

MAKHADO LOCAL MUNICIPALITY
OFFICE OF THE DIRECTOR CORPORATE SERVICES

MINUTES OF THE ONE HUNDRED AND THIRTY FOURTH (134th) SPECIAL COUNCIL MEETING OF MAKHADO MUNICIPALITY WHICH WAS HELD ON THURSDAY, 31 MAY 2018 IN THE COUNCIL CHAMBER, CIVIC CENTRE, KROGH STREET, MAKHADO AT 14:00.

PRESENT**Councillors**

BABADU, T M
 BALIBALI, T
 BALOYI, R S
 BULALA, S I
 CHILILO, N F
 DAVHANA, N D
 DU PLOOY, A
 DZIVHANI, T E
 FURUMELA, M G
 GABARA, M J
 JONES, N B
 KUTAMA, N
 KUTAMA, T
 LUDUVHUNGU, V S
 LUKHELI, J
 MACHETHE, M S
 MADULA, S
 MADUWA, E
 MADUWA, L G
 MADZHIGA, F N
 MAGADA, M R
 MALANGE, T M
 MALIMA, M E
 MALIVHA, N V
 MALULEKE, K M
 MAMAFHA, T C
 MAMAFHA, T J
 MAMROBELA, T P
 MAPHUBU, K
 MARAGA, T A
 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
 MPASHE, M J
 MTHOMBENI, S Z
 MUKHARI, M F
 MUKWEVHO, G T
 MUKWEVHO, T D
 MULEFU, M E
 MUNYAI, N
 MUNYAI, N S
 MUSANDIWA, P N
 NFOU, M D
 NDOU, M N
 NEMATANDANI, M C
 NEMUDZIVHADI, N S
 NYELISANI, S S
 PHOSHOKO, M G
 RALIPHADA, R
 RAMAVHOYA, K S
 RASHAMUSE, A G
 RATSHIKUNI, D
 SELAPYANA M A
 SIMANGWE, N J
 SINYOSI, S M
 SITHI, E T
 TAMBANI, T E
 TSHIAMBWA, L R
 TSHILAMBYANA, M S

Officials

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

Traditional Leaders

KHOSI P V KUTAMA
 KHOSI M M MPHEPHU

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 31 May 2018 to Cllrs M F Nethulwe, B F Hlongwane, S S Tshifura, T Seshoki, M G Ramushavha and R T Maingo.

REMARK:

2.1 Cllr G Tshibvumo, N A Mafhala and A A Raphalalani 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 F Molema 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): May 2018

462nd Executive Committee Meeting: 24 May 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): May 2018

37th Section 79 Oversight Committee: Corporate Services meeting: 28 May 2018

11th Section 79 Oversight Committee: Community Services meeting: 29 May 2018

20th Section 79 Oversight Committee: Development Planning meeting: 28 May 2018

24th Section 79 Oversight Committee: Finance meeting: 28 May 2018

14th Section 79 Oversight Committee: Technical Services meeting: 29 May 2018

ITEM A.47.31.05.18**FINANCES: REQUEST FOR CONDONEMENT OF FRUITLESS AND WASTEFUL EXPENDITURE: 1 JULY 2017 TO JANUARY 2018 IN 2016/17 FINANCIAL YEAR (6/13/2/3 & 10/1/5/2)**

RESOLVED A.47.31.05.18 (COUNCIL)

1. THAT the amount of R312,367.22 from 1 July 2017 to 31 January 2018 Quarter 1 and 2 of the 2017/18 financial year be condoned based on the reasons that the Municipality did not pay Eskom and Telkom on due dates of their invoices, which resulted in interest charges on overdue accounts and compelled municipality to pay as additional amount to the account, as more fully recorded in Annexure A attached to the report in this regard. (CFO)
2. THAT Council review items and reasons provided for Council to condone fruitless and wasteful expenditure of R312,367.22 and further make recommendation to MPAC where required. (CFO)
3. THAT a letter must 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)
4. THAT Council analyse reasons of non-compliance and submission be made to and National Treasury. (CFO)

