

MAKHADO LOCAL MUNICIPALITY

OFFICE OF THE DIRECTOR CORPORATE SERVICES

MINUTES OF THE NINETIETH (90th) COUNCIL MEETING OF THE MAKHADO MUNICIPALITY WHICH WAS HELD ON TUESDAY, 30 APRIL 2019 AT 14:00 IN THE COUNCIL CHAMBER, GROUND FLOOR, CIVIC CENTRE, KROGH STREET, MAKHADO.

PRESENT

Councillors

BABADU, T M
BALIBALI, T
BALOYI, R S
CHILILO, N F
DU PLOOY, A
FURUMELA, M G
GABARA, M J
KUTAMA, N
KUTAMA, T
LUDUVHUNGU, V S
LUKHELI, J
MACHETE, M S
MADULA, S
MADUWA, E
MADUWA, L G
MADZHIGA, F N
MAGADA, M R
MAINGO, R T
MALANGE, T M
MALULEKE, K M
MAMAFHA, T C
MAMAFHA, T J
MAMOROBELA, T P
MAPHUBU, K
MARAGA, T P
MASHAMBA, M A
MASIPA, M L
MASUKA, S
MASUTHA, L G
MATHALISE, L M
MATUMBA, A

MBOYI, M D
MOGALE, L B
MOHLABA, T J
MOKGOADI, M R
MTHOMBENI, S Z
MUKHARI, M F
MUKWEVHO, T D
MULEFU, M E
MUNYAI, N
MUNYAI, N S
MUSANDIWA, P N
NDOU, M D
NDOU, M N
NEMATANDANI, M C
NEMUDZIVHADI N S
NETHULWE, M F
NYELISANI, S S
PHOSHOKO, M G
RALIPHADA, R
RAMAVHOYA, K S
RASHAMUSE, A G
RATSHIKUNI, D
SESHOKI, T
SIMANGWE, N J
SINYOSI, S M
SITHI, T
TAMBANI, T E,
TSHIAMBWA, L R
TSHIBVUMO, G
TSHIFURA, S S

Traditional Leaders

KHOSI P V KUTAMA

KHOSI F MOLEMA

Officials

N F TSHIVHENGWA	(MUNICIPAL MANAGER)
N C KHARIDZHA	(DIRECTOR CORPORATE SERVICES)
K M NEMANAME	(CHIEF FINANCIAL OFFICER)
R V PHALANNDWA	(ACTING DIRECTOR DEVELOPMENT PLANNING)
M G RALISHUKU	(ACTING DIRECTOR TECHNICAL SERVICES)
H J LUKHELI	(ACTING DIRECTOR COMMUNITY SERVICES)
W S MATHONSI	(SARGENT OF ARMS)
M D MUNYAI	(ADMINISTRATIVE OFFICER: COMMITTEES)

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1. OPENING AND NOTICE OF THE MEETING

The Speaker, Cllr L B Mogale ruled that a moment 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 democratic, accountable and service delivery orientated municipality committed to good governance and socio-economic development of its community"

Mission : "We will use available resources effectively in order to address socio-economic imbalances through infrastructure and local economic development opportunities"

She further confirmed that all members had received notice of the meeting, i.e. by sms, by e-mail, as well as by hard copy format.

2. APPLICATIONS FOR LEAVE OF ABSENCE

RESOLVED –

THAT leave of absence be granted in accordance with the provisions of rule 21 of the Council's Standing Rules of Orders, 2016 published under Provincial Gazette Notice no. 2736 dated 29 July 2016 in respect of the Council meeting held on 30 April 2019 to Cllrs T G Mukwevho, N V Malivha, M E Malima, B F Hlongwane, N D Davhana and M S Tshilambyana and Khosi P Netsianda.

REMARK:

- (i) The following councillors were absent from the Council meeting held on 30 April 2019: Cllrs T E Dzivhani, B K Jones, N B Jones, N A Mafhala, M J Mpashe, G M Ramushavha, M A Selapyana and S I Bulala.
- (ii) The following traditional leaders were absent from the Council meeting held on 30 April 2019: Khosi T G Muila, Hosi H S Mukhari, Hosi S T Mukhari, Khosi V C Ramabulana, Khosi N T L Mashamba, Khosi R H Sinthumule, and Khosi M M Mphephu did not attend the meeting.

