

MAKHADO LOCAL MUNICIPALITY
OFFICE OF THE DIRECTOR CORPORATE SERVICES

MINUTES OF THE VIRTUAL ONE HUNDRED AND FIFTY NINTH (159th) SPECIAL COUNCIL MEETING OF MAKHADO MUNICIPALITY WHICH WAS HELD ON MONDAY, 31 MAY 2021 AT 14:00.

PRESENT

Councillors

BABADU, TM
 BALIBALI, T
 BALOYI, R S
 CHILILO, N F
 DAVHANA, N D
 DU PLOOY, A
 HLONGWANI, B F
 JONES, B K
 JONES, N B
 KHODOGA, J
 KUTAMA, N
 KUTAMA, T
 LUDUVHUNGU, V S
 MACHETE, M S
 MADULA, S
 MADUWA, E
 MADUWA, L G
 MADZHIGA, F N
 MAGADA, M R
 MAINGO, R T
 MALANGE, T M
 MALIMA, M E
 MALIVHA, N V
 MALULEKE, K M
 MAMAFHA, T C
 MAMAFHA, T J
 MAMOROBELA, T P
 MAPHUBU, K
 MARAGA, T A
 MASHAMBA, M A
 MASENGANA, M L

MASUKA, S
 MASUTHA, L G
 MATHALISE, L M
 MATUMBA, A
 MBOYI, M D
 MOHLABA, T J
 MTHOMBENI, S Z
 MUKHUBA, R
 MUKWEVHO, G T
 MUKWEVHO, T D
 MUKHARI, M F
 MULEFU, M E
 MUNYAI, N
 MUNYAI, N S
 MUSANDIWA, P N
 NDOU, M N
 NEMUDZIVHADI, N S
 NETHULWE, M F
 NYELISANI, S S
 RAMAVHOYA, K S
 RAMUSHAVHA, M G
 SESHOKI, T
 SIMANGWE, N J
 SINYOSI, S M
 TSHIAMBWA, L R
 TSHIBVUMO, G
 TSHIFURA, S S
 TSHILAMBYANA, M S

Officials

R V PHALANNDWA	(ACTING MUNICIPAL MANAGER)
N G RALIPHADA	(ACTING CHIEF FINANCIAL OFFICER)
H J LUKHELI	(ACTING DIRECTOR COMMUNITY SERVICES)
S G MAGUGA	(ACTING DIRECTOR CORPORATE SERVICES)
M G RALISHUKU	(ACTING DIRECTOR TECHNICAL SERVICES)
M D MUNYAI	(ADMINISTRATIVE OFFICER: COMMITTEES)

Traditional Leaders

None

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REMARK:

The Acting Municipal Manager, Mr K M Nemaname read the application for leave of absence received from the Speaker, Cllr L B Mogale. Council took note. The Rules of Order, 2016, clause 18.1 determines as follows: *“At every meeting of the Council, the Speaker, or if he/she is not present, an Acting Speaker shall be the Chairperson. An Acting Speaker may be elected by the majority of councillors present at any meeting of the Council where the Speaker is not present.”*

The Acting Municipal Manager proceeded with the process to elect an acting Speaker for the duration of the Council meeting. Cllr S Masuka proposed, duly seconded by Cllr S Madula that Cllr K M Maluleke be appointed as Acting Speaker. The proposal was accepted in general and Cllr K M Maluleke took the chair.

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1. OPENING

The Acting Speaker, Cllr K M Maluleke ruled that a moment of silence be observed for meditation and prayer, where after he declared the meeting officially opened and welcomed everyone present.

He expressed that Councillors be reminded of the Municipality’s Vision and Mission as follows:

Vision: *“A dynamic hub for socio-economic development by 2050”*

Mission: *“To ensure effective utilization of economic resources to address socio-economic imperatives through mining, agriculture and tourism”*

2. NOTICE OF THE MEETING

The Acting Speaker confirmed that all members had received notice of the virtual meeting, i.e. by sms, by e-mail, and hard copy format.

3. OFFICIAL ANNOUNCEMENTS

The Acting Speaker, Cllr K M Maluleke announced that the newly elected African National Congress member, Cllr Rudzani Mukhuba was sworn in on 25 May 2021 by Magistrate Molokomme at the Makhado Magistrate’s Office, and was welcomed at his first meeting as municipal councillor.

4. APPLICATION FOR LEAVE OF ABSENCE

RESOLVED –

THAT leave of absence be granted in terms of the provisions of Rule 21 of the Council’s Rules of Order, 2016 published under Provincial Gazette Notice no. 2736 dated 29 July 2016 in respect of the virtual Special Council meeting held on 31 May 2021 to Cllr M J Gabara, Cllr L B Mogale and Cllr M G Phoshoko.

