

STEVE TSHWETE LOCAL MUNICIPALITY

AGENDA

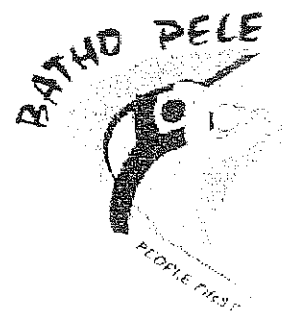
OF THE

SPECIAL COUNCIL

MEETING

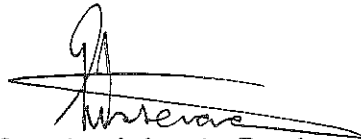
DATE - 24 AUGUST 2015

TIME: 17:30



STEVE TSHWETE LOCAL MUNICIPALITY

NOTICE IS HEREBY GIVEN THAT A SPECIAL COUNCIL MEETING WILL BE HELD IN THE COUNCIL CHAMBER, MUNICIPAL BUILDING, MIDDELBURG ON MONDAY, 24 AUGUST 2015 AT 17:30



ACTING MUNICIPAL MANAGER

A G E N D A

- 1 OPENING
- 2 APPLICATION FOR LEAVE OF ABSENCE
- 3 DISCLOSURE OF INTEREST
- 4 REPORTS OF EXECUTIVE MAYOR
 - 4.1 15TH/2015 MAYORAL COMMITTEE MEETING HELD ON 17 AUGUST 2015
- 5 CLOSURE

REPORT OF THE

15th/2015

ORDINARY MEETING OF THE MAYORAL COMMITTEE
WHICH WAS HELD IN THE COUNCIL CHAMBER,
MUNICIPAL BUILDING, MIDDELBURG, MPUMALANGA
ON

2015/08/17

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NON delegated powers

SC01/08/2015

PROVINCIALIZATION OF PRIMARY HEALTH CARE SERVICES : MOVEABLE ASSETS TO BE TRANSFERRED

6/1/2/3 (C)/yb

RECOMMENDATION BY THE EXECUTIVE MAYOR

- 1 THAT Council take note of the report by the Acting Executive Director : Corporate Services on moveable assets to be transferred to the Mpumalanga Provincial Department of Health Services.
- 2 THAT the assets, as per ANNEXURE A, to the Agenda be donated to the Mpumalanga Provincial Department of Health Services.
- 3 THAT the assets be written off from the municipal asset register as at 30 June 2015 at the carrying amount.
- 4 THAT the asset list, as per municipal asset register, be provided to the Mpumalanga Provincial Department of Health Services.
- 5 THAT a further report be submitted before end of December 2015 regarding the alienation of municipal buildings used for primary health services.
- 6 THAT Council note the loss which will occur on the statement of financial performance to the amount of R320 248,45.

SC02/08/2015

REQUEST FOR THE ESTABLISHMENT OF A LIBRARY AT STAND 184 KOORNFONTEIN

17/4/R (T)/yb

RECOMMENDATION BY THE EXECUTIVE MAYOR

- 1 THAT the report by the Executive Director : Community Services, be noted.
- 2 THAT the allocation of Stand 184 Koorfontein for purposes of the establishment of the Koorfontein Library, be approved.
- 3 THAT the Director : Town Planning and Human Settlements be granted permission to rezone and subdivide the property to the appropriate use zone.
- 4 THAT the rezoning and subdivision cost be absorbed by the Town Planning and Human Settlements Department budget for the 2015/2016 financial year.
- 5 THAT the annual operating costs of the Koorfontein Library be absorbed within the 2015/2016 approved budget.
- 6 THAT any future requirements for additional personnel be referred to the 2016/2017 budget process.

- 7 **THAT** a list of the assets donated to the Municipality by Koorfontein Mine and their respective values be furnished to the Executive Director : Financial Services for same to be taken up in the municipal asset register.
- 8 **THAT** the donation from Glencore Coal Mine, be appreciated.