3. OFFICIAL ANNOUNCEMENTS

None

4. PROPOSALS OF CONDOLENCES OR CONGRATULATIONS BY THE SPEAKER

4.1 Condolences

None

4.2 Congratulations

The Speaker, Cllr L B Mogale proposed congratulations to the following councillors who celebrated their birthdays since the last ordinary Council meeting held on 31 January 2019:

Cllr V S Luduvhungu	2 February 2019
Cllr N N Malivha	2 February 2019
Cllr S S Nyelisani	2 February 2019
Cllr N S Munyai	2 February 2019
Cllr T M Babadu	5 February 2019

Cllr M A Selapyana	8 February 2019
Cllr D Ratshikuni	15 February 2019
Cllr M L Masipa	15 February 2019
Cllr M E Malima	28 February 2019
Cllr M N Ndou	28 February 2019
Cllr L M Mathalise	2 March 2019
Cllr T J Mamafha	3 March 2019
Cllr R Raliphada	6 March 2019
Cllr E Maduwa	15 March 2019
Cllr M D Ndou	22 March 2019
Cllr G T Mukwevho	24 March 2019
Cllr S S Tshifura	25 March 2019
Cllr L G Maduwa	4 April 2019
Cllr B F Hlongwane	7 April 2019
Cllr T P Mamorobela	12 April 2019
Cllr S Masuka	15 April 2019
Cllr T D Mukwevho	16 April 2019

5. PROPOSALS OF CONDOLENCES OR CONGRATULATIONS BY PARTY SPOKESPERSONS

5.1 Congratulations

The Chief Whip, Cllr M D Mboyi on behalf of the African National Congress congratulated the Mayor for hosting a successful Mayoral Imbizo at Ward 4, on Friday, 26 April 2019.

She also congratulated the ANC Government in Limpopo for hosting a successful Human Rights Day celebration at Bakenberg Stadium on 1 May 2019.

She further congratulated Tshakhuma Tsha Madzivhandila Football Club on their fine run in the national first division, occupying the third position.

5.2 Condolences

The Chief Whip, Cllr M D Mboyi on behalf of the African National Congress extended condolences to the families of those who died during the Easter weekend.

She further extended condolences to the families and loved ones of those who died in the recent floods in Kwa-Zulu Natal and Eastern Cape Provinces. True leadership of the ANC Government was displayed when the President of the country visited the affected areas, showing support to the bereaved families.

She further encouraged residents of Makhado Municipality to support the 5th Makhado Mayoral Sports Tournament on Saturday, 4 May 2019 at Vhuilafuri Stadium, Madabani in Ward 24.

She also encouraged all South Africans of the age 18 and older to cast their votes at various voting stations on 8 May 2019.

6. CONFIRMATION OF MINUTES

6.1 REMARK:

Upon proposal by Cllr N S Nemudzivhadi, duly seconded by Cllr T J Mohlaba, it was -

RESOLVED -

THAT the minutes of the 89th Council meeting held on 31 January 2019 be approved and confirmed as a true and correct record of the proceedings and be duly signed by the Chairperson.

6.2 REMARK:

Upon proposal by Cllr M N Ndou, duly seconded by Cllr M J Gabara, it was -

RESOLVED -

THAT the minutes of the 142nd Special Council meeting held on 28 February 2019 be approved and confirmed as a true and correct record of the proceedings and be duly signed by the Chairperson.

6.3 REMARK:

Upon proposal by Cllr A G Rashamuse, duly seconded by Cllr R Raliphada, it was -

RESOLVED -

THAT the minutes of the 143rd Special Council meeting held on 28 March 2019 be approved and confirmed as a true and correct record of the proceedings and be duly signed by the Chairperson.

7. QUESTIONS OF WHICH NOTICE HAD BEEN GIVEN

None

8. MOTIONS OR PROPOSALS DEFERRED FROM PREVIOUS MEETING

None

9. REPORT OF COUNCIL COMMITTEES: APRIL 2019

9.1 Report of the Executive Committee in terms of section 59(1) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) for the month of April 2019

487th Executive Committee Meeting: 24 April 2019

488th Executive Committee Meeting: 30 April 2019

9.2 Report of the respective Section 79 Oversight Committees in terms of section 59 (1) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000): April 2019

54th Section 79 Oversight Committee: Corporate Services meeting: 25 April 2019

17th Section 79 Oversight Committee: Community Services meeting: 25 April 2019

20th Section 79 Oversight Committee: Technical Services meeting: 25 April 2019

37th Section 79 Oversight Committee: Finance meeting: 26 April 2019

29th Section 79 Oversight Committee: Development Planning meeting: 26 April 2019

55th Section 79 Oversight Committee: Corporate Services meeting: 30 April 2019

ITEM A.32.30.04.19 (originally A.32.25.04.19)

FINANCES: PROCUREMENT: IRREGULAR EXPENDITURE: 1 JULY 2018 TO 31 MARCH 2019
(10/1/5/2)

REMARK: The recommendation of the Section 79 Oversight Committee: Finance was accepted and recorded as Council's Resolution.

