

# MAKHADO LOCAL MUNICIPALITY

## OFFICE OF THE DIRECTOR CORPORATE SUPPORT AND SHARED SERVICES

MINUTES OF THE NINETY NINTH (99<sup>th</sup>) SPECIAL COUNCIL MEETING OF MAKHADO MUNICIPALITY WHICH WAS HELD ON THURSDAY, 28 MAY 2015 IN THE COUNCIL CHAMBER, CIVIC CENTRE, KROGH STREET, MAKHADO AT 14:00.

### PRESENT

#### Councillors

BALIBALI, N P	MATODZI, A M
BALOYI, S R	MATUMBA, M T
CHILILO, N F	MATUMBA, N J
DAVHANA, N D	MAZIBUKO, M P
GABARA, M J	MBOYI, M D
HLABIOA, M M	MMBADI, T A
HLONGWANE, B F	MOGALE, L B
HLUNGWANE, K A	MTHOMBENI, S Z
KUTAMA, N	MUDAU, T S
LUDERE, E H	MUKHARI, M F
LUDERE, R	MULOVHEDZI, M D
LUDUVHUNGU, V S	MUTAVHATSINDI, F D
MACHETE, M S	MUTELE, T M
MADAVHU, F F	NNDWAMBI, M R
MAFHALA, N A	NDZOVELA, N G
MADZHIVHANDILA, M R	NELUVHOLA, A T
MAGADA, M R	NEMAFHOHONI, M G
MAHANI, M G	NGOBENI, N E
MAHLADISE, S V	NKANYANE, R G
MAKHUVHA, V S	RASIMPHI, M P
MALANGE, R	RATSHIKUNI, D T
MAMAFHA, T J	REKHOTSO, S M
MAMAFHA, T C	RIKHOTSO, F J
MAMATSIARI, M S	SELEPE, M R
MAMOROBELA, T P	SHANDUKANI, M J
MAPHAHLA, A Z	SINYOSI, S M
MAPHALA, O S	TSHAVHUYO, T G
MASUKA, S	UNDERWOOD, J P
MATHAVHA, H F	
MATHOMA, M P	

#### Traditional Leaders

NONE

#### Officials

M D SINTHUMULE	(ACTING MUNICIPAL MANAGER)
M P MAKHUBELA	(CHIEF FINANCIAL OFFICER)
S M CAROTO	(MANAGER CORPORATE SERVICES)
M D MUNYAI	(ADMINISTRATIVE OFFICER: COMMITTEES)

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### 1. OPENING

The Speaker, Cllr L B Mogale ruled that a minute of silence be observed for meditation and prayer, whereafter she declared the meeting officially opened and welcomed everyone present.

She expressed that all be reminded of the Municipality's Vision and Mission as follows:

Vision “A Dynamic Hub For Socio – Economic Development By 2025”

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

## 2. APPLICATION FOR LEAVE OF ABSENCE

RESOLVED –

THAT leave of absence be granted in terms of the provisions of Rule 5 of the Council’s Rules and Orders published under Provincial Gazette Notice no. 1391 dated 31 August 2007 in respect of the Special Council meeting held on 28 May 2015 to Cllrs. R Makhubele, R Thandavhathu, P F Mashimbye, M M Lerule-Ramakhanya, A du Plooy, A J Mukhaha, M S Tshilamyana, L M Mathalise and F N Madzhiga.

### REMARK:

The following Councillors and Traditional Leaders were not present at the meeting:

1. Cllrs. N B Baloyi, M Mpashe, N S Munyai, T P Netshivhulana, T M Malange, M E Malima, S D Ramudzuli and M Q Ratshivhombela.
2. Khosi S A Mulima, Khosi M C Masakona, Hosi H N Majosi, Hosi J Baloyi, Hosi T J Mukhari, Khosi M W Netsianda, Khosi N T L Mashamba, Khosi T P Nesengani, Khosi T R V Mashau, M A Madzivhandila, Khosi R H Sinthumule, Khosi S T Mukhari and Khosi V C Ramabulana.

**REMARK:** Khosi M W Netsianda, Khosi M A Madzivhandila and Hosi M S Bungeni have passed away.

## 3. OFFICIAL ANNOUNCEMENTS

- 3.1 The Speaker, Cllr L B Mogale announced that VDM was launching an EPWP project of borehole operators. Ward Councillors each have to submit two nominations to the Speaker’s Office.
- 3.2 The Speaker, Cllr L B Mogale announced that Makhado Sports Committee would host matches of soccer, netball and snooker between employees and councillors of Municipality on Wednesday, 17 June 2015 at 14:00 at Makhado Showground. All councillors who wanted to participate must submit their names to Mr L Rangolo and Mr M D Munyai.

