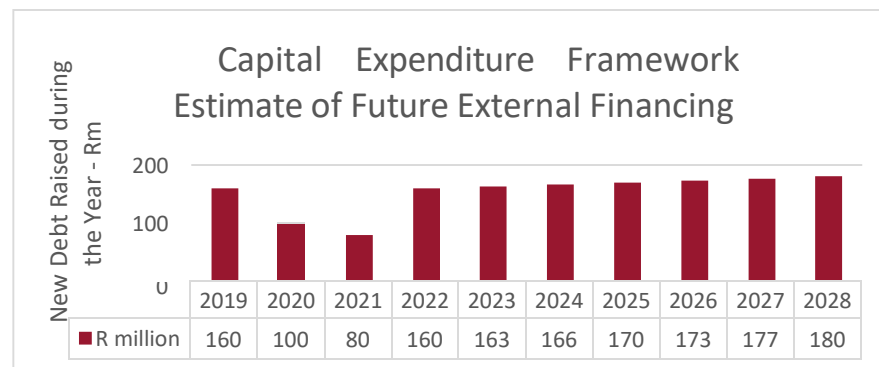
The table above includes all capital projects captured by departments projected for the 10 year period of the Capital Expenditure Framework.

It is apparent that whilst good progress has been made to plan ahead over a longer period, more careful upfront planning,

extension of master plan periods and upfront capturing of pending and approved projects must bear relevance. It is important to note that capital expenditure demand fluctuates annually in line with the needs identified.

**Table 115: Affordability Envelope (R'000 000)**

Year	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Public & Developers' Contributions	0	14	0	0	0	0	0	0	0	0	0
Capital Grants	92	59	68	81	86	91	96	101	108	115	123
Financing	160	100	80	160	163	166	170	173	177	180	184
Cash Reserves and Funds	277	309	204	122	124	128	131	134	136	138	139
Capital Expenditure	528	468	352	363	374	385	397	408	421	433	446



**Figure 12: Estimate of Future External Financing**

Whereas the current approved MTREF reflect a decrease in capital expenditure until 2021, the total capital spend over the

next 10 years come to R4.1 billion, which is affordable to Stellenbosch LM.

The LTFM indicates that should there be a need for Stellenbosch to accelerate the capital spend over the MTREF, but still within an affordable envelope over the next ten years, such an acceleration would be possible with increased external borrowing.

## 2. BUDGET SCENARIO & PROJECT PRIORITISATION

The **budget scenario** methodology can be summarised in a schematic diagram shown in the figure below. Essentially the budget fit methodology is a systematic application of a set of rules and parameters which will result in a project either being added to the draft budget or rejected from the draft budget portfolio. The **affordability envelope** is the sustainable and financially tested total budget that should be maintained by the municipality. If the capital budget exceeds this total, the municipality could encounter some unforeseen circumstances in future that will compromise its financial sustainability.

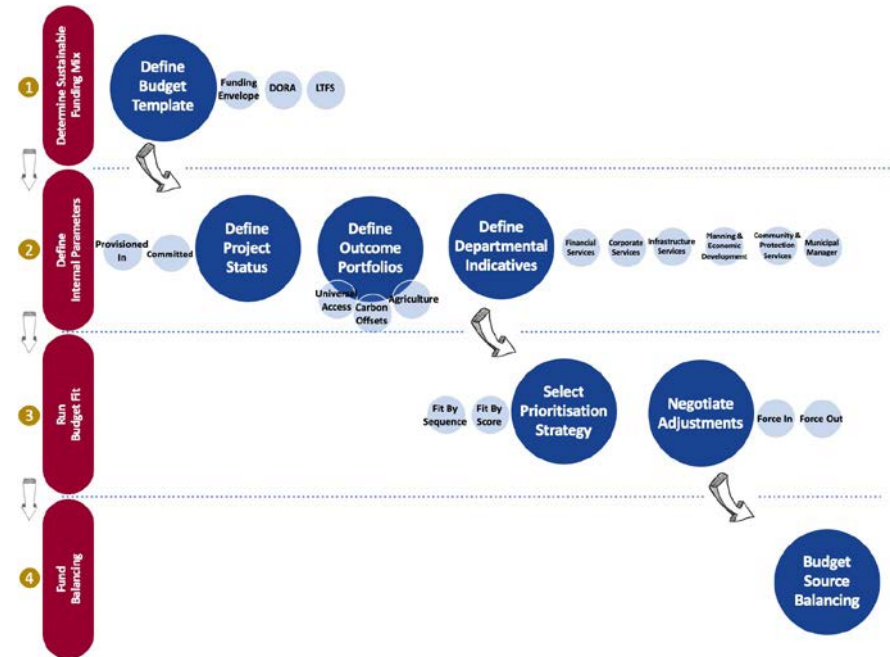


Figure 8: Budget Scenario Methodology

All internally generated capital budget funding is determined through financial modelling undertaken by the Stellenbosch Local Municipality as part of their submissions to National Treasury on the Municipal Budget Reporting Regulations templates. Internal capital budget funding typically comprises the following funding sources:



- **Own Municipal Funding:** Funding generated from municipality revenue (i.e. rates and taxes).
- **Public Contributions and Donations:** Donations and bulk services contributions for capital expenditure to provide additional bulk capacity to service new developmental demand.
- **Capital Replacement Reserves (CRR):** Savings by the municipality for deferred capital expenditure to maintain the existing municipal asset base.
- **Borrowings:** External loans from the financial markets or bonds issued by the municipality to the financial markets.