SC03/08/2015

**LAND: APPLICATION TO REPURCHASE ERF 101 AERORAND WEST
MIDDELBURG**

7/2/3/2/1 (C)yb

RECOMMENDATION BY THE EXECUTIVE MAYOR

- 1 **THAT** Council confirm that Erf 101 Aerorand-West, Middelburg ("the property") is not needed to provide the minimum level of basic municipal services and will not be required for the municipality's own use at a later stage.
- 2 **THAT** the property be alienated at market value as an unsolicited bid to the applicant due to the fact that the applicant will be prejudiced if a competitive bidding process is followed.
- 3 **THAT** the unsolicited bid be made public in accordance with Section 21A of the Local Government : Municipal Systems Act 32 of 2000, as amended, as well as Section 44(3) of the Council's Supply Chain Management Policy.
- 4 **THAT** the market value be determined at R380 000.00 (Three Hundred and Eighty Thousand Rand) excluding VAT for land only.
- 5 **THAT** the subject property be re-valued should a transaction not be concluded within 12 months form the date of valuation (09/07/2015).
- 6 **THAT** the applicant be held responsible for all advertisement costs as well as registration fees.
- 7 **THAT** the property be de-recognised from the inventory register.
- 8 **THAT** the purchase price be paid as per Section 47(3)(a)(i)(aa) or (bb) of Council's Supply Chain Management Policy.
- 9 **THAT** the applicant indemnify the Council and any third party against any claim whatsoever which may arise as a result of the sale of the property.
- 10 **THAT** the assessment rates and other charges be levied retrospectively from the date of cancellation on the stand as there was continuous use of the stand.
- 11 **THAT** the proceeds received from the sale be allocated to vote number 926/901 (Township Development Suspense Account : Sale of Stand Aerorand).

SC04/08/2015

FINANCES: ADJUSTMENT ON THE FREE BASIC SERVICES AND INDIGENT SUPPORT POLICY FOR THE 2014/2015 FINANCIAL YEAR

5/12/1 (C)/yb

RECOMMENDATION BY THE EXECUTIVE MAYOR

- 1 **THAT** Council take note of the report by the Executive Director : Financial Services on the adjustment on the Free Basic Services and Indigent Support Policy 2014/2015 financial year.
- 2 **THAT** the Free Basic Services and Indigent Support Policy for the 2014/2015 financial year be amended retrospectively to read:

"Should an indigent use more than six hundred (600) units of electricity on average during the 12 months of the previous financial period, such persons be automatically delisted from the indigent support list and the full municipal account will be payable".
- 3 **THAT** the above delisting process be done once per annum before 30 September of each year.
- 4 **THAT** the delisting process for the 2014/2015 financial year be finalised by May 2015 based on the current year consumption for an average of nine (9) months.
- 5 **THAT** the amendment of the Indigent Support Policy be brought to the attention of the Community via the Ward Committees.

SC05/08/2015

FINANCES: MONTHLY REPORT FOR SUPPLY CHAIN MANAGEMENT SECTION 42: JULY 2015

9/2/2 (U)

RECOMMENDATION BY THE EXECUTIVE MAYOR

THAT the monthly report for July 2015 as submitted by the Executive Director: Financial Services in terms of Section 42 of the Supply Chain Management Policy, be noted.

SC07/08/2015

LAND: APPLICATION FOR A FILLING STATION AND TRUCK INN SITE ON THE JUNCTION OF N11 NATIONAL ROUTE AND THE EASTERN BYPASS - RESCISSION OF COUNCIL RESOLUTION

7/2/3/2/4 (C)/mm

RECOMMENDATION BY THE EXECUTIVE MAYOR

- 1 **THAT** the Council take note of the report by the Acting Executive Director : Corporate Services.

2. **THAT** Resolution C16/01/2014 be rescinded due to the reasons supplied in the report.
3. **THAT** once all necessary processes have been finalized, then the Executive Director : Corporate Services submit a further report for consideration by Council.

