

MINUTES

of the

**4TH ORDINARY COUNCIL MEETING
FOR THE YEAR 2016**

of

MATJHABENG MUNICIPALITY

held on

WEDNESDAY, 29 JUNE 2016

at

15:00

**COUNCIL CHAMBERS, CIVIC CENTRE,
WELKOM**

**COUNCILLORS ATTENDANCE: 4TH ORDINARY COUNCIL MEETING MINUTES: 29
JUNE 2016**

PROPORTIONAL			
1.	Stofile B (Speaker)	19.	Mlangeni MG
2.	Twala MJ (Council Whip)	20.	Mokotedi TG
3.	Ngangelizwe S (Executive Mayor)	21.	Motshabi MP (Absent)
4.	Badenhorst MJ	22.	Ntsebeng MH
5.	Banyane ME	23.	Nqeobo EM (Apology)
6.	Botha PF	24.	Petleki KI
7.	Chaka CP	25.	Pina NJ
8.	Fanie D	26.	Radebe MC
9.	Fourie JJC (Apology)	27.	Radebe ML
10.	Kabi M	28.	Rubulana L (Apology)
11.	Kockera SC	29.	Sephiri MJ (Apology)
12.	Mafa DM	30.	Speelman NW (Absent)
13.	Mafongosi ZV	31.	Styger A
14.	Malefane DE (Apology)	32.	Taljaard SDM
15.	Marais JS (Absent)	33.	Tihone ML
16.	Mbana MA	34.	Tsubane ME (Apology)
17.	Menyatso KJ (Sick)	35.	Vanga NM
18.	Mholo PP	36.	Van Rooyen KV
WARD			
37.	Beneke R (Absent)	55.	Mosala MS
38.	De Villiers MT (Apology)	56.	Mothege MA
39.	Dali VN (Absent)	57.	Mphikeleli MA
40.	Khalipha TD	58.	Naude HJ (Absent)
41.	Mabote TL	59.	Ntlele KI
42.	Madumise MM (Absent)	60.	Phetise ME
43.	Makgowe PV	61.	Qwasha GL (Apology)
44.	Masienyane MD	62.	Riet MI
45.	Mbambo AX	63.	Sifatya Z
46.	Meli S	64.	Taliwe FE
47.	Mfebe MSE (Apology)	65.	Thateng MJ (Apology)
48.	Mokhomo HA	66.	Thelingoane TJ
49.	Molelekoa PA (Apology)	67.	Tlake KR
50.	Molelekoa PMI	68.	Tsatsa SJ
51.	Molete TN	69.	Tsubella KS
52.	Molupe RT	70.	Van Rooyen MS (Absent)
53.	Monjovo NE (Apology)	71.	Van Schalkwyk HCT
54.	Morris VR	72.	Smit D.C. (Resigned)



OFFICIALS

EXECUTIVE MANAGEMENT

Mr MF Lepheana : Municipal Manager
Mr X. Msweli : Executive Director: LED, Planning & HS
Mr T. Makofane : Executive Director: Strategic Support Services
Mr ET Tsoaeli : Chief Financial Officer
Me HB Tlhabani : Executive Director: Infrastructure
Mr FF Wetes : Executive Director: Corporate Services
Me M. Mogopodi : Executive Director: Community Services

Me S. Nkungwana : Snr. Manager: Communications

COUNCIL ADMINISTRATION SECRETARIAT

Mr M. Atolo : Senior Manager: Council Admin
Me PP Seleka : Admin Officer (Corporate Services)



(a)	Opening The Speaker welcomed everybody present at the 4 th Ordinary Council Meeting and declared the meeting open.
(b)	Applications for leave of absence See Councillors' attendance list on page I of these minutes.
(c)	Official announcements of the Speaker None
(d)	Reports received from the Speaker A34/2016 & A52/2016 - A54/2016
(e)	Motions of sympathy and congratulations by the Speaker The Speaker, on behalf of Council conveyed a message of sympathy to Cllr MSE Mfebe for the loss of her house valuable belongings which occurred as a result of criminals breaking into her house and wished that she remain strong under those difficult circumstances.
(f)	Motions of sympathy and congratulations by other Councillors <u>Congratulations</u> <ol style="list-style-type: none">1. The Council Whip, Cllr M.J. Twala congratulated the ANC Councillors for good attendance of the supposedly last Council meeting although there was work relating to elections that had to be done outside.2. She also congratulated the Speaker, Cllr B. Stofile on his appointment as the Free State Provincial Secretary of the South African Communist Party.3. Cllr H.A Mokhomo congratulated the Griffons Rugby team for beating the Cheetahs 49:33 during the Currie Cup fixtures.4. Cllr M.L. Radebe wished the best of luck to all the Youth, as the Youth month was coming to the end and encouraged them to carry on with their activities. <u>Sympathy</u> <ol style="list-style-type: none">1. Cllr VR Morris conveyed a message of sympathy to the Van Staden family for the passing on of Mr Nico Van Staden, a Municipal employee from Infrastructure Electrical Section, who has been working as an electrician for the past 25-30 years.2. Cllr PP Mholo conveyed a message of condolences to the Molete family for the passing on of Mme Cynthia Madillo Molete, a member of their organization who came from a poor family that could not even afford the funeral costs and congratulated Cllr TG Mokotedi for assisting with the funeral expenses.3. Cllr H.A. Mokhomo conveyed a motion of sympathy to the Rasefadi family for the passing on of Mr Rasefadi, an active member of ANC Youth League from Ward 31.4. Cllr TJ Thelingoane conveyed a message of condolences to the Matshoba family for the passing on of their daughter, Ms Makhotsa Matshoba from Ward 13 who passed away on the 27 June 2016.