It is important to note that not all projects are eligible to utilise all funding sources. For example, the PTIS grant is only applicable to infrastructure directly supportive of public transport and the INEP grant is only applicable to electrification programmes and projects. Therefore, although the budget template cap for the municipality is equal to the sum of the DORA publication and all internal capital funding sources, a funding source balancing exercise should be undertaken prior to publishing the final budget in order to ensure that only projects eligible for certain grants are funded by those grants.

The Stellenbosch Long Term Financial Modelling also results in a Long Term Financial Strategy which evaluates amongst others the Stellenbosch Local Municipality financial position and calculate what the optimal funding mix should be per annum, in order to maintain a desirable financial situation.

The project budget requests are used to compile a MTREF budget, and is captured across the total lifecycle of the

project. Before new project requests are considered, it is important for the model to consider committed funds and projects that must be provisioned in. **Committed projects** are those projects which formed part of either the approved capital budget or the adjusted capital budget of the municipality for the previous financial year, and which are contractually committed as assets under construction. Commitments made on these projects by the municipality, the budget fit methodology regards these projects as non-negotiable. **Provisioned projects** are those projects which formed part of either the approved capital budget of the municipality for the previous financial year, but which are not contractually committed as assets under construction. Termination of any provisioned projects will not result in either legal or financial liability for the municipality. The budget fit methodology regards these projects as having a higher priority than normal projects in the list (given their status received during previous MTREF budget publications) however their implementation timeframes are negotiable to an extent.

## 6.2 Budget Scenario Outcome

The table below depicts the capital budget's demand after the budget scenario process has been applied.

**Table 147: 2019/2020 – 2028/2029 CEF – Total Capital Expenditure per Fit Status**

Budget Scenario Status	Total during analysis period	Total %
Fitted	R162 020 500	3%
Fitted with delay	R1 365 360 044	29%
No Fit	R425 945 000	9%
No Fit - Zero Budget	R-	0%
Project Committed	R2 766 813 047	59%
<b>Total</b>	<b>R4 720 138 591</b>	<b>100%</b>

The budget fit results indication that 3% of the capital demand has been assigned in the same year as it requests. 59% Of the capital demand however is Committed, due to the fact that the MTREF budget was a fixed variable in the budget scenario, which means it “committed” projects were firstly eligible to the funding envelope, followed by projects with the highest score. Once the funding envelope is saturated, projects are being “fit with delay”, until the 10 year funding envelope is saturated. Thereafter projects are allocated a “no fit” status. Only 9% of capital demand has not been fit over the 10 years – which implies they will fit in a year after the frameworkhorizon.

The budget-fit results can be interpreted as follows:

**Table 15: Budget-Fit Definitions**

Category	Description
<b>Committed</b>	In the first year, project that are currently under construction, still has contractual commitments and cannot be fit at any other stage without having a negative impact on the municipality. These projects therefore are allocated budget in the first year, and not over the 10 year period.
<b>Provisioned in</b>	These projects receive the most budget in the first years as they are already declared on the MTREF. As time

		continues, these commitments decrease, and so does the capital requirement of these projects over time.
<b>Fitted</b>		Between the first and Second financial year there is a sharp increase in capital demand fitted. This is because of the finalisation of projects with a committed status. Once the commitments has been served, the funding envelope opens up capacity to fit new projects.
<b>Fitted with delay</b>		Projects that do not fit are projects with the lowest score. This means that projects with higher score was fitted with delay. Once the funding envelopes has been depleted, these projects – the no fit projects – are not included in the budget scenario. It has a high proportion of the Capital demand in the first year, as the low scoring projects in this year compete with high capital demand assigned to statuses such as committed and provisioned in. It decrease sharply as more capital is fitted with delay.
<b>No Fit</b>		Zero Budget: Even though these projects do not ask for any Capital Demand, they have been conceptualised and will reach a point of maturity in the next ten years where the will have a Capital Demand. It is therefore important to have sight of these projects on one single platform, together with the rest of the project pipeline.
<b>No Fit – Zero Budget</b>		Even though these projects do not ask for any Capital Demand, they have been conceptualised and will reach a point of maturity in the next ten years where the will have a Capital Demand. It is therefore important to have sight of these projects on one single platform, together with the rest of the project pipeline.

