



STELLENBOSCH
STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

Ref: 3/4/3/5/3/4

2019-08-30

**NOTICE OF A RURAL MANAGEMENT AND TOURISM
COMMITTEE MEETING**

WEDNESDAY: 2019-09-04 AT 12:00

TO Cllr S Peters [Chairperson]

COUNCILLORS A Crombie (Ms)

JK Hendriks

LK Horsband(Ms)

Ex officio Executive Mayor, Ald G Van Deventer (Ms)

Notice is hereby given that a Rural Management and Tourism Committee meeting will be held in the Council Chamber, Town House, Plein Street, Stellenbosch on **Wednesday, 2019-09-04 at 12:00** to consider the attached Agenda.

**CLLR S PETERS
CHAIRPERSON**

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2019-09-04
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AGENDA

RURAL MANAGEMENT AND TOURISM
COMMITTEE MEETING

2019-09-04

1.	OPENING AND WELCOME	(3/4/3/3)
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1.1	COMMUNICATION BY THE CHAIRPERSON	(3/4/3/6)
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1.2	DISCLOSURE OF INTEREST	(3/6/2/2)
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2.	APPLICATION FOR LEAVE OF ABSENCE	(3/4/3/3)
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3.	CONFIRMATION OF THE MINUTES	(3/4/3/5/2/4)
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4.	REPORT/S BY THE DIRECTOR: PLANNING AND ECONOMIC DEVELOPMENT SERVICES RE OUTSTANDING RESOLUTIONS TAKEN AT PREVIOUS MEETINGS	(3/4/3/5/2/2)
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NONE

APPENDIX 1



STELLENBOSCH
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MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

Ref: 3/4/3/5/3/4

2019-08-07

MINUTES

RURAL MANAGEMENT AND TOURISM COMMITTEE MEETING

2019-08-07 AT 12:00

MINUTES
RURAL MANAGEMENT AND TOURISM COMMITTEE MEETING
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PRESENT	Councillor SA Peters (Chairperson)
Councillors	A Crombie (Ms) JK Hendriks
Also Present	Cllr AR Frazenburg
Officials	Manager: Local Economic Development (W Moses) Senior Admin Officer (Ms B Mgcushe) Interpreter (J Tyatyeka)

1.	OPENING AND WELCOME	(3/4/3/3)
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The Chairperson welcomed everyone present and requested Cllr JK Hendriks to open the meeting with a prayer.

1.1	COMMUNICATION BY THE CHAIRPERSON	(3/4/3/6)
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None

1.2	DISCLOSURE OF INTEREST	(3/6/2/2)
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None

2.	APPLICATION FOR LEAVE OF ABSENCE	(3/4/3/3)
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The following application for leave was approved in terms of the Rules of Order of Council:-

Director: Planning and Economic Development: T Mfeya – 2019-08-07

ABSENT

Councillor LK Horsband (Ms)

MINUTES

RURAL MANAGEMENT AND TOURISM
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3.	CONFIRMATION OF THE MINUTES	(3/4/3/5/2/4)
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NONE

4.	REPORT/S BY THE DIRECTOR: PLANNING AND ECONOMIC DEVELOPMENT SERVICES RE OUTSTANDING RESOLUTIONS TAKEN AT PREVIOUS MEETINGS	(3/4/3/5/2/2)
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NONE

5.	REPORTS FROM OFFICIALS: LED AND TOURISM
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5.1	NON-DELEGATED MATTERS
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5.1.1	MERGING AND/OR CO-OPERATION BETWEEN DWARSRIVIER TOURISM AND FRANSCHHOEK WINE VALLEY TOURISM
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Collaborator No:

File No

LU/8061

IDP KPA Ref No:

KPI042

Meeting Date:

07 August 2019

1. SUBJECT: MERGING AND/OR CO-OPERATION BETWEEN DWARSRIVIER TOURISM AND FRANSCHHOEK WINE VALLEY TOURISM

2. PURPOSE

To advise the Executive Mayor whether there should be one organisation with Dwarsrivier as a region within Franschhoek, or whether it should remain two tourism bodies with a Memorandum of Understanding of mutual co-operation.