IV

	<p>5. Cllr KR Tlake conveyed a message of condolences to the Ramasakala family for the passing on of their father/grandfather, a 107 year old man from Hani Park and also saluted the ANC-led government for donating a house to him on the 24 March 2016.</p> <p>6. Cllr M.L. Radebe conveyed a message of condolences to the families of Matjhabeng Municipal employees for all those employees who passed on, i.e. Mme Mahadi Ramabodu and others who had not been mentioned in Council and wished their souls to rest in peace.</p> <p>7. Cllr M.A. Mbana conveyed a message of sympathy to the family of Ramabodu for the passing on of Mme Mahadi Elizabeth Ramabodu, an experienced Billing Supervisor who has been working in the Billing Section since 1988.</p> <p>8. Cllr AX Mbambo conveyed a message of sympathy to the family of Maramane for the passing on of Mr Maramane, his neighbour who has been like a father to him for the past 18 years.</p>
(g)	<p>Deputations and interviews</p> <p>None</p>
(h)	<p>Disclosure of interest</p> <p>1. The Speaker reminded Councillors to update their declaration forms at the office of the Municipal Manager each year, however if a Councillor has a personnel/financial interest on any matter for consideration by Council, such Councillor has to declare his/her interest in the meeting.</p> <p>2. Cllr PP Mholo disclosed his interest on Item A56/2016.</p>
(i)	<p>Minutes of the previous meeting: 07 June 2016</p> <p>Council resolved (29 June 2016):</p> <p>That the minutes of the 3rd Ordinary Council meeting held on 07 June 2016 BE ADOPTED as a true reflection of what transpired in the meeting.</p>
(j)	<p>Matters arising from the minutes: Minutes of 07 June 2016</p> <p>None.</p>
(k)	<p>Questions of which notice was given</p> <p>1. Cllr HCT Van Schalkwyk raised his concern with regard to questions pertaining to the Witpan Waste Water Project, which he submitted on the 16th of February 2016 but were not included in any Agenda since then.</p> <p>2. The Speaker responded and explained that in terms of the Standard Rules and Orders, questions submitted by Councillors should be responded to and then requested Cllr Van Schalkwyk to remain behind after the Council meeting in order to meet with himself and the Municipal Manager and agree in terms of the process onwards.</p>

V

(l)	Report of the Executive Committee/Executive Mayor/Committee Reports A35/2016 – A59/2016
(n)	Motions None
(o)	Closing The Speaker thanked everyone who participated and ended the meeting at 19h00 .

.....
CLLR B. STOFIE (SPEAKER)

