

STEVE TSHWETE LOCAL MUNICIPALITY

# MINUTES

OF THE

# SPECIAL COUNCIL

MEETING

DATE - 26 FEBRUARY 2015

# STEVE TSHWETE LOCAL MUNICIPALITY

## MINUTES OF A SPECIAL MEETING OF THE COUNCIL HELD IN THE COUNCIL CHAMBER, MUNICIPAL BUILDINGS, MIDDELBURG, MPUMALANGA ON THURSDAY, 26 FEBRUARY 2015 AT 17:40

### PRESENT

#### Councillors

Cllr R M Xaba (Speaker)	Cllr P P Tau
Cllr M A Masina (Executive Mayor)	Cllr M J Sekgwele
Cllr E F Mathebula	Cllr L E Mkhuma
Cllr S D Nkadimeng	Cllr S M Motebu
Ald H Pilodia	Cllr M E Nyambi
Cllr E A Jele	Cllr G H E Romijn
Cllr Z D Mtshweni	Cllr T G Ndlangamandla
Cllr P I Thwala	Cllr A Struwig
Cllr M R Mnguni	Cllr A S Grobler
Cllr J Matshiane	Cllr P N Sithole
Cllr T B Mahlangu	Cllr J P Pretorius
Cllr M J Selala	Cllr T N Van Zyl
Cllr B P Ndala	Ald E Du Toit
Cllr P M Hadebe	Cllr S J Roos
Cllr M T E Mnguni	Cllr H F Niemann
Cllr S A Lukhele	Cllr D M Longman
Cllr J Skosana	Cllr N J Mlambo
Cllr P J Masilela	Cllr J Dyason
Cllr L I Manzini	Cllr P Mobango
Cllr B C Skosana	Cllr S Wait
Cllr O Malinga	Cllr K P J Uys
Cllr SS Zitha	
Cllr D J Skhosana	

#### Absent

Cllr B Nene

#### Officials:

Mr S M Mnguni	(Acting Municipal Manager)
Ms E Wassermann	(Executive Director: Financial Services)
Mr S Mothiba	(Acting Executive Director: Corporate Services)
Ms C Hlatshwayo	(Executive Director: Community Services)
Mr M Masilela	(Acting Director: Legal and Administration)
Mr J Zulu	(Chief Administrative Officer)
Mr P Mokoena	(Senior Clerk)
Ms L Skosana	(Clerk Grade 1)

1. OPENING

The Speaker welcomed everybody and declared the meeting open.

2. APPLICATION FOR LEAVE OF ABSENCE

**RESOLVED**

2.1 Application for leave of absence in terms of Section 13 (1) of the Rules of Order

THAT it be noted that Cllrs, D J Motsepe, E P Nkosi and T R Langeveld have applied for leave of absence due to other obligations and the applications were approved.

2.2 Application for leave of absence in terms of Section 13 (2) of the Rules of Order

THAT it be noted that Cllrs, N J Mahlangu, M Mbatiwe, P M Shongwe, M T Selala, B H Mokoena, S M Mogola, S M Mnguni and K N Monareng, have applied for leave of absence due to other obligations and the applications were approved.

3. DISCLOSURE OF INTEREST

None

4. CONSIDERATION OF THE ATTACHED REPORTS

*Rw*

**EXTRACT FROM THE REPORT OF THE MAYORAL COMMITTEE  
HELD ON 19 FEBRUARY 2015**

**NON DELEGATED POWERS**

*Upon request by the Executive Mayor, it was*

**RESOLVED BY COUNCIL**

*THAT the report by the Executive Mayor in respect of item SC16/02/2015 be considered.*

**SC16/02/2015**

**COUNCIL'S ARRANGEMENTS: THUTHUKA GROUP LIMITED (IN BUSINESS RESCUE) / STEVE TSHWETE LOCAL MUNICIPALITY**

13/4/1 (L)/iec

[MM 107333]

**RESOLVED BY COUNCIL**

1. THAT the Council's legal representatives be authorised to "without prejudice" accept the proposed settlement wherein the Thuthuka Group Limited (in business rescue) will pay an amount of R10 million inclusive of VAT to the Municipality in full and final settlement of the Municipality's claim.
2. THAT permission also be granted to the Council's legal representative to impose any further terms and conditions which they deem fit to protect the interest of the Municipality and give effect to the above-mentioned settlement.
3. THAT note be taken that the proposed settlement amount mentioned in paragraph 1 above will be considered as an undisputed concurrent claim accepted for inclusion in the business rescue plan.
4. THAT note be taken that no additional funding is available to fund the R5 million loss which will occur by accepting the R10 million business rescue proposed settlement.

