

MINUTES

of the

**2ND ORDINARY COUNCIL MEETING
FOR THE YEAR 2017**

of

MATJHABENG MUNICIPALITY

held on

TUESDAY, 28 MARCH 2017

at

15:00

at the

**COUNCIL CHAMBERS, CIVIC CENTRE,
WELKOM**

I

COUNCILLORS ATTENDANCE

2ND ORDINARY COUNCIL MEETING MINUTES: 28 MARCH 2017

PROPORTIONAL			
1.	Stofile B (Speaker)	19.	Moipatle KSV (Apology)
2.	Sephiri MJ (Chief Whip)	20.	Mthebere NA *(Requested to leave)
3.	Speelman NW (Executive Mayor)	21.	Nqeobo ME
4.	Badenhorst MJ (Apology)	22.	Ntsebeng MH
5.	Botha PF	23.	Phofeli NM
6.	Direko DR	24.	Presente LN
7.	Jacobs EJ	25.	Radebe MC
8.	Kabi M	26.	Radebe ML
9.	Khetsi LE *(Requested to leave)	27.	Rakaki MM
10.	Lethake TW	28.	Ramabodu BM
11.	Lushaba TB	29.	Senxezi ME *(Requested to leave)
12.	Macingwane MT *(Requested to leave)	30.	Sithole AM *(Requested to leave)
13.	Mafaisa MG (Apology)	31.	Styger A
14.	Manenye AJ	32.	Taljaard SDM (Absent)
15.	Manese SD	33.	Thelingoane NE
16.	Marais JS	34.	Tshopo ME
17.	Masina XN (Apology)	35.	Tsoaeli MS *(Requested to leave)
18.	Mawela VE	36.	Tsupa MR (Apology)
WARD			
37.	Badenhorst HS	55.	Moshoeu ZS
38.	Chaka MS	56.	Mosia TJ
39.	Daly A	57.	Mphikeleli MA
40.	Khalipha TD	58.	Nkonka BB
41.	Khothule MJ	59.	Nthako TD (Apology)
42.	Liphoko SJ	60.	Ntuli BN
43.	Mafa DM	61.	Pholo SJ
44.	Mahlumba BH	62.	Poo IP
45.	Malherbe C (Apology)	63.	Ramalefane SJ
46.	Manzana NR	64.	Ramatisa PT
47.	Masienyane MD	65.	Schlebusch CJ
48.	Meli TS	66.	Sebotsa MM
49.	Mokhomo HA	67.	Thelingoane TJ *(Requested to leave)
50.	Molefi M	68.	Tlake KR
51.	Molelekoa PMI	69.	Tsatsa SJ
52.	Moloja NJ	70.	Tshabangu SE
53.	Monjovo NE	71.	Van Rooyen MS
54.	Morris VR (Apology)	72.	Van Schalkwyk HCT

*** All Councillors whose names are marked with an asterisk were requested to leave due the contravention of the adopted dress code.

II

EXECUTIVE MANAGEMENT

Mr ET Tsoaeli	:	Acting Municipal Manager
Mr T. Makofane	:	Executive Director: Strategic Support Services
Mr FF Wetes	:	Executive Director: Corporate Services
Me HB Maswanganyi	:	Executive Director: Infrastructure
Me M. Mothekhe	:	Acting Executive Director: LED, Planning & HS
Mr MT Atolo	:	Acting Executive Director: Community Services
Me L. Williams	:	Acting Chief Financial Officer

COUNCIL ADMINISTRATION SECRETARIAT

Me L. Ramakhale	:	Acting Senior Manager: Council Admin
Me PP Seleka	:	Admin Officer (Corporate Services)

III

(a)	Opening The Speaker welcomed everybody present at the 2 nd Ordinary Council meeting for the year 2017 and declared the meeting open.
(b)	Applications for leave of absence See Councillors' attendance list on page 1 of these minutes.
(c)	Official announcements of the Speaker 1. The Speaker informed members that two Councillors who are replacing the ones who had resigned would be taking an Oath of office as members of Matjhabeng Local Municipality. 2. He also announced that the Auditor General would be tabling the Audit report on municipal financial statements for the 2015/2016 financial year. 3. He informed members that the chairs in the Council Chambers would be revamped as the current ones were very old. 4. He further announced that Councillors would be receiving tools of trade and part-time Councillors would be receiving gadgets the following week. 5. He lastly announced that Management would set up a programme to expose Councillors to the usage of the mentioned gadgets.
(d)	Taking of Oath by Councillors 1. Cllr M.E. Nqeobo was sworn in by the Senior Magistrate, Mr S. Ferreira as a replacement for Cllr T. M. Ngesi, representing the Congress of the People (COPE). 2. Cllr VE Mawela was sworn in by the Senior Magistrate, Mr S. Ferreira as a replacement for Cllr M. A. Mbana, representing the African National Congress (ANC). The Speaker thanked the Magistrate for availing himself to assist in administering the Oath and allowed him to be released. He then congratulated the newly sworn members and welcomed them in Council.
(e)	Reports of the Speaker in terms of rules 15(1) and 99(4) None.
(f)	Tabling of documents prescribed by statute or these rules and orders None.
(g)	Applications and appeals from Councillors in terms of rules 14(1), 67 and 72 None.
(h)	Reports received from the Speaker None.
(i)	Motions of sympathy and congratulations by the Speaker <u>Congratulations</u> The Speaker on behalf of Council congratulated Cllr A. Styger and Cllr H.S. Badenhorst for working so hard in their spare time to expedite the issues of by-laws.

