

**MAKHADO LOCAL MUNICIPALITY**  
**OFFICE OF THE DIRECTOR CORPORATE SERVICES**

MINUTES OF THE ONE HUNDRED AND THIRTY SECOND (132<sup>nd</sup>) SPECIAL COUNCIL MEETING OF MAKHADO MUNICIPALITY WHICH WAS HELD ON TUESDAY, 27 MARCH 2018 IN THE COUNCIL CHAMBER, CIVIC CENTRE, KROGH STREET, MAKHADO AT 16:00.

**PRESENT**

**Councillors**

BABADU, T M	MPASHE, M J
BALIBALI, T	MTHOMBENI, S Z
CHILILO, N F	MUKHARI, M F
DZIVHANI, T E	MUKWEVHO, G T
FURUMELA, M G	MUKWEVHO, T D
GABARA, M J	MULEFU, M E
HLONGWANE, F B	MUNYAI, N
JONES, N B	MUNYAI, N S
KUTAMA, N	MUSANDIWA, P N
KUTAMA, T	NDOU, M D
LUDUVHUNGU, V S	NDOU, M N
LUKHELI, J	NEMATANDANI, M C
MACHETE, M S	NEMUDZIVHADI, N C
MADULA, S	NETHULWE, M F
MADUWA, E	NYELISANI, S S
MADUWA, L G	PHOSHOKO, M G
MADZHIGA, F N	RAMAVHOYA, K S
MAINGO, R T	RAMUSHAVHA, G M
MALIMA, M E	RASHAMUSE, A G
MALULEKE, K M	RATSHIKUNI, D
MAMAFHA, T J	SELAPYANAM M A
MAMROBELA, T P	SESHOKI, T
MAPHUBU, K	SIMANGWE, N J
MARAGA, T A	SINYOSI, S M
MASHAMBA, M A	SITHI, E T
MASIPA, M L	TAMBANI, T E
MASUTHA, L G	TSHIAMBWA, L R
MATHALISE, L M	TSHIFURA, S S
MATUMBA, A	TSHILAMBYANA, M S
MOGALE, L B	
MOHLABA, T J	

**Officials**

N F TSHIVHENGWA	(MUNICIPAL MANAGER)
N C KHARIDZHA	(DIRECTOR CORPORATE SERVICES)
C W MOLOKOMME	(DIRECTOR TECHNICAL SERVICES)
M D SINTHUMULE	(DIRECTOR DEVELOPMENT PLANNING)
M P MAKHUBELA	(CHIEF FINANCIAL OFFICER)
M J KANWENDO	(DIRECTOR COMMUNITY SERVICES)
W S MATHONSI	(SARGEANT OF ARMS)
M D MUNYAI	(ADMINISTRATIVE OFFICER: COMMITTEES)

**Traditional Leaders**

KHOSI R H SINTHUMULE

\* \* \* \* \*

## 1. OPENING: MOMENT OF REFLECTION

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 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. NOTICE OF THE MEETING

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

## 3. 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 Orders, 2016 published under Provincial Gazette Notice no. 2736 dated 29 July 2016 in respect of the Special Council meeting held on 27 March 2018 to Cllrs S I Bulala, N D Davhana, A du Plooy, N A Mafhala, M D Mboyi, R Raliphada, T M Malange, N V Malivha, S Masuka, A A Raphalalani, Cllr M R Mokgoadi and G Tshibvumo.

### REMARK:

2.1 Cllrs R S Baloyi, M R Magada and T C Mamafha were not present at the meeting.

2.2 Khosi T G Muila, Hosi S T Mukhari, Khosi V C Ramabulana, Khosi N T L Mashamba, Hosi H S Mukhari, Khosi P V Kutama, Khosi M M Mphephu, Khosi F Molmea and Khosi P Netsianda were not present at the meeting.