.....
DATE

INDEX

ITEM NO	ITEM DESCRIPTION	PAGE
A34/2016	PROPOSED AMENDMENTS OF STANDARD RULES AND ORDERS (SPEAKER) (3/1B)	1
A35/2016	MONTHLY FINANCE REPORT – APRIL 2016 (CFO) (12/1/2/3)	2
A36/2016	MONTHLY FINANCE REPORT – MAY 2016 (CFO) (12/1/2/3)	2
A37/2016	CURRENT STATUS OF THE MUNICIPAL INFRASTRUCTURE GRANT (MIG) CAPITAL PROJECTS IN MATJHABENG LOCAL MUNICIPALITY (EDI) (6/4/1)	3
A38/2016	PROGRESS REPORT ON COUNCIL RESOLUTIONS (ED: CSS) (2/2/2)	3
A39/2016	MIG IMPLEMENTATION PLAN FOR MTREF PERIOD 2016/17 TO 2018/19 FINANCIAL YEAR (EDI) (6/4/1)	3-4
A40/2016	PROGRESS REPORT ON MERRIESPRUIT PROJECT (ED: LED, P&HS (18/3/2/31)	4
A41/2016	APPROVAL OF THE BANKING FACILITIES AND OVERDRAFT OFFERED BY ABSA BANK LIMITED FOR THE 2016/17 FINANCIAL YEAR (CFO) (6/14/1)	4-5
A42/2016	REPORT ON PRIOR PERIOD SUSPENSE ACCOUNTS (CFO) (6/1/1/1)	5
A43/2016	DEBTORS' WRITE-OFF (INDIGENTS 05/2015/16) (CFO) (6/4/2/5)	5-6
A44/2016	DRAFT SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN FOR 2016/17 FINANCIAL YEAR (ED: SSS) (6/1/1/1)	6
A45/2016	COUNTER-FUNDING FOR INSTALLATION OF ZONAL METERS AND VALVES PROJECT (EDI) (19/2/3)	6-7
A46/2016	DISPOSAL OF CAPITAL ASSET – ALIENATION OF IMMOVABLE PROPERTIES: RESIDENTIAL SITES IN MATJHABENG (ED: LED, P& HS) (8/3/1)	7

II

A47/2016	THE SWOPPING OF 390 SITES AT LEEUBOSCH TO THE DEPARTMENT OF HUMAN SETTLEMENT FOR THE CONSTRUCTION OF HOUSES FOR MAROBE CLAIMANTS (FORMER ODENDAALSRSUS OLD LOCATION) (ED: LED, P & HS) (8/3/2/47/5)	8
A48/2016	REQUEST FOR THE APPROVAL OF THE DRAFT LAND ALLOCATION PLAN AND PROCEDURES (ED: LED, P & HS) (8/3)	8-9
A49/2016	MASINGITA GROUP OF COMPANIES: APPLICATION FOR AN UNSOLICITED BID FOR THE PURCHASE OF ERVEN R/19144 THABONG FOR DEVELOPMENT OF COMMUNITY SHOPPING CENTRE AND 24 HOUR FILLING STATION (ED: LED, P & HS) (11/3)	9
A50/2016	PAYMENT OF PREPARATION FEE FOR AUDIT COMMITTEE (INTERNAL AUDIT: MM's OFFICE) (6/12/2/2)	9-10
A51/2016	REPORTING ON PRIOR PERIOD RECONCILING ON BANK RECONCILIATION (CFO) (15/2/1/3)	10
A52/2016	SECTION 32 COMMITTEE REPORT ON THE IRREGULAR EXPENDITURE INCURRED FOR THE PERIOD ENDED 30 JUNE 2015 AND PRIOR FINANCIAL PERIODS (SPEAKER) (6/1/2/2)	10-11
A53/2016	SECTION 32 COMMITTEE REPORT ON THE FRUITLESS AND WASTEFUL EXPENDITURE INCURRED FOR THE PERIOD ENDED 30 JUNE 2015 AND PRIOR FINANCIAL PERIODS (SPEAKER) (6/1/2/2)	12
A54/2016	SECTION 32 COMMITTEE REPORT ON THE UNAUTHORISED EXPENDITURE INCURRED FOR THE PERIOD ENDED 30 JUNE 2015 AND PRIOR FINANCIAL PERIODS (SPEAKER) (6/1/2/2)	13
A55/2016	DRAFT FIVE YEAR TERM HAND-OVER REPORT- 2011-2016 (MM) (4/1/2/1)	13-14
A56/2016	MOTIVATION FOR THE INVITATION OF DEVELOPMENT PROPOSALS FOR THE ALIENATION OF HIGH POTENTIAL COMMERCIAL AND INDUSTRIAL LAND VIA THE PUBLIC BIDDING PROCESS (ED: LED, P & HS) (8/3)	14

III

A57/2016	PROGRESS REPORT: PROJECT PROPOSAL FOR THE DEVELOPMENT OF 500 MEGAWATT SOLAR POWER PANELS MANUFACTURING FACTORY BY SUNELEX (ED: LED, P & HS) (19/3/2/1)	15
A58/2016	COUNCIL RESOLUTIONS BOOKLET FOR THE PERIOD 2011-2016 (ED: CSS) (2/2/2)	16
A59/2016	THE ESTABLISHMENT OF THE WATER SERVICES MUNICIPAL ENTITY (EDI) (19/2/1)	16

1

Cllr M.D. Masienyane was appointed to preside in order to allow the Speaker to present Item A34/2016 to Council.

A34/2016

PROPOSED AMENDMENTS OF STANDARD RULES AND ORDERS (SPEAKER) (3/1B)

PURPOSE

To present to Council the proposed amendments to the Standing Rules and Orders for consideration and approval.