IV

(j)	<p>Motions of sympathy and congratulations by other Councillors</p> <p><u>Sympathy</u></p> <ol style="list-style-type: none"> 1. Cllr ML Radebe conveyed a message of condolences to the Mafela family for the passing on of Mr Joe Mafela, an actor and comedian who was involved in a car accident. 2. She also conveyed a message of condolences to the Molemela family for the passing on of Dr Petrus Molemela, a founder of Bloemfontein Celtics Football Club. 3. She lastly conveyed a message of condolences to the Kathrada family for the passing on of Mr Ahmed Kathrada, an ANC struggle stalwart. 4. Cllr TD Khalipha requested that a moment of silence be observed. <p><u>Congratulations</u></p> <ol style="list-style-type: none"> 1. Cllr MJ Sephiri congratulated Cllr ME Nqeobo and Cllr VE Mawela for taking the Oath of office as members of the Council and indicated that they are welcome to make meaningful contributions to ensure that the community is well served. 2. Cllr KR Tlake congratulated the Executive Mayor, Cllr NW Speelman for contributing towards education by awarding laptops to local students. 3. He also congratulated the Executive Mayor, Cllr NW Speelman and Cllr ME Tshopo for ensuring that service delivery is effected and roads are repaired in Ward 23. 4. Cllr DM Mafa congratulated the Municipality for addressing the concerns she raised with regard to Dr Mngoma Road.
(k)	<p>Deputations and interviews</p> <p>The Speaker thanked the former Section 32 Committee which comprised of Cllr JS Marais, Cllr PF Botha, former Cllr MI Riet and former Cllr CP Chaka as well as the Management team of the Municipality, for their contribution in changing the Audit outcome of Matjhabeng Municipality.</p> <p>He then allowed the Auditor General, Mr N. McCarthy to table the Audit report to Council.</p> <p>REPORT OF THE AUDITOR-GENERAL FOR THE YEAR ENDING 30 JUNE 2016</p> <p>Mr N. McCarthy informed Council that the Auditor General of South Africa has a constitutional mandate to strengthen the country's democracy <i>by enabling oversight, accountability and governance</i> in the Public Sector through auditing, thereby building public confidence.</p> <p>OVERSIGHT ACCOUNTABILITY</p> <p>Mr McCarthy congratulated the Municipality on the improved outcome of achieving an unqualified Audit report with findings. He stated that there is still a long way ahead to sustain this outcome and improve it to a clean audit.</p> <p>He stated that there are key role players that are necessary to provide assurance.</p> <p>✓ 1st level : Senior Management, the Municipal Manager and the Executive Mayor.</p> <p><i>During the Audit Process some assurance was provided.</i></p>

V

✓ **2nd level** : The Internal Audit Unit and the Audit Committee

No assurance was provided due to Internal Audit Unit not adequately staffed and not following nor executing the risk-based Audit Plan.

3rd level : The Municipal Council and MPAC

Provided some assurance

The Municipality has to ensure that **key controls** are functioning effectively.

GOVERNANCE – MAJOR CONCERN

- Risk performance assessment not adequately performed by the Municipality;
- The Internal Audit did not do necessary Audit Plans and execute them;
- The Audit Committee for the year did not function effectively.

The key role players have to identify six risk areas

1. Quality of submitted financial statements (*improved drastically*);
2. Quality of submitted performance reports (*major concern*) – intervention required;
3. Supply Chain Management (*major concern*) – intervention required;
4. Financial Health (*major concern*) – intervention required;
5. Human Resource Management (*major concern*) – intervention required;
6. Information technology (*still concerning*)-improvement on general control systems;

Mr McCarthy indicated that the Municipality needs to address root causes to ensure that best practices are maintained.

ERRORS THAT NEED TO BE CORRECTED

- Water and electricity losses that were over 280 million;
- Net loss of over R750 million – drastic measures needed to collect outstanding debt;
- Unauthorized expenditure over R812 million, irregular expenditure over R305 million and fruitless and wasteful expenditure over R149 million;
- Reported targets not consistent to the approved IDP;
- Non-compliance with key legislation;
- Effective internal control in Asset Management to be put in place;
- Payment not done within 30 days;
- Non-compliance to Supply Chain Management procedures and policies;
- Challenges of systems and internal control in Revenue management;
- Non-availability of approved staff establishment for the 2015/16 financial year;
- Performance Management systems not in place.