## 4. REPORTS OF THE EXECUTIVE COMMITTEE, UNDER THE SECTIONS:

### A. RECOMMENDATIONS TO COUNCIL

### B. DECISIONS UNDER DELEGATED AUTHORITY

#### A. 4.1(a) Recommendations of the Executive Committee in terms of section 59 (1) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000): March 2018

456<sup>th</sup> Executive Committee Meeting: 22 March 2018

457<sup>th</sup> Executive Committee Meeting: 26 March 2018

#### (b) Recommendations of the various Section 79 Oversight Committees in terms of section 59 (1) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000): March 2018

34<sup>th</sup> Section 79 Oversight Committee: Corporate Services meeting: 26 March 2018

22<sup>nd</sup> Section 79 Oversight Committee: Finance meeting: 26 March 2018

13<sup>th</sup> Section 79 Oversight Committee: Technical Services meeting: 26 March 2018

10<sup>th</sup> Section 79 Oversight Committee: Community Services meeting: 26 March 2018

18<sup>th</sup> Section 79 Oversight Committee: Development Planning meeting: 26 March 2018

6<sup>th</sup> Section 79 Oversight Committee: Special Programmes meeting: 26 March 2018

6<sup>th</sup> Section 79 Oversight Committee: Disaster, Moral Regeneration, Sports, Arts and Culture meeting: 26 March 2018

**ITEM A.21.27.03.18****REPORTS: PROCUREMENT: IRREGULAR EXPENDITURE: 1 MAY 2017 TO JUNE 2017 AND 1 JULY 2017 TO JANUARY 2018  
(10/1/5/2)**

RESOLVED A.21.27.03.18 (COUNCIL)

1. THAT Council review items and reasons provided for Council to condone expenditure of R34,125,773.59 from 1 May 2017 to 31 January 2018 and further recommendation to MPAC, where required, as recorded fully in Annexure A attached to the report in this regard. (DCS)
2. THAT a letter be submitted to National Treasury and MEC of Coghsta that Council has considered the items relating to Section 32 non-compliance and have evaluated reasons for condonation. (CFO)
3. THAT Council analyze reasons of non-compliance and submission be made to National Treasury, the continuing projects will continue to be disclosed as irregular expenditure in the financial statements for 2017/2018 financial year. (CFO)

IrregularExpenditureMay2017-January2018\_itm

**ITEM A.22.27.03.18****REPORTS: ASSESSMENT OF CONTRACTED SERVICE PROVIDERS: QUARTER 1 AND QUARTER 2: 2017/2018 FINANCIAL YEAR  
(10/1/5/2)****REMARK:**

This report was referred as item B.5.22.03.18.

**ITEM A.23.27.03.18****DOMESTIC SERVICES: MID YEAR STOCK COUNTING REPORT 2017/18 FINANCIAL YEAR  
(8/1/1)****REMARK:**

The recommendation of the Section 79 Oversight Committee: Finance was approved and recorded as Council's resolution herein below.

RESOLVED A.23.27.03.18 (COUNCIL)

1. THAT the mid-year stock report for the 2017/2018 financial year be approved by Council as more fully recorded in Annexure A, B and C attached to the report in this regard. (CFO)
2. THAT obsolete or redundant items to the value of **R111,432.45** be written off for disposal as it is no longer in use. (CFO)

3. THAT Section 79 Oversight Committee: Finance must first do an inspection in loco of all goods that need to be auctioned, before the auction. (CFO)

MidYearStockTaking2017-2018\_itm

#### **ITEM A.24.27.03.18**

#### **REPORTS: IMPLEMENTATION: MUNICIPAL SUPPLY CHAIN MANAGEMENT POLICY, 2017: QUARTER 2, 2017/2018 FINANCIAL YEAR (1/3/54/1 & 10/1/5/2)**

RESOLVED A.24.27.03.18 (COUNCIL) –

1. THAT note be taken of the implementation of the Council's Supply Chain Management Policy, 2017 during Quarter 2 of 2017/2018 financial year which report is submitted in order for the Council to exercise its oversight role in terms of section 6 of the Municipal Supply Chain Management Regulations of the Municipal Finance Management Act. (CFO)
2. THAT a written report about the resolutions of Strategic Planning that was held on 4 to 7 March 2018 at Zebula be submitted to all councillors. (CFO)