DISCUSSION

The Speaker presented the item to Council.

COUNCIL RESOLVED: (29 JUNE 2016)

1. That Council **APPROVES** the Amended Standing Rules and Orders with the following corrections:
 - 1.1 That **only** the existing sub-rule 10(1) on page 20 of SEPARATE COVER 1 **SHOULD BE REPLACED** with the proposed Rule 10.
 - 1.2 That the existing sub-rules 10(2) – 10(5) on page 20 of SEPARATE COVER 1 **SHOULD REMAIN** as paragraph 1 on page 21 of the proposed new Rule 10 does not address the issuing of Agendas and Annexures.
 - 1.3 That under the proposed Rule 10(B) which deals with urgent matters, sub-rule 4 which provides the procedure to be followed when an urgent matter is raised should **BE ADDED** as follows:
 - (4) The Municipal Manager must ensure that all documentation relevant to the urgent item is available to Councillors present at the meeting in written format. The Speaker will allow enough time for Councillors to peruse the said documents, familiarize themselves with them and call for a caucus to discuss the matter if required.
 - 1.4 That wording of the first sentence on sub-rule 10(B)(2) should **BE CHANGED** as follows:

“The Executive Mayor/ Mayor may raise matters which in his/her discretion is urgent, for decision of Council”.

//The Speaker resumed his position//

A35/2016

MONTHLY FINANCE REPORT – APRIL 2016 (CFO) (12/1/2/3)

PURPOSE

To submit to Council the Monthly Finance Report for April 2016 in terms of Section 71 of the Municipal Finance Management Act, No. 56 of 2003.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (29 JUNE 2016)

1. That the Finance Report for April 2016 in terms of Section 71 of the Municipal Finance Management Act, No. 56 of 2003, **BE NOTED**.
2. That the Finance Report for April 2016 in terms of Section 71 of the Municipal Finance Management Act, No. 56 of 2003, **BE SUBMITTED** to Provincial and National Treasury.

A36/2016

MONTHLY FINANCE REPORT – MAY 2016 (CFO) (12/1/2/3)

PURPOSE

To submit to Council the Monthly Finance Report for May 2016 in terms of Section 71 of the Municipal Finance Management Act, No. 56 of 2003.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (29 JUNE 2016)

1. That the Finance Report for May 2016 in terms of Section 71 of the Municipal Finance Management Act, No. 56 of 2003, **BE NOTED**.
2. That the Finance Report for May 2016 in terms of Section 71 of the Municipal Finance Management Act, No. 56 of 2003, **BE SUBMITTED** to Provincial and National Treasury.
3. That the concerns raised by Cllr Van Schalkwyk pertaining to service delivery problems experienced in Ward 32, such as filling of potholes, water leakages, traffic lines etc. **BE NOTED** and attended to.
4. That Administration **SHOULD TAKE** concerns raised by Councillors with regard to service delivery seriously.

A37/2016

CURRENT STATUS OF THE MUNICIPAL INFRASTRUCTURE GRANT (MIG) CAPITAL PROJECTS IN MATJHABENG LOCAL MUNICIPALITY (EDI) (6/4/1)

PURPOSE

To present to Council the current status and progress report on the implementation of capital projects funded through MIG for the financial year 2015/2016.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (29 JUNE 2016)

1. That Council **TAKES NOTE** of the report.

A38/2016

PROGRESS REPORT ON COUNCIL RESOLUTIONS (ED: CSS) (2/2/2)

PURPOSE

To submit a progress report to Council on Council Resolutions, for noting.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (29 JUNE 2016)

1. That Council **TAKES NOTE** of the report.

A39/2016

MIG IMPLEMENTATION PLAN FOR MTREF PERIOD 2016/17 TO 2018/19 FINANCIAL YEAR (EDI) (6/4/1)

PURPOSE

To provide Council with the proposed 2016/17 to 2018/19 financial year MIG Implementation Plan.

DISCUSSION

The Executive Mayor presented the item to Council.