ROOT CAUSES

- Slow response by Management to address the root causes of poor audit outcomes.
- Lack of consequences for poor performance and transgressions; and
- Lack of capacity in critical units such as Finance and Internal Audit Unit.

VI

(l)	<p>Disclosure of interest</p> <p>The Speaker informed members that he had a meeting with Fezi consultants who raised a concern with regard to Councillors who are not updating their declaration forms, specifically for the 2015/2016 financial year.</p> <p>He therefore urged Councillors to update their declaration forms at the office of the Municipal Manager, however if a Councillor has a personal/financial interest on any matter for consideration by Council, such Councillor has to declare his/her interest in the meeting.</p>
(m)	<p>Minutes of the previous meeting: 31 January 2017</p> <p><u>Council resolved: (28 MARCH 2017)</u></p> <p>1. That the minutes of the 1st Ordinary Council meeting held on 31 January 2017 be adopted as a true reflection of what transpired in the meeting.</p> <p>Minutes of the previous meeting: 14 February 2017</p> <p><u>Council resolved: (28 MARCH 2017)</u></p> <p>1. That the minutes of the 1st Special Council meeting held on 14 February 2017 be adopted as a true reflection of what transpired in the meeting.</p>
(n)	<p>Matters arising from the minutes: 31 January 2017</p> <p>A15/2017</p> <p>Cllr PF Botha wanted to know about the progress pertaining to the resolution taken to bestow Cllr JS Marais the status of the alderman, whether any date had been set aside.</p> <p>The Executive Mayor informed Council that the matter is being attended to and Council would be informed of the date when the matter had been finalized.</p> <p>A16/2017</p> <p>Cllr PF Botha informed Council that the matter pertaining to Item A16/2017 was handled by the joint Committee of the ANC and the DA and wanted to know whether the process of what was decided unfolded and what was the outcome.</p> <p>The Executive Mayor explained that he had met with the affected complainants, discussed the matter and reached a consensus. He also informed the members that he had met with the business forum, discussed the matter and reached a consensus.</p> <p>A147/2016</p> <p>Cllr TD Khalipha reminded members that Council took a decision that the first meeting of the Multi-Party Ad-hoc Committee appointed to deal with alleged illegal sale of land without Council approval would be convened to appoint a Chairperson.</p> <p>He indicated that the Committee would meet but requested Council to mandate the acting Municipal Manager to appoint a technical team that would support that Committee.</p>

VII

	<p><u>COUNCIL RESOLVED:</u> (28 MARCH 2017)</p> <p>1. That the acting Municipal Manager MUST APPOINT a technical team that would support the Multi-Party Ad-hoc Committee dealing with alleged illegal sale of land without Council approval, to do their work.</p> <p>2. That the Multi-Party Ad-hoc Committee dealing with alleged illegal sale of land without Council approval MUST SUBMIT their report at the next Ordinary Council meeting.</p>
(o)	<p>Questions of which notice had been given</p> <p>A17/2017 - A18/2017</p>
(p)	<p>Reports of the Executive Committee/ Executive Mayor/ Committee Reports</p> <p>A19/2017 – A43/2017 & C1/2017</p>
(q)	<p>Reports of decisions taken under delegated powers</p> <p>None</p>
(r)	<p>Motions</p> <p>None</p>
(s)	<p>Closing</p> <p>The Speaker thanked everyone present and closed the meeting at 20h40.</p>

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

.....
DATE

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A17/2017

QUESTIONS OF WHICH NOTICE WAS GIVEN: CLLR PF BOTHA (AMM)
(3/1/3/2)

PURPOSE

To submit the questions raised by Cllr PF Botha and the response thereon by the acting Municipal Manager.

DISCUSSION

The Speaker presented the item to Council.

Cllr PF Botha raised his concerns with regard to his questions which were not adequately answered as he raised several questions and only got a response of an official who was suspended while the company in question was still operating in spite of not being VAT registered and having no clearance certificate.

COUNCIL RESOLVED: (28 MARCH 2017)

1. That the acting Municipal Manager **MUST REPLY DIRECTLY** to Cllr PF Botha on all questions raised.

A18/2017

QUESTIONS OF WHICH NOTICE WAS GIVEN: CLLR HCT VAN
SCHALKWYK (AMM) (3/1/3/2)

PURPOSE

To submit the questions raised by Cllr HCT van Schalkwyk and the response thereon by the acting Municipal Manager.

DISCUSSION

The Speaker presented the item to Council.