FruitlessExpenditure1July17-Jan2018_itm

ITEM A.48.31.05.18**FINANCES: REQUEST FOR CONDONEMENT OF FRUITLESS AND WASTEFUL EXPENDITURE: 1 FEBRUARY 2018 TO 31 MARCH 2018 IN 2017/18 FINANCIAL YEAR (6/13/2/3 & 10/1/5/2)**

RESOLVED A.48.31.05.18 (COUNCIL)

1. THAT the amount of R1,231.91 from 1 February 2018 to 31 March 2018 Quarter 3 of the 2017/18 financial year be condoned based on the reasons that the Municipality did not pay Eskom and Telkom on due dates of their invoices, which resulted in interest charges on overdue accounts and compelled municipality to pay as additional amount to the account, as more fully recorded in Annexure A attached to the report in this regard. (CFO)
2. THAT Council review items and reasons provided for Council to condone fruitless and wasteful expenditure of R1,231.6 and further make recommendation to MPAC where required. (CFO)
3. THAT a letter must 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)

4. THAT Council analyse reasons of non-compliance and submission be made to and National Treasury. (CFO)

FruitlessExpenditure1Feb18-March2018_itm

ITEM A.49.31.05.18

REPORT: AUDIT AND PERFORMANCE AUDIT COMMITTEE: PROGRESS REPORT: QUARTER 3, 2017/2018 FINANCIAL YEAR (4/11/1)

RESOLVED A.49.31.05.18 (COUNCIL)

THAT the Consolidated Audit and Performance Audit Committee report of Quarter 3, 2017/18 Financial Year be noted. (MM)

ReportAuditCommitteeQ3_itm

ITEM A.50.31.05.18

REPORTS AND SURVEYS: OUTSTANDING MATTERS: COUNCIL RESOLUTIONS – QUARTER 3: 2017/18 FINANCIAL YEAR (10/1/6/1)

RESOLVED A.50.31.05.18 (COUNCIL)

THAT note be taken of the progress with implementing Council Resolutions in respect of meetings held during Quarter 3 of the 2017/2018 financial year as more fully set out in Annexure A attached to the report in this regard, subject to the following:

With reference to item A.169.13.12.17 the status report with full information together with the legal opinions previously obtained by Council be submitted at a next Executive Committee meeting.

CouncilResolutionImplementationQ3-2017-2018_itm

(DCS)

ITEM A.51.31.05.18

DOMESTIC SERVICES: COMPUTER SERVICES: PROPOSED 5 YEAR ICT STRATEGIC PLAN, 2018 (8/2/3; 2/5)

RESOLVED A.51.31.05.18 (COUNCIL)

1. THAT Council approves of the 5 Year ICT Strategic Plan, 2018-2023 compiled under Tender No 36 of 2017, upon which said Plan will be implemented according to the Implementation Plans for Year 1 to Year 5 embodied in paragraph 7 thereof. (DCS)
2. THAT a quarterly report be submitted to Council on progress with implementation of the ICT Strategic Plan, 2018-2023. (DCS)

ICTStrategicPlan2018_itm

ITEM A.52.31.05.18**PERSONNEL: EMPLOYEE ASSISTANCE PROGRAMME: PARTICIPATION IN SOUTHERN AFRICA INTER-MUNICIPAL GAMES, SEPTEMBER 2017: MATSAPA MUNICIPALITY ACROSS MBABANE-MANZINI CORRIDOR SWAZILAND: 23 TO 28 SEPTEMBER 2018****(12/3/3/78)****REMARK:**

When this matter was considered, Cllr F N Madzhiga proposed, duly seconded by Cllr K M Maluleke that the recommendation of the Municipal Manager of the Municipality to participate in the Southern Africa Inter-Municipal Games at Matsapa Municipality across Mbabane-Manzini Corridor in Swaziland from 23 to 28 September 2018 to all employees be approved. Cllr A Matumba proposed that in solidarity with the people of Swaziland under their dictatorial rule of King Mswati III, the employees of Makhado Local Municipality must not participate in the games, and should rather participate in alternative games not in Swaziland borders. The proposal of Cllr A Matumba was not seconded and therefore the recommendation of the Municipal Manager together with the proposal of Cllr F N Madzhiga became Council's Resolution as recorded herein below.