3. DELEGATED AUTHORITY

FOR DECISION BY MUNICIPAL COUNCIL

4. EXECUTIVE SUMMARY

It is understood that the Dwarsrivier Tourism Office has long wanted to operate independently of Franschhoek Wine Valley Tourism Office.

At present the Dwarsrivier Tourism Office is not constituted with any appropriate legal structure, and as such has no Board of Directors, nor separate financial statements fully appropriate to the requirements of the MFMA.

The application for Dwarsrivier Tourism funding is submitted as part of the Franschhoek Wine Valley (FWV) application, as FWV is properly constituted to receive such funds.

Municipal Grant funding for Dwarsrivier Tourism is paid to Franschhoek Wine Valley, which then disburses funds as and when needed for projects and initiatives of Dwarsrivier Tourism.

Dwarsrivier Tourism Office currently fills the primary role of a Visitor Information Centre, with a secondary role of school & media educationals, some community-based events, membership services, and product development and activity booking.

Within the Dwarsrivier Office there is limited capacity to undertake organisational and product development needed to catalyse tourism opportunities within the Valley.

5. RECOMMENDATIONS

- (a) that, in the interim, the current relationship between Franschhoek Wine Valley Tourism and Dwarsriver Tourism Office be maintained;
- (b) that, in the next 24 months, Dwarsrivier Tourism Office be assisted by Franschhoek Wine Valley and the Local Economic Development Department to become a fully-fledged organisation;
- (c) Alternatively, that Franschhoek, Dwarsrivier and Stellenbosch start discussions as to the incorporation of the Route or some portion(s) of it into Franschhoek and Stellenbosch; and
- (d) that the Dwarsrivier Tourism Office be retained as a Visitor Information Centre, but that it is moved to the front of the Municipal building for improved tourist visibility and access from the Main Road.

6. DISCUSSION / CONTENTS

6.1 Background

An historical need to exercise improved financial control over Dwarsrivier forms in large part the reason for the current arrangement and relationship between Franschhoek Wine Valley Tourism and Dwarsrivier Tourism.

Subscription Membership of Dwarsrivier Tourism as a member marketing organisation is limited, with big well-resourced tourism entities choosing to align with Franschhoek Wine Valley and/or Stellenbosch 360.

Membership drives within the Dwarsrivier Valley have had small successes, but total membership falls short of achieving critical mass in number of member organisations, and consequently also in the generation of additional revenue from membership fees or levies.

6.2 Discussion

Whilst the desire for independence burns bright within the Dwarsrivier Tourism Office, there are practical operational matters that need consideration, such as:

- a. A previous initiative to establish a Dwarsrivier Project Committee to implement a specific event, and to establish governance and operational capabilities failed due to almost total community drop-out rates.
- b. An independent Dwarsrivier Office will need to fulfil all corporate governance requirements, including registration of an entity and a functional Board.
- c. It will need an in-house bookkeeping function.
- d. Dwarsrivier Tourism does access additional outside funding, but not to the extent of either FWV or S360.
- e. Lack of access to the back-office functions of FWV could result in increased costs to Dwarsrivier Tourism with less resources available for marketing.
- f. Currently, access to the CEO of FWV gives Dwarsrivier Tourism a marketing resource of unique breadth, depth, and knowledge and experience.
- g. Ultimately a business case may evolve that suggests independence for the Dwarsrivier Tourism function when a tourism critical mass is achieved.
- h. At present it is felt that tourism business interests will be best served by much tighter oversight and control of Dwarsrivier in the short term, and by Franschhoek Wine Valley absorbing the Dwarsrivier functions and guiding all activities in the Dwarsrivier region with due recognition of synergies to be gained from better integrated processes and calendars.

6.3 Financial Implications

Assuming Dwarsrivier Tourism continues being funded at similar levels as at present, there would not be any significant change in financial implications for the Municipality.

6.4 Legal Implications

The Municipality has responsibilities toward Local Tourism as set out in Schedule 4, Part (B) of the Constitution of the Republic of South Africa, 1996.

6.5 Staff Implications

The incorporation of Dwarsrivier Tourism into Franschhoek Wine Valley may have staff implications for the organisations concerned, but not for the Municipality.

6.6 Previous / Relevant Council Resolutions

None

6.7 Risk Implications

None.