Cllr HCT van Schalkwyk informed Council that he was very impressed by the response that he received and indicated that it was a very good promise that must be kept.

COUNCIL RESOLVED: (28 MARCH 2017)

1. That Council **TAKES NOTE** of the response by the acting Municipal Manager.

A19/2017

MONTHLY FINANCE REPORT – JANUARY 2017 (EXECUTIVE MAYOR)
(12/1/2/3)

PURPOSE

To submit to Council the Monthly Finance Report for January 2017 in terms of Section 71 of the Municipal Finance Management Act, No. 56 of 2003.

DISCUSSION

The Executive Mayor presented the item to Council.

The Executive Mayor raised a concern with regard to the issue of overtime which was still very high and indicated that the acting Municipal Manager should be tasked to come up with a plan that will assist to reduce the overtime.

COUNCIL RESOLVED: (28 MARCH 2017)

1. That the Finance Report for January 2017 in terms of Section 71 of the Municipal Finance Management Act, No. 56 of 2003, **BE NOTED**.
2. That the Finance Report for January 2017 in terms of Section 71 of the Municipal Finance Management Act, No. 56 of 2003, **BE SUBMITTED** to Provincial and National Treasury.

A20/2017

MONTHLY FINANCE REPORT – FEBRUARY 2017 (EXECUTIVE MAYOR)
(12/1/2/3)

PURPOSE

To submit to Council, the Monthly Finance Report for February 2017, in terms of Section 71 of the Municipal Finance Management Act No. 56 of 2003.

DISCUSSION

The Executive Mayor presented the item to Council.

The following concerns were raised with regard to the Top 20 Debtors for the month of January and February 2017 which are reflected on pages 30 and 43 of the Annexures.

- Bluedust Pty was owing R194 658 051 in January but suddenly in February month it did not appear;
- Flamingo Lake Development belongs to the Municipality and therefore cannot be billed;
- The Traffic Development is the municipal own department and cannot be billed;
- Hiring of the TLB while the Municipality is having its own.

COUNCIL RESOLVED: (28 MARCH 2017)

1. That the Finance Report for February 2017 in terms of Section 71 of the Municipal Finance Management Act, number 56 of 2003, **BE NOTED**.
2. That the Finance Report for February 2017 in terms of Section 71 of the Municipal Finance Management Act, number 56 of 2003, **BE SUBMITTED** to Provincial and National Treasury.
3. That a report must **BE SUBMITTED** to the next Council meeting explaining what happened to the debt incurred by Bluedust Pty amounting to R194 658 051, which is reflected in page 30 of the Annexures.
4. That an investigation must **BE CONDUCTED** to find out whether the land in which Tosa Technical College is operating is registered under the Municipality or under Tosa Technical College.

A21/2017

CURRENT STATUS OF THE MUNICIPAL INFRASTRUCTURE GRANT (MIG) CAPITAL PROJECTS IN MATJHABENG LOCAL MUNICIPALITY FEBRUARY 2017 (EXECUTIVE MAYOR) (6/4/1)

PURPOSE

To provide information on the current status of capital projects and related MIG expenditure progress for the month of **February 2017**.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (28 MARCH 2017)

1. That Council **TAKES NOTE** of the report.
2. That the acting Municipal Manager **MUST DEVELOP** a Procurement Plan to ensure that the MIG grant is spent in totality by the end of financial year on 30 June 2017.

A22/2017

INTEGRATED DEVELOPMENT PLAN FOR THE FINANCIAL YEAR 2017/2022 (EXECUTIVE MAYOR) (9/3/1)

PURPOSE

To present to Council the first draft Integrated Development Plan 2017/22 in terms of chapter 5 of the Municipal Systems Act.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (28 MARCH 2017

1. That Council **TAKES NOTE** of the draft IDP document as a work in progress.
2. That the draft IDP **BE SUBJECTED** to public consultation as per adopted IDP process plan.
3. That the draft IDP incorporating inputs from consultations **BE RE-TABLED** to Council for final approval.
4. That the IDP **BE WARD-BASED**.
5. That all issues raised by the communities in previous years **BE SUMMARIZED** and **INCORPORATED** in the current IDP.
6. That the acting Municipal Manager **MUST DETERMINE** whether the priorities listed for the previous five years in all 36 wards are still current priorities.

A23/2017

THE 2017-2018 ANNUAL BUDGET FOR THE MATJHABENG MUNICIPALITY (CFO)**PURPOSE**

To table the Annual Budget for the 2017/2018 MTREF financial year.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (28 MARCH 2017

1. That Council **TAKES NOTE** of the 2017/ 2018 Annual Budget.
2. That a workshop **BE CONDUCTED** within a period of two weeks for all Councillors on the 2017/18 Annual budget, the IDP, the SDBIP and the Organogram.
3. That the percentage allocated for repairs and maintenance **MUST BE INCREASED** to address the ageing infrastructure.
4. That the acting Municipal Manager **MUST APPLY** for a R500 million loan from the Development Bank of South Africa to fix the ageing infrastructure.
5. That Management **MUST DETERMINE** the areas that are not paying and **FIND MEANS** of getting the money owed to the Municipality.

