

REPORT OF THE

08th/2017

MEETING OF THE MAYORAL COMMITTEE
WHICH WAS HELD IN THE MAYOR'S BOARDROOM,
MUNICIPAL BUILDINGS, MIDDELBURG MPUMALANGA ON
THURSDAY

2017/05/04

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Non Delegated Powers

C01/05/2017

LETTER OF INTENT TO PURCHASE ENERGY FROM INDEPENDENT POWER PRODUCERS

16/2/R & 8/1/2 (C)/yb

RECOMMENDATION BY THE EXECUTIVE MAYOR

- 1 **THAT** Council take note of the report by the Acting Executive Director: Infrastructure Services.
- 2 **THAT** the companies that submitted proposals be granted approval to do the feasibility study on condition that it is done at no cost to Council.
- 3 **THAT** the Accounting Officer be given permission to issue a letter of intent that must not commit Council after the feasibility study is completed.
- 4 **THAT** should the results of the feasibility study not be favourable, there must be no obligation for Council to continue with the project.
- 5 **THAT** should the results of the feasibility study be favourable, the Supply Chain Management processes must be followed before any further commitments are made.
- 6 **THAT** provision of alternative energy should be weighed up against the applications for the increase of the notified maximum demand (NMD) from Eskom to determine the most suitable cost effective method for Council to obtain additional energy.
- 7 **THAT** engagement on issues relating to tariffs for power to be generated will only be done once the results of the feasibility study are received and shall not be higher than Eskom tariffs.

C02/05/2017

LAND: APPLICATIONS TO LEASE COUNCIL'S LAND FOR PURPOSES OF EXISTING CELLULAR MASTS

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

[MM 128158]**RECOMMENDATION BY THE EXECUTIVE MAYOR**

1. **THAT** Council confirm that the following portions of properties upon which existing telecommunication masts and base stations are situated, are not needed to render the basic level of municipal services and is not needed for the Municipality's own use during the period for which the right to use, control or manage the asset is to be granted:
 - 1.1 Portion of Erf 1877 Middelburg, Extension 4 (Kanonkop); and
 - 1.2 Portion of Erf 5077 Middelburg, Extension 13.
2. **THAT** the Accounting Officer be authorized to lease the properties as unsolicited bids.

3. **THAT** written Lease Agreements be entered into subject to the following conditions:
- 3.1 **That** the leases be limited to 3 (three) years;
- 3.2 **That** the rental in respect of the properties be determined as follows:
- 3.2.1 Erf 1877 Middelburg, Extension 4 (Kanonkop): R3 500.00 (Three Thousand Five Hundred Rand) per month excluding VAT until 30 June 2017, subject to an annual escalation of 8% on 1 July every year and reviewable 3-yearly; and
- 3.2.2 Portion of Erf 5077 Middelburg, Extension 13: R3 500.00 (Three Thousand Five Hundred Rand) per month excluding VAT until 30 June 2017, subject to an annual escalation of 8% on 1 July every year and reviewable 3-yearly; and
- 3.3 **That** the lease amount be reviewed should a Lease Agreement not be concluded within 12 months from the date of valuation (29/11/2016).
- 3.4 **That** should the lessee require, but the property does not have access to engineering, water or electrical services, the bulk servicing, contribution and connection costs will be for the account of the lessee;
- 3.5 **That** the lessee shall enter into a consumer agreement with Council for any services required and/or used and shall pay the necessary deposits upon signature of the consumer agreement and services shall be paid monthly in accordance with tariffs as determined from time to time and as promulgated in terms of Council's By-laws;
- 3.6 **That** the properties be used for purposes of a telecommunication mast and base station only;
- 3.7 **That** the lessee shall be responsible for any conceivable costs which may emanate from the Lease Agreement;
- 3.8 **That** the properties be fenced off and locked at all times at the cost of the lessee;
- 3.9 **That** no person be domiciled on the properties;
- 3.10 **That** no warranty is given by the Municipality that the properties are suitable for the intended use;
- 3.11 **That** the lessee must maintain the leased properties in a clean and hygienic state and in accordance with the applicable legislation and municipal by-laws;
- 3.12 **That** the Municipality reserves the right to inspect the leased premises at any reasonable time;
- 3.13 **That** no structural addition or alteration may be made to the properties without the prior written consent from Council;