2019/20 Capital Expenditure Framework 2019/20 - 2028/29  
Budget Scenario

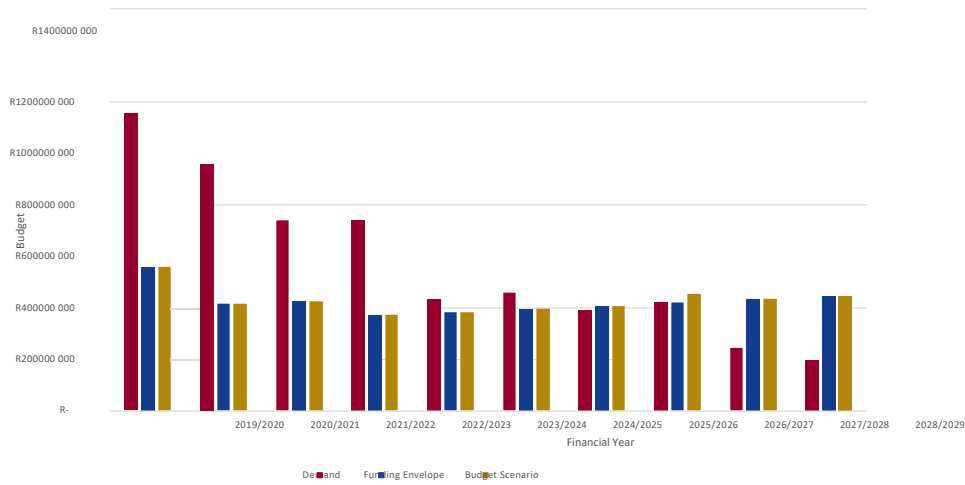


Figure 9: Demand vs. Funding Envelope vs. Budget Scenario Output

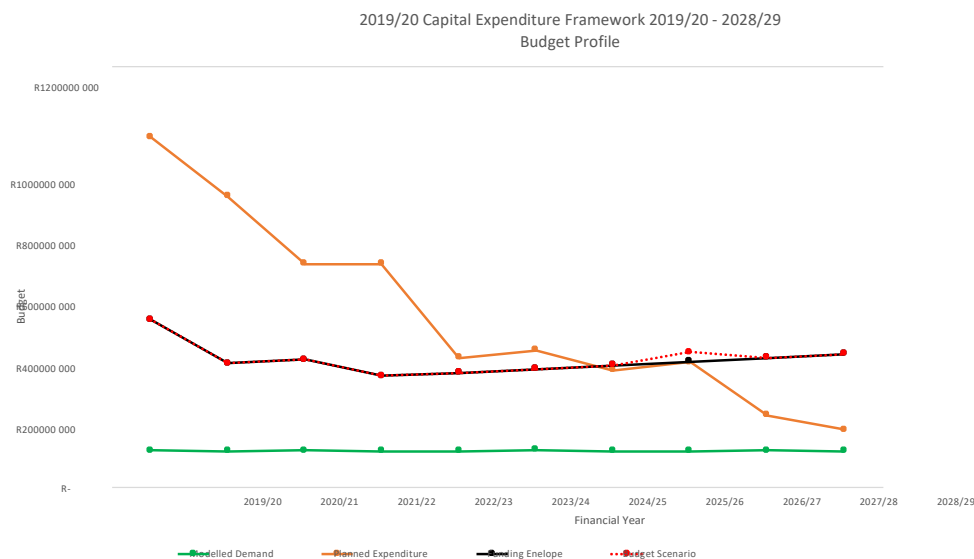
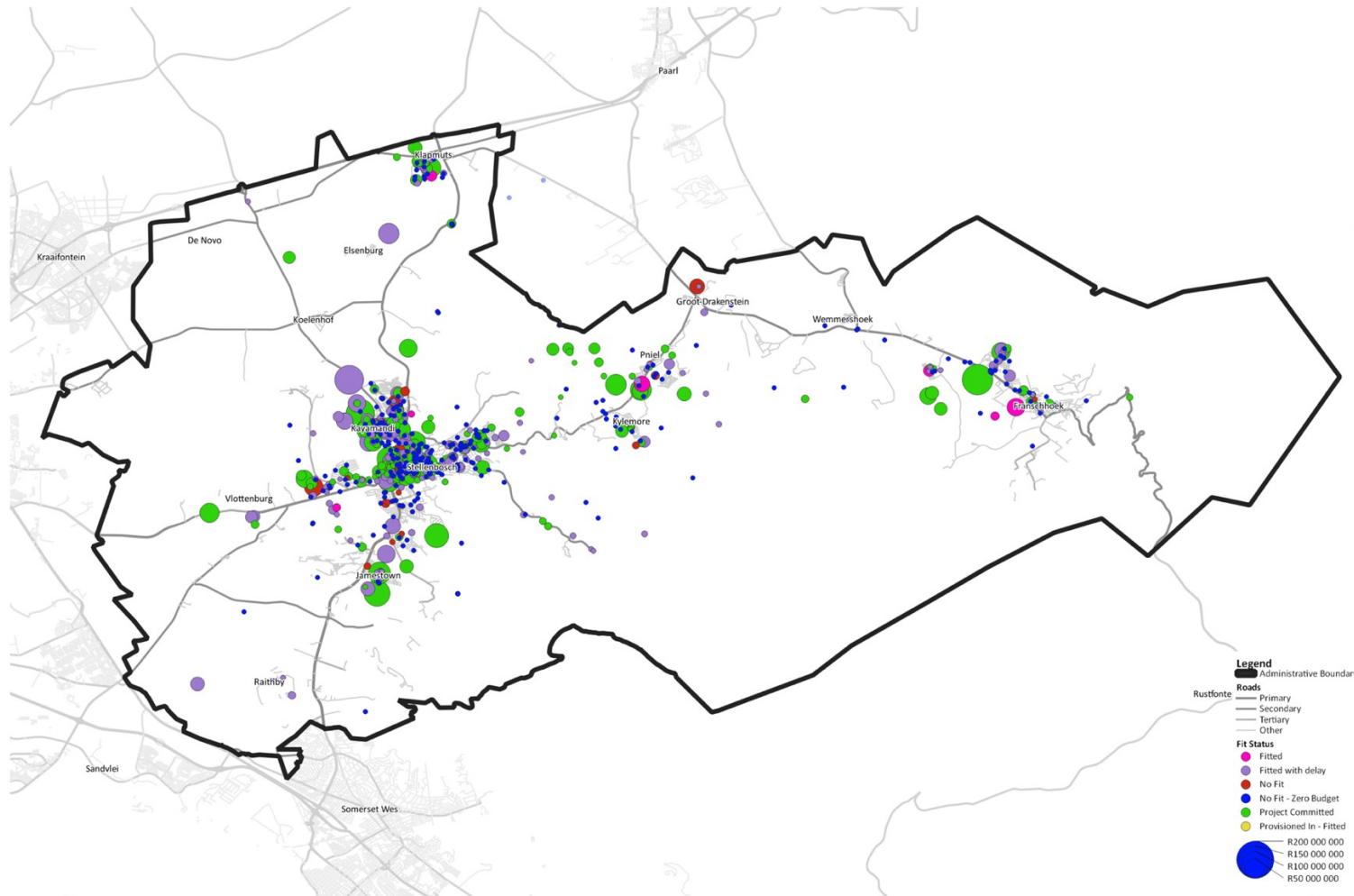