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6. That Management **MUST ASSIST** the Municipality to ensure that the municipal assets are value for money, especially the rental stock.
7. That the obsolete fleet **MUST BE** auctioned.
8. That Councillors **MUST ENCOURAGE** consumers in their Wards to pay for the services rendered by the Municipality as **only 8 out of the 36** wards achieved a payment ratio of 70% and above, in both January and February 2017.
9. That areas which are not billed **MUST BE BILLED**.
10. That a certain percentage in the MIG **MUST BE UTILIZED** for Sports facilities.

A24/2017

DRAFT SERVICE DELIVERY AND BUDGET PLAN FOR THE 2017/18 FINANCIAL YEAR (EXECUTIVE MAYOR) (6/1/1/1)

PURPOSE

The purpose of this item is to submit the draft Service Delivery and Budget Implementation Plan for 2017/18 Financial Year for consideration by Council.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (28 MARCH 2017

1. That Council **TAKES NOTE** of the Draft Service Delivery and Budget Implementation Plan for 2017/2018.
2. That the Draft Service Delivery and Budget Implementation Plan 2017/2018 **BE PUBLISHED** together with the IDP and the Budget.
3. That the Draft SDBIP for 2017/2018 **BE SUBMITTED** to Offices of the Provincial and National Treasuries as well as Provincial COGTA.

A25/2017

AUDIT REPORT 2015/ 2016 (EXECUTIVE MAYOR) (6/12/2/1)

PURPOSE

The purpose of the item is to submit the Audit Report for 2015/2016 financial year to Council as issued by the office of the Auditor-General.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (28 MARCH 2017

1. That Council **TAKES NOTE** of the Unqualified Audit Report for 2015/2016 financial period.
2. That each department **MUST IMPLEMENT** the proposals made by the Auditor General.
3. That Council **MUST ENSURE** that the usage of consultants **IS MINIMIZED** in Matjhabeng Municipality.
4. That the Municipality **MUST APPOINT** competent people who are qualified to perform the duties they are employed for, in all Departments.
5. That Council **MUST ADOPT** the Organogram to address the issues raised by the Auditor General.
6. That effective by-laws **MUST BE DEVELOPED** and implemented to ensure that the Municipality sustains the outcome received.
7. That the Municipality must **ENSURE** that the adverse findings by the Auditor General **ARE CORRECTED**.
8. That the Municipality **MUST PRODUCE** financial statements without material misstatements.
9. That the Municipality **MUST ALIGN** performance reports to predetermined objectives committed to in the annual performance plan.
10. That the Municipality must **SET CLEAR** performance indicators and targets to measure performance against predetermined objectives.
11. That the Municipality must **REPORT RELIABLY** on the achievement of targets.
12. That the Municipality **MUST DETERMINE** which legislation they should comply with to implement the required policies, procedures and controls.

A26/2017

AUDIT ACTION PLAN 2016/2017 (EXECUTIVE MAYOR) (6/12/1)

PURPOSE

The purpose of the item is to present the Audit Action Plan for the 2016/2017 financial year to Council.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (28 MARCH 2017

1. That the Council **TAKES NOTE** of the Audit Action Plan.
2. That the Municipal Manager **MUST SUBMIT** a quarterly report on the outcome of the Audit Action Plan to Council.

A27/2017**SPECIAL ADJUSTMENT BUDGET FOR 2015/2016 FINANCIAL YEAR
(EXECUTIVE MAYOR) (6/1/1/1) (2015/16)****PURPOSE**

The purpose of the item is to request Council to approve the Special Adjustment Budget for 2015/2016 financial year.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (28 MARCH 2017

1. That Council **TAKES NOTE** of the report.
2. That Council **APPOINTS** a Section 32 Ad-hoc Committee to investigate the unauthorized expenditure incurred during the 2015/2016 financial year.
3. That upon the appointment of the Section 32 Ad-hoc Committee the unauthorized expenditure **MUST BE** referred to the Committee for investigation and a report be submitted to Council with recommendations.
4. That the Whips of different Political Parties **MUST SUBMIT** names of their representatives to the Office of the Speaker.

A28/2017**REPORT ON THE FRUITLESS AND WASTEFUL EXPENDITURES
INCURRED FOR THE PERIOD ENDING 30 JUNE 2016 AND PRIOR
FINANCIAL PERIODS (EXECUTIVE MAYOR) (6/1/2/2)****PURPOSE**

To submit to Council a report on fruitless and wasteful expenditure incurred for the financial period ended 30 June 2016 and prior financial periods.