RESOLVED A.52.31.05.18 (COUNCIL)

THAT the invitation from South African Inter Municipal Sport Association, attached as **Annexure A** to the report in this regard, be approved, subject to the following conditions:

1. Permission is granted that seventy (70) non-essential services personnel participate in the South African Inter-Municipal Games to be held at Mbabane-Manzini Corridor Swaziland for the period from 23 to 28 September 2018.
2. Special leave be granted to seventy (70) staff members referred to in paragraph 1 above for the period from 23 to 28 September 2018.
3. Council is requested to pay for participation fee of R11,000.00, accommodation and food, transport fees by bus to and from the location, promotional materials and 500 bottles of water be procured in order to help players in the field of play.
4. Two Council vehicle including (Quantum) be available to carry sports equipment and outfits.
5. The Sports Committee delegates two team Managers since they are supposed to arrive two days before the games to deal with accreditation and to attend organized meetings.
6. The Sports Committee delegates two team Managers to attend the meeting on June or August 2018.
7. Council delegates Portfolio Councillor: Corporate Services and Portfolio Councillor: Sports and Recreation, the Mayor together with the Municipal Manager, Director: Corporate Services, EAP Officer, the Safety Officer and Sports Co-coordinator to officially represent Makhado Municipality during the Games. (DCS)

ITEM A.53.31.05.18**TRANSFER OF WATER SERVICES AUTHORITY (WSA) AND WATER SERVICES PROVISION (WSP): ASSETS AND LIABILITIES
(5/5/11; 13/4)**

RESOLVED A.53.31.05.18 (COUNCIL)

1. THAT Council approves transfer of water and sanitation assets and pending contractual liabilities and litigation to Vhembe District Municipality as listed in Annexure A to B of the Transfer of Assets and Liabilities Agreement attached to the report in this regard. (DCS)
2. THAT Council further takes note that the effective date of transfer referred to in paragraph 1 above would be 1 July 2018.

TransferAssetsToVDM_itm

(DCS)

ITEM A.54.31.05.18**DEVELOPMENT PLANNING: PROPOSED HOUSING DEVELOPMENT AREAS: 2018/2019 TO 2021/22 FINANCIAL YEARS: APPROVAL OF 5 YEAR HOUSING PLAN
(17/20 & 17/4/1)****REMARK:**

When this matter was considered, Cllr N Munyai informed that Mangilasi village is located in Makhado Municipality, and not under Collins Chabane Local Municipality. Therefore it must be corrected at COGHSTA and the one (1) housing unit must be granted to Makhado Municipality for Mangilasi villages (Luvuvhu region).

RESOLVED A.54.31.05.18 (COUNCIL)

1. THAT cognisance be taken that the development areas for 2018/2019 financial year were done in close consultation with the Integrated Development Plan priority list as submitted by the ward structures during IDP consultative forums, and that it be allocated as follows:

REGION	WARD	VILLAGES	NO. OF UNITS
Waterval	11		90
		Wayeni	
		Mufeba	
		Riversdale	
		Mashamba	
Waterval	15		90
		Mpheni	
		Vari	
		Valdezia	
Luvuvhu	27		90
		Ha Muhanelwa	
		Ha Mutsha	
Dzanani	32		91
		Vhutuwangadzubu	
		Ha Mandiwana	
		Ha Mamuhohi	
		Matanda Zone 2	
		Funyufunyu zone 3 and 4	

REGION	WARD	VILLAGES	NO. OF UNITS
		Ha Raliphaswa	
Makhado	7	Tshikota Extension 1 Township	100
		Mayoral discretion	50
		Units allocated by CoGHSTA for 2018/201	400
		Replacements due to redetermination of boundaries	111
		Total number of housing units	511

(DDP)