- 3.14 **That** the leased properties may not be sublet, ceded, alienated or mortgaged without the prior written consent from Council;
- 3.15 **That** the lessee indemnifies the Municipality for any claim of damage, injuries or loss of life or damages or injuries incurred by any person allowed on the properties by the lessee; and
- 3.16 **That** only tree type cellular masts be considered in order to mitigate the visual impact of the structures on the surrounding residential uses.
4. **THAT** the proposed lease of the properties be advertised in terms of Section 79(18) of the Local Government Ordinance 17 of 1939 as amended, read together with Section 21 of the Municipal Systems Act 32 of 2000 as amended, Section 113 of the Municipal Finance Management Act 56 of 2003 and Section 41 of the Council's Supply Chain Management Policy.
5. **THAT** the proceeds from the lease be allocated to Vote Number 555/020 (Fixed Property : Rental : Land).

C04/05/2017

PROGRESS REPORT ON STATUS QUO OF IDENTIFICATION OF SUITABLE LAND FOR THE DEVELOPMENT OF CEMETERY SITES THROUGHOUT MP313

16/6/1 (F)/yb

RECOMMENDATION BY THE EXECUTIVE MAYOR

- 1 **THAT** Council take note of the report by the Acting Executive Director: Infrastructure Services and approve the item with the following:
- 1.1 **That** Council take note of the report on progress made on the identification of land for the development of cemeteries.
- 1.2 **That** the Council delegate the Municipal Manager to negotiate access to the identified farm portions with property owners in order to conduct due diligence studies.
- 1.3 **That** the Municipal Manager be delegated to negotiate the purchase of the identified farm portions if found suitable.
- 1.4 **That** the budgetary provision for purchasing land and development of cemeteries be made accordingly in the subsequent financial years.
- 1.5 **That** the development of cemeteries be in line with the Steve Tshwete Local Municipality Cemetery By-laws.

C05/05/2017

**FINANCES: SUPPLY CHAIN MANAGEMENT: MONTHLY REPORT: SECTION 40
REPORT FOR FEBRUARY 2017**

9/1/1 (D) /dp

RECOMMENDATION BY THE EXECUTIVE MAYOR

1. **THAT** the monthly deviation report in terms of Section 40 of the Supply Chain Management Policy for February 2017, be noted.
2. **THAT** the deviation report for February 2017 be reported in the annual financial statements.

C06/05/2017

**FINANCES: SUPPLY CHAIN MANAGEMENT: MONTHLY REPORT: SECTION 40
REPORT FOR MARCH 2017**

9/1/1 (D) /dp

RECOMMENDATION BY THE EXECUTIVE MAYOR

1. **THAT** the monthly deviation report in terms of Section 40 of the Supply Chain Management Policy for March 2017, be noted.
2. **THAT** the deviation report for March 2017 be reported in the annual financial statements.

C10/05/2017

**FINANCES: QUARTERLY REPORT FOR SUPPLY CHAIN MANAGEMENT: THIRD
QUARTER (JANUARY TO MARCH 2017)**

9/2/2 (D) /dp

RECOMMENDATION BY THE EXECUTIVE MAYOR

THAT the quarterly report by the Executive Director: Financial Services on the implementation of the Supply Chain Management Policy of the municipality for the third Quarter ending 31 March 2017, be noted.

Delegated powers

M03/05/2017

FINANCES: AUDIT ACTION PLAN: 2015/2016 AUDIT

5/1/3 (B) /dp

RESOLVED BY THE EXECUTIVE MAYOR

- 1 **THAT** Council take note of the progress made with the implementation of the remedial actions on the Audit Action Plan attached as **ANNEXURE A** to the report by the Executive Director: Financial Services.

M07/05/2017

COUNCIL ARRANGEMENTS: 02nd/2017 POLITICAL MONITORING COMMITTEE REPORT FOR THE CORPORATE AND SUPPORT SERVICES PORTFOLIO: FEBRUARY 2017

3/2/4/1/21 (V)

RESOLVED BY THE EXECUTIVE MAYOR

- 1 **THAT** the activities planned for April & May 2017 within the relevant Portfolio, be noted.
- 2 **THAT** the progress made with the achievement of key performance targets as determined by performance plans in respect of the Executive Director: Corporate Services, be noted.
- 3 **THAT** the report on vacant positions, be noted.
- 4 **THAT** the progress made with the implementation of capital projects and with the SDBIP in respect of the relevant Portfolio, be noted.
- 5 **THAT** progress made with the implementation of Council Resolutions referred to the relevant Portfolio, be noted.
- 6 **THAT** the responses provided by the Executive Director: Corporate Services in respect of matters raised by the Ward Committees, be noted.
- 7 **THAT** the responses as indicated in the monitoring report by the relevant Portfolio on matters raised in complaint and suggestion boxes, be noted.