4

COUNCIL RESOLVED: (29 JUNE 2016)

1. That Council **TAKES NOTE** of the Projects on the Proposed 2016/17 financial year MIG Implementation Plan.

A40/2016

PROGRESS REPORT ON MERRIESPRUIT PROJECT (ED: LED, P & HS (18/3/2/31)

PURPOSE

- To submit to Council a progress report with regard to Merriespruit Community Residential Unit Project (CRU).
- To request Council to apply same current tariffs which are applied in Masimong for the Merriespruit Complex.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (29 JUNE 2016)

1. That the security **BE ENFORCED** by relevant institutions at Masimong and at Merriespruit Community Residential Unit to combat vandalism.
2. That Matjhabeng Municipality must **TAKE CONTROL** over Merriespruit Community Residential Unit.
3. That the advertisement **BE RELEASED** to invite tenants to those Residential Units.
4. That the criteria which will **BE USED** in terms of accommodating beneficiaries should be clearly outlined so that the applicants should know in advance who qualifies.
5. That a correction should be made on page 12 of the item and the date for issuing certificates for completed blocks **BE CHANGED** to the 30th July 2016 for Block B.

A41/2016

APPROVAL OF THE BANKING FACILITIES AND OVERDRAFT OFFERED BY ABSA BANK LIMITED FOR THE 2016/17 FINANCIAL YEAR (CFO) (6/14/1)

PURPOSE

To request approval for the banking facilities and overdraft offered by ABSA Bank Limited for the 2016/17 financial year.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (29 JUNE 2016)

1. That Council **APPROVES** the banking facilities and overdraft facilities of **R10 000 000** for the 2016/17 financial year.

A42/2016

REPORT ON PRIOR PERIOD SUSPENSE ACCOUNTS (CFO) (6/1/1)

PURPOSE

To present a report to Council on prior period Suspense Accounts.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (29 JUNE 2016)

1. That Council mandates MPAC **TO INVESTIGATE** the matter further and submit a report to Council.

A43/2016

DEBTORS' WRITE-OFF (INDIGENTS 05/2015/16) (CFO) (6/4/2/5)

PURPOSE

To report to Council about the Debtor's Indigents write-offs.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (29 JUNE 2016)

1. That Council **APPROVES** the writing-off of the irrecoverable debt of the indigents to the amount of R 172 270 446.77.
2. That Council **RECEIVES AND ACCEPTS** annexed proof of accounts attached as per Disks supplied to all Councillors.

6

3. That it should **BE NOTED** that the hard copies will be placed in the different Libraries of the six towns in Matjhabeng, for public inspection.
4. That it **BE NOTED** that most of these accounts are categorized per Ward.
5. That it **BE NOTED** that this report is until end of April 2016 and that according to financial year we are left with two months, and these accounts will have other arrears.
6. That it **BE NOTED** that the remaining two months will form part of the write-offs of the first quarter in 2016/17.

A44/2016

FINAL SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN FOR 2016/17 FINANCIAL YEAR (ED: SSS) (6/1/1)

PURPOSE

The purpose of this item is to submit the Final Service Delivery and Budget Implementation Plan for 2016/17 Financial Year for consideration by Council.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (29 JUNE 2016)

1. That Council **TAKES NOTE** of the Final Service Delivery and Budget Implementation Plan for 2016/2017.
2. That a correction should **BE MADE** on page 16 of SEPARATE COVER 3 as the Witpan WWTW Sewer Network is not located in Ward 1.
3. That the R2.7 million paid by SANRAL which Council resolved to be utilized in Ventersburg should **BE REFLECTED** on the Service Delivery and Budget Implementation Plan.
4. That an adjustment **BE MADE** on page 22 of SEPARATE COVER 3 so that the Project of water connections for the 180 stands in Hani Park be done internally.

A45/2016

COUNTER-FUNDING FOR INSTALLATION OF ZONAL METERS AND VALVES PROJECT (EDI) (19/2/3)

PURPOSE

To request Council to approve counter-funding for the Installation of Zonal Meters and Valves Project for which partial MIG funding was recommended by Department of Water and Sanitation as the Sector Department.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (29 JUNE 2016)

1. That Council **APPROVES** the Counter-Funding of R2 286 364, 40 to implement the Project.
2. That the above-mentioned shortfall **BE REFERRED** to the Adjustment Budget of January 2017 for consideration.
3. That Administration **BE CAUTIONED** to refrain from taking decisions and signing letters of appointments before Council resolves on any matter.

//Items A46/2016, A47/2016, A49/2016 & A56/2016 were discussed simultaneously//

A46/2016**DISPOSAL OF CAPITAL ASSET – ALIENATION OF IMMOVABLE PROPERTIES: RESIDENTIAL SITES IN MATJHABENG (ED: LED, P & HS) (8/3/1)****PURPOSE**

To obtain Council approval for the alienation of certain immovable properties that form part of Council's capital assets.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (29 JUNE 2016)

1. That the item **BE REFERRED BACK** as it did not have sufficient information to enable Council to take a proper decision.
2. That the Executive Mayor **MANDATES** the Land Ad-hoc Committee to meet before the 14th July 2016 and clean the information.
3. That Councillors **SHOULD SUBMIT** their inputs, corrections and recommendations at the Offices of the Executive Mayor and the Municipal Manager via the following e-mail addresses: bulelwam@matjhabeng.co.za & matshidiso.seekoei@matjhabeng.co.za.