SC08/08/2015

LAND: SALE OF ERF 2905 AERORAND

7/2/3/2/1 (T)/yb

RECOMMENDATION BY THE EXECUTIVE MAYOR

1. **THAT** the Council condone the short payment of R17 100,00 VAT inclusive.
2. **THAT** the amount of R15 350.88 be written off against vote number 945/040 (Dept Impairment : Consumers) and that the VAT of R2 149.12 be reversed against the account.
3. **THAT** the roll-over adjustment budget be submitted to the National Treasury and the relevant Provincial Treasury in terms of Section 28 (7) consisting out of the three parts containing the required tables and headings to the particular adjustment budget.
4. **THAT** the revised monthly and quarterly targets as reflected under part 3 be approved and be included in the Service Delivery and Budget Implementation Plan for 2015/2016 financial year.
5. **THAT** the adjustment budget with the revised service delivery targets attached as **ANNEXURE A** be advertised within 10 working days after approval by Council in accordance with Section 21A of the Municipal Systems Act.
6. **THAT** the roll-over adjustment budget be placed on the Municipal website within 10 working days after approval by Council.

SC09/08/2015

FINANCES: STORES STOCK TAKING AT YEAR END 2014/2015

6/1/1/8 (D) /dp

RECOMMENDATION BY THE EXECUTIVE MAYOR

1. **THAT** the report by the Executive Director: Financial Services regarding Stores Stock taking at year end 2014/2015, be noted.
2. **THAT** the shortages of (84 commodities) to the amount of R148 991,80 be written off against vote number 230/642 (Stores: Stock).
3. **THAT** the surpluses of (994 commodities) to the amount of R123 237,78 be taken up against vote number 230/010 (Stores: Stock Surpluses).

SC16/08/2015

SERVICES: INVESTIGATION TO PROVIDE AND MAINTENANCE OF BASIC SERVICES AT KRANSPOORT

15/3/10 (C)/yb

RECOMMENDATION BY THE EXECUTIVE MAYOR

1. **THAT** Council take note of the report by the Executive Director: Infrastructure Services about the status of provision of basic services at Kranspoort and future proposal.
2. **THAT** should Nkangala District Municipality not respond positive to the request to conduct the Section 78 investigation in terms of Municipal Systems Act, then the matter be referred to budget adjustment on February 2016.
3. **THAT** in the meantime, Council approves the grant not exceeding R1 million for 2014/2015 and another grant of R1 million for 2015/2016 subject to the following conditions:
 - 3.1 The entering of an agreement on the services which was provided or extension of the previous agreement.
 - 3.2 The submission of a detail report on the expenditure incurred by Kranspoort for the 2014/2015 financial year.
 - 3.3 The submission of the latest audited financial statements.
4. **THAT** no further grants be granted until the investigation referred to in paragraph 2 above has been concluded and approved by Council.

SC18/08/2015

FINANCES: ROLL-OVER ADJUSTMENT BUDGET: 2015/2016 FINANCIAL YEAR

5/1/2 (B) /dp

RECOMMENDATION BY THE EXECUTIVE MAYOR

1. **THAT** the report by the Executive Director: Financial Services regarding the Roll-Over Adjustment Budget for the 2015/2016 financial year, be noted.
2. **THAT** the roll-over projects from the 2014/2015 financial year be approved and be included in the 2015/2016 capital budget according to the following attached adjusted budget tables and supporting information:
 - 2.1 Table B1 – Adjusted Budget Summary
 - 2.2 Table B2 – Adjusted Budget Financial Performance (standard classification)
 - 2.3 Table B3 – Adjusted Budget Financial Performance (revenue and expenditure by municipal vote)