REMARK:

4.1 The following councillors were absent from the Special Council meeting held on 31 May 2021: Cllrs S I Bulala, T E Dzivhani, M G Furumela, J Lukheli, M R Mokgoadi, M J Mpashe, M D Ndou, M C Nematandani, R Raliphada, D Ratshikuni, M A Selapyana, E T Sithi and T E Tambani.

4.2 The following traditional leaders were absent from the Special Council meeting held on 31 May 2021: Khosi T G Muila, Hosi S T Mukhari, Khosi V C Ramabulana, Hosi H S Mukhari, Khosi N T L Mashamba, Khosi P V Kutama, Khosi P Netsianda, Khosi F Molema and Khosi M M Mphephu did not participate in the meeting.

One vacancy existed with the passing away of Khosi R H Sinthumule.

5. REPORT OF THE EXECUTIVE COMMITTEE AND SECTION 79 COMMITTEES

(a) Recommendations of the Executive Committee in terms of section 59 (1) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000): May 2021

535th Executive Committee meeting held on 24 May 2021

536th Executive Committee meeting held on 31 May 2021

(b) Recommendations of the Section 79 Oversight Committees in terms of section 59 (1) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000): May 2021

82nd Section 79 Oversight Committee: Corporate Services meeting: 24 May 2021

57th Section 79 Oversight Committee: Finance meeting: 25 May 2021

50th Section 79 Oversight Committee: Development Planning meeting: 26 May 2021

35th Section 79 Oversight Committee: Technical Services: 26 May 2021

31st Section 79 Oversight Committee: Community Services: 26 May 2021

ITEM A.49.31.05.21 (originally A.38.24.05.21)

PERSONNEL: EXTENSION OF ACTING PERIOD: DIRECTOR TECHNICAL SERVICES

(5/3/4/5/23; 5/6/4)

RESOLVED A.49.31.05.21 (COUNCIL)

1. THAT it be approved that the Manager Civil Engineering, Mr M G Ralishuku be designated to act for a further period of three (3) months in the capacity as Director Technical Services, commencing with effect of 1 June 2021 until 31 August 2021, or such earlier date being the date preceding the date on which an incumbent may commence duty in the vacant post, whichever may be the earliest date. (DCS)
2. THAT application for extending the acting capacity in the vacant post of Director Technical Services as set out in paragraph 1 above be submitted to the MEC for Cooperative Governance, Human Settlement and Traditional Affairs for approval in terms of section 56(1) (a) (ii) (c) of the Local Government: Municipal Systems Act, No. 32 of 2000, as amended. (DCS)

ActingDTS_itm May 2021

ITEM A.50.31.05.21 (originally A.39.24.05.21)

ESSENTIAL SERVICES: DEVELOPMENT BANK SOUTH AFRICA GRANT AGREEMENT FOR:

PROPOSED TOWNSHIP ESTABLISHMENT ON REMAINDER OF PORTION 7 OF THE FARM BERGVLIET 288 LS TO BE KNOWN AS ELTI VILLAS EXTENSION 2 TOWNSHIP (16/8/1)

RESOLVED A.50.31.05.21 (COUNCIL)

1. THAT Council approves the project, accepts the Development Bank South Africa's grant funding, and development of the proposed Elti Villas Extension 2 Township, and supports the implementation of the project in terms of the Grant Agreement. (DDP)

2. THAT the Municipal Manager / Accounting Officer be authorised and mandated to sign the Grant Agreement on Council's behalf, and to sign and/or dispatch all documents and notices to be signed and/or dispatched by it or in connection with the Agreement. (MM)
3. THAT Council takes note of the submission to the Development Bank South Africa of the following documents as attached to the report in this regard:
 - 3.1. Grant Application letter (Annexure B)
 - 3.2. Motivation for township establishment/business plan (Annexure C)
 - 3.3. List of FICA requirements documents & DBSA explanatory notes on FICA requirements (Annexure D). (DDP)

DBSATownshipEstablishment_itm

ITEM A.51.31.05.21 (originally A.40.24.05.21)

COUNCIL COMMITTEES: RECRUITMENT OF AUDIT AND PERFORMANCE AUDIT COMMITTEE MEMBERS & CHAIRPERSON, AND RISK MANAGEMENT COMMITTEE CHAIRPERSON

(4/11/1)

RESOLVED A.51.31.05.21 (COUNCIL)