2. THAT once finalised by Council, the development areas be forwarded to the Department of Corporative Governance, Human Settlement and Traditional Affairs for further consideration with the aim to reduce housing backlog within the Municipality. (DDP)
3. THAT once the MEC has taken a decision on the matter, it be regarded as final and binding as the irregular changing of development areas by Ward Councillors has the potential to disrupt the Municipal IDP plans resulting in audit queries. (DDP)
4. THAT Council approves the 5 Year Housing Plan attached as **Annexure C** to the report in this regard. (DDP)
5. THAT the Director Development Planning notify COGHSTA to correct their records and grant one (1) house to Mangilasi village, Luvuvhu Region of Makhado Municipal area, as Mangilasi is not in Collins Chabane Local Municipality but indeed in Makhado Municipal jurisdiction. (DDP)

RDPHousing&HousingPlan_itm

ITEM A.55.31.05.18**COUNCIL COMMITTEES: AUDIT PERFORMANCE AND AUDIT COMMITTEE, 2018/19 TO 2020/21 (4/11/1)****RESOLVED A.55.31.05.18 (COUNCIL)**

1. THAT Council takes note that the three (3) year contract of five (5) APAC members expires on 30 June 2018 and approves thereof that the contract period be extended to at least 31 August 2018 in order to ensure continuity of oversight while recruitment of new members is underway. (DCS)
2. THAT Council approves the recruitment of new members 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)

3. THAT Council appoints a Selection Panel comprising of the Speaker, Portfolio Councillor of Finance, Chairperson of Section 79 Oversight Committee: Finance, the Municipal Manager, and one representative each from COGHSTA and Provincial Treasury respectively to shortlist and interview successful candidates. (DCS)

AppointmentAuditComMembers_itm

ITEM A.56.31.05.18

TOWN-PLANNING: INTEGRATED DEVELOPMENT PLAN (IDP): 2018/19 REVIEW (15/8/1)

REMARK:

When this matter was considered, Cllr N Munyai pointed out that the following three projects did not fall under Collins Chabane Local Municipality, but was located in Makhado Municipality's jurisdiction (page 299 of the IDP):

1. Tshivhazwaulu Pack House
2. Ndivheni School
3. Mphalaleni Irrigation Scheme & Contractor

The correction was accepted and recorded herein below as Council's Resolution.

RESOLVED A.56.31.05.18 (COUNCIL)

THAT the Integrated Development Plan (IDP) for the 2018/19 Financial Year be approved as more fully set out in the 2018/2019 IDP Review attached to the report in this regard, subject to the following amendments:

1. The project of Disaster Business Infrastructure Recovery (BIA and BCP) be included in the 2018/19 Integrated Development Plan (IDP).
2. Page 299 of the IDP be corrected in that the reference Collins Chabane Local Municipality in the third column be substituted for the wording "Makhado Municipality" in respect of the Tshivhazwaulu Pack House, Ndivheni School and Mphalaleni Irrigation Scheme & Contract.

IDP2018-2019_itm

(MM/ALL DIRS)

ITEM A.57.31.05.18

FINANCES: ANNUAL BUDGET 2018/2019 FINANCIAL YEAR (6/1/1(2018/2019))

REMARK:

Cllr M E Malima proposed that his objection about the adoption of the budget be recorded since the budget does not address issues of local economic development.

RESOLVED A.57.31.05.18 (COUNCIL)

1. THAT the Final 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 Final Annual Budget as purposed in section 22 of the Municipal Finance Management Act No. 56 of 2003. (CFO)

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 Policies
- Virement Policy
 - Credit Control and Debt Collection Policy
 - Tariff policy free basic services
 - Borrowing policy
 - Expenditure Management Policy
 - Funding and Reserves Policy
 - Budget Policy
 - Framework for cash flow management
 - Asset management policy
 - Investment Policy
 - Subsidy for indigent household policy
 - Uniform Credit Control Policy
 - Debt written off policy
 - Property Rates Policy
 - Supply Chain Management Policy
 - Revenue Management Policy
 - Travel and Subsistence Policy
 - Acquisition and use of Cellular phones Policy
 - Petty cash policy
 - Transport allowance policy
- 2.2 By-Laws
- Makhado Credit Control and Debt Collection By-Laws
 - Property Rates By-Law (CFO)
3. 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 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 Final 2018/2019 Estimates will after approval by Council in terms of section 22 of the Municipal Finance Management Act, 2003 be submitted to National Treasury and the Provincial Treasury together with the quality certificate approved by the Accounting Officer. (CFO)
6. THAT an additional amount of R500,000.00 be provided in the 2018/19 Estimates for the DRP Hardware and Software budget. (CFO)
7. THAT the following capital projects of the Department Corporate Services which could not be implemented in the 2017/18 financial year due to procurement processes, be included in the 2018/19 Capital Budget
- 7.1 Electronic Agenda for all councillors, Phase 2 – R290,000
 - 7.2 Internet connection: Vleyfontein Satellite office – R 15,000

