

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

MINUTES OF THE ONE HUNDRED AND FORTY FOURTH (144<sup>th</sup>) SPECIAL COUNCIL MEETING OF MAKHADO MUNICIPALITY WHICH WAS HELD ON THURSDAY, 30 MAY 2019 IN THE COUNCIL CHAMBER, CIVIC CENTRE, KROGH STREET, MAKHADO AT 14:00.

**PRESENT**

**Councillors**

BABADU, T M	MATUMBA, A
BALOYI, R S	MBOYI, M D
CHILILO, N F	MOGALE, L B
DAVHANA, N D	MOHLABA, T J
DZIVHANI, T E	MTHOMBENI, S Z
GABARA, M J	MUKHARI, M F
HLONGWANI, B F	MUKWEVHO, T D
JONES, N B	MULEFU, M E
KUTAMA, N	MUNYAI, N
LUKHELI, J	MUNYAI, N S
MACHETE, M S	MUSANDIWA, P N
MADULA, S	NDOU, M N
MADUWA, E	NEMATANDANI, M C
MADUWA, L G	NEMUDZIVHADI, N S
MADZHIGA, F N	NETHULWE, M F
MAINGO, R T	NYELISANI, S S
MALANGE, T M	RALIPHADA, R
MALIMA, M E	RAMAVHOYA, K S
MALIVHA, N V	RASHAMUSE, A G
MALULEKE, K M	SELAPYANA, M A
MAMAFHA, T C	SESHOKI, T
MAMAFHA, T J	SIMANGWE, N J
MAMOROBELA, T P	SITHI, E T
MAPHUBU, K	TAMBANI, T E
MASIPA, M L	TSHIBVUMO, G
MASUKA, S	TSHILAMBYANA, M S
MASUTHA, L G	
MATHALISE, L M	

**Officials**

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

**Traditional Leaders**

None

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**1. OPENING: MOMENT OF REFLECTION**

The Speaker, Cllr L B Mogale ruled that a moment of silence be observed for meditation and prayer, where after 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”.

## 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 Order, 2016 published under Provincial Gazette Notice no. 2736 dated 29 July 2016 in respect of the Special Council meeting held on 30 May 2019 to Cllrs T Balibali, S I Bulala, A du Plooy, T Kutama, N A Mafhala, M R Magada, M R Mokgoadi, G T Mukwevho, M G Phoshoko, T A Maraga, G M Ramushavha, D Ratshikuni and L R Tshiambwa.

### REMARK:

- 2.1 Cllrs M G Furumela, B K Jones, V S Luduvhungu, M J Mpashe, M D Ndou, M A Mashamba, S M Sinyosi and S S Tshifura were not present at the meeting.
- 2.2 Khosi T G Muila, Hosi S T Mukhari, Khosi V C Ramabulana, Hosi H S Mukhari, Khosi N T L Mashamba , Khosi P V Kutama, Khosi P Netsianda, Khosi F Molema, Khosi M M Mphephu and Khosi R H Sinthumule were not present at the meeting.

## 4. OFFICIAL ANNOUNCEMENTS

- 4.1 The Speaker, Cllr L B Mogale announced that all councillors and administrative management were invited to the Mayor’s Budget Address 2019/2020 scheduled for Friday, 7 June 2019, 11:00 at Makhado Show Ground.
- 4.2 The Speaker, Cllr L B Mogale announced that Phalaphala FM would be hosted by Cllr L G Masutha, Ward 3 and Cllr S S Nyelisani, Ward 27 on Thursday, 30 and Friday, 31 May 2019 at Tsianda; the Mayor and Speaker would also attend the occasion.
- 4.3 The Speaker, Cllr L B Mogale announced that a former Municipal councillor of Makhado, Mr M A Mavhumbe’s wife had passed away. Cllr N A Mafhala’s wife had also passed away while Cllr T A Maraga’s mother passed away. The Speaker ruled that a moment of silence be observed and a prayer hymn was sung in their remembrance.