1. THAT Council notes that the Audit Committee members, Risk Committee Chairperson and ICT Committee Chairperson contracts will expire on 31 August 2021. (DCS)
2. THAT Council approve the advertising of the vacancies for members of the Audit Committee, and the vacancy of the Chairperson of the Risk Committee and ICT Steering Committee with the view to appoint successful candidates with commencement date 1 September 2021. (DCS)
3. THAT Council approves the recruitment of Audit Performance and Audit Committee members as well as the Chairperson of Risk Committee as required by section 166 of the Municipal Finance Management Act, Act No. 56 of 2003 with the advertisement for recruitment permitting fourteen (14) days for response by candidates. (DCS)
4. THAT Council appoints a Selection Panel comprising of the Speaker, the Municipal Manager and Internal Audit Manager, and Portfolio Councillor of Finance. (DCS)
5. THAT Council approves that the contract period for the newly appointed above-mentioned members be three years. (DCS)

ITEM A.52.31.05.21**FINANCES: FINAL ANNUAL BUDGET 2021/2022 FINANCIAL YEAR
(2021/2022)****RESOLVED A.52.31.05.21 (COUNCIL)**

1. THAT the Final Capital and Operational Estimates for the 2021/2022 financial year as more fully recorded in **Annexure A** attached to the report in this regard be approved. (CFO)

2. THAT the following 2021/2022 financial year's budget related policies be approved as more fully set out in **Annexure B1 to B22** attached to the report in this regard-
 - 2.1 Virement Policy
 - 2.2 Credit Control and Debt Collection Policy
 - 2.3 Borrowing policy
 - 2.4 Expenditure Management Policy
 - 2.5 Funding and Reserves Policy
 - 2.6 Budget Policy
 - 2.7 Framework for cash flow management
 - 2.8 Asset management policy
 - 2.9 Subsidy for indigent household policy
 - 2.10 Debt written off policy.
 - 2.11 Property Rates Policy
 - 2.12 Supply Chain Management Policy
 - 2.13 Revenue Management Policy
 - 2.14 Travel and Subsistence Policy
 - 2.15 Acquisition and use of Cellular phones Policy.
 - 2.16 Petty cash policy
 - 2.17 Car allowance policy
 - 2.18 Fleet Management policy
 - 2.19 Tariff Policy
 - 2.20 Customer Care Policy
 - 2.21 Contract Management Policy
 - 2.22 Cost Containment Policy

By-Laws

 - 2.23 Makhado Credit Control and Debt Collection By-Laws
 - 2.24 Property Rates By-Law (CFO)

3. THAT the amendment to the contents of the Property Rates By-law, 2021 and the Credit Control and Debt Collection By-law, 2021 be approved as more fully set out in **Annexure B23 and B24** of the report in this regard. (CFO)

- 4 THAT the amendment to the contents of the Budget Related Policies as reflected in the **Annexure B**, be approved. (CFO)
- 5 THAT the increase in 2021/2022 municipal tariffs and charges be approved as more fully set out in the various notices of **Annexure C** attached to the report in this regard, and the necessary promulgation thereof be done in terms of the provisions of Local Government: Municipal Systems Act, 2000. (CFO)
- 6 THAT it be noted that the Final 2021/2022 Estimates will after approval by the Council in terms of section 24 of the Municipal Finance Management Act, be submitted to National Treasury and the Provincial Treasury. (CFO)

Final Budget2021-2022_itm

ITEM A.53.31.05.21

TOWN-PLANNING: FINAL REVIEW: INTEGRATED DEVELOPMENT PLAN (IDP): 2021/22 (15/8/1)

RESOLVED A.53.31.05.21 (COUNCIL)

THAT Council adopts the Final IDP Review for the 2021/22 Financial Year. (DDP)

FinalIDP2021-2022_itm

ITEM A.54.31.05.21

ELECTIONS: COUNCILLOR - FILLING OF VACANCY OF WARD 38: BY-ELECTIONS, 2021 (3/2/5; 3/2/6)

RESOLVED A.54.31.05.21 (COUNCIL)

THAT it be noted that **Mr Rudzani Mukhuba**, Identity number **8609085487080**, has been declared duly elected as Ward Councillor of Makhado Local Municipality in terms of Clause 18, Schedule 1 of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998), by the Chief Electoral Officer **with effect of 19 May 2021** to fill the vacancy that came about due to the passing of the late former Ward 38 Councillor, Cllr A G Rashamuse. (DCS)

CouncillorReplaceMay2021_itm

- (c) **Recommendations of the respective Section 79 Standing / Special Joint Oversight Committees in terms of section 59 (1) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000): May 2021**

5th Section 79 Standing Committee: Ethics: 2 March 2021

6th Section 79 Standing Committee: Ethics: 18 May 2021

2nd Joint Section 79 Oversight Committees: Disaster, Moral Regeneration, Sports, Arts And Culture; Corporate Services And Finance: 18 May 2021

ITEM A.55.31.05.21

ALLEGATION ON BREACH OF CODE OF CONDUCT FOR COUNCILLOR A MATUMBA (3/4/3)

RESOLVED A.55.31.05.21 (COUNCIL)

THAT the report be provisionally withdrawn because the matter is still under investigation.