RESOLVED A.32.30.04.19 (COUNCIL) –

1. THAT Council takes note of the reasons for the irregular expenditure of R12,492,581.79 from 1 July 2018 to 31 March 2019, as recorded in the report in this regard and refer the matter for further investigation to MPAC who will submit its recommendation to Council. (CFO)
2. THAT the Accounting Officer informs the MEC for Local Government, Limpopo, the Provincial Treasury and the Auditor General of the irregular expenditure as purported by the provisions of Section 32(4) of the Municipal Finance Management Act, 2003. (MM/CFO)
3. THAT note be taken that Council had already written off the 2016/17 and 2017/18 financial year irregular expenditure incurred as a result of the irregular contracts mentioned in the report in this regard. (CFO)

IrregularExpenditureJuly2018-March2019_itm

ITEM A.33.30.04.19 (originally A.33.25.04.19)

FINANCES: PROCUREMENT: CLAUSE 36: QUOTATION DEVIATIONS: 3rd QUARTER, 2018/2019 FINANCIAL YEAR
(10/1/5/2)

RESOLVED A.33.30.04.19 (COUNCIL) -

THAT in terms of clause 36 of the Municipal Supply Chain Regulations, 2005 promulgated under the Local Government: Municipal Finance Management Act, 2003, the procurement by means of quotations during the 3rd quarter of the 2018/2019 financial year in the amount of R1,221,313.90 and which each was duly approved by the Accounting Officer before it was procured, be noted by Council. (CFO)

QuotationDeviation3rdQuarter2018-2019_itm

ITEM A.34.30.04.19 (originally A.34.25.04.19)

DOMESTIC SERVICES: COMPUTER SERVICES: 2019 REVIEW OF USER ACCOUNT ACCESS POLICY, 2015
(8/2/3)

RESOLVED A.34.30.04.19 (COUNCIL) -

THAT the *ICT User Account Access Policy, 2015* be amended as more fully set out in the Annexure attached to the report in this regard be approved to become the ICT User Account Access Policy, 2019 effective 25 April 2019 under the portfolio of the Director Corporate Services. (DCS)

ReviewUserAccessPolicy_itm

ITEM A.35.30.04.19 (originally A.35.25.04.19)**DOMESTIC SERVICES: COMPUTER SERVICES: ICT CHANGE MANAGEMENT POLICY, 2016: AMENDMENT BY INSERTION OF NEW CLAUSE 11 AFTER CLAUSE 10, AND RENUMBERING CLAUSES THEREAFTER
(8/2/3)****RESOLVED A.35.30.04.19 (COUNCIL)**

THAT the *ICT Change Management Policy, 2016* be amended by inserting a new *paragraph 11 – Key aspects of changes*, as more fully set out in Annexure A attached to the report in this regard, and the renumbering of the existing paragraph 11 to be 12 and onwards renumbering of existing paragraphs in consequential order up to and including paragraph 25. (DCS)

AmendICTChangeManagementPolicy_itm

ITEM A.36.30.04.19 (originally A.36.25.04.19)**DOMESTIC SERVICES: COMPUTER SERVICES: ICT DISASTER RECOVERY PLAN, 2017 (FOR ICT CONTINUITY) – REVIEW OF CLAUSE 19 FOR DATA RECOVERY TESTING
(8/2/3)****RESOLVED A.36.30.04.19 (COUNCIL)**

THAT the *ICT Disaster Recovery Plan, 2017 (For ICT Continuity)* be amended as follows-

1. By the substitution of Clause 19 wording for the following –

“19. PLAN MAINTENANCE AND PLAN TESTING

The Plan will be scrutinized on an annual basis and tests be run on an annual basis to determine its effectiveness to ensure its operational and functional condition. The Head of Department in charge of ICT portfolio in the Municipality is accountable to scrutinize the plan and have it tested on annually basis. The outcome of this must be reported to the ICT Steering Committee in the institution as part of one of the relevant quarterly reports that is submitted to the said Committee for governance purpose.”

2. By the insertion of a new sub-paragraph 19.1 after paragraph 19 to read as follows –

“19.1 TESTING OF DATA METHOD

(i) ICT must arrange the DR testing session for all data on all servers which are backed up daily and stored off site in terms of the valid Disaster Recovery Service Level Agreement with the Service Provider

(ii) All Business Process Owners’ (BPO) designated persons (at least of managerial level) must be present at the testing session so arranged

(iii) An independent internet source must be used to connect to the Munsoft DR VPN Server which is based in Centurion through an IP address

(iv) Connect to the back-up data and compare the back- up data with live data to ensure that full data recovery will be possible in the event of data loss for whatever reason. This is performed by selecting a date of the stored data which one wants to verify and comparing it against any source of transactions for the selected date to ensure that data was duly stored; in a testing environment, which is the purport of testing data availability, the stored data can be compared with live data on our own servers and testing certificate issued accordingly