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DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (28 MARCH 2017

1. That Council **TAKES NOTE** of the report.
2. That Council **APPOINTS** a Section 32 Committee in terms of Sec 32 of the MFMA; and
3. That the Committee **PERFORMS** investigations as guided by National Treasury MFMA Circular No. 68 and Section 32 of MFMA and submit a report to Council with recommendations for consideration by Council.

A29/2017

REPORT ON THE IRREGULAR EXPENDITURE INCURRED FOR THE PERIOD ENDING JUNE 2015 AND PRIOR FINANCIAL PERIODS (EXECUTIVE MAYOR) (6/1/2/2)

PURPOSE

To submit to Council a report on irregular expenditure incurred for the financial period ended 30 June 2016 and prior financial periods.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (28 MARCH 2017

1. That Council **TAKES NOTE** of the report.
2. That Council **APPOINTS** a Section 32 Committee to carry the investigations in terms of Sec 32 of the MFMA; and
3. That the Committee **PERFORMS** investigations as guided by National Treasury MFMA Circular No. 68 and Section 32 of MFMA and submit a report to Council with recommendations for consideration by Council.

A30/2017

REPORT ON THE UNAUTHORISED EXPENDITURE FOR THE PERIOD ENDING JUNE 2015 AND PRIOR FINANCIAL PERIODS (EXECUTIVE MAYOR) (6/1/2/2)

PURPOSE

To submit to Council a report on unauthorised expenditure incurred for the financial period ended 30 June 2015 and prior financial periods.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (28 MARCH 2017

1. That Council **TAKES NOTE** of the report.
2. That Council **AGREES** to refer the unauthorised expenditure for the financial years 2013/14 and 2014/15, amounting to **R347,305,413.00** for investigation in accordance with Section 32 (2) (a) of the MFMA.
3. That Council **APPOINTS** a Section 32 Committee in terms of Section 32 of the MFMA; and
4. That the Council Committee **PERFORMS** investigations as guided by National Treasury MFMA Circular 68 and Section 32 of MFMA and submit a report to Council with recommendations for consideration by Council.

A31/2017**DRAFT ANNUAL REPORT 2015/2016: MATJHABENG MUNICIPALITY
(EXECUTIVE MAYOR) (12/1/1)****PURPOSE**

The purpose of the item is to table the draft Annual Report for the financial year 2015/2016 to Council for consideration.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (28 MARCH 2017

1. That Council **TAKES NOTE** of the Draft Annual report for the Financial Year 2015/16.
2. That the Draft Annual report 2015/2016 **BE SUBMITTED** to the Provincial and National Treasuries as well as the Provincial COGTA.
3. That a public participation schedule **BE DEVELOPED** by the Municipal Public Accounts Committee.
4. That the Municipal Public Accounts Committee **MUST COMPILE** an Oversight report and present it to Council within a period of two months after the tabling of the Annual report.

A32/2017

SEDIBENG WATER – REMINDER IN RESPECT OF NOTICE TO RESTRICT SUPPLY OF WATER (EXECUTIVE MAYOR) (19/2/1/1)

PURPOSE

To submit to Council the reminder in respect of notice to restrict supply of water by Sedibeng Water.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (28 MARCH 2017

1. That the Executive Mayor **MUST WRITE** a letter to the Sedibeng Board to request an urgent meeting to discuss the matter and find a solution.
2. That the Executive Mayor **MUST WRITE** a letter to the Minister of Water & Sanitation to request her intervention.
3. That Council **MANDATES** the Executive to also seek the intervention of the Free State Premier and the MEC for COGTA.
4. That the acting Municipal Manager **MUST WRITE** a letter to the CEO of Sedibeng to request a meeting with him.
5. That the Municipality **MUST FIND MEANS** of servicing the arrear account while still paying the current account.
6. That Management must implement the resolutions taken by Council as the down-payment **AGREED UPON** with Sedibeng was not honoured.

A33/2017

TRANSFER OF THE REMAINING ANGLOGOLD ASHANTI PROPERTIES IN KUTLOWANONG (EXECUTIVE MAYOR) (18/2/2/42)

PURPOSE OF THE REPORT

To request Council to assent the transfer of the remaining AngloGold – Ashanti properties to:

1. Respective beneficiaries where legal occupation has been verified.
2. The Municipality where legal occupation and /or ownership cannot be ascertained.
3. Write-off the arrear amount accumulated on these accounts.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (28 MARCH 2017

1. That Council **WRITES OFF** all the accumulated arrears on AngloGold-Ashanti properties where occupants are confirmed to be Indigents.
2. That transfer of properties **BE MADE** to beneficiaries where legal occupation has been verified.
3. That transfer of properties **BE MADE** in favour of the Municipality where legal occupation and /or ownership cannot be ascertained and/ or occupants are not Indigents.