A47/2016

THE SWOPPING OF 390 SITES AT LEEUBOSCH TO THE DEPARTMENT OF HUMAN SETTLEMENT FOR THE CONSTRUCTION OF HOUSES FOR MAROBE CLAIMANTS (FORMER ODENDAALSRUS OLD LOCATION) (ED: LED, P & HS) (8/3/2/47/5)

PURPOSE

To solicit the approval of Council on the swopping of Land for Marobe Land claim Restitution Project.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (29 JUNE 2016)

1. That the item **BE REFERRED BACK** as it did not have sufficient information to enable Council to take a proper decision.
2. That the Executive Mayor **MANDATES** the Land Ad-hoc Committee to meet before the 14th July 2016 and collect relevant information as Council was not informed about the value, the size and the location of the land.
3. That Councillors **SHOULD SUBMIT** their inputs, corrections and recommendations at the Offices of the Executive Mayor and the Municipal Manager via the following e-mail addresses: bulelwam@matjhabeng.co.za & matshidiso.seekoei@matjhabeng.co.za.

A48/2016

REQUEST FOR THE APPROVAL OF THE DRAFT LAND ALLOCATION PLAN AND PROCEDURES (ED: LED, P & HS) (8/3)

PURPOSE

To solicit the approval of the site allocation plan and procedures by Council.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (29 JUNE 2016)

1. That Council **APPROVES** the draft allocation plan as submitted.
2. That Infrastructure Department **PROVIDES** Council with detailed financial implications on all areas pertaining to installation of services, particularly where funding will be done in-house.

9

3. That allegations of sites that are allocated illegally by Councillors and Municipal officials **BE INVESTIGATED**.
4. That an overall land verification **BE CONDUCTED**.
5. That the Executive Mayor **BE MANDATED** to dig deeper in terms of the magnitude of the matter and submit a report to Council.
6. That a correction **BE MADE** to reflect Freedom Square in Ward 13 and not in Ward 16.

A49/2016

MASINGITA GROUP OF COMPANIES: APPLICATION FOR AN UNSOLICITED BID FOR THE PURCHASE OF ERVEN R/19144 THABONG FOR DEVELOPMENT OF COMMUNITY SHOPPING CENTRE AND 24 HOUR FILLING STATION (ED: LED, P & HS) (11/3)

PURPOSE

The purpose of this item is to submit to Council for consideration, an application by Masingita Holdings for acquisition of Erven R/19144 through unsolicited bid.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (29 JUNE 2016)

1. That the item **BE REFERRED BACK** as it did not have sufficient information to enable Council to take a proper decision.
2. That the Executive Mayor **MANDATES** the Land Ad-hoc Committee to meet before the 14th July 2016 and clean the information.
3. That Councillors **SHOULD SUBMIT** their inputs, corrections and recommendations at the Offices of the Executive Mayor and the Municipal Manager via the following e-mail addresses: bulelwam@matjhabeng.co.za & matshidiso.seekoei@matjhabeng.co.za.

A50/2016

PAYMENT OF PREPARATION FEE FOR AUDIT COMMITTEE (INTERNAL AUDIT: MM's OFFICE) (6/12/2/2)

PURPOSE

To obtain recommendation from Council for payment of preparation fee to Audit Committee members.

10

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (29 JUNE 2016)

1. That Council **APPROVES** the payment of preparation fess for Audit Committee members from the 1st July 2016.

A51/2016

REPORTING ON PRIOR PERIOD RECONCILING ON BANK RECONCILIATION (CFO) (15/2/1/3)

PURPOSE

Reporting on prior period reconciling item on bank reconciliation.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (29 JUNE 2016)

1. That Council mandates MPAC **TO INVESTIGATE** the matter further before the 14th July 2016 and submit a report to Council.

//The Speaker allowed Councillor Riet to present Items A52/2016 – A54/2016//

A52/2016

SECTION 32 COMMITTEE REPORT ON THE IRREGULAR EXPENDITURE INCURRED FOR THE PERIOD ENDED 30 JUNE 2015 AND PRIOR FINANCIAL PERIODS (SPEAKER) (6/1/2/2)

PURPOSE

To submit to Council the Section 32 Committee report on irregular expenditure incurred for the financial periods ended 30 June 2015.

DISCUSSION

The Chairperson of the Section 32 Committee presented the item to Council.