(v) Compile a written report (testing certificate) and keep evidence of the data test reports collected at this occasion, co-signed by the BPOs to serve as suitable evidence of the outcome of testing.” (DCS)

DRP2017-ReviewClause19_itm

CONFIDENTIAL**ITEM CA.37.30.04.19 (originally CA.37.25.04.19)****CONFIDENTIAL MATTER****ITEM A.38.30.04.19 (originally A.38.25.04.19)****COUNCIL LAND: PROPOSED SALE OF RESIDENTIAL ERVEN: LOUIS TRICHARDT TOWNSHIP (SOUTH OF PRETORIUS STREET):**

- 1. PROPOSED DWELLING UNITS DEVELOPMENT: MR THINAVHUYO SIMETHI**
- 2. DEVELOPING MUNICIPAL LAND**
(7/3/2/1)

RESOLVED A.38.30.04.19 (COUNCIL) -

1. THAT the proposed sale of residential erven in Louis Trichardt Township, situated South of Pretorius street to Mr Thinavhuyo Simethi of Emanuel Paradise Properties And Land Scaping (Pty) Ltd be disapproved due to the following reasons:
 - 1.1 The Municipality intension and first priority is to facilitate the process for the installation of required services and there after the erven will be sold to individual members of the public.
 - 1.2 In case the Municipality decides to sell the sites to a developer, a competitive bid process will be followed. (DDP)
2. THAT a report be submitted at the next Executive Committee meeting about the various packets of land that can be disposed for development in the Makhado Municipality Townships, which must include timelines and target dates for implementation. (DDP)
3. THAT the report referred to in paragraph 2 above must also include various models of dispensing the land such as sale of serviced empty stands, inviting private developers to service and develop and sell houses, and servicing stands for donation to RDP housing beneficiaries.
ProposedPurchaseSitesSouth_itm (DDP)

ITEM A.39.30.04.19 (originally A.39.25.04.19)**COUNCIL LAND: PROPOSED SALE OF REMAINDER OF PORTION 7 OF THE FARM BERGVLIET 288 LS: PROPOSED TOWNSHIP DEVELOPMENT: MATLALA T K**
(15/3/15)**RESOLVED A.39.30.04.19 (COUNCIL) -**

THAT the proposed sale of the Remainder of Portion 7, in extent one hundred (100) hectares, of the Farm Bergvliet 288 LS received from Mr T K Matlala be disapproved due to the reason that the subject property is undergoing a review of the layout map which still have to be approved by the Surveyor-General and also to be registered at the Deeds Office. (DDP)

ProposedPurchasePrt7BergvlietMatlala_itm

ITEM A.40.30.04.19 (originally A.40.25.04.19)**COUNCIL LAND: PROPOSED SALE OF REMAINDER OF PORTION 7 OF THE FARM BERGVLIET 288 LS: PROPOSED TOWNSHIP DEVELOPMENT (SECURITY ESTATE): CHANAN DEVELOPMENTS (15/3/15)****RESOLVED A.40.30.04.19 (COUNCIL) -**

THAT the proposed sale of the Remainder of Portion 7, in extent 171 hectares, of the Farm Bergvliet 288 LS at an offered price of R8,000,000.00 (Eight Million Rand) to Chanan Developments represented by Cruickshank Russel James, Muswobi Mphatheleni Harold, Shilubane Sibusiso Simon Peter and Netshiongolwe Tshimangadzo Emmanuel as directors of the company be disapproved, due to the reason that the subject property is undergoing a review of the layout map which still have to be approved by the Surveyor-General and also to be registered at the Deeds Office. (DDP)

ProposedPurchasePrt7BergvlietChanan_itm

ITEM A.41.30.04.19**REPORTS AND SURVEYS: OUTSTANDING MATTERS: COUNCIL RESOLUTIONS – QUARTER 3: 2018/19 FINANCIAL YEAR (10/1/6/1)****REMARK:**

The recommendation of the Executive Committee was accepted and recorded as Council's Resolution in this regard.

RESOLVED A.41.30.04.19 (COUNCIL)

THAT note be taken of the progress with implementing Council Resolutions in respect of meetings held during Quarter 3 of the 2018/2019 financial year, as well as the summary of previous terms' Resolutions not yet implemented, as more fully set out in Annexure A attached to the report in this regard, with the following additions:

1. Council Resolution CA.66.05.07.18 – a progress report about the Tshiamiso matter must be submitted to Executive Committee (DCS)
2. Council Resolution A.98.31.07.18 – a report about resolving the dispute with Collins Chabane Municipality must be submitted to the Executive Committee (DCS)
3. Council Resolution A.99.31.07.18 – the Municipal Planning Tribunal must be appointed without any further delay (DDP)
4. The status of the sale of erven in Tshikota Township recorded under various Council Resolutions in the annexure must be reported in writing at a next meeting of Executive Committee (DDP)
5. A written progress report of establishing the Univen Satellite Campus in Makhado must be submitted to the Executive Committee (DDP/DCS)