Figure 10: Budget Profile

Table 16: Capital demand vs Budget fit results

Financial Year	Demand	Funding Envelope	Budget Scenario
2019/2020	R1 155 145 272	R558 276 528	R558 276 528
2020/2021	R959 878 659	R414 612 759	R414 612 759
2021/2022	R740 192 900	R426 337 700	R426 337 700
2022/2023	R740 017 754	R374 000 000	R373 996 754
2023/2024	R433 019 619	R385 000 000	R384 977 719
2024/2025	R458 314 256	R397 000 000	R397 007 956
2025/2026	R393 318 130	R408 000 000	R407 979 530
2026/2027	R419 737 630	R421 000 000	R451 997 630
2027/2028	R245 045 909	R433 000 000	R433 010 909
2028/2029	R198 933 462	R446 000 000	R445 996 106
<b>Total</b>	<b>R5 743 603 591</b>	<b>R4 263 226 987</b>	<b>R4 294 193 591</b>

**Map 3: Spatial Depiction of Budget Fit**



DISCLAIMER:  
The information on this map was derived from various sources. Care was taken in the creation of this map. Novus3 cannot accept any responsibility for errors, omissions, or positional accuracy. There are no warranties, expressed or implied, accompanying this product. However, notification of any errors will be appreciated.

**2019/2020 Stellenbosch Capital Expenditure Framework**  
Budget Fit Statuses - Spatial Distribution



### Analysis of Budget Fit i.r.t. Priority Development Area:

- **Klapmuts:** Most projects in this area either has no budget requested or are fit with delay. This highlight the fact that this future expansion node of Stellenbosch will enjoy capital expenditure, but the majority thereof will realise later on.
- **Koelenhof:** The Koelenhof node development is still in concept phase. One this area has a clear spatial vision, the municipality can respond with capital projects required to facilitate such expansion.
- **Vlottenburg:** The potential that boasts within this area is unprecedented. It is for that reason that most of the capital projects within the Vlottenburg area has been fit as per the budget fit module of CP3.
- **Stellenbosch Central:** It is clear from the figure above that Stellenbosch central is house of a variety of projects, and so a variety of fit statuses is assigned to this part of the municipality.
- **Franschhoek:** Small capital projects within the Franschhoek area has been fitted to the Capital Expenditure Framework. The majority has been fitted with delay which means that other projects across the municipality has been prioritised and fitted to the budget first.