## 4. PROPOSALS OF CONDOLENCE OR CONGRATULATIONS BY THE SPEAKER

None

## 5. PROPOSALS OF CONDOLENCE OR CONGRATULATIONS BY OTHER COUNCILLORS

- 5.1 Cllr T A Neluvhola proposed condolences to the family of the late Tsumbedzo Mutshinya, Takalani Gladys Madziahedzi, Esther Naledzani Madzivha and Tshavhuyo Ramanala who were involved in a fatal car accident along the N1-Road. They were buried on Saturday, 16 May 2015.
- 5.2 Cllr S Z Mthombeni proposed congratulations to the South African Communist Party’s Alphious Maivha Region for launching a successful 7<sup>th</sup> District Regional Conference on Sunday, 10 May 2015 at Thohoyandou Indoor Sports Centre, when Cllr M M Lerule-Ramakhanya was elected Chairperson and Cllr S Z Mthombeni was elected Deputy Chairperson.

- 5.3 Cllr T J Mamafha proposed condolences to the Ramathuba family whose father passed away. He further proposed congratulations to Dr. Phophi Ramathuba with his appointment as MEC of Education in Limpopo Province.
- 5.4 Cllr T G Tshavhuyo proposed congratulations to African National Congress Youth League in Limpopo Province for hosting a successful Conference in Tzaneen on Sunday, 3 May 2015. He further proposed condolences to the bereaved family of Dr Ruth Mompati who had passed away and was buried on Saturday, 23 May 2015.
- 5.5 Cllr T P Mamorobela proposed congratulations to Gumani Mukwevho and Nelwamondo Rolivhuya for being elected at the African National Congress Youth League Conference held at Tzaneen on Sunday, 3 May 2015.
- 5.6 Cllr N F Chililo proposed congratulations to the Vhembe Regional Executive Committee of the African National Congress Youth League for being reinstated to the Office by a Court of Law.
- 5.7 Cllr V S Makhuvha proposed congratulations with completion of Multi-purpose Centre at Ha-Masia Show Ground. She further stated that Minister Gugile Nkwinti (Rural Development and Land Reform), would officially open the building on Saturday, 20 June 2015 at Ha-Masia.
- 5.8 Cllr S M Rekhotso proposed congratulations to the Speaker, Cllr L B Mogale for hosting a successful event at Mahatlani Village when Minister of Energy, Minister Tina Joemart Patterson and the Mayor of Makhado Municipality, Cllr F D Mutavhatsindi, were present.
- 5.9 Cllr M P Mathoma proposed congratulations to the councillors of Makhado Municipality who attended and completed successfully a certificate course in Computer Literacy.
- 5.10 Cllr N Kutama proposed congratulations to Tefu Mashamaite who awarded Mulomowandau Mathoho an amount of R100 000,00 for Player of the Season.
- 5.11 Cllr S M Sinyosi proposed congratulations to the Speaker of Council, Cllr L B Mogale for hosting a well organised successful opening of the new Waterval Community Hall on Friday, 22 May 2015.
- 5.12 Cllr N D Davhana proposed congratulations to the Premier of Limpopo Province, Mr Chupu Mathabatha for re-shuffling the Cabinet, also with appointing Mr Rudolph Phala as Speaker of the Legislature in Limpopo Province.
- 5.13 Cllr R Malange proposed congratulations to the Office of the Premier for successfully hosting Africa Day at Polokwane on Monday, 25 May 2015.

## 6. MATTERS CONSIDERED:

### 6.1 Resolutions of the Council in terms of section 59 (1) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000): 99<sup>th</sup> Special Council Meeting: 28 May 2015

**The report of the 375<sup>th</sup> Executive Committee meeting held on 19 May 2015**

**The report of the 376<sup>th</sup> Executive Committee meeting held on 28 May 2015**

**(REMARK:** Items A.50.25.06.15 (originally A.50.30.07.15) to A.57.25.06.15 (originally A.57.30.07.15) will be considered at the Special Council meeting scheduled for 25 June 2015)

**ITEM A.58.28.05.15 (originally A.58.30.07.15)****PERSONNEL: HUMAN RESOURCES STRATEGY, 2015  
(5/1/1/B)**

RESOLVED A.58.28.05.15 (COUNCIL) -

THAT Council approves the Human Resources Strategy, 2015 attached to the report in this regard.