6. Council Resolution CA.126.31.08.17 – the status of the Ntsumi matter must be submitted to the Executive Committee by written report (DCS)
7. A written report must be submitted to Executive Committee about why the auctioning of residential erven in Dzanani Extension 2 Township was cancelled. (DDP)

CouncilResolutionImplementationQ3-2018-2019_itm

ITEM A.42.30.04.19

FINANCES: ASSESSMENT OF PERFORMANCE OF CONTRACTED SERVICE PROVIDERS: THIRD QUARTER 2018/2019 FINANCIAL YEAR (10/1/5/2)

RESOLVED A.42.30.04.19 (COUNCIL)

THAT Council takes note of the third quarter assessment of performance of contracted service providers report for 2018/2019 financial year attached as Annexure A to the report in this regard.

AssessmentQ3ServiceProviders_itm

(CFO)

ITEM A.43.30.04.19

FINANCES: INVESTIGATION REPORT ON UNAUTHORIZED EXPENDITURE: 2016/17 AND 2017/18 FINANCIAL YEAR (6/1/1(16/17 & 6/1/1(17/18))

RESOLVED A.43.30.04.19 (COUNCIL)

THAT Council refer the unauthorized expenditure of R 34 901 850 and R 164 328 776 in respect of the 2016/2017 and 2017/2018 financial years to Municipal Public Account Committee for investigation, and after such investigation, Council approves the unauthorised expenditure for the 2016/2017 and 2017/2018 financial year for the reasons outlined in the report in this regard.

UnauthorisedExpenditure_itm

(CFO/DCS)

ITEM A.44.30.04.19

FINANCE: IN YEAR MONITORING AND REPORTING: 3rd QUARTER: 2018/2019 FINANCIAL YEAR (6/1/1(2018/19))

RESOLVED A.44.30.04.19 (COUNCIL)

THAT the in-year monitoring financial report for the third quarter ending 31 March 2019 of the 2018/2019 financial year be approved by Council. (CFO)

MonitoringQ3March2019_itm

ITEM A.45.30.04.19**PERFORMANCE MANAGEMENT: THIRD QUARTER SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN PROGRESS REPORT: 2018/19 FINANCIAL YEAR (10/1/4/1 – 10/1/4/8)****RESOLVED A.45.30.04.19 (COUNCIL)**

THAT Council takes note of the 3rd Quarter Service Delivery and Budget Implementation Plan Progress report for the 2018/19 financial year. (MM)

SDBIPQ3-2018-2019_itm

ITEM A.46.30.04.19**PERFORMANCE MANAGEMENT: NARRATIVE SECOND QUARTER SERVICE DELIVERY REPORT: 2018/19 FINANCIAL YEAR (10/1/4/1 – 10/1/4/8)****RESOLVED A.46.30.04.19 (COUNCIL)**

THAT Council takes note of the narrative second quarter service delivery report for 2018/19 financial year. (MM)

NarrativeQ2SDBIP_itm

ITEM A.47.30.04.19**PERFORMANCE MANAGEMENT: NARRATIVE THIRD QUARTER SERVICE DELIVERY REPORT: 2018/19 FINANCIAL YEAR (10/1/4/1 – 10/1/4/8)****REMARK:**

The recommendation of the Executive Committee was accepted and recorded as Council's Resolution in this regard.

RESOLVED A.47.30.04.19 (COUNCIL)

1. THAT Council takes note of the narrative third quarter service delivery report for 2018/19 financial year. (MM)
2. THAT the Municipal Manager investigates whether a formal Service Level Agreement was concluded with Vhembe District Municipality for Makhado Municipality to render on its behalf environmental health services which is a district power and function. (MM/DCS)

NarrativeQ3SDBIP_itm

CONFIDENTIAL**ITEM CA.48.30.04.19****CONFIDENTIAL MATTER**

(REMARK: Items A.49.30.04.19 to A.53.30.04.19 are reports of MPAC which is reported directly to Council and can be found elsewhere in this minutes.)

ITEM A.54.30.04.19**PERSONNEL:**

- 1. FURTHER EXTENSION OF ACTING IN THE VACANT POST OF DIRECTOR DEVELOPMENT PLANNING**
- 2. POLICY: EXTENSION OF ACTING CAPACITY OF SECTION 57 MANAGERS**

(5/1/2/10; 5/6/4)**REMARK:**

The recommendation of the Section 79 Oversight Committee: Corporate Services was accepted and recorded as Council's Resolution in this regard.