- | | | | |
|------|---|---|---|
| 2.4 | Table B4 | – | Adjusted Budget Financial Performance (revenue and expenditure) |
| 2.5 | Table B5 | – | Adjusted Capital Expenditure by vote and Funding |
| 2.6 | Table B6 | – | Adjusted Budget Financial Position |
| 2.7 | Table B7 | – | Adjusted Budget Cash Flows |
| 2.8 | Table B8 | – | Cash back Reserves / Accumulated surplus Reconciliation |
| 2.9 | Table B9 | – | Asset Management |
| 2.10 | Table B10 | – | Basic Service Delivery Measurement |
| 2.11 | Part 2 - Supporting tables SB1 – SB20 | | |
| 2.12 | Part 3 – Total adjustment capital SDBIP including Roll over projects. | | |
3. **THAT** the roll-over adjustment budget be submitted to the National Treasury and the relevant Provincial Treasury in terms of Section 28 (7) consisting out of the three parts containing the required tables and headings to the particular adjustment budget.
 4. **THAT** the revised monthly and quarterly targets as reflected under part 3 be approved and be included in the Service Delivery and Budget Implementation Plan for 2015/2016 financial year.
 5. **THAT** the adjustment budget with the revised service delivery targets attached as **ANNEXURE A** be advertised within 10 working days after approval by Council in accordance with Section 21A of the Municipal Systems Act.
 6. **THAT** the roll-over adjustment budget be placed on the Municipal website within 10 working days after approval by Council.

SC19/08/2015

ASSETS: DISPOSAL OF STOLEN AND DAMAGED ASSETS WRITTEN-OFF BY INSURANCE DURING THE 2014/2015 FINANCIAL YEAR

6/1/2/2 (U)

RECOMMENDATION BY THE EXECUTIVE MAYOR

1. **THAT** Council take note of the report by the Executive Director: Financial Services on all claims reported to Council's insurer during the 2014/2015 financial year.

2. **THAT** Council approve the disposal of all assets reported as stolen, lost and written-off by insurance as at 30 June 2015.
3. **THAT** the assets attached as **ANNEXURE A** to the Agenda, be removed from the asset register with effect from 30 June 2015.
4. **THAT** the net gain or loss on disposal of the capital assets be recognised in the statement of financial performance.

SC20/08/2015

FINANCES: BUDGET PREPARATION TIMETABLE: 2016/2017

5/1/1/1 (B)/ls

RECOMMENDATION BY THE EXECUTIVE MAYOR

- 1 **THAT** the IDP and the Budget Timetable for the 2016/2017 Annual Budget Process, be approved and implemented.
- 2 **THAT** the Public Participation process be noted and implemented accordingly.

Delegated powers

SM06/08/2015

FINANCES: LOCAL GOVERNMENT : TOTAL REMUNERATION PACKAGES PAYABLE TO MUNICIPAL MANAGERS AND MANAGERS DIRECTLY ACCOUNTABLE TO MUNICIPAL MANAGERS

1/1/2/6 (C)/yb

RESOLVED BY THE EXECUTIVE MAYOR

- 1 **THAT** Council take note of Government Gazette No.38946 which determines the upper limits of total remuneration packages for Municipal Managers and Managers directly accountable to the Municipal Manager.
- 2 **THAT** the categorization of the municipality be confirmed with the MEC responsible for local government in the province.
- 3 **THAT** the packages of the Senior Managers be determined according to the notice.
- 4 **THAT** the packages of the Acting Municipal Manager, Executive Director : Infrastructure Services and Executive Director : Corporate Services be adjusted according to Level 5 category from 01 July 2015.
- 5 **THAT** subject to the concurrence by the MEC, the packages be increased to be in-line with a Level 6 category municipality from 01 July 2015.
- 6 **THAT** the packages of the Executive Director : Financial Services and Executive Director : Community Services be adjusted according to the annual salary increase as per the annual wage agreement.
- 7 **THAT** the packages of the Senior Managers be increased to be in line with a Level 6 category municipality with effect from 01 July 2015, subject to the concurrence by the MEC.

SM10/08/2015

MPAC: FRUITLESS, WASTEFUL, IRREGULAR AND UNAUTHORISED EXPENDITURE: JUNE 2015

3/2/4/1/15 (G)

RESOLVED BY THE EXECUTIVE MAYOR

THAT note be taken that there are no new cases of fruitless, wasteful, irregular and unauthorized expenditure to be reported for consideration by the Municipal Public Accounts Committee.