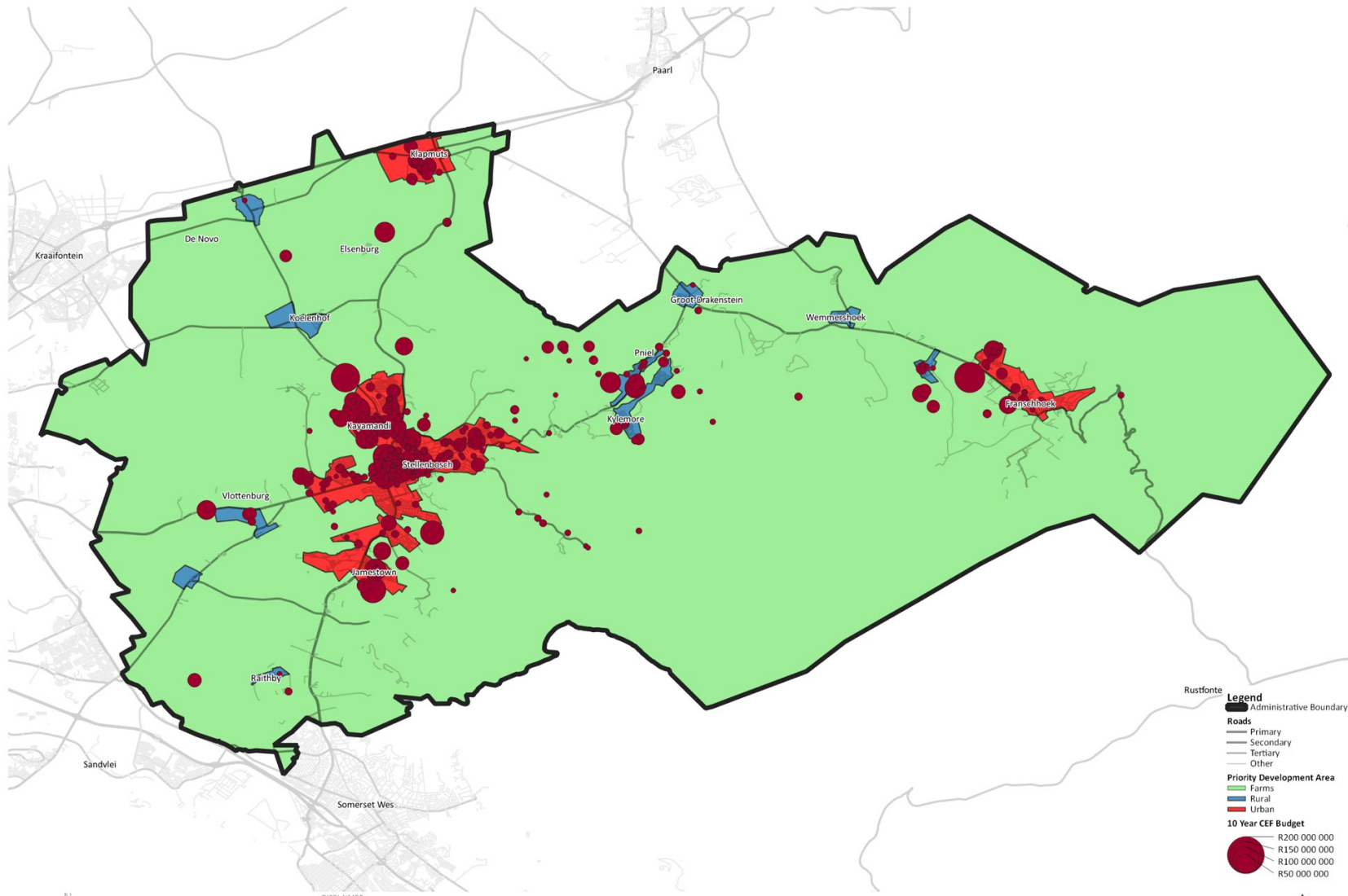
The investment paradigm of Stellenbosch is also informed and based on a spatial vision, namely the Draft Spatial

Development Framework. The key spatial structuring elements of the draft Spatial Development Framework includes:

- **Urban nodes:** The primary urban nodes, firstly includes Klapmuts as this is the identified area of expansion – based on development potential and the larger regional framework. Secondly is Stellenbosch central as this is the core of Stellenbosch and is deemed the area of compaction. Thirdly, is Franschhoek – which is a major role player in terms of the current space economy in the region. Stellenbosch cannot disregard this area and so prioritise maintenance investment in this area.
- **Rural nodes:** Rural nodes on their own are deemed as areas which should only enjoy maintenance expenditure in order to preserve the character of these areas. However, in the event where such a rural node is effected by the Adam Tas corridor, the investment paradigm shifts from a maintenance oriented approach to an investment oriented approach, in order to stimulate a specific need for compaction and densification.
- **Rural Area:** The rural areas represent the agricultural and tourism sector that plays a major role in the financial sustainability of Stellenbosch. Capital demand in these areas are usually of low intensity.
- **Adam Tas Corridor:** Capital Investment in the Adam Tas Corridor is vital in terms of the IUDF and the aims identified therein. The Corridor is deemed as a catalytic spatial structuring element that not only serves a local function, but

also a regional function and, if enforced, will capture a critical mass with the potential to attract incredible potential for economic development spatial reform.

Figure 11: 2019/20 – 2028/209 Capital Expenditure Framework – PDA Analysis



SCALE: NOT TO SCALE

The information on this map was derived from various sources. Care was taken in the creation of this map. Novus3 cannot accept any responsibility for errors, omissions, or positional accuracy. There are no warranties, expressed or implied, accompanying this product. However, notification of any errors will be appreciated.