## 5. REPORT OF THE EXECUTIVE COMMITTEE AND SECTION 79 COMMITTEES

- (a) **Recommendations of the Executive Committee in terms of section 59 (1) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000): May 2019**

**489<sup>th</sup> Executive Committee Meeting: 23 May 2019**

**490<sup>th</sup> Executive Committee Meeting: 30 May 2019**

- (b) **Recommendations of the Section 79 Oversight Committees in terms of section 59 (1) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000): May 2019**

**56<sup>th</sup> Section 79 Oversight Committee: Corporate Services: 27 May 2019**

**57<sup>th</sup> Section 79 Oversight Committee: Corporate Services: 30 May 2019**

**38<sup>th</sup> Section 79 Oversight Committee: Finance: 28 May 2019**

**30<sup>th</sup> Section 79 Oversight Committee: Development Planning: 27 May 2019**

**18<sup>th</sup> Section 79 Oversight Committee: Community Services: 27 May 2019**

**21<sup>st</sup> Section 79 Oversight Committee: Technical Services: 28 May 2019**

**ITEM A.56.30.05.19**

**PERSONNEL: IMPLICATIONS OF THE CONSTITUTIONAL COURT JUDGEMENT IN THE MATTER BETWEEN THE SOUTH AFRICAN MUNICIPAL WORKERS' UNION V MINISTER OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS DECLARING THE AMENDMENT ACT UNCONSTITUTIONAL (5/6/2 & 5/13/2/1)**

RESOLVED A.56.30.05.19 (COUNCIL)

1. THAT Council takes note of the Constitutional Court decision of declaring the Municipal Systems Amendment Act, 2011 (Act no. 7 of 2011) to be unconstitutional and invalid. (DCS)
2. THAT Council's internal policies be adjusted to be compliant with the Principal Act, Local Government: Municipal Systems, Act 32 of 2000. (DCS)

MunicipalSystemsAct\_itm

**ITEM A.57.30.05.19**

**ESSENTIAL SERVICES: PROCUREMENT FROM INDEPENDENT POWER PRODUCERS: LEGAL OPINION (13/1/1)**

RESOLVED A.57.30.05.19 (COUNCIL)

1. THAT the Municipality conduct a comprehensive feasibility study on the demand, risks, affordability, sustainability and policies certainty regarding electricity generated from independent power producers. (DTS)
2. THAT the acquisition of electricity generated from Independent Power Producers (IPP) should be taken into consideration in the provisions of the Supply Chain Management Policy, 2019, before entering into an agreement with the service provider. (CFO)

LwamondoPowerPlant\_itm

**ITEM A.58.30.05.19**

**REPORT: AUDIT AND PERFORMANCE AUDIT COMMITTEE CHARTER AND INTERNAL AUDIT CHARTER FOR 2019/20 FINANCIAL YEAR (6/13/1/2/1 & 6/13/1/2/2)**

**REMARK:**

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

RESOLVED A.58.30.05.19 (COUNCIL) -

THAT the Council approve the Audit and Performance Audit Committee Charter and note the Internal Audit Charter for 2019/20 financial year as more fully set out in the Annexure attached to the report in this regard, with the following addition to the Internal Audit Charter –

(1) Under paragraph 16

“A quarterly detailed report on progress with resolving internal audit findings, expressed in percentages, must be submitted to Council.” (MM)

APAC&InternalAuditCharters\_itm

**ITEM A.59.30.05.19****TOWN-PLANNING: INTEGRATED DEVELOPMENT PLAN (IDP): 2019/20 REVIEW (15/8/1)****REMARK:**

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

**RESOLVED A.59.30.05.19 (COUNCIL)**

1. THAT the Integrated Development Plan (IDP) for the 2019/20 financial year be approved as more fully set out in the 2019/2020 IDP Review attached to the report in this regard, with the following amendments in respect of projects for the 2019/20 financial year:

1.1 The project “Afton to Natalie Bridge” must be corrected to read “Natalie to Sane Bridge”

1.2 The capital projects be amended only in respect of and to the measure as set out in the following table:

NO	DESCRIPTION	SOURCES	Original	Changes	FINAL BUDGET 2019/2020
1	Replace the Official Motor Vehicle of Speaker ( Corporate Services)	INCOME	1 500 000.00	(500 000.00)	1 000 000.00
2	1 Chain Dozer & 3 Road Graders	INCOME	3 500 000.00	6 950 000.00	10 450 000.00
3	Filing System and Warehousing	INCOME	2 000 000.00	(700 000.00)	1 300 000.00
4	Rehab old landfill site ( Vondeling)	INCOME	2 500 000.00	(500 000.00)	2 000 000.00
5	Designs of Municipality Civic Centre	INCOME	2 000 000.00	(500 000.00)	1 500 000.00
6	Re-location of Rugby Stadium	INCOME	7 500 000.00	(3750 000.00)	3 750 000.00
7	Construction of N1 Tourism Park	INCOME	2 000 000.00	(500 000.00)	1 500 000.00
8	Construction of Incubation centre at Ha-Rathidili	INCOME	2 000 000.00	(500 000.00)	1 500 000.00
	<b>Total</b>		<b>23 000 000.00</b>	<b>-</b>	<b>23 000 000.00</b>

(MM)

2. THAT it be approved as policy that forthwith, before public consultation sessions of the already approved draft IDP for the year in question is arranged, the Accounting Officer convene a meeting of all Ward Councillors for comprehensive briefing before hosting the IDP public consultation meetings. (MM)

IDP2019-2020\_itm

**ITEM A.60.30.05.19****FINANCES: FINANCIAL DELEGATION POLICY, 2019  
(2/1/3/2/2)**

RESOLVED A.60.30.05.19 (COUNCIL) –

THAT the Financial Delegation Policy, 2019 as more fully set out in Annexure A attached to the report in this regard be approved by Council to be effective on the date of Council Resolution.

FinancialDelegation\_itm

(MM/CFO)

**ITEM A.61.30.05.19****FINANCES: FINAL ANNUAL BUDGET 2019/2020 FINANCIAL YEAR  
(6/1/1/(2019/2020))****REMARK:**

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

RESOLVED A.61.30.05.19 (COUNCIL)

1. THAT the Capital and Operational Estimates for the 2019/20 financial year as more fully recorded in **Annexure A** attached to the report in this regard be approved by Council and that the Accounting Officer proceeds with the publication of the Annual Budget as purposed in section 22 of the Municipal Finance Management Act, 56 of 2003, subject to the following:
  - 1.1 Project No. 106 on page EC 2019/2247 MIG funded, the project "Afton to Natalie Bridge" must be corrected to read "Natalie to Sane Bridge"
  - 1.2 Project No. 117 on page EC 2019/2248 Own Income funded, the project "Afton to Natalie Bridge" must be corrected to read "Natalie to Sane Bridge"
  - 1.3 The capital projects be amended only in respect of and to the measure as set out in the following Table:

NO	DESCRIPTION	SOURCES	Original	Changes	FINAL BUDGET 2019/2020
1	Replace the Official Motor Vehicle of Speaker ( Corporate Services)	INCOME	1 500 000.00	(500 000.00)	1 000 000.00
2	1 Chain Dozer & 3 Road Graders	INCOME	3 500 000.00	6 950 000.00	10 450 000.00
3	Filing System and Warehousing	INCOME	2 000 000.00	(700 000.00)	1 300 000.00
4	Rehab old landfill site ( Vondeling)	INCOME	2 500 000.00	(500 000.00)	2 000 000.00
5	Designs of Municipality Civic Centre	INCOME	2 000 000.00	(500 000.00)	1 500 000.00
6	Re-location of Rugby Stadium	INCOME	7 500 000.00	(3 750 000.00)	3 750 000.00
7	Construction of N1 Tourism Park	INCOME	2 000 000.00	(500 000.00)	1 500 000.00
8	Construction of Incubation centre at Ha-Rathidili	INCOME	2 000 000.00	(500 000.00)	1 500 000.00
	<b>Total</b>		<b>23 000 000.00</b>	<b>-</b>	<b>23 000 000.00</b>

(CFO)