RESOLVED A.54.30.04.19 (COUNCIL)

1. THAT note be taken of the progress with recruitment of candidates for appointment in the vacant post of Director Development Planning, which post became vacant on 1 November 2018. (DCS)
2. THAT it be approved that the Manager Local Economic Development, Mr R V Phalanndwa be designated to act for a further period in the capacity as Director Development Planning, commencing on 1 May 2019 until 31 July 2019, or until the date that precedes the day on which a successful candidate commences duty as Director Development Planning, whichever may be the earliest date, subject to approval by the MEC for Cooperative Governance, Human Settlement and Traditional Authority, Limpopo. (DCS)
3. THAT it be accepted as policy in regard to acting persons in section 57 posts, i.e. contractual senior managers' posts, that if the acting period is extended for whatever reason, the written **performance report** of the preceding acting period must accompany the submission to Council of such request for extending the acting period. (MM/DCS)

ActingDDPEExtend_itm(2)

ITEM A.55.30.04.18**PERSONNEL:**

- 1. FURTHER EXTENSION OF ACTING IN THE VACANT POST OF DIRECTOR TECHNICAL SERVICES**
- 2. POLICY: EXTENSION OF ACTING CAPACITY OF SECTION 57 MANAGERS**

(5/3/4/5/23; 5/6/4)**REMARK:**

The recommendation of the Section 79 Oversight Committee: Corporate Services was accepted and recorded as Council's Resolution in this regard.

RESOLVED A.55.30.04.19 (COUNCIL)

1. THAT note be taken of the progress with recruitment of candidates for appointment in the vacant post of Director Technical Services, which post became vacant on 1 June 2018 and that it be approved that Mr M G Ralishuku continue to act in the vacant post with retrospective effect of 1 March 2019 to 31 May 2019 or to such earlier date on which an incumbent may

commence duty, subject to the outcome of paragraph 2 below. (DCS)

2. THAT an appeal be lodged with the MEC for Cooperative Governance, Human Settlement and Traditional Authority, Limpopo to in the special circumstances as described in the report approve thereof that Mr M G Ralishuku act for an extended period of three (3) months with retrospective effect of 1 March 2019 as Director Technical Services while the recruitment of suitable candidate is still under way. (DCS)
3. THAT Council ratify the action of the Municipal Manager to arrange that Mr M G Ralishuku act as Director Technical Services for the period 1 March 2019 to 30 April 2019. (DCS)
4. THAT it be accepted as policy in regard to acting persons in section 57 posts, i.e. contractual senior managers' posts, that if the acting period is extended for whatever reason, the written **performance report** of the preceding acting period must accompany the submission to Council of such request for extending the acting period. (MM/DCS)

ActingDTSbeyond_itm

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9.3 Resolutions of the Executive Committee in terms of section 59 (1) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000): April 2019

None

9.4 Recommendations of the Section 79 Standing Committee: MPAC in terms of section 59 (1) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000): April 2019

ITEM A.49.30.04.19

MPAC: REPORTS: PROCUREMENT: CLAUSE 36: QUOTATION DEVIATIONS: 1st QUARTER: 2018/2019 FINANCIAL YEAR (10/1/5/2)

RESOLVED A.49.30.04.19 (COUNCIL)

THAT the Quotation Deviations for the 1st Quarter of the 2018/2019 financial year is in order.

QuotationDeviation1stQuarter2018-2019_itm (CFO)

ITEM A.50.30.04.19

MPAC: FINANCES: PROCUREMENT: CLAUSE 36: QUOTATION DEVIATIONS FOR QUARTER: 2018/2019 FINANCIAL YEAR (10/1/5/2)

RESOLVED A.50.30.04.19 (COUNCIL)

THAT the Quotation Deviations for Quarter 2 of the 2018/19 financial year is in order. (CFO)

MPACQuotationDeviationQuarter22018-2019_itm

ITEM A.51.30.04.19**MPAC: SECTION 71 REPORT: IN YEAR MONITORING AND REPORTING: MONTH ENDING 31 OCTOBER 2018 (6/1/18/19))**

RESOLVED A.51.30.04.19 (COUNCIL)

1. THAT the Municipality must try to manage its expenditure every month to prevent huge deficit on actual expenditure. (CFO)
2. THAT the Municipality must continue controlling its debts and depend on its own funds capital. (CFO)
3. THAT the Municipality must control its cash utilisation to prevent cash deficit or negative balance; this would mean creation of bank overdraft which on this date cannot cover R35 493.000.00. (CFO)
4. THAT the Municipality must have liquidity and borrowing. (CFO)
5. THAT the Debtors must be continuously reminded to pay their debts in time. (CFO)
6. THAT the Municipality can create a deficit if there is enough money in the bank account to cover the shortage. (CFO)
7. THAT the Departments must spend their capital budget for e.g. Regional Offices have not yet spent their budget, Department of Planning and Development 5%, Department of Corporate Services 4%. (ALL DIRS)