ImplementationQuarter2-2017-2018SCMPolicy\_itm

#### **ITEM A.25.27.03.18**

#### **REPORTS: PROCUREMENT: CLAUSE 36: QUOTATION DEVIATIONS: 2<sup>ND</sup> QUARTER: 2017/2018 FINANCIAL YEAR (10/1/5/2)**

RESOLVED A.25.27.03.18 (COUNCIL)

THAT in terms of clause 36 of the Municipal Supply Chain Regulations, 2005 promulgated under the Local Government: Municipal Finance Management Act, 2003, in procurement by means of quotations during the 2nd quarter of the 2017/2018 financial year in the amount of R1,527,676.16 and which each was duly approved by the Accounting Officer before it was procured, be condoned by Council.

QuotationDeviation2ndQuarter2017-2018\_itm

(CFO)

#### **ITEM A.26.27.03.18**

#### **LEGISLATION: COUNCIL'S RULES OF ORDER, 2016: DRAFT AMENDMENT (1/3/34/2; 4/2/1)**

#### **REMARK:**

The recommendation of the Section 79 Standing Committee: Rules was approved and recorded as Council's resolution herein below.

**RESOLVED A.26.27.03.18 (COUNCIL)**

1. THAT the Draft Rules of Order, 2018 be provisionally approved and public comments be invited in terms of section 12 of the Local Government: Municipal Systems Act, 32 of 2000 for consideration by Council and thereafter promulgation of the Rules of Order By-law in the Limpopo Provincial Gazette. (DCS)
  2. THAT a workshop session be arranged to workshop all Councillors of Makhado Municipality about the amendment of Council's Rules of Order before it is submitted for public comments. (DCS)
  3. THAT a separate work session be arranged to workshop the Standing Rules Committee about the amendment of Council's Rules of Order before it is submitted for public comments. (DCS)
- ReviewRulesOfOrder\_itm (DCS)

**ITEM A.27.27.03.18****PERSONNEL: SPORTS TEAM POLICY, 2018  
(5/5/3)****RESOLVED A.27.27.03.18 (COUNCIL)**

THAT the Sports Team Policy, 2018 attached to the report in this regard, be approved by Council to be effective with date of Council's Resolution. (DCS)

DraftSportTeamPolicy2017-2018\_itm

**ITEM A.28.27.03.18****PERSONNEL: OVERTIME POLICY, 2018  
(5/2/B, 5/5/3 & 5/6/B)****RESOLVED A.28.27.03.18 (COUNCIL)**

THAT the Overtime Policy, 2018 attached as Annexure A to the report in this regard, be approved and effective with date of Council's Resolution. (DCS)

OvertimePolicy2017-2018\_itm

**ITEM A.29.27.03.18****PLANNING: DRAFT INTEGRATED DEVELOPMENT PLAN (IDP) REVIEW 2018/19 -  
2021/2022  
((15/7/1, 15/8/1 & 6/1/1(2018/19))****REMARK:**

1. When this matter was considered, Cllr M E Malima proposed, duly seconded by Cllr T A Maraga that an investigation report about the vandalism of the Mayoral House be submitted.
2. Cllr N F Chililo objected to the proposal of investigation made by Cllr M E Malima, and the objection was duly seconded by Cllr T J Mamafha.

3. The Mayor, Cllr S M Sinyosi clarified how it came about that a mayoral house had been constructed. Cllr Sinyosi also opposed the proposal of Cllr M E Malima.
4. Cllr N F Chililo proposed that the vote be cast.
5. The Speaker ruled the vote by the show of hands.
6. The proposal by Cllr M E Malima, seconded by Cllr T A Maraga that the vandalism of the Mayoral house be investigated, and the counter proposal by Cllr N F Chililo, seconded by Cllr T J Mamafha that vandalism of the house not be investigated was put for the vote by show of hands. The Speaker announced the outcome as follows:
 

a. For the proposal of Cllr M E Malima	12 councillors
b. For the proposal of Cllr N F Chililo	43 councillors
Abstained from the vote	3 councillors
Total Councillors voted	= 55
7. The majority vote for the proposal of Cllr N F Chililo resulted therein that the recommendation of Section 79 Oversight Committee: Special Programmes was accepted as submitted and recorded as Council Resolution herein below.