HumanResourcesStrategy2015\_itm

(DCS)

**ITEM A.59.28.05.15 (originally A.59.30.07.15)****FINANCE: IN YEAR MONITORING AND REPORTING: MONTH ENDING 31 MARCH  
2015 (3<sup>rd</sup> QUARTER)  
(6/1/1(2015/2016))**

RESOLVED A.59.28.05.15 (COUNCIL)

THAT the in-year monitoring financial report for the third quarter ending 31 March 2015 be noted.

MonitoringMarch2015\_itm

(CFO)

**ITEM A.60.28.05.15****FINANCES: WRITE-OFF OF RECONCILING ITEMS ON REVENUE AND  
EXPENDITURE: AUDITOR GENERAL ACTION PLAN  
(6/13/1/1/1)**

RESOLVED A.60.28.05.15 (COUNCIL) -

1. THAT Council note the report on the write-off of long outstanding revenue and expenditure transactions in terms of the approved revenue and expenditure policies attached as annexure A.  
(CFO)
2. THAT note be taken by Council that this write-off is a mere action of recognizing these transactions in the municipal books and it implies that any future claim by any member of the public for the amount which has not been allocated will be reallocated after having been proved beyond reasonable doubt that indeed the transaction belongs to the account of that particular claimant.

Write-OffReconcilingItems\_itm

(CFO)

**ITEM A.61.28.05.15****FINANCES: MUNICIPAL STANDARD CHART OF ACCOUNTS (MSCOA): PROVINCIAL  
TREASURY CIRCULAR 1 OF 2015: 2015/16 FINANCIAL YEAR  
(8/2/3; 6/1/1(15/16))**

RESOLVED A.61.28.05.15 (COUNCIL) –

1. THAT note be taken that the MFMA Regulations on mSCOA requires technology systems upgrade during 2015/2016 and 2016/2017 as more fully set out in Provincial Treasury Circular

1 of 2015 dated 9 April 2015 and explained in Annexures A, B and C attached to the report in this regard. (CFO/DCS)

2. THAT the Chief Financial Officer facilitate the compiling of a mSCOA Project Implementation Plan and submit it to Executive Committee who will also appoint the mSCOA Project Team and Project Leader, as required in terms of the Provincial Treasury Circular 1 of 2015.

(CFO)

3. THAT an amount of **R500,000 plus VAT be provided in the 2015/16 Estimates** to finance Technology upgrade of the Munsoft financial management system as more fully set out in the report and Annexure D attached to the report in this regard. (CFO)

MscoaMunsoft\_itm

#### **ITEM A.62.28.05.15**

#### **FINANCES: FINAL CAPITAL AND OPERATIONAL ESTIMATES 2015/2016 TO 2017/2018 FINANCIAL YEAR (6/1/1 (2015/2016))**

RESOLVED A.62.28.05.15 (COUNCIL) –

1. THAT the final Capital and Operational Estimates for the 2015/2016 financial year as more fully recorded in Annexure A and B attached to the report in this regard be approved and that the Accounting Officer proceeds with the publication of the final Annual Budget as purposed in section 22 of the Local Government: Municipal Finance Management Act, No 56 of 2003, and the Regulations promulgated in terms thereof. (CFO)
2. THAT note be taken the 2015/2016 budget related policies as approved in the draft annual budget on 30 March 2015 remain unchanged after public notification and consultation processes aligned to the IDP, with exception of the Credit Control and Debt Collection Policy. (CFO)
3. THAT it be noted that the 2015/2016 Estimates will after approval by the Council in terms of section 22 of the Municipal Finance Management Act, be submitted to National Treasury and the Provincial Treasury as attached being the quality certificate approved by the accounting officer. (CFO)
4. THAT the following 2015/2016 budget related policies and By-laws be approved as more fully set out in Annexure D1 to D19 attached to the report in this regard-

#### Policies

- 4.1 Virement Policy
- 4.2 Credit Control and Debt Collection Policy
- 4.3 Tariff Policy Free Basic Services
- 4.4 Borrowing Policy
- 4.5 Expenditure Management Policy