ITEM A.52.30.04.19**MPAC: SECTION 71 REPORT: IN YEAR MONITORING AND REPORTING: MONTH ENDING 30 NOVEMBER 2018: 2018/2019 FINANCIAL YEAR (6/1/18/19))**

RESOLVED A.52.30.04.19 (COUNCIL)

1. THAT the Municipality must continue encouraging debtors to pay on time. (CFO)
2. THAT the Municipality must maintain its early payment to creditors, which is generally good. (CFO)
3. THAT the created deficit on monthly actual must be reduced in order to prevent future cash flow problems. (CFO)
4. THAT the Municipality must continue reducing both short term borrowing and long term borrowing in order to have positive net assets. (CFO)

5. THAT the Municipality must continue to run without long term borrowing which is generally good. (CFO)
6. THAT the Municipality must remind state organs to pay their debts. (CFO)

ITEM A.53.30.04.19

MPAC: REPORTS AND SURVEYS: OUTSTANDING MATTERS: COUNCIL RESOLUTIONS: QUARTER 1: 2018/19 FINANCIAL YEAR (10/1/6/1)

RESOLVED A.53.30.04.19 (COUNCIL)

THAT the Municipal Manager must make sure that all Council Resolutions are implemented in time to avoid delay on service delivery. (ALL DIRS)

MPACCouncilResolutionImplementationQ1-2018-2019_itm

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10. PETITIONS

None

11. NEW MOTIONS

11.1 **MOTION NO. 234: RECEIVED ON 25 JANUARY 2019**

Motion no. 234 dated 20 January 2019 was dealt with under the provisions of clause 28 of the Council's Standing Rules of Order, 2016 published in Provincial Gazette No. 2736 dated 29 July 2016.

The Speaker, Cllr L B Mogale first determined that the proposer and seconder was present in the meeting, and then called the proposer of the motion to read the motion.

The proposer, Cllr T A Maraga proceeded to read Motion No. 234 as follows:

“NOTICE OF THE MOTION IN TERMS OF CLAUSE 28 OF THE STANDING RULES AND ORDER: ELECTRICAL ENGINEERS BYSTANDERS

The EFF Makhado notes with concern that our Makhado Municipality is understaffed in terms of Electrical Engineers.

Note has been taken and confirmed by seeing many community members who report their electricity faults go weeks on ends without their problems being attended to.

We therefore pleading with the Municipality to appoint additional Electrical Engineers to biff up the current four that the Municipality has.

I do so move.

Proposer: Cllr T A Maraga

Seconder: Cllr M C Nematandani

Signed: 20 January 2019”

The Speaker enquired if the seconder was present. Hereupon the seconder confirmed her

presence and that she had seconded the motion.

The Speaker ruled that the technical input by the Municipal Manager on Motion no. 234 be noted, as follows:

Technical input of the Municipal Manager in terms of sub-rule 28.10 of the Standing Rules of Order, 2016:

Reasons for delays in restoring electrical supply to consumers:

When customers report power failures, the following administrative sequence of events kick in:

1. The power failure reports are recorded and dispatched from our 24/7 Call Centre to the relevant Superintendent in the Electricity Division
2. The Superintendent allocates the task to the electrician who then attends to the fault.

It is however always possible that rain, thunder and storms can cause power failures that affect a large number of customers whose electricity supply cannot be simply restored immediately, without a rigorous fault-finding exercise done by electricians. Our electricians can only locate the faults physically or with the assistance of customer views. Common major faults are fallen poles, broken conductors, and broken insulators.

RESOLVED –

THAT the technical input of the Municipal Manager as presented to Council by the Mayor be noted.

11.2 MOTION NO. 235: RECEIVED ON 2 APRIL 2019

Motion no. 235 dated 1 April 2019 was dealt with under the provisions of clause 28 of the Council's Standing Rules of Order, 2016 published in Provincial Gazette No. 2736 dated 29 July 2016.

The Speaker, Cllr L B Mogale first determined that the proposer and seconder was present in the meeting, and then called the proposer of the motion to read the motion.

The proposer, Cllr A du Plooy proceeded to read Motion No. 235 as follows:

*“In accordance with the Rules of Order Regulating the Conduct of Meetings of the Makhado Municipality, in specific Rule: **NOTICE OF THE MOTION IN TERMS OF CLAUSE 28 OF THE STANDING RULES OF ORDER**, read with section 58 of the Local Government: Municipal Structures Act No. 117 of 1998, I Councillor Abraham du Plooy hereby give notice of my intention to introduce the following motion at the next Special or Official Council meeting.*

1. PURPOSE

The purpose of this motion is twofold:

- (i) For Council to declare that Eskom has failed to provide continued uninterrupted supply of electricity to the Makhado Municipality.*
- (ii) For Council to compel the Mayor and Municipal Manager to write to the Minister of Energy to request a section 34 determination, which refers to New Generation Capacity in the Electricity Regulation Act 4 of 2006.*

2. GROUND FOR URGENCY

The rolling blackouts that have plagued our municipality have had a devastating effect on our residents, led to breakdowns in electricity distribution infrastructure, led to lower

reservoir levels that could result in possible water interruptions, caused a substantial loss in revenue to the municipality, which in turn, will impact on service delivery and are having an adverse impact on our local economy.