**REPORT OF THE SPECIAL MAYORAL COMMITTEE HELD ON**  
**23 FEBRUARY 2015**

**NON DELEGATED POWERS**

*Upon request by the Executive Mayor, it was*

**RESOLVED BY COUNCIL**

*THAT the report by the Executive Mayor in respect of items C33; C34; C35; C36; C37 & C38/02/2015; be considered.*

**SC33/02/2015**

**REPORT ON THE TABLED REVIEWED DRAFT INTEGRATED DEVELOPMENT PLAN FOR THE 2015/2016 FINANCIAL YEAR**

5/1/19 (B)/ls

**RESOLVED BY COUNCIL**

1. **THAT** the report by the Acting Municipal Manager on the reviewed draft Integrated Development Plan for 2015/2016, be noted.
2. **THAT** the draft reviewed Integrated Development Plan together with the following draft sector plans as core components of the IDP for the 2015/2016 financial year attached as **ANNEXURE A**, be considered and submitted for public scrutiny and input:
  - Spatial Development Framework
  - Disaster Management Plan
  - Comprehensive Municipal Infrastructure Plan
  - Integrated Transport Plan
  - Integrated Waste Management Plan
  - Water Services Development Plan
4. **THAT** the tabled Review Integrated Development Plan for 2015/2016 lie open for public inspection at the municipal libraries, municipal offices and website for a period of 21 days.
5. **THAT** the public input on the draft Reviewed Integrated Development Plan for the 2015/2016 be evaluated and recommended to Council for consideration with the final approval of the IDP document by the end of March 2015.

SC34/02/2015

**PMS: 2014/2015 ADJUSTED CORPORATE PLAN REVISED KEY PERFORMANCE INDICATORS AND TARGETS OF THE STEVE TSHWETE LOCAL MUNICIPALITY**

3/5 (B)/ls

**RESOLVED BY COUNCIL**

1. THAT the report by the Director: Development & Strategic Support on the 2014/15 adjusted Corporate Performance Plan in relation to the key performance Indicators and targets of the Steve Tshwete Local Municipality, be noted.
2. THAT the amendments made to align the quarterly targets to those on the Corporate Performance Plan attached as **ANNEXURE A** (Corporate Performance Plan-third quarter performance report 2014/15), be noted.
3. THAT Council notes the re-arrangement of **ANNEXURE A** (Corporate Performance Plan-third quarter performance report 2014/15) in order to align with pre-determined performance sequence of the organization plan which will be reported on as amended by the 1<sup>st</sup> January 2015.
4. THAT the adjusted Performance Plans be submitted to the relevant stakeholders.

SC35/02/2015

**PMS: REVIEW OF THE PERFORMANCE MANAGEMENT SYSTEM FRAMEWORK**

3/5 (B)/ls

**RESOLVED BY COUNCIL**

- 1 THAT the report by the Municipal Manager's office, in relation to the review of Council's Performance Management Framework, be noted.
- 2 THAT the review of the Performance Management System Framework, attached as **ANNEXURE A** be approved.
- 3 THAT a performance reward of 1% and not more than 3% of the inclusive annual salary scale may be paid to employee in recognition of outstanding performance for the first year of implementation thus 2015/2016 financial year, thereafter a performance reward of 1% to 3% for levels 1 to 3 an 1% to 5% for levels 4 down.
- 4 THAT in the meantime, the Acting Executive Director: Corporate Services develop a standardized Performance and Evaluation form to be signed by the Acting Municipal Manager.

- 5 THAT financial implication on the implementation of the Performance Management System Framework be noted and proper budgeting process be done for the framework to be effected from 2015/16.
- 6 THAT incentive categories be noted for implementation.

**SC36/02/2015**

**MUNICIPAL DEMARCATION BOARD: RE-DETERMINATION OF MUNICIPAL BOUNDARIES: EMAKHAZENI LOCAL MUNICIPALITY AND STEVE TSHWETE LOCAL MUNICIPALITY**

2/4/2 (C)/yb

**RESOLVED BY COUNCIL**

1. THAT the report regarding the re-determination of Municipal Boundries, Emakhazeni Local Municipality and Steve Tshwete Local Municipality, be noted.
2. THAT Ward Committee and Ward Community meetings be convened for inputs regarding 1 above.
3. THAT with the holding of the said meetings all economical advantages that comes with this amalgamation be packaged.
4. THAT the inputs received be consolidated and submitted to Council for consideration and submission to Municipal Demarcation Board.
5. THAT a representation led by the Executive Mayor, be made to the Municipal Demarcation Board.

**SC37/02/2015**

**COUNCIL ARRANGEMENTS: SECTION 79 MONITORING COMMITTEES: FREQUENCY OF MEETINGS**

3/2/4/1/21 (M)/ls

**RESOLVED BY COUNCIL**

1. THAT the report by the Acting Executive Director: Corporate Services regarding the frequency of Monitoring meetings, be noted.
2. THAT Monitoring meetings be held bi-monthly during the months where Ordinary Council meetings are not scheduled.