6.8 Comments from Senior Management

As per signatories of the submission form: Manager: LED & Tourism, Director: Planning & Economic Development, Municipal Manager, MMC, Executive Mayor.

RECOMMENDATIONS FROM RURAL MANAGEMENT AND TOURISM TO THE EXECUTIVE MAYOR: 2019-08-07: ITEM 5.1.1

- (a) that, in the interim, the current relationship between Franschhoek Wine Valley Tourism and Dwarsriver Tourism Office be maintained;
- (b) that, in the next 24 months, Dwarsrivier Tourism Office be assisted by Franschhoek Wine Valley and the Local Economic Development Department to become a fully-fledged organisation; and
- (c) that the Dwarsrivier Tourism Office be retained as a Visitor Information Centre, but that it is moved to the front of the Municipal building for improved tourist visibility and access from the Main Road.

FOR FURTHER DETAILS CONTACT:

NAME	W. MOSES
POSITION	Manager: LED & Tourism
DIRECTORATE	Planning & Economic Development
CONTACT NUMBERS	8408
E-MAIL ADDRESS	Widmark.Moses@stellenbosch.gov.za
REPORT DATE	01/04/2019

DIRECTOR: PLANNING & ECONOMIC DEVELOPMENT

The contents of this report have been discussed with the Portfolio Committee Chairperson and the Councillor agrees with the recommendations.

5.2	DELEGATED MATTERS
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NONE

6.	REPORTS SUBMITTED BY THE MUNICIPAL MANAGER
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NONE

7.	NOTICES OF MOTIONS AND NOTICES OF QUESTIONS RECEIVED BY THE MUNICIPAL MANAGER
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NONE

8.	CONSIDERATION OF URGENT MATTERS
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NONE

9.	MATTERS TO BE CONSIDERED IN-COMMITTEE
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NONE

The meeting adjourned at 12:33.

CHAIRPERSON:

DATE:

Confirmed on **with/without amendments.**

AGENDA

RURAL MANAGEMENT AND TOURISM
COMMITTEE MEETING

2019-09-04

5.	REPORTS FROM OFFICIALS: LED AND TOURISM
5.1	NON-DELEGATED MATTERS
5.1.1	ADOPTION OF REVISED SYSTEM OF DELEGATIONS

Collaborator No:**IDP KPA Ref No:** *Good Governance***Meeting Date:** **4 September 2019****1. SUBJECT: ADOPTION OF REVISED SYSTEM OF DELEGATIONS****2. PURPOSE**

To submit the proposed amended System of Delegations for discussion at the Section 80 committees to provide feedback to MAYCO and Council on any inputs on the delegations that affects the functions of the specific section 80 committees.

3. DELEGATED AUTHORITY

Council to approve.

4. EXECUTIVE SUMMARY

In terms of section 59 of the Local Government: Municipal Systems Act, 32/2000, a Municipal Council must develop a System of Delegations that will maximize administrative and operational efficiency and provide for adequate checks and balances, and, in accordance with such system, may:

- (a) delegate appropriate powers excluding the powers referred to in section 160(2) of the Constitution, the power to set tariffs, to decide to enter into a service delivery agreement in terms of section 76(b), to approve or amend the Municipality's IDP, and any other provision in legislation conferring the powers to Council alone. The delegations may be made to any of the Municipality's political structures, political office bearers, councillors or staff members;
- (b) instruct any such political structure, political office bearer, councillor, or staff member to perform any of the Municipality's duties; and
- (c) withdraw any delegation or instruction.

Section 59(2)(f) provides, inter alia, that the system of delegations developed in terms of section 59(1) by Council must be reviewed when a new council is elected.

The current system of delegations was approved by the previously elected Council. The current Council did not adopt the System of delegations – the

Speaker ruled on 15 August 2016 to “*Note the existing System of Delegations*”. Council has not fulfilled its obligation in terms of section 59(2)(f) to review the system of delegations after its election in 2016. A revised system of delegations has been tabled after the election but was not considered.

The Delegations have been revised in its totality and a new format was used in an attempt to link legislation and the different authorities to whom delegations are made. The changes as discussed at the workshop on 13 February 2018 are included in the attached document.