- 4.6 Funding and Reserves Policy
- 4.7 Budget Policy
- 4.8 Framework for Cashflow Management
- 4.9 Asset Management Policy
- 4.10 Investment Policy
- 4.11 Subsidy for Indigent Household Policy
- 4.12 Writing Off Irrecoverable Debt Policy
- 4.13 Property Rates Policy
- 4.14 Supply Chain Management Policy
- 4.15 Revenue Management Policy
- 4.16 Travel and Subsistence Policy
- 4.17 Petty Cash Policy

By-Laws

- 4.18 Property Rates By-Law, 2015
  - 4.19 Credit Control and Debt Collection By-laws, 2015 (CFO)
5. THAT the amendment to the contents of the Property Rates By-law, 2008 and the Credit Control and Debt Collection By-law, 2014 be approved as more fully set out in Annexure D of the report in this regard, and that the necessary promulgation be undertaken after public consultation thereof. (DCS)
6. THAT the increase in municipal tariffs and charges be approved as more fully set out in the various notices of Annexure C to this report, and the necessary promulgation thereof be done in terms of the provisions of Local Government Legislation. (CFO)
7. THAT the Service Level Standard proposed by National Treasury, as more fully set out in **Annexure E** attached to the report in this regard, be noted. (CFO)

FinalBudget2015-2016\_itm

**ITEM A.63.28.05.15**

**FINANCES: REQUEST FOR THE APPROVAL OF THE CONDITIONAL DEBT WRITE-OFF OF MUNICIPAL ACCOUNTS  
(6/6/6; 6/13/2/2)**

**Remark:**

When this matter was considered, the Executive Committee proposed an amendment to their recommendation 1, by deleting in the 2<sup>nd</sup> sentence the working “, for a period until 25 June 2015”. The amendment was accepted in general and paragraph 1 of Council Resolution recorded accordingly.

**RESOLVED A.63.28.05.15 (COUNCIL) –**

- 1. THAT Council approves the possible debt write-off of the debts older than 3 years as more fully set out in the report in this regard. (CFO)

2. THAT Council approves a debt write off incentive for debt not older than 3 years as per Credit Control Policy which allows that 50% can be written off upon receipt of 50% payment towards debt in arrears: Provided that such write off **will exclude** property rates, electricity consumed and government accounts. (CFO)
3. THAT consumers continue to pay remaining debt and all credit control procedures on debts remaining will still be continued, if not paid. (CFO)
4. THAT a separate report on all debts related to Vhembe District Municipality be submitted to the Portfolio Committee: Finance at its next meeting. (CFO)

WriteOffMunicipalAccounts\_itm

**(REMARK:** Item A.64.25.06.15 (originally A.64.30.07.15) will be considered at the Special Council meeting scheduled for 25 June 2015)

**ITEM A.65.28.05.15 (originally A.65.30.07.15)**

**LEGISLATION: FINAL ELECTRICITY BY-LAWS, 2015  
(1/3/15/2)**

RESOLVED A.65.28.05.15 (COUNCIL) -

THAT the Makhado Municipality Electricity By-laws, 2015 be approved and the date of commencement of the By-laws be the date on which the By-laws is promulgated in the Provincial Gazette for Limpopo.

FinalElectricityBylaw\_itm

(DCS/DTS)

**ITEM A.66.28.05.15 (originally A.66.30.07.15)**

**LEGISLATION: FINAL CEMETERIES BY LAWS, 2015  
(1/3/4/2)**

RESOLVED A.66.28.05.15 (COUNCIL) -

THAT the Makhado Municipality Cemeteries By-laws, 2015 be approved and the date of commencement of the By-laws be the date on which the By-laws is promulgated in the Provincial Gazette for Limpopo.

FinalCemeteriesBylaw\_itm

(DCS/DCOMS)

**ITEM A.67.28.05.15 (originally A.67.30.07.15)****LEGISLATION: FINAL STORM WATER MANAGEMENT BY-LAWS, 2015  
(1/3/1)**

RESOLVED A.67.28.05.15 (COUNCIL) –

THAT the Makhado Municipality Storm Water Management By-laws, 2015 be approved and the date of commencement of the By-laws be the date on which the By-laws is promulgated in the Provincial Gazette for Limpopo.

FinalStormwaterBylaw\_itm

(DCS/DTS)

**ITEM A.68.28.05.15 (originally A.68.30.07.15)****LEGISLATION: FINAL BUILDING REGULATIONS BY LAWS, 2015  
(1/3/8/1)**

RESOLVED A.68.28.05.15 (COUNCIL) -

THAT the Makhado Municipality Building By-laws, 2015 be approved and the date of commencement of the By-laws be the date on which the By-laws is promulgated in the Provincial Gazette for Limpopo.