**RESOLVED A.29.27.03.18 (COUNCIL)**

1. THAT Council considers and adopts the Draft Integrated Development Plan (IDP) for the 2018/19-2021/22 financial year upon which public comments be invited within 21 days after adoption of Draft IDP, with the following amendments:
  - i) On page 188 (EC 2018/723) the project Development of Dzanani Park next to shopping complex be moved from 2019/2020 financial year to 2018/2019 financial year.
  - ii) The project Mayoral Residential House must be removed from the IDP and the property on which the Mayoral Residential House is situated be sold on auction “as it is” together with all vacant stands with services in Makhado (Louis Trichardt) town and the proceeds from the auction sale together with the funds allocated for the Mayoral Residential House be utilised for servicing of new residential stands in Makhado town.
  - iii) On page 228 (EC 2018/763) the project Fort Hendrina Pallisade Fencing budgeted for R100,000.00 be reduced to R20,000.00 and the project must be performed in-house.
  - iv) On page 209 (EC 2018/744) the project Electrification in Eskom Licenced Areas budgeted for R5,000,000.00 be reduced to R3,000,000.00 and the project Electrification in Municipal Licenced Areas budgeted for R3,000,000.00 be increased to R5,000,000.00. (ALL DIRS)
2. THAT in order for Special Programme events and activities to have impact, the budgeted allocation be increased to at least R2,200,000.00. (CFO)

DraftIDP2018-2019\_itm

**ITEM A.30.27.03.18**

**FINANCES: DRAFT ANNUAL BUDGET 2018/2019 FINANCIAL YEAR  
(2018/2019)**

**RESOLVED A.30.27.03.18 (COUNCIL)**

1. THAT the Draft Capital and Operational Estimates for the 2018/2019 financial year as more fully recorded in **Annexure A** attached to the report in this regard be approved and that the Accounting Officer proceeds with the publication of the Draft Annual Budget as purposed in section 22 of the Municipal Finance Management Act 56 of 2003, with the following addition:

- i) On page 25 (EC 2018/884) the project Rehabilitation of Joe Slovo Street (Vleifontein) which is not budgeted for, must be prioritised for 2019/2020. (CFO/ DTS)
2. THAT the following 2018/2019 to 2020/2021 financial year's budget related policies be approved as more fully set out in **Annexure B1 to B20** attached to the report in this regard-
- 2.1 Virement Policy
  - 2.2 Credit Control and Debt Collection Policy
  - 2.3 Tariff Policy Free Basic Services
  - 2.4 Borrowing policy
  - 2.5 Expenditure Management Policy
  - 2.6 Funding and Reserves Policy
  - 2.7 Budget Policy
  - 2.8 Framework for cash flow management
  - 2.9 Asset management policy
  - 2.10 Investment Policy
  - 2.11 Subsidy for indigent household policy
  - 2.12 Debt written off policy
  - 2.13 Property Rates Policy
  - 2.14 Supply Chain Management Policy
  - 2.15 Revenue Management Policy
  - 2.16 Travel and Subsistence Policy
  - 2.17 Acquisition and use of Cellular phones Policy
  - 2.18 Petty cash policy
  - 2.19 Transport allowance policy
  - 2.20 Fleet Management policy (CFO)
3. THAT the amendment to the contents of the Property Rates By-law, 2018 and the Credit Control and Debt Collection By-law, 2018 be approved as more fully set out in **Annexure B21 and B22** of the report in this regard, and that the necessary promulgation be undertaken after public consultation thereof. (CFO)
4. THAT the increase in 2018/2019 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)
5. THAT it be noted that the Draft 2018/2019 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 being the quality certificate approved by the accounting officer. (CFO)
6. THAT Council takes note of the system of delegated power as summarized in **Annexure D**, structured in a manner that specifies duties of Municipal Council, Duties of Mayor, Powers and functions assigned to the Accounting Officer, Powers/ functions delegated to a member of the municipality's Top Management, and Powers/ functions that are further sub-delegated to Divisional Managers. (MM/ALL DIRS)