The urgency of this motion lies in the real damage that these blackouts have already caused, as well as the potential damage that it still may cause in future. An urgent remedy to seek alternative electricity suppliers will be required to prevent any further negative consequences. Accordingly, it is submitted that this motion be dealt with as one of the utmost urgency and that any rules pertaining to notice be dispensed with in the interest of experience.

3. BACKGROUND

As a result of the recent rolling blackouts that have plagued our municipality, it has become clear that Eskom has failed in the execution of its mandate to provide uninterrupted power supply.

Because of Eskom's failure in this regard, and the rising cost of electricity as a result of consecutive tariff increases, the municipality must consider other options to secure access to a stable electricity supply. Independent Power Producers (IPPs) are privately owned and operated electricity generators. The number of IPPs are multiplying across South African and is increasingly becoming a sustainable option for municipalities to supplement their electricity supply procured from Eskom.

Section 34 of the Electricity Regulation Act empowers the Minister of Energy to allow municipalities to enter into a tender procedure which is fair, equitable, transparent, competitive and cost-effective with the private sector to provide for new generation capacity. This direct licensing arrangement with private sector energy providers will be approved in consultation with and facilitated by NERSA.

4. MOTION

Council notes that Eskom has failed to provide a continued uninterrupted supply of electricity to the Makhado Municipality.

Council notes the devastating impact the recent rolling blackouts have had on the lives of our residents, on our ability to deliver basic services and on our local economy.

Council further notes that there is an urgent need to seek alternative energy generation capacity from independent Power Procurers.

The Minister of Energy has the power to grant the municipality the permission to enter into purchasing agreements with IPPs in order to restore an uninterrupted power supply, and it is in light of this power that the below proposal is made as relief.

5. RELIEF SOUGHT

On the merits of the arguments set out above, it is proposed that the Mayor and the Municipal Manager write to the Minister of Energy to request a section 34 determination as provided for in terms of the New Generation Capacity provisions in the Electricity Regulation Act 4 of 2006, to allow the municipality to initiate tender processes which are fair, equitable, transparent, competitive and cost-effective with the private sector to provide for new generation capacity.

Proposer: Cllr A du Plooy

Seconder: Cllr N B Jones

Signed: 1 April 2019"

The Speaker enquired if the seconder was present. Hereupon the seconder confirmed her presence and that she had seconded the motion.

The Speaker ruled that the technical input by the Municipal Manager on Motion no. 234

be noted, as follows:

Technical input of the Municipal Manager in terms of sub-rule 28.10 of the Standing Rules of Order, 2016:

Electrical Generation in South Africa is regulated by the National Energy Regulator (NERSA).

The request of the Motion would need in-depth investigation and consideration of the results thereof on a technical, financial and a legal point of view.

Due to the large amount of energy currently required by the Municipality (currently 55MVA), there is not another supplier in the area of Makhado that can supply this Municipality overnight with the demand of electricity energy required as proposed in the Motion. It is referred to as a Large Scale Independent Power Producer, which currently is none existing. The ideal would be a mix of our energy demand. For example Solar PV, Biomass, or waste to energy for electrical generation.

Due to our large demand these will just be Small Scale Independent Power Producer whereby the Eskom grid will still have to be used as the main source of energy for the Municipality.

The load shedding was a national challenge and every Municipality in South Africa were equally affected in March 2019. The reason is well known and the information is being published in the national media on a daily basis.

Although the Municipality and its customers have been badly affected by load shedding, this Municipality do have a main capacity constraint which is deemed a greater challenge than load shedding from Eskom, as it holds the development of this town and its economy to ransom.

Recent alternatives to additional power capacity discussed on informal level included Lwamondo Solar PV and Timbadola Biomass Generation. This is at very preliminary stage.

When technical, financial and legal aspects of such additional capacity are investigated it will be submitted to Council for consideration.

At this point in time we are not geared for alternatives of electricity supply as it will be subject to national policy and NERSA approval.

RESOLVED –

THAT the technical input of the Municipal Manager as presented to Council by the Mayor be noted.

* * * * *

The meeting was closed and adjourned at 15:24.

Approved and confirmed in terms of the provisions of section 27 of the Local Government Ordinance, 1939 (Ordinance 17 of 1939) by a resolution of the Council passed at the meeting held on the following Council meeting of 25 July 2019.