M08/05/2017

COUNCIL ARRANGEMENTS: 02ND/2017 POLITICAL MONITORING COMMITTEE REPORT FOR THE SPATIAL DEVELOPMENT & HUMAN SETTLEMENT PORTFOLIO: APRIL 2017

3/2/4/1/21 (V)

RESOLVED BY THE EXECUTIVE MAYOR

- 1 **THAT** the activities planned for April & May 2017 within the relevant Portfolio, be noted.

- 2 **THAT** the progress made with the achievement of key performance targets as determined by performance plans in respect of the Executive Director: Community Services and Executive Director: Infrastructure Services, be noted.
- 3 **THAT** the report on vacant positions, be noted.
- 4 **THAT** the progress made with the implementation of capital projects and with the SDBIP in respect of the relevant Portfolio, be noted.
- 5 **THAT** progress made with the implementation of Council Resolutions referred to the relevant Portfolio, be noted.
- 6 **THAT** the responses provided by Executive Director: Community Services and Executive Director: Infrastructure Services in respect of matters raised by the Ward Committee's, be noted.
- 7 **THAT** the responses as indicated in the monitoring report by the relevant Portfolio on matters raised in complaint and suggestion boxes, be noted.

M09/05/2017

COUNCIL ARRANGEMENTS: THE PAUL MTHIMUNYE BIG WALK: 02 SEPTEMBER 2017

5/16/2 (U)/mm

RESOLVED BY THE EXECUTIVE MAYOR

- 1 **THAT** an amount of R30 000,00 be donated to the 2017 Paul Mthimunye Big Walk Event.
- 2 **THAT** the donation be paid from vote 130/608 (Grant-in-aid) during the 2017/2018 financial year (July).
- 3 **THAT** the organizers of the event be requested to submit a written report in accordance with Section 67 of the MFMA, on the utilization of the donated funds, once the event has taken place.
- 4 **THAT** it be noted that all information required for the 2017 event was received.

M12/05/2017

COUNCIL ARRANGEMENTS: REPORT ON WARD COMMITTEE AND COMMUNITY MEETINGS: APRIL 2017

3/2/6/2 (U)

RESOLVED BY THE EXECUTIVE MAYOR

THAT Council take note of the report regarding Ward Committee and Ward Community meetings that took place after the Ordinary Council meeting which was held on 30 March 2017.

REPORT OF THE

09th / 2017

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

2017/05/11

I N D E X

DELEGATED POWERS

M13/05/2017

FINANCES: FINANCIAL MONTHLY REPORT FOR APRIL 201725

Delegated powers

M13/05/2017

FINANCES: FINANCIAL MONTHLY REPORT FOR APRIL 2017

9/3/1 (B)/mm

RESOLVED BY THE EXECUTIVE MAYOR

- 1 **THAT** the monthly report for April 2017 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 April 2017 on the municipal website.

REPORT OF THE

10th / 2017

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

2017/05/23

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NON delegated powers

C14/05/2017

LAND ALLOCATION FOR EXPANSION OF INCUBATION PROGRAMMES: STEEL INCUBATION, WELDING AND TOOLING INITIATIVE

3/2/4/17 (T)

RECOMMENDATION BY THE EXECUTIVE MAYOR

- 1 **THAT** the decision by Council to allocate land to SAIW for establishing a satellite facility be reviewed and be rescinded to include the consolidated projects.
- 2 **THAT** Council approve the consolidation of the Mpumalanga Steel Initiative (the steel incubator) and Mpumalanga Tooling Initiative (artisan and tool maker skills development) to allow the expansion of the land allocation to accommodate the three projects.
- 3 **THAT** Council approve the request for land for the expansion of the current incubator projects inclusive of all the steel initiative programmes i.e SAIW satellite facility, MSI and MTI.
- 4 **THAT** the land be donated to Mpumalanga Department of Economic Development and Tourism for the sole purpose of skills development of the community of Steve Tshwete Municipality Local Municipality.
- 5 **THAT** Council reserve the right to rescind its decision should it be established that such will not benefit the community of Steve Tshwete Local Municipality.