COUNCIL RESOLVED: (29 JUNE 2016)

1. That Council **TAKES NOTE** of the Section 32 Committee report.

11

2. That Council **CERTIFIES** an amount of **R882,773,150.74 (R819,370,293.71 Excl. VAT)** detailed below as irrecoverable and **BE WRITTEN OFF**.
3. That the appropriate disclosure note **BE MADE** to the financial statements for the year ending 30 June 2016.
4. That the Accounting Officer **MUST ESTABLISH** controls to detect and prevent these types of expenditures and on a quarterly basis **SUBMIT** a Supply Chain Management Report to Council for consideration.
5. That the Accounting Officer **MUST IN WRITING COMMUNICATE** the Council resolutions to the Office of the Auditor General, COGTA and Provincial Treasury in terms of Section 32, subsection 4 of the Municipal Finance Management Act.
6. That training **BE PROVIDED** to Councillors on the centralized supplier database and related matters on the Municipal Finance Management Act be included in the Induction Programme to allow Councillors to be able to provide oversight responsibility.
7. That the Induction Programme should **ALSO INCLUDE** training in the basic interpretation of financial statements.

Irregular expenditure Write-off:

	Balance of expenditure/payments presented to Sec 32 for investigation	Balance of expenditure recommended for write-off	Expenditure recommended to be written-off(Excl VAT)
2009/10 & Prior (opening)	129,159,869.00	129,159,869.00	129,159,869.00
2010/2011	171,673,941.03	168,442,949.03	149,733,322.93
2011/2012	59,001,808.71	56,030,057.75	50,749,466.72
2012/2013	241,223,817.17	241,223,817.17	211,749,109.96
2013/2014	85,395,613.22	81,174,274.22	71,236,341.53
2014/2015	234,707,975.00	206,742,183.57	206,742,183.57
Total	921,163,024.13	882,773,150.74	819,370,293.71

A53/2016

SECTION 32 COMMITTEE REPORT ON THE FRUITLESS AND WASTEFUL EXPENDITURE INCURRED FOR THE PERIOD ENDED 30 JUNE 2015 AND PRIOR FINANCIAL PERIODS (SPEAKER) (6/1/2/2)

PURPOSE

To submit to Council the Section 32 Committee report on fruitless and wasteful expenditure incurred for the financial periods ended 30 June 2015.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (29 JUNE 2016)

1. That Council **TAKES NOTE** of the Section 32 Committee report.
2. That Council **CERTIFIES** an amount of **R489,621,686.58** detailed below as irrecoverable and **WRITE-OFF**.
3. That the appropriate disclosure note **BE MADE** to the financial statements for the year ending 30 June 2016.
4. That the Accounting Officer **MUST ESTABLISH** controls to detect and prevent these types of expenditures and on a quarterly basis **SUBMIT** a Report to Council for consideration.
5. That the Accounting Officer **MUST IN WRITING COMMUNICATE** the Council resolutions to the Office of the Auditor General, COGTA and Provincial Treasury in terms of Section 32, subsection 4 of the Municipal Finance Management Act.

Fruitless and wasteful expenditure:

Financial Year	2008/2009 and prior	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	TOTAL
Interest and penalties on overdue accounts	26,203,631.00	14,171,466.00	30,172,981.82	52,719,983.95	73,943,926.44	103,394,448.81	151,916,505.07	452,522,943.09
Avoidable expenditures	-	-	10,840,021.59	23,671,809.05	2,147,496.91	439,415.94	-	37,098,743.49

A54/2016

SECTION 32 COMMITTEE REPORT ON THE UNAUTHORISED EXPENDITURE INCURRED FOR THE PERIOD ENDED 30 JUNE 2015 AND PRIOR FINANCIAL PERIODS (SPEAKER) (6/1/2/2)

PURPOSE

To submit to Council the Section 32 Committee report on unauthorised expenditure incurred for the financial periods ended 30 June 2015.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (29 JUNE 2016)

1. That Council **TAKES NOTE** of the Section 32 Council Committee Report.
2. That Council **CERTIFIES** the previous years (2014/15 and prior) unauthorized expenditures amount of **R3,794,127,169.00** which includes **R 2,025,762,608.00** non-cash as irrecoverable and **WRITE-OFF** in terms of section 32, subsection 2 (a) (ii).
3. That unauthorised expenditures related to overspending on cash items for the **2013/14** and **2014/15** financial years amounting to **R347,305,413.00 BE REFERRED BACK** for further investigations and the Committee be afforded more time to conclude the investigation.
4. That the appropriate disclosure note **BE MADE** to the financial statements for the year ending 30 June 2016.
5. That the Accounting Officer **MUST ESTABLISH** controls to detect and prevent these types of expenditures and on a quarterly basis **SUBMIT** a Report to Council for consideration.
6. That the Accounting Officer **MUST IN WRITING COMMUNICATE** the Council resolutions to the Office of the Auditor General, COGTA and Provincial Treasury in terms of Section 32, subsection 4 of the Municipal Finance Management Act.