2019/2020 Stellenbosch Capital Expenditure Framework  
10 Year CEF Budget  
Priority Development Areas

**Table 17: 10 Year 2019/20 Capital Expenditure Framework**

Row Labels	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Community and Protection Services	R64 315 000	R28 245 000	R27 675 000	R29 374 000	R28 405 000	R19 200 000	R41 287 000	R23 440 000	R14 750 001
Cemeteries	R2 200 000	R1 500 000	R8 000 000	R500 000	R-	R-	R-	R-	R-
Community and Protection Services: General	R3 525 000	R250 000	R-	R-	R-	R-	R-	R-	R-
Community Development	R385 000	R85 000	R100 000	R560 000	R55 000	R60 000	R607 000	R50 000	R60 000
Community Services: Library Services	R1 960 000	R1 340 000	R555 000	R360 000	R630 000	R260 000	R1 500 000	R800 000	R50 000
Disaster Management	R2 900 000	R800 000	R-	R1 500 000	R-	R-	R-	R-	R-
Nature Conservation	R4 360 000	R3 120 000	R2 420 000	R2 000 000	R2 050 000	R2 000 000	R5 000 000	R1 000 000	R1 500 000
Environmental Management: Urban Greening	R185 000	R150 000	R700 000	R50 000	R550 000	R-	R2 500 000	R-	R-
Fire and Rescue Services	R23 900 000	R800 000	R-	R3 500 000	R5 500 000	R350 000	R1 000 000	R6 000 000	R2 600 000
Halls	R250 000	R250 000	R700 000	R1 300 000	R1 000 000	R1 000 000	R500 000	R500 000	R1 500 000
Law Enforcement and Security	R5 150 000	R5 850 000	R5 350 000	R4 650 000	R5 150 000	R4 800 000	R4 850 000	R4 950 000	R5 600 001
Parks, Rivers and Area Cleaning	R10 550 000	R7 700 000	R4 700 000	R10 790 000	R13 440 000	R10 690 000	R10 790 000	R10 140 000	R3 440 000
Sports Grounds and Picnic Sites	R7 530 000	R4 800 000	R4 750 000	R2 000 000	R-	R-	R14 500 000	R-	R-
Traffic Services	R1 420 000	R1 600 000	R400 000	R2 164 000	R30 000	R40 000	R40 000	R-	R-
Corporate Services	R111 970 000	R35 050 000	R29 050 000	R19 350 000	R9 760 000	R9 750 000	R14 050 000	R30 850 000	R34 800 000
(ICT)	R5 600 000	R5 100 000	R5 200 000	R6 600 000	R6 800 000	R6 800 000	R6 900 000	R6 900 000	R7 000 000
Parks, Rivers and Area Cleaning	R-	R-	R-	R-	R10 000	R-	R-	R-	R-
Properties and Municipal Building Maintenance	R106 050 000	R29 950 000	R23 850 000	R12 750 000	R2 950 000	R2 950 000	R7 150 000	R23 950 000	R27 800 000
Strategic Corporate Services: General	R320 000	R-	R-	R-	R-	R-	R-	R-	R-
Financial Services	R150 000	R150 000	R150 000	R-	R-	R-	R-	R-	R-
Executive Support: Financial Services: General	R150 000	R150 000	R150 000	R-	R-	R-	R-	R-	R-
Infrastructure Services	R371 856 528	R346 125 959	R369 238 900	R316 977 754	R333 936 119	R363 809 556	R346 478 330	R384 657 630	R360 105 908
Electrical Services	R34 290 000	R30 500 000	R38 950 000	R19 500 000	R60 500 000	R-	R37 100 000	R47 700 000	R50 800 000
Executive Support: Engineering Services: General	R800 000	R400 000	R-	R10 000	R60 910 000	R60 700 000	R300 000	R300 000	R300 000
Infrastructure Plan, Dev and Implement	R40 431 528	R37 796 528	R44 393 900	R65 522 754	R51 011 119	R73 209 556	R42 158 330	R105 222 630	R106 505 908
Roads and Stormwater	R37 800 000	R9 300 000	R12 050 000	R18 250 000	R33 500 000	R48 500 000	R74 200 000	R34 600 000	R18 850 000
Traffic Engineering	R19 800 000	R6 250 000	R2 400 000	R-	R700 000	R2 600 000	R6 000 000	R1 000 000	R500 000
Transport Planning	R12 600 000	R6 200 000	R6 000 000	R100 000	R1 300 000	R1 200 000	R25 220 000	R43 335 000	R84 050 000
Waste Management: Solid Waste Management	R31 735 000	R28 945 000	R34 345 000	R15 495 000	R14 015 000	R11 700 000	R16 150 000	R31 050 000	R17 600 000
Water and Wastewater Services: Sanitation	R114 400 000	R113 234 431	R98 350 000	R72 600 000	R51 100 000	R27 500 000	R22 400 000	R38 250 000	R42 300 000
Water and Wastewater Services: Water	R80 000 000	R113 500 000	R132 750 000	R125 500 000	R60 900 000	R138 400 000	R122 950 000	R83 200 000	R39 200 000
Municipal Manager	R35 000	R40 000	R40 000	R-	R-	R-	R-	R-	R-
Executive Support: Office of the Municipal Manager	R35 000	R40 000	R40 000	R-	R-	R-	R-	R-	R-
Planning and Economic Development	R9 950 000	R5 001 800	R183 800	R8 295 000	R12 876 600	R4 248 400	R6 164 200	R13 050 000	R23 355 000
Administrative Support	R-	R-	R-	R-	R-	R-	R1 000 000	R10 000 000	R20 000 000
Building Development Management	R-	R-	R-	R-	R-	R-	R-	R-	R-
Customer Interface & Administration	R-	R-	R-	R-	R-	R-	R-	R-	R-
Development Planning: Spatial Planning	R-	R-	R-	R-	R255 000	R45 000	R-	R-	R-
Economic Development and Tourism	R9 695 000	R4 785 000	R-	R-	R5 000 000	R-	R-	R-	R300 000
IHS: Informal Settlements	R-	R-	R-	R8 270 000	R5 250 000	R3 020 000	R3 025 000	R3 025 000	R3 025 000
IHS: New Housing	R50 000	R51 800	R58 800	R25 000	R24 000	R24 500	R25 000	R25 000	R30 000
Land Use Management	R150 000	R130 000	R125 000	R-	R-	R-	R-	R-	R-
Spatial Planning: Planning and Development	R55 000	R35 000	R-	R-	R2 347 600	R1 158 900	R2 114 200	R-	R-
<b>Grand Total</b>	<b>R558 276 528</b>	<b>R414 612 759</b>	<b>R426 337 700</b>	<b>R373 996 754</b>	<b>R384 977 719</b>	<b>R397 007 956</b>	<b>R407 979 530</b>	<b>R451 997 630</b>	<b>R433 010 909</b>