7.3 Connectivity to nine (9) Points of Service (remote pay-points) – R270,000

FinalBudget2018-2019_itm

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

462nd Executive Committee Meeting: 24 May 2018

ITEM B.9.24.05.18

**PERFORMANCE MANAGEMENT: RE-ADJUSTED SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2017/18 FINANCIAL YEAR
(10/1/4/1 – 10/1/4/8)**

RESOLVED B.9.24.05.18 (EXECUTIVE COMMITTEE)

THAT Council approves the Adjusted Service Delivery and Budget Implementation Plan for the 2017/18 financial year in line with the 2017/18 Adjustment Budget, copy of which is attached as Annexure B to the report in this regard. (MM/ALL DIRS)

Re-AdjustedSDBIP2017-2018_itm

ITEM B.10.24.05.18

**PERFORMANCE MANAGEMENT: DRAFT SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN: 2018/19 FINANCIAL YEAR
(10/1/4/1 – 10/1/4/8)**

RESOLVED B.10.24.05.18 (EXECUTIVE COMMITTEE)

THAT Council takes note of the service delivery reports in relation to the approved SDBIP for the 2018/19 financial year as submitted by Performance Management Unit and attached to the report in this regard as Annexure A. (MM/ALL DIRS)

DraftSDBIP2018-2019_itm

ITEM B.11.24.05.18

**FINANCES: IN YEAR MONITORING AND REPORTING: MONTH ENDING 31 MARCH 2018
(6/1/1(2017/2018))**

RESOLVED B.11.24.05.18 (EXECUTIVE COMMITTEE)

THAT the in-year monitoring financial report for the month of March 2018 be noted. (CFO)

MonitoringMarch2018_itm

ITEM B.12.24.05.18**FINANCES: IMPLEMENTATION OF MAKHADO MUNICIPAL SUPPLY CHAIN MANAGEMENT POLICY, 2017: QUARTER 3, 2017/2018 FINANCIAL YEAR (1/3/54/1 & 10/1/5/2)**

RESOLVED B.12.24.05.18 (EXECUTIVE COMMITTEE)

THAT note be taken of the implementation of Supply Chain Management Policy, 2017 during Quarter 3 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 Policy, 2017. (CFO)

ImplementationQuarter3-2017-2018SCMPolicy_itm

ITEM B.13.24.05.18**REPORT: MUNICIPAL INFRASTRUCTURE GRANT (MIG): 3rd QUARTER 2017/2018 FINANCIAL YEAR (16/8/1 & 10/1/5/3)**

RESOLVED B.13.24.05.18 (EXECUTIVE COMMITTEE)

THAT Council takes note of the 3rd quarter report in relation to the implementation of the Municipal Infrastructure Grant (MIG) for 2017/18 financial year. (DTS)

ImplementationMIG Q3 2017-2018_itm

ITEM B.14.24.05.18**ORGANISATIONS AND ASSOCIATIONS: PLANNERS VISIT TO CHINA: AMENDED DATES (12/3/3//66)**

RESOLVED B.14.24.05.18 (EXECUTIVE COMMITTEE)

1. THAT Council note that a trip initially planned for the 12th to the 23rd of March 2018 has been postponed to the 29th of May 2018 until 23rd of June 2018. (DDP)
2. The Department of Trade and Industry (DTI) through their cooperation agreement with the People's Republic of China will be responsible for costs of flights and accommodation.

VisitToChinaPostponed_itm

(DDP)

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The meeting was closed and adjourned at 15:09.

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 July 2018.