A55/2016

DRAFT FIVE YEAR TERM HAND-OVER REPORT- 2011-2016 (MM)

PURPOSE

The purpose of this item is to submit to Council a Draft Five Year Term Report, for noting.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (29 JUNE 2016)

1. That Council **TAKES NOTE** of the Draft 5 Year Term Hand-Over Report.
2. That 2015/16 financial year **BE INCLUDED** in the MIG Report.
3. That the Municipal Manager and his team **SHOULD CORRECT** the figures and information contained in the report, for example, information on pit toilets at the former urban areas, as well as grammatical and typing errors.
4. That when corrections have been made, the Report **BE SUBMITTED** to National Treasury, Cooperative Governance and Traditional Affairs (COGTA) as well as any other relevant government Departments.

A56/2016

MOTIVATION FOR THE INVITATION OF DEVELOPMENT PROPOSALS FOR THE ALIENATION OF HIGH POTENTIAL COMMERCIAL AND INDUSTRIAL LAND VIA THE PUBLIC BIDDING PROCESS (ED: LED, P & HS) (8/3)

PURPOSE OF REPORT

The purpose of the report is to motivate the alienation of vacant municipal owned land for commercial and industrial development by means of the invitation of development proposals.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (29 JUNE 2016)

1. That the item **BE REFERRED BACK** as it did not have sufficient information to enable Council to take a proper decision.
2. That the Executive Mayor **MANDATES** the Land Ad-hoc Committee to meet before the 14th July 2016 and clean the information.
3. That Councillors **SHOULD SUBMIT** their inputs, corrections and recommendations at the Offices of the Executive Mayor and the Municipal Manager via the following e-mail addresses: bulelwam@matjhabeng.co.za & matshidiso.seekoei@matjhabeng.co.za.

A57/2016

PROGRESS REPORT: PROJECT PROPOSAL FOR THE DEVELOPMENT OF 500 MEGAWATT SOLAR POWER PANELS MANUFACTURING FACTORY BY SUNELEX (ED: LED, P & HS) (19/3/2/1)

PURPOSE

- To solicit the authorisation from Council for the Municipal Manager to sign the relevant agreements related to this project; and
- To update Council on the progress to date.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (29 JUNE 2016)

1. That Council **TAKES NOTE** of the general progress with the development of the SUNELEX Project.
2. That Council **TAKES NOTE** of the Feasibility Study in relation to the project as was submitted by SUNELEX.
3. That the Municipal Manager be authorized to **ENGAGE** with regard to all outstanding legal agreements pertaining to the project subject to recommendations of the Transactional Advisor and the ratification by the National Treasury including:
 - a) Tripartite Agreement
 - b) Land Lease Agreement
 - c) Power Purchase Agreement
 - d) Applications to ESKOM, NERSA and the Department of Energy.
4. That the Municipal Manager be authorised **TO NEGOTIATE** the appropriate incentives with the developer in collaboration with National Treasury, the Department of Trade and Industry and the Department of Energy to optimise the benefit for the Municipality.
5. That Councillors **SHOULD SUBMIT** their questions, remarks and inputs at the Offices of the Executive Mayor and the Municipal Manager via the following e-mail addresses: tumelo.makofane@matjhabeng.co.za, bulelwam@matjhabeng.co.za, as well as to matshidiso.seekoei@matjhabeng.co.za by Tuesday, 05 July 2016 at 12h00.
6. That all inputs submitted by Councillors **BE INCLUDED** in the recommendations when the item is re-submitted to Council.

A58/2016

COUNCIL RESOLUTIONS BOOKLET FOR THE PERIOD 2011 – 2016 (ED: CSS) (2/2/2)

PURPOSE

To submit Council Resolutions Audit Booklet for the period May 2011 to March 2016, for consideration.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (29 JUNE 2016)

1. That Council **TAKES NOTE** of the submission of the booklet to all Councillors.

A59/2016

THE ESTABLISHMENT OF THE WATER SERVICES MUNICIPAL ENTITY (EDI) (19/2/1)

PURPOSE

To submit to Council a Draft Status Quo Report on the Establishment of a Water Services Municipal Entity.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (29 JUNE 2016)

1. That Council **TAKES NOTE** of the Draft Status Quo Report.
2. That Council **WILL TAKE** into consideration the recommendations from the different directorates before a full Section 78 process can be completed.