C15/05/2017

ASSETS: STOLEN TRAILER AT GERARD SEKOTO LIBRARY

17/4/R (U)

RECOMMENDATION BY THE EXECUTIVE MAYOR

- 1 **THAT** Council take note of the trailer with registration number DPS 587 MP that was stolen from the Gerard Sekoto Library.
- 2 **THAT** should the insurance pay Council for the stolen trailer, such proceeds be receipted to vote 250/004 (Insurance: Claims received: Vehicles).
- 3 **THAT** the gain or loss on disposal of the trailer be included in the surplus or deficit in the statement of financial performance.
- 4 **THAT** the replacement of the trailer be budgeted for in the capital budget for the next financial year depending on the availability of funds.

C17/05/2017

LAND: ALLOCATION OF STAND FOR BUILDING A LOW COST HOUSE

17/5/1 (F)/yb

RECOMMENDATION BY THE EXECUTIVE MAYOR

1. **THAT** Council take note of the report by the Acting Executive Director: Infrastructure Services and approve the allocation of the said stand to the Mpumalanga Department of Human Settlements for building a low cost house to the family mentioned in the report subject to the following:
 - 1.1 **That** Erf 2735 Rockdale Extension 2 be allocated to the Mpumalanga Department of Human Settlements.
 - 1.2 **That** all cost to register the property in the name of the beneficiary be paid by the applicant.
 - 1.3 **That** all service connection costs be paid for by the applicant.
 - 1.4 **That** once the property has been donated it be de-registered from the inventory register.

C23/05/2017

FINANCES: EXEMPTIONS, REBATES AND REDUCTIONS: 30 JUNE 2016

5/3/1/2 (B)/dp

RECOMMENDATION BY THE EXECUTIVE MAYOR

1. **THAT** Council take note and approve the report regarding the exemptions, rebates and reductions for the financial year 30 June 2016 as submitted by the Executive Director: Financial Services.

C24/05/2017

STRATEGIC RISK ASSESSMENT REPORT 2017/2018 FINANCIAL YEAR

5/14/2/4 (G)

RECOMMENDATION BY THE EXECUTIVE MAYOR

1. **THAT** the report by the Acting Municipal Manager on the Strategic Risk Assessment Report, be noted.
2. **THAT** the Strategic Risk Assessment Report for the 2016/2017 financial year, be approved.
3. **THAT** the Strategic Risk Register as included under **ANNEXURE A**, to the Agenda of the Mayoral Committee be approved as correctly reflective of the prioritized strategic risk areas.

4. **THAT** a Risk Management Committee which has been established internally and tasked with overseeing the Risk Management process report on quarterly basis to the Risk Management Committee to allow the Chairperson to report to Audit Committee as expected on a quarterly basis.

C25/05/2017

FINANCES: WRITING OFF OF BAD DEBTS AS IRRECOVERABLE

5/17/1 (M)/ls

RECOMMENDATION BY THE EXECUTIVE MAYOR

- 1 **THAT** the report by the Executive Director: Financial Services regarding the Writing Off of Bad Debts as irrecoverable, be noted.
- 2 **THAT** an amount of **R139 917,92** be written off as irrecoverable against vote number **945/040** for consumer debtors (Debtors: Debt Impairment Consumers) and outstanding for Sundry Debtors amounting **R8 560,89** to vote number **945/045** (Debtors: Debt Impairment Sundry Debtors).
- 3 **THAT** the VAT amount of **R4 165,37** for consumer debtors and VAT for **R716,46** on sundry debtors be written back against vote number **942/019** (Suspense VAT Account).
- 4 **THAT** should any amounts be recovered after these amounts have been written off, such proceeds be allocated against vote number **200/015** (Bad Debts Recovered).

C26/05/2017

PERSONNEL: PROPOSED SALARY AND WAGE INCREASE FOR THE PERIOD 01 JULY 2017 UNTIL 30 JUNE 2018

4/5/1 (U)

RECOMMENDATION BY THE EXECUTIVE MAYOR

- 1 **THAT** Council note the salary increase of 7,36% as per the Collective Agreement with effect from 1 July 2017.
- 2 **THAT** Council note the minimum wage of R6 845,09 per month.
- 3 **THAT** the maximum medical aid employer contribution be increased with 25% to R4 838,75 with effect from 1 July 2017.
- 4 **THAT** any benefits or contributions of services as stipulated in the Collective Agreement be increased with 7,36%.
- 5 **THAT** the cellphone and data allowance not be increased as proposed in the tabled budget as a cost containment measure.
- 6 **THAT** note be taken that sufficient funds have been provided on the 2017/2018 budget for the proposed salary increase.