2. THAT the following 2019/2020 financial year's budget related policies be approved as more fully set out in **Annexure B1 to B21** attached to the report in this regard-
  - 2.1 Virement Policy
  - 2.2 Credit Control and Debt Collection Policy
  - 2.3 Borrowing policy

- 2.4 Expenditure Management Policy
- 2.5 Funding and Reserves Policy
- 2.6 Budget Policy
- 2.7 Framework for cash flow management
- 2.8 Asset Management policy
- 2.9 Subsidy for indigent household policy
- 2.10 Debt written off policy
- 2.11 Property Rates Policy
- 2.12 Supply Chain Management Policy
- 2.13 Revenue Management Policy
- 2.14 Travel and Subsistence Policy
- 2.15 Acquisition and use of Cellular phones Policy
- 2.16 Petty cash policy
- 2.17 Car allowance policy
- 2.18 Fleet Management policy
- 2.19 Tariff Policy
- 2.20 Customer Care Policy
- 2.21 Investment policy

By-Laws

- 2.22 Makhado Credit Control and Debt Collection By-Laws
  - 2.23 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 B22 and B23** of the report in this regard, and that the necessary promulgation be undertaken after public consultation thereof. (CFO)
  4. THAT Council takes note of the summary related to the amendment of the Assets Management Policy, 2019, attached as **Annexure D** to the report in this regard. (CFO)
  5. THAT the increase in 2019/2020 municipal tariffs and charges be approved by Council as more fully set out in the various notices of **Annexure C** to the report in this regard, and the necessary promulgation thereof be done in terms of the provisions of Local Government Legislation. (CFO)
  6. THAT the Municipal Annual Budgets and MTREF Supporting Tables attached as **Annexure E** to the report in this regard be approved by Council. (CFO)

7. THAT it be noted that the 2019/2020 Estimates will, after being approved by the Council in terms of section 22 of the Municipal Finance Management Act, be submitted to National Treasury and the Provincial Treasury together with the quality certificate approved by the Accounting Officer. (CFO)

FinalBudget2019-2020\_itm

**ITEM A.62.30.05.19**

**LOCAL ECONOMIC DEVELOPMENT: ADDITIONAL RECRUITMENT OF PARTICIPANTS OF THE COMMUNITY WORK PROGRAMME (CWP) WITHIN MAKHADO MUNICIPALITY (12/1/2/1)**

RESOLVED A.62.30.05.19 (COUNCIL)

1. THAT Council approve the additional recruitment of 577 Community Work Programme (CWP) participants and in order to prevent wards from running out of participants, those wards with the lowest number of participants be prioritised, subject to the following conditions:
  1. The active unemployed, underemployed and economic marginalized persons in the community be the preferred recipients.
  2. Allocation of CWP participants be equal for all identified wards in order to avoid conflict amongst councillors. (DDP)
2. THAT Makhado Municipality Community Work Programme be implemented in 12 Wards, namely ward 2, 6, 21, 22, 23, 24, 25, 26, 33, 35, 36 & 27 with a total number of participants at 688 participants (male youths 50; male adults 90; female youths 100 and female adults 448).

CWPRecruitment\_itm

(DDP)

**(REMARK:**

Items A.63.30.05.19 to A.68.30.05.19 were reports of the Municipal Public Account Committee to the Council and recorded as last business of the meeting later in this Minutes.)

**ITEM A.69.30.05.19**

**PERSONNEL: EXTENSION OF ACTING PERIOD: DIRECTOR COMMUNITY SERVICES (5/1/2/10; 5/6/4)**

RESOLVED A.69.30.05.19 (COUNCIL) -

THAT subject to the approval of the MEC for Cooperative Governance, Human Settlement and Traditional Affairs, Limpopo the Manager Community Services, Mr H J Lukheli be designated to act for a further period in the capacity as Director Community Services, commencing with retrospective effect of 15 May 2019 until 15 August 2019. (DCS)

ActingDCOMS\_itm(2)

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- (c) **Resolutions of the Executive Committee in terms of section 59 (1) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000): May 2019**