### 3. CAPITAL EXPENDITURE IMPLEMENTATION FRAMEWORK – 2019/2021

#### MTREF

Once the ten year Capital Expenditure Framework has been set up as a result of the prioritisation and budget fit process, a three year Capital Expenditure Implementation follows. In order to manage Capital Expenditure Implementation, National Government, through the MFMA has established the Medium Term Revenue and Expenditure Framework (MTREF). The MTREF is a rolling three-year expenditure planning tool and defines the expenditure priorities for a period of three years.

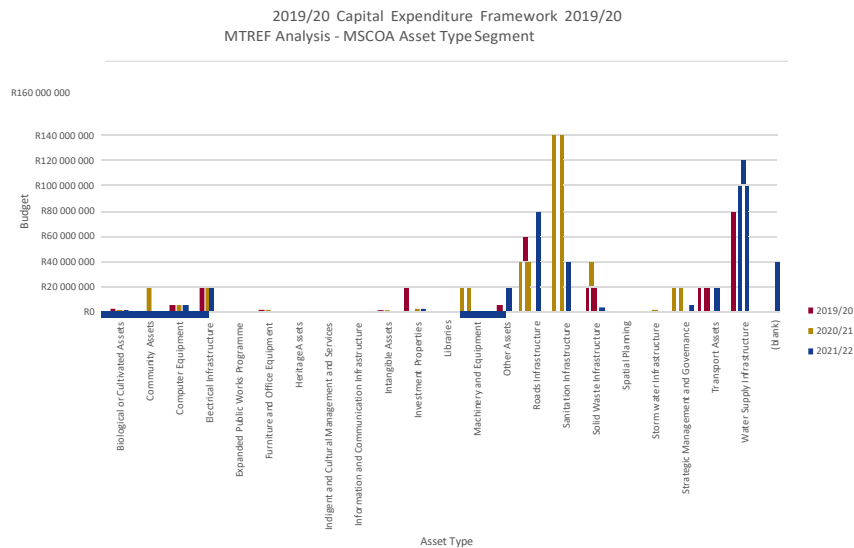


Figure 12: 2019/20 MTREF Capital Budget by mSCOA Asset Type

### 6.3 Functional Area Budget Split

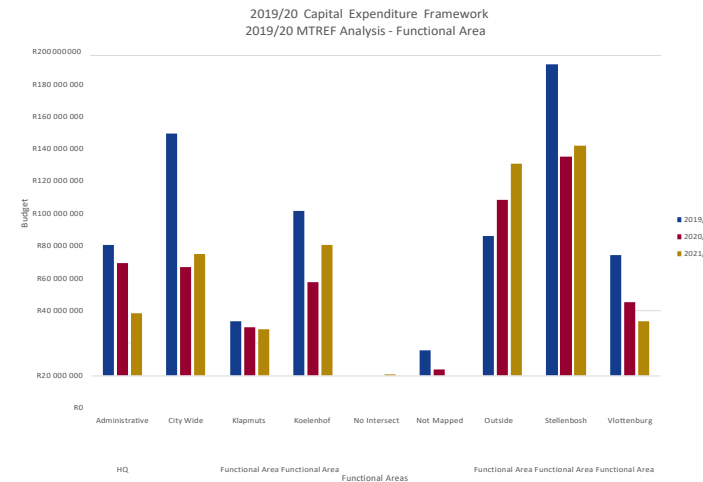


Figure 13: 2019/20 MTREF Capital Budget by Functional Area

Table 18: 2019/20 MTREF Capital Budget by Functional Area

Functional Area	2019/20	2020/21	2021/22	Total	Percentage
Administrative HQ	R 80 665 000	R 69 686 800	R 38 476 800	R 188 828 600	11%
City Wide	R 149 405 000	R 67 110 000	R 75 000 900	R 291 515 900	16%
Klapmuts Functional Area	R 33 551 528	R 29 576 394	R 28 625 023	R 91 752 945	5%
Koelenhof Functional Area	R 102 100 857	R 57 644 772	R 80 406 846	R 240 152 475	13%
No Intersect	R -	R -	R 17 720	R 17 720	0%
Not Mapped	R 15 845 000	R 3 750 000	R -	R 19 595 000	1%
Outside Functional Area	R 86 173 196	R 108 376 129	R 130 824 054	R 325 373 378	18%
Stellenbosch Functional Area	R 192 161 502	R 135 588 586	R 142 050 325	R 469 800 412	26%
Viottenburg Functional Area	R 74 705 024	R 45 268 363	R 33 290 173	R 153 263 560	9%
<b>Grand Total</b>	<b>R 734 607 107</b>	<b>R 517 030 942</b>	<b>R 528 691 841</b>	<b>R 1 780 329 890</b>	<b>100%</b>



## 4. SUMMARY

### 4.1 Socio-Economic Base and Future Revenue

- Strong economic base and diversified economy, but rapid increase in migration to the municipal area placing pressure on existing infrastructure;
- However – national conditions also impact on the municipality – with only moderate growth forecast over the forecast period;
- A key structural weakness can now be identified: as economic growth rates slow, which might have a negative effect on revenue collection to extract additional revenue for ever-growing needs;
- To pursue and sustain progressive / redistributive / pro-poor policies – it is essential that the economic base expands and critically, job creation (especially at entry-level) accelerates, and;
- Over the forecast period – we still see scope for tariff increases (broadly aligned with CPI) and for more progressive tariff structures.

### 4.2 Capital Investment

- Stellenbosch embarked on an aggressive capex programme since 2014 – largely funded from own resources;

- As the population continues to increase, the municipality needs to deal with normalising historic settlement patterns to accommodate new migrants and improve access to and mobility within the municipal area;
- Although the total budgeted investment returns to the R350 million p.a. level over the MTREF period, we envisage a moderate growth-rate in capex over the forecast period. This is to ensure capital investment keeps pace with population growth and continues to address backlogs;
- We have introduced a conservative borrowing programme which remains well within the prudential limits;