A34/2017

PROGRESS REPORT ON FLAMINGO (529) HOUSING DEVELOPMENT PROJECT (GAP MARKET) (EXECUTIVE MAYOR) (8/3/2/2)

PURPOSE

The purpose of the report is to present current status of the Housing development project that was approved for Gap Market houses in Flamingo Park.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (28 MARCH 2017

1. That Council **APPROVES** the extension of the Land Availability Agreement (LAA) as the Service Provider is still interested to proceed with the project.
2. That the breaking of ground must **BE DONE** within a period of six months.
3. That if the land **IS NOT DEVELOPED** within a period of a year, the land must **BE REVERTED** to the Municipality.
4. That the acting Municipal Manager **MUST WRITE** letters to all Service Providers to **INFORM** them about the Council decision, including the developers granted land in Jerusalem Park and those granted land for the construction of a stadium next to Bongani hospital.

A35/2017

**SMME DEVELOPMENT – PILOT PROJECT YOUTH BUSINESS CORNERS
(EXECUTIVE MAYOR) (15/2/3/53)**

PURPOSE

To request support and approval from Council on a pilot project to plan and develop business youth corners in Matjhabeng townships piloting it in Meloding to test the concept.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (28 MARCH 2017

1. That Council **TAKES NOTE** of the project.
2. That necessary technical support from other departments **BE RENDERED**.
3. That the project **BE REFLECTED** in the IDP and Budget.

A36/2017

**ESTABLISHMENT OF MATJHABENG ECONOMIC ADVISORY COUNCIL
(EXECUTIVE MAYOR) (3/3/19)**

PURPOSE

To request Council to consider the establishment and selection of members of Matjhabeng Economic Advisory Council (MEAC) and recommend for Council's endorsement.

- The main purpose of the council is to advise the municipality on goals and objectives that further economic development within the municipality.
- Council members advise the municipality on economic development and opportunities and represent their interest. The council consists of 20 members of which 4 members serves as office bearers, and with 2 members nominated from each municipal's 5 economic development.
- Members serve three year terms and can be reappointed.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (28 MARCH 2017)

1. That Council **APPROVES** the establishment of Matjhabeng Advisory Council to advise on changing the economic characteristics of the area.
2. That due to financial constraints, an option of getting volunteers **BE EXPLORED** and Councillors must recommend people who are interested to serve in that Committee to the Executive Mayor.
3. That Council **MANDATES** the Executive Mayor to investigate how this is done in other Municipalities.
4. That the members of the Advisory Committee **MUST NOT EXCEED** ten.
5. That the acting Municipal Manager **MUST PLACE** an advertisement in newspapers for the people who would be interested in serving in the Matjhabeng Advisory Council.
6. That in the event of getting somebody from outside Matjhabeng area who would use his/her energy, time, resources and ideas, the Municipality **SHOULD PAY** out-of-pocket-expenses.

A37/2017

MAYORAL POVERTY ALLEVIATION PROJECT (EXECUTIVE MAYOR) **(6/4/2/5)**

PURPOSE

To inform Council about the Mayoral Poverty Alleviation Project done by LED through Cooperative Development.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (28 MARCH 2017)

1. That the project **BE REFLECTED** in the IDP.
2. That provision for the project **BE MADE** in the budget for the next financial year.
3. That these cooperatives **BE FUNDED** by the Municipality and the National government.
4. That the acting Municipal Manager **MUST LOOK** for extra funds from National grants to assist them and ensure that they are functional in order to alleviate poverty in Matjhabeng area.

A38/2017

PROGRESS ON MUNICIPAL ACCREDITATION PROGRAMME (EXECUTIVE MAYOR) (7/1/4/1)

PURPOSE

To inform the Council about the progress in Municipal Accreditation Programme.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (28 MARCH 2017

1. That Council acknowledges the requirements of the Level 1 accreditation Business Plan process to **BE COMPILED** by Lekwa Consulting (HDA9).
2. That Council **APPROVES** the participation of the Municipality in the Level I accreditation Business Plan programme.
3. That the acting Executive Director: LED, P & HS, Mme Mothekhe **BE APPOINTED** as accreditation champion on behalf of the Municipality.
4. That a workshop for Councillors and Officials **BE CONDUCTED** after the Council had taken a resolution on the matter.
5. That the acting Municipal Manager **MUST MONITOR** the process and submit a report to Council.
6. That one member from each Ward should **BE PART** of the workshop.

A39/2017

LEKGOTLA ACTION PLAN 2017/22 (EXECUTIVE MAYOR) (2/2/7)

PURPOSE

To present a draft Mayoral Lekgotla action plan to Council for consideration.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (28 MARCH 2017

1. That Council **TAKES NOTE** of the draft Mayoral Lekgotla Action Plan.
2. That the Executive Mayor **MUST APPOINT** an Economic Cluster Committee that would deal with the development of a corridor to build gap houses between Welkom and Odendaalsrus, Riebeeckstad and Hennenman and between Welkom and Virginia.