None

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## **6. REPORTS FROM MUNICIPAL PUBLIC ACCOUNT COMMITTEE**

**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): May 2019**

### **ITEM A.63.30.05.19**

**MPAC: ANNUAL WORK PLAN/PROGRAMME: 2019/20 FINANCIAL YEAR  
(4/33)**

RESOLVED A.63.30.05.19 (COUNCIL)

THAT Council approves the MPAC Annual Work Plan/Programme for the 2019/2020 Financial Year as more fully set out in the Annexure attached to the report in this regard. (DCS)

MPACWorkProgramme2019/20\_itm

### **ITEM A.64.30.05.19**

**MPAC: MUNICIPAL PUBLIC ACCOUNT COMMITTEE CHARTER: 2019/20 FINANCIAL YEAR  
(4/33)**

RESOLVED A.64.30.05.19 (COUNCIL)

THAT the Municipal Public Account Committee (MPAC) Charter for the 2019/2020 Financial Year be approved as more fully set out in the Annexure attached to the report in this regard. (DCS)

MPACCharter2019-20\_itm

### **ITEM A.65.30.05.19**

**MPAC: REPORTS AND SURVEYS: OUTSTANDING MATTERS: COUNCIL RESOLUTIONS, QUARTER 2: 2018/19 FINANCIAL YEAR  
(10/1/6/1)**

RESOLVED A.65.30.05.19 (COUNCIL)

THAT note be taken of the status of Council Resolutions for Quarter 2 of the 2018/19 Financial Year and that the Administration must implement all Council Resolutions in time to avoid delay in service delivery. (ALL DIRS)

MPACCouncilResolutionImplementationQ2-2018-2019\_itm



**ITEM A.66.30.05.19**

**MPAC: PROCUREMENT IMPLEMENTATION: 3<sup>RD</sup> QUARTER: 2018/19 FINANCIAL YEAR**  
**(10/1/2; 10/1/4/1-/8)**

RESOLVED A.66.30.05.19 (COUNCIL)

THAT MPAC note the Supply Chain Management Implementation Report for Quarter 3 of the 2018/19 Financial Year. (CFO)

MPACProcurementImplementationQ3\_itm

**ITEM A.67.30.05.19**

**MPAC: FINANCES: PROCUREMENT: CLAUSE 36: QUOTATION DEVIATIONS: 3<sup>RD</sup> QUARTER, 2018/2019 FINANCIAL YEAR**  
**(10/1/5/2)**

RESOLVED A.67.30.05.19 (COUNCIL)

1. THAT MPAC note the quotation deviations for Quarter 3 of the 2018/2019 Financial Year. (CFO)
2. THAT Administration must avoid unnecessary quotation deviations which can be declared as irregular expenditure. (MM/CFO)

MPACQuotationDeviation3rdQuarter2018-2019\_itm

**ITEM A.68.30.05.19**

**MPAC: FINANCES: IN YEAR MONITORING AND REPORTING: MONTH ENDING 31 JANUARY 2019**  
**(6/1/1(2018/2019))**

RESOLVED A.68.30.05.19 (COUNCIL)

1. THAT the Municipality must continue controlling its expenditure not to exceed revenue. (CFO)
2. THAT the Municipality must maintain a positive figure i.e. a surplus to avoid a deficit at the end of Financial Year on 30 June 2019. (CFO)
3. THAT the Municipality must continue controlling its short term debts / liabilities to avoid unnecessary short term borrowing. (CFO)
4. THAT it be noted that receipts are expected to be more than expenditure to get a positive net cash from operating activities, hence the Municipality must improve its cash inflow position, or must reduce its expenditure payments to avoid bank overdraft. (CFO)
5. THAT the Municipality must control its finances to prevent deficit at the end of 2018/19 Financial Year. (CFO)

6. THAT the Municipality may borrow only if it failed to fund a very important project otherwise it must not take up loans in order to avoid interest cost. (CFO)
7. THAT the Municipality must continue reminding debtors to pay their debts, by means of reminders by sms, e-mail, notices, etc. (CFO)

MPACMonitoringJanuary2019\_itm

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The meeting was closed and adjourned at 15:22.

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 25 July 2019.

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**CHAIRPERSON**

MDM/lh/SpecialCouncilMinutes\_144