BreachCllrMatumba_itm(3)

(DCS)

ITEM A.56.31.05.21

ALLEGATION ON BREACH OF CODE OF CONDUCT FOR COUNCILLOR T P MAMOROBELA (3/4/3)

RESOLVED A.56.31.05.21 (COUNCIL)

THAT the report be provisionally withdrawn because the matter is still under investigation.

BreachCllrMamorobela_itm(3)

(DCS)

ITEM A.57.31.05.21

COUNCIL COMMITTEES: OUTCOME OF INQUIRY FOR FAILURE TO REMAIN IN ATTENDANCE OF COUNCIL MEETING:

1. **CLLR M G PHOSHOKO**
2. **CLLR E T SITHI**
3. **CLLR T KUTAMA**
4. **CLLR M A MASHAMBA**

(4/1/B & 10/1/5/1)

RESOLVED A.57.31.05.21 (COUNCIL)

1. THAT note be taken that the Ethics Committee notified four (4) contravening Councillors to appear before the Committee to make presentation, either in writing or verbally as to why they must not be found guilty of being absent from three (3) consecutive meetings of Council and its committees. (DCS)
2. THAT note be taken that it is the responsibility of a Councillor to make application of leave of absence if he/she is not attending meetings of Council and its committees. (DCS)

3. THAT note be taken that it is the responsibility of the Councillors to access the link of meetings, to always have data to attend meetings and to communicate with the Secretary of Council if Councillors are not receiving links for meetings. (DCS)
4. THAT Councillors must ensure that they personalize their profiles on the devices in use when they join virtual Council and its Committees' meetings for easy identification when joining the meeting, and for completing attendance registers. (DCS)

EthicsNonAttendance_itm(May)

ITEM A.58.31.05.21

COUNCIL LAND: REPORT ON TERMINATION 99 YEAR LEASE CONTRACTS (7/3/2/3/34; 13/1/1 & 13/4)

RESOLVED A.58.31.05.21 (COUNCIL)

1. THAT the report of the Joint Section 79 Oversight Committee: Corporate Services, Finance and Disaster, Moral Regeneration, Sport, Arts and Culture regarding the termination of low value and long lease agreements on properties owned by Council properties be noted. (MM)
2. THAT with reference to paragraph 1 above, it be resolved that all eleven (11) 99 year lease agreements be terminated. (MM)

99YearLeaseAgreements_itm

- (d) **Recommendation of the Section 79 Standing Committee: Municipal Public Account Committee in terms of section 59 (1) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000): May 2021**

ITEM A.59.31.05.21

ANNUAL REPORT 2019/20: MPAC OVERSIGHT REPORT AND FINAL APPROVAL: SUBMISSION TO DEPARTMENT NATIONAL TREASURY AND DEPARTMENT PROVINCIAL AND LOCAL GOVERNMENT (10/1/4/1-8)

REMARK:

When this matter was considered, Cllr A Matumba proposed that at the next Council meeting a report about the outcome of the Water Service Agreement be submitted. The proposal was accepted in general and recorded as Council Resolution herein below.

RESOLVED A.59.31.05.21 (COUNCIL)

1. THAT it be noted that the Oversight Committee (MPAC) considered the Final Annual Report, 2019/20 and recommends that Council accepts the 2019/2020 Annual Report as more fully set out in its report of findings attached as Annexure B to this report. (MM/DCS)
2. THAT Council adopts the Oversight Committee's (MPAC) Report dated 25 May 2021 attached as Annexure A to the report in this regard, without any reservations as corrections have been made in line with the MPAC recommendations. (MM/DCS)

3. THAT it be noted that Council's Resolution under this report together with annexures will be submitted to National Treasury and the MEC of Cooperative Governance, Human Settlement and Traditional Affairs for submission to the Minister of Cooperative Governance and Traditional Affairs, as well as the Auditor General's Office in the Province as Makhado Local Municipality's demonstration of municipal performance to its community, as purported in terms of Section 121 of the Local Government: Municipal Finance Management Act, 2003.

(MM/DCS)

4. THAT a report about the outcome of the Water Service Agreement be submitted at the next Council meeting.

(DCS)

OversightReportMay2021_itm

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The meeting was closed and adjourned at 14:45.

Approved and confirmed in terms of the provisions of Clause 22.1 of the Rules of Orders, 2016 promulgated in Provincial Gazette Notice No. 2736 of 29 July 2016 under Local Authority Notice 125, by a resolution of the Council passed at the meeting held on 29 July 2021.

CHAIRPERSON

MDM/lh/SpecialCouncilMinutes_159