Council considered the delegation on 28 August 2019 and the following ruling was made by the Speaker:

30TH COUNCIL MEETING: 2019-08-28: ITEM 11.2.3

“The Speaker RULED

that, after consultation with the Executive Mayor, this matter be referred to all the Section 80 Portfolio Committee meetings in September 2019, where after same be resubmitted to the September 2019 Council meeting via the MAYCO.

5. RECOMMENDATIONS

- (a) that it be noted that by-laws or policies that are in the process of being revised and that are not included in the delegations will be taken up in the delegations administratively after the approval of the amended by-law or policy, and that the current delegations attached to those by-laws and policies remain in effect till such time it is revised; and
- (b) that the section 80 committee consider the provisions of delegations in regard to the functions relevant to the committee and provide input at the meeting for consideration.

6. DISCUSSION / CONTENTS

6.1 Background

In terms of section 59 of the Local Government: Municipal Systems Act, 32/2000, a Municipal Council must develop a System of Delegations that will maximize administrative and operational efficiency and provide for adequate checks and balances.

6.2 Discussion

In terms of Section 59(2)(f), such System of Delegations must be reviewed when a new Council is elected.

The Local Government elections took place on 3 August 2016 and a System of Delegations was tabled at the first Council meeting on 15 August 2016. The recommendation to adopt the delegations was not approved and the Speaker ruled that Council NOTED the existing System of Delegations. The last time that the delegations were reviewed was in 2015.

In terms of section 59 of the Local Government: Municipal Systems Act, 32/2000, a Municipal Council must develop a System of Delegations that will maximize administrative and operational efficiency and provide for adequate checks and balances, and, in accordance with such system, may:

- (a) delegate appropriate powers excluding the powers referred to in section 160(2) of the Constitution, the power to set tariffs, to decide to enter into a service delivery agreement in terms of section 76(b), to approve or amend the Municipality's IDP, and any other provision in legislation conferring the powers to Council alone. The delegations may be made to any of the Municipality's political structures, political office bearers, councillors or staff members;
- (b) instruct any such political structure, political office bearer, councillor, or staff member to perform any of the Municipality's duties; and
- (c) withdraw any delegation or instruction.

The current system of delegations was approved by the previously elected Council in 2015. The current Council did not adopt the System of delegations – the Speaker ruled on 15 August 2016 to Note the existing System of Delegations.

The Delegations must be reviewed in order to align with, amongst others:

- Municipal Assets Transfer Regulations;
- Preferential Procurement Regulations; and
- Cost Containment Regulations.

The Delegations have been revised in totality and a new format was used in an attempt to link legislation and the different authorities to whom delegations are made in order to make it more user friendly. It is therefore not possible to show individual changes as it was changed as a whole.

The Directors all made their inputs in regard to their functional fields. To comply with the legal directive of maximizing administrative and operational efficiency, a high degree of sub-delegations to Directors, Managers, Heads of Departments and other senior employees are provided for. Although every effort was made to ensure that the new proposed system of delegations is accurate and incorporates the delegations, it may be that certain minor administrative overlaps and omissions can be identified.

There are policies and by-laws that are currently under review and those have not been included in the System of Delegations. It is therefore recommended that when a new policy or By-law is approved, the delegations are approved with it and then administratively added to the System of Delegations.

A workshop with Councillors took place on 13 February 2018. The changes as discussed at the workshop are included in the attached document.

6.3 Financial Implications

As per the approved budget.

6.4 Legal Implications

Compliance with Section 59(1) of the Systems Act and various other legislative measures as listed in the definitions and interpretations contained in part 1 of the System of Delegations.

6.5 Staff Implications

If any additional staff has to be appointed permanently it will only be done within the framework of a Council-approved structure and with the necessary budgetary provisions.

6.6 Previous / Relevant Council Resolutions

Council resolution dated 15 August 2016, containing the Speaker's ruling.

6.7 Risk Implications

Delegations must maximize administrative and operational efficiency and provide for adequate checks and balances.

6.8 Comments from Senior Management

The item was discussed at the Director's meeting and the workshop, and the Directors' inputs are contained in the report.

6.8.1 Chief Financial Officer

Agree with the recommendations

6.8.2 Municipal Manager

Agree with the recommendations

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2019-08-14: ITEM 7.2.3

that this item be deferred to a continuation meeting on 20th August 2019.