A40/2017

**NAMING OF STREETS AND PUBLIC AMENITIES (EXECUTIVE MAYOR)
(19/4/3)**

PURPOSE

To submit a proposal on the way forward to Council on naming of streets and Public Amenities.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (28 MARCH 2017

1. That the Executive Mayor and the Speaker **MUST CHAMPION** the process.
2. That the appointed committee **PROCEEDS** to facilitate the task as per Council Resolution A65/2016.
3. That the process on naming and renaming of Streets and Places **BE EXPEDITED** and concluded not later than end June 2017.
4. That the adopted Policy on the Naming and Re-naming of Public Places **BE REVISED**.
5. That after Council has resolved on paragraph 1 to 3 above, the process of naming **BE STARTED** in Thandanani.
6. That the acting Municipal Manager **MUST PUBLISH** an advertisement for the naming of streets in Thandanani and other areas.
7. That the programme of resuscitating the naming of streets in Matjhabeng **BE DEVELOPED**.
8. That the usage of SMMEs and qualified people in all six Units **BE IMPLEMENTED**.
9. That the usage of cement or wooden poles **BE CONSIDERED** to curb the theft of steel poles.

//Items A41/2017 – A43/2017 were discussed concurrently//

A41/2017

INFRASTRUCTURE OVERTIME REPORT (EXECUTIVE MAYOR) (5/4/1/3)

PURPOSE

To present to Council a detailed report on overtime for the Infrastructure Directorate.

DISCUSSION

The Executive Mayor presented the item to Council.

The Executive Mayor raised a great concern with regard to the overtime that is paid to employees, stating that as in February 2017 the overtime paid was R22 576 058,40 more than the R24 717 072, 67 that was budgeted for in the current financial year.

He also emphasized that streets must not be painted on weekends and grass must not be cut on weekends. He also stressed that the overtime worked must be justified and it should be meant for valid reasons, such as, pipe bursting and sewer spillage.

He also raised a concern about the negligence of management in controlling the overtime and urged Councillors to stop the officials who are doing work that can be done during the week on week-ends, when they come across such acts.

He also indicated that one of the contributors to the overtime was shortage of personnel and stated that the Organogram should be urgently adopted.

COUNCIL RESOLVED: (28 MARCH 2017

1. That Council **TAKES NOTE** of the report.
2. That a proposal for continuous operations and a shift system **BE TABLED** at the Local Labour Forum.

A42/2017

COMMUNITY SERVICES REPORT ON OVERTIME WORKED (EXECUTIVE MAYOR) (5/4/1/3)

PURPOSE

The purpose is to table the Community Services Report on Overtime worked.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (28 MARCH 2017

1. That Council **TAKES NOTE** of the overtime report.
2. That a proposal for continuous operations and a shift system **BE TABLED** at the Local Labour Forum.

A43/2017

**CONSOLIDATED OVERTIME CLAIMED FROM JULY TO FEBRUARY 2017
(EXECUTIVE MAYOR) (5/4/1/3)**

PURPOSE

To present before Council detailed reports on Overtime claimed from July until February 2017 by all Directorates of the Municipality.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (28 MARCH 2017

1. That Council **TAKES NOTE** of the reports submitted.
2. That Council **TAKES NOTE** of the recommendations put forward by Departments to change the situation.
3. That Service Delivery Departmental situations **BE TAKEN INTO** consideration separately from supporting departmental situations.
4. That a proposal for continuous operations and a shift system **BE TABLED** at the Local Labour Forum.

C1/2017

**REPORT BY THE EXECUTIVE MAYOR ON THE PLACING OF THE
MUNICIPAL MANAGER ON SPECIAL LEAVE (EXECUTIVE MAYOR) 5/2/2)
(5/1/2/1)**

PURPOSE

To request Council to condone the action of extending the period of placing the Municipal Manager on special leave; and the extension of the acting period of the acting Municipal Manager and the acting Chief Financial Officer.

DISCUSSION

The Executive Mayor presented the item to Council.

COUNCIL RESOLVED: (28 MARCH 2017

1. That Council **APPROVES** the extension of the special leave of the Municipal Manager, Adv. M.F. Lepheana until the 15th May 2017.
2. That Council **APPROVES** the extension of the acting period of the acting Municipal Manager, Mr E.T. Tsoaeli until the 15th May 2017.

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3. That Council **APPROVES** the extension of the acting period of the acting Chief Financial Officer, Me L. Williams until the 15th May 2017.
4. That Council **MANDATES** the Executive Mayor **TO ADVERTISE** the post of the Municipal Manager due to the fact that the current employment contract will end in June 2017.