SM11/08/2015

MPAC: UNFORESEEN & UNAVOIDABLE EXPENDITURE: PROOF OF NECESSARY ADJUSTMENT BUDGET EXPENDITURE: JUNE 2015

3/2/4/1/17 (G)

RESOLVED BY THE EXECUTIVE MAYOR

THAT note be taken that there are no new cases of unforeseen and unavoidable expenditure to be reported for consideration by the Municipal Public Accounts Committee.

SM12/08/2015

SUPPORT SERVICES: REVISION OF REGISTRY PROCEDURE MANUAL

2/5/4/1 (M)/ls

RESOLVED BY THE EXECUTIVE MAYOR

THAT the Revised Registry Procedure Manual attached as **ANNEXURE A** to the Agenda, be approved.

SM13/08/2015

MPAC: QUARTERLY REPORT: DISCIPLINARY ACTIONS INSTITUTED IN TERMS OF MFMA: APRIL - JUNE 2015

4/6/8 (G)

RESOLVED BY THE EXECUTIVE MAYOR

THAT note be taken that there were disciplinary actions wherein two (2) Council's employees were charged in terms of the Local Government: Municipal Finance Management Act 56 of 2003.

SM14/08/2015

MPAC: MINUTES OF THE AUDIT COMMITTEE MEETING FOR THE FINANCIAL YEAR 2014/2015: 14 MAY 2015

5/14/2 (G)

RESOLVED BY THE EXECUTIVE MAYOR

1. **THAT** the report by the Acting Municipal Manager regarding the minutes of the Audit Committee meeting held on 14 May 2015 attached as **ANNEXURE A** to the agenda, be noted subject to the following:

- 1.1 **That** note be taken that the Municipal Public Accounts Committee raised a concern regarding the lack of detail provided in the minutes of the Audit Committee of 14 May 2015.

SM15/08/2015

LAND: APPLICATION TO PURCHASE ERF 10803 MHLUZI EXTENSION 8 FOR BUSINESS PURPOSES

7/2/3/2/3 (F)/yb

RESOLVED BY THE EXECUTIVE MAYOR

1. **THAT** the application to purchase a portion of Erf 10803 Mhluzi Extension 8 ("the property") for business purposes not be approved due to the following reasons:
 - 1.1 **That** a number of applications have been received from various people and organisations for the alienation of the property.
 - 1.2 **That** the Council has already resolved per Resolution C64/11/2013 that the property be subdivided into church and business stands and thereafter be sold through a public bidding process (tender).
 - 1.3 **That** the procurement processes to appoint the service provider to do the subdivision and rezoning of the property have been finalised.
 - 1.4 **That** the notice to rezone the property has already appeared in the Middelburg Observer of 17 July 2015.
 - 1.5 **That** the Council has already resolved per Resolution C34/05/2015 to re-confirm Resolution C64/11/2013.
 - 1.6 **That** the sale of the property to the applicant will set a bad precedent that the Council cannot afford.

SM17/08/2015

FINANCES: FINANCIAL MONTHLY REPORT FOR JULY 2015

9/3/1 (U)

RESOLVED BY THE EXECUTIVE MAYOR

1. **THAT** the monthly report for July 2015 as submitted by the Executive Director: Financial Services, be noted.
2. **THAT** permission be granted to the Executive Director: Financial Services to submit the report in both electronic and hard copy format to the National and Provincial Treasury.
3. **THAT** permission be granted to the Executive Director: Financial Services to place the monthly report for July 2015 on the municipal website.

SM21/08/2015

PMS: SIGNING OF 2015/2016 PERFORMANCE AGREEMENTS OF THE ACTING MUNICIPAL MANAGER AND EXECUTIVE DIRECTORS REPORTING DIRECTLY TO THE MUNICIPAL MANAGER

3/5 (B) /dp

RESOLVED BY THE EXECUTIVE MAYOR

THAT the Performance Agreements of the Acting Municipal Manager and three Executive Directors for the 2015/2016 financial year attached as **ANNEXURE A** to the Agenda, be noted.