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2019-08-20: ITEM 7.2.3

- (a) that Council adopts the attached revised System of Delegations as set out in **APPENDIX 2** as the primary source of the delegations from 1 September 2019;
- (b) that Council takes note that by-laws or policies that are in the process of being revised and that are not included in the delegations will be taken up in the delegations administratively after the approval of the amended by-law or policy, and that the current delegations attached to those by-laws and policies remain in effect till such time it is revised; and

AGENDA**RURAL MANAGEMENT AND TOURISM
COMMITTEE MEETING****2019-09-04**

- (c) that all political office bearers, political structures, the Municipal Manager, Directors, Senior Managers, Managers, Heads of Departments and all other identified officials be hereby authorised to exercise on behalf of the Council the delegated powers designated to them in terms of **APPENDIX 2**.

30TH COUNCIL MEETING: 2019-08-28: ITEM 11.2.3The Speaker **RULED**

that, after consultation with the Executive Mayor, this matter be referred to all the Section 80 Portfolio Committee meetings in September 2019, where after same be resubmitted to the September 2019 Council meeting via MAYCO.

ANNEXURES

- Appendix 1 – Council resolution dated 15 August 2016.
- Appendix 2 – System of Delegations (**APPENDIX 2 of the System of Delegation document is distributed under separate cover**)

FOR FURTHER DETAILS CONTACT:

NAME	A M C de Beer
POSITION	Director: Corporate Services
DIRECTORATE	Corporate Services
CONTACT NUMBERS	021 807 8018
E-MAIL ADDRESS	Annalene.deBeer@stellenbosch.org.za
REPORT DATE	29 August 2019

APPENDIX 1

6.8 ADOPTION OF SYSTEM OF DELEGATIONS

File number : 3/P/7

Report by : Acting Municipal Manager

Compiled by : Director: Strategic & Corporate Services

Delegated Authority : Council

1. LEGAL FRAMEWORK**1.1 System of Delegation**

In terms of Section 59 of the Local Government: Municipal Systems Act, Act 32/2000, a municipal council must develop a system of delegations that will maximize administrative and operation efficiency and provide for adequate checks and balances, and, in accordance with such system may:-

- (a) delegate appropriate powers, excluding a power mentioned in Section 160(2) of the Constitution and the power to set tariffs, to decide to enter into a service delivery agreement in terms of Section 76(b) and to approve or amend the municipality's IDP, to any of the municipality's political structures, political office bearers, councillors, or staff members;
- (b) instruct any such political structure, political office bearer, councillor, or staff member to perform any of the municipality's duties; and
- (c) withdraw any delegation or instruction.

A copy of Council's current approved System of Delegations is **distributed under separate cover as an APPENDIX.**

1.2 Review of Delegations

In terms of Section 59(2)(f), such System of Delegations must be reviewed when a new Council is elected.

In terms of Section 65, whenever it becomes necessary in terms of Section 59(2)(f)(supra) to review a municipality's delegations, the Municipal Manager must submit to Council:-

- (a) a report on the existing delegations issued in terms of section 59; and
- (b) recommendations on any changes to the existing delegations which the Municipal Manager may consider necessary.

If the municipality has an Executive Committee or Executive Mayor, the Municipal Manager must submit such report and any recommendations to the Council through the Executive Committee or Executive Mayor.

RECOMMENDED

that Council adopts the existing System of Delegations.

(ACTING MUNICIPAL MANAGER TO ACTION)

1st COUNCIL MEETING: 2016-08-15: ITEM 6.8

the Speaker **RULED**

that Council **NOTES** the existing System of Delegations.

(ACTING MUNICIPAL MANAGER TO ACTION)

AGENDA

RURAL MANAGEMENT AND TOURISM
COMMITTEE MEETING

2019-09-04

5.2	DELEGATED MATTERS
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NONE

6.	REPORTS SUBMITTED BY THE MUNICIPAL MANAGER
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NONE

7.	NOTICES OF MOTIONS AND NOTICES OF QUESTIONS RECEIVED BY THE MUNICIPAL MANAGER
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NONE

8.	CONSIDERATION OF URGENT MATTERS
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9.	MATTERS TO BE CONSIDERED IN-COMMITTEE
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NONE