- Even though the municipality has used spatial prioritisation as an input to capital investment, the CEF is one of the first documents of the municipality that show how it is done on a technical level. Successful weaving between the latest thinking regarding the spatial structure of Stellenbosch and the prioritisation model was achieved when considering the capital expenditure allocated to the Priority Development Areas.
- Detailed, precinct level designs should be done, in order to result in a quantified and phased implementation plan that will then be subjected to the prioritisation and budget fit methodology of the municipality in order for projects within these areas to participate in the budget allocation process of the Municipality.
- In order to deliver the said detailed precinct level designs, more spatial and economic modelling is required for a comprehensive perspective on the long-term corridor

development and spatial settlement patterns in the municipal area, and;

- Despite continued use of own resources and a depletion of cash reserves, the liquidity metrics remain positive over the forecast period.

#### 4.3 Institutional Arrangements

- Stellenbosch Local Municipality is one of the municipalities who has developed a Capital Expenditure Framework, and one of the only municipalities. The ease with which the CEF could be developed is largely attributable to the levels of institutional maturity which enabled an integrated mechanism of planning as intended by the IUDF.
- Regardless of the institutional maturity, the municipality still identified areas of improvement that can be worked on towards the next version of the Capital Expenditure Framework.

Institutional Arrangements of note to this extract includes:

- **Volume based data collection:** This CEF is financially oriented. In order to ensure that the service delivery needs within the municipality are met, it is necessary to have a better understanding of the asset quality within the municipality and what the volumes are that will be obtained after spending the capital as expressed in the CEF. This will lead to a CEF that not only look at whether the municipal budget is sustainable, but also meet the potential needs that is facing the municipality as identified in the demand quantification chapter of this document.

- **Update master plans:** The CEF is reports on an ongoing cycle of project conceptualisation, planning budgeting and implementation. Part of this process is to update master plans – alternatively referred to as sector plans. This will then feed into the Integrated Infrastructure Investment Framework (IIIF). Stellenbosch is in process of updating various master plans which, once updated, will result in a project list which will then feed into the CEF, and so ensure that the CEF remains current and relevant.
- **Clear set of performance indicators:** During the process of developing the CEF, various indicators were provided and discussed. The first round CEF's should show which metrics could assist in measuring performance towards the IUDF. Two such indicators include the Poor versus Non-Poor capital expenditure ratio, as well as the % of capital expenditure that is spatially targeted, and;
- **Adjustment of submission dates:** There is a call for better alignment between municipal and national planning processes in terms of submission dates of critical document such as the MTREF budget, SDF review, IDP update and a CEF. What makes this even more critical of a call, is the fact that the said documents are all intertwined, which calls for stronger coordination within the municipality.