3. THAT the following Section 79 Political Monitoring Committee meetings for 2015 be scheduled:

Section 79 Political Portfolio Committee	Feb 2015	Apr 2015	Jun 2015	Aug 2015	Oct 2015
Environmental Health, Public Facilities and Cultural Services (Time: 08:30)	24	28	23	25	27
Financial Services (Time: 11:30)	24	28	23	25	27
Corporate Services (Time: 14:30)	24	28	23	25	27
Community Protection Services (Time: 08:30)	25	29	24	26	28
Spatial Development, Human Settlement and Housing Administration (Time: 11:30)	25	29	24	26	28
Infrastructure Development and Service Delivery (Time: 14:30)	25	29	24	26	28

4. THAT all previous resolutions regarding the frequency of Political Monitoring meetings be rescinded and Terms of Reference be adjusted accordingly.
5. THAT the status quo for the Administrative Monitoring meetings be maintained.

SC38/02/2015.

**FINANCES: ADJUSTMENT BUDGET FOR THE 2014/2015 FINANCIAL YEAR :  
FEBRUARY 2015**

5/1/16 (B)/ls

**RESOLVED BY COUNCIL**

1. THAT the report by the Executive Director: Financial Services regarding the 2014/2015 adjustment budget including the revision to the Service Delivery and Budget Implementation Plan and targets attached as **ANNEXURE A**, be noted.
2. THAT the adjustment budget as per **ANNEXURE A** for the 2014/2015 financial year in accordance with Section 28(2) of the MFMA be approved as set out in the following adjustment budget tables:

2.1 Table B1 : Adjusted budget summary



- 2.2 Table B2 : Adjusted budget on financial performance by Standard classification
- 2.3 Table B3 : Adjusted budget of financial performance by vote
- 2.4 Table B4 : Adjusted budget on financial performance revenue by source and expenditure by type
- 2.5 Table B5 : Adjusted capital expenditure budget by vote and funding
- 2.6 Table B6 : Adjusted budget on financial position
- 2.7 Table B7 : Adjusted budget on cash flow
- 2.8 Table B8 : Cash backed reserves/accumulated surplus reconciliation
- 2.9 Table B9 : Asset management
- 2.10 Table B10 : Basic service delivery management
- 2.11 Supporting tables SB1 to SB19
3. THAT the adjusted Service Delivery and Budget Implementation Plan (SDBIP) and targets as per ANNEXURE B as set out in the following supporting tables be approved:
- 3.1 Supporting table SB12 : Adjustment budget on Monthly revenue and expenditure by vote (municipal vote)
- 3.2 Supporting table SB13 : Adjustment budget on Monthly revenue and expenditure by vote (standard classification)
- 3.3 Supporting table SB14 : Adjustment budget on Monthly revenue and expenditure by revenue source and expenditure type
- 3.4 Supporting table SB15 : Adjustment budget on monthly cash flow
- 3.5 Supporting table SB16 : Adjustment budget on monthly capital expenditure by vote (municipal vote)

- 3.6 Supporting table SB17 : Adjustment budget on monthly capital expenditure by vote (standard classification)
4. THAT the adjustment budget for 2014/2015 financial year with the amended Service Delivery and Budget Implementation Plan and targets be submitted to the National Treasury and Provincial Treasury within 10 working days after being tabled in the Municipal Council.
  5. THAT the adjustment budget for 2014/2015 financial year be made public in accordance with Section 21A of the Municipal Systems Act within 10 working days after approval by Council and be placed on Council's website.
  6. THAT the unauthorized expenditure of R1 332 051 which realized, due to the funds not being rolled-over, be approved as contained in the adjustment budget.
  7. THAT the unauthorised expenditure of R4,4-million due to the re-prioritisation of the MIG projects be approved as contained in the adjustment budget.
  8. THAT R3,2-million of the MIG multi-year allocations be brought forward in terms of Section 31 of the MFMA.
  9. THAT it be noted that sufficient surplus cash is available to bridge the period until the transfer of the 2015/2016 MIG allocations.
  10. THAT the sundry tariffs for water and sewerage connections be amended retrospectively from 1 July 2014 to include the following:
    - 10.1 Water
      - i. Privately serviced (15 – 25mm) - R845,00  
Water connections > 25mm - actual cost + actual fee + VAT
      - ii. Duet connections - R5 268,20
    - 10.2 Sewerage
      - iii. Privately serviced - R1 320,00

DELEGATED POWERS

*Upon request by the Executive Mayor, it was*

**RESOLVED BY COUNCIL**

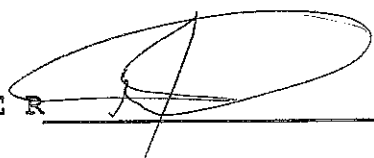
*THAT Council take note of resolution M39/02/2015 taken by the Executive Mayor in terms of Delegated Powers.*

**4 CLOSURE**

**Meeting adjourned at 18:00**

**SIGNED AT MIDDELBURG ON 30/03/2015**

**S P E A K E R**



A handwritten signature in black ink, consisting of a large, stylized 'S' followed by a vertical line and a horizontal line, positioned over a horizontal line that serves as a signature line.