**ITEM A.31.27.03.18****REPORTS: ASSESSMENT OF CONTRACTED SERVICE PROVIDERS: QUARTER 1 AND QUARTER 2: 2017/2018 FINANCIAL YEAR (10/1/5/2)**

RESOLVED A.31.27.03.18 (COUNCIL)

THAT in terms of clause 116 of the Municipal Finance Management Act, 56 of 2003 the assessment report of contracted service providers for Quarter 1 and Quarter 2 of the 2017/18 financial year be noted and approved by Council. (CFO)

AssessmentServiceProvidersQ1&amp;Q2 2017-2018\_itm(2)

**(REMARK:** Item A.32.27.03.18 is the MPAC report on the Annual Report 2016/2017 which can be found elsewhere in this minutes)

**ITEM A.33.27.03.18****STRATEGIC PLANNING REPORT TO COUNCIL (2/5; 15/7/1 & 6/1/1(18/19))****REMARK:**

CLlr M E Malima proposed that the priorities and objectives of the Strategic Planning and Budget of 2018/19 financial year must align with the Municipality's priorities since R293 townships seemed to be neglected. The proposal was not seconded, however, the Speaker ruled that Management and the Executive Committee should take note of the issues raised by CLlr M E Malima.

RESOLVED A.33.27.03.18 (COUNCIL)

1. THAT Council approves the Strategic Planning Report and Resolutions, 2018 as attached to the report in this regard for implementation. (MM/ALL DIRS)
2. THAT a separate report be submitted to the Executive Committee regarding the future development of the so-called Clouds End Hotel and Ottoshoogte farm and the multi-purpose development by Daybreak (Pty) Ltd. (MM/ALL DIRS)
3. THAT the goals of the Strategic Plan, 2018 must be implemented. (MM/ALL DIRS)

Strategicplan\_itm

**ITEM A.34.27.03.18****FINANCES: PROCUREMENT: SECTION 116(3): AMENDMENT OF CONTRACT FOR SECURITY SERVICES: MUNICIPAL PROPERTIES FOR THE PERIOD OF THREE YEARS (NO. 7/2017) (8/3/2/1384)**

RESOLVED A.34.27.03.18 (COUNCIL)

THAT in terms of 116(3) of Municipal Finance Management Act the Council approves amendment of this contract after following all steps as indicated by this section which includes a public notice for 14 days. (CFO)

Security\_itm



**4.3 Report 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): March 2018**

**ITEM A.32.27.03.18**

**ANNUAL REPORT 2016/17: MPAC OVERSIGHT REPORT AND FINAL APPROVAL: SUBMISSION TO DEPARTMENT NATIONAL TREASURY AND DEPARTMENT PROVINCIAL AND LOCAL GOVERNMENT (10/1/4/1-8)**

RESOLVED A.32.27.03.18 (COUNCIL)

1. THAT it be noted that the Oversight Committee (MPAC) considered the Final Annual Report, 2016/17 and recommends that Council accepts the 2016/2017 Annual report as more fully set out in its report of findings attached as Annexure B to this report. (MM)
2. THAT Council adopts the Oversight Committee's (MPAC) Report dated 20 March 2018 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)
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.

OversightReportMarch2018\_itm

(MM)

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**B. 4.2 Resolutions of the Executive Committee in terms of section 59 (1) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000): March 2018**

**ITEM B.5.22.03.18**

**REPORTS: ASSESSMENT OF CONTRACTED SERVICE PROVIDERS: QUARTER 1 AND QUARTER 2: 2017/2018 FINANCIAL YEAR (10/1/5/2)**

**REMARK:**

This report was referred from item A.22.27.03.18.

**RESOLVED B.5.22.03.18 (EXECUTIVE COMMITTEE)**

THAT the matter be referred back for further investigation regarding the score assessment of service providers in respect of Tender no. 64 of 2017 and Tender no. 52 of 2017, and a report be resubmitted to the next Executive Committee for consideration. (CFO)

AssessmentServiceProvidersQ1&Q2 2017-2018\_itm

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The meeting was closed and adjourned at 17:05.

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 26 April 2018.

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**CHAIRPERSON**

MDM/lh/SpecialCouncilMinutes\_132