FinalBuildingRegulationBylaw\_itm

(DCS/DDP)

**(REMARK:** Items A.69.25.06.15 (originally A.69.30.07.15) to A.70.25.06.15 (originally A.70.30.07.15) will be considered at the Special Council meeting scheduled for 25 June 2015)

**ITEM A.71.28.05.15****FINANCES: LOCAL GOVERNMENT REMUNERATION FRAMEWORK – PACKAGES PAYABLE TO MUNICIPAL MANAGERS AND MANAGERS DIRECTLY ACCOUNTABLE TO MUNICIPAL MANAGERS (GOVERNMENT NOTICE NO. 348 DATED 25 APRIL 2015  
(5/5/2/1)**

RESOLVED A.71.28.05.15 (COUNCIL) -

1. THAT note be taken of the Local Government Remuneration Framework – Packages Payable to Municipal Managers and Managers directly accountable to Municipal Managers as promulgated under Government Notice No. 348 dated 25 April 2015 and published in Government Gazette No 38740 of same date, which will be implemented with effect of 1 July 2015, as more fully set out in the report in this regard. (CFO)
2. THAT provision be made in the 2015/16 Estimates (Salary bill) for the increase in salary packages of Directors Corporate Services, Community Services, Development Planning and Technical Services according to the provisions of the Notice referred to in paragraph 1, while the provisions of the Employment Contracts of the Municipal Manager and the Chief



Financial Officer determines the increase in salary for such incumbents with effect of 1 July 2015. (CFO)

3. THAT the separate report be submitted in terms of the two (2) Senior Managers whose contracts are not affected by Notice No. 348 dated 25 April 2015 promulgated in Government Gazette no. 38740. (DCS)

SalContractManagers2015

#### **ITEM A.72.28.05.15**

#### **TOWN-PLANNING AND CONTROL: FINAL 2015/2016 INTEGRATED DEVELOPMENT PLAN (15/7/1 & 15/8/1)**

##### **REMARK:**

When this matter was discussed, Cllr R Rasimphi proposed, duly seconded by Cllr M P Mazibuko that the project Graveyard of Tshituni Maweni in Ward 35, be moved to Tshituni Tshafhasi in Ward 34, and that the name of the road project at Olifantshoek in Ward 5 be renamed as Olifantshoek Road via Clinic to Rotterdam, and not Chief Khamanyani via Olifantshoek Clinic to Marhorhwani. The proposal was accepted in general and recorded herein as paragraph 1.1 and 1.2.

##### **RESOLVED A.72.28.05.15 (COUNCIL) -**

1. THAT Council approves the 2015/16 Integrated Development Plan (IDP) and it be implemented accordingly, with the following amendments:
  - 1.1 The project Graveyard Tshituni Maweni in Ward 35 be moved to Tshituni Tshafhasi in Ward 34.
  - 1.2 The name of the Road Project at Olifantshoek in Ward 5 be renamed as Olifantshoek Road via Clinic to Rotterdam, and not Chief Khamanyani via Olifantshoek Clinic to Marhorhwani. (MM)
2. THAT the final Organogram 2015/2016 be submitted under separate cover to the Council at a Special meeting that stands to be convened during June 2015, in order to allow opportunity for further engagement of the Local Labour Forum where aspects of the Organogram will be addressed as follows:
  - 2.1 Scientific benchmarking with Municipalities of same grading be performed to determine whether Municipality have to increase or reduce the number of staff in the fixed establishment.
  - 2.2 The post level grading of the posts of secretaries under Council Resolution A.29.30.03.15 be revoked and such post level grading remain as was captured in the draft organogram submitted under item A.29.30.03.15.
  - 2.3 The format of the organogram be amended to clearly indicate each existing staff member in order to also avoid interpretation disputes and impressions of no job security.
  - 2.4 No new posts may be created.

FinalIDP2015-16\_itm

(DCS)

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The meeting was closed and adjourned at 15:07.

Approved and confirmed in terms of the provisions of Clause 34 of the Rules and Orders, 2007 promulgated in Provincial Gazette No. 1391 of 31 August 2007 under Local Authority Notice 228, by a resolution of the Council passed at the meeting held on 29 July 2015.

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**CHAIRPERSON**

MDM/lh/SpecialCouncilMinutes\_99