

**MINUTES OF THE SPECIAL COUNCIL MEETING OF BITOU LOCAL MUNICIPALITY HELD IN THE COUNCIL CHAMBER, MUNICIPAL OFFICES, SEWELL STREET, PLETTENBERG BAY ON TUESDAY, 31 MAY 2017 AT 09H00**

**1. OPENING**

The Speaker requested Councillor L M Seyisi to open the meeting with prayer where after she declared the meeting open and welcomed everyone present.

**2. ATTENDANCE**

The Attendance Registers of members of the Municipal Council, Officials and Public are attached hereto as annexures.

**3. APPLICATION FOR LEAVE OF ABSENCE**

No application for leave of absence received. All members of the Municipal Council were present.

**4. STATEMENTS AND COMMUNICATIONS BY:**

**4.1 The Executive Mayor**

The Executive Mayor raised his concern regarding the late distribution of the IDP and the Budget documents with special emphasis on the Budget and budget related policies. He further requested that the information pertaining to the roll-overs in the Budget which was highlighted at the Mayoral Committee Meeting of 30 May 2017 be presented in the Council.

**4.2 The Speaker**

The Speaker requested that Councillors keep the 14<sup>th</sup> June 2017, available, as SALGA has arranged a Human Resource and Performance Management and Service Improvement On-Site Programme for that day and advised further that formal notifications will be forwarded to all in due course.

**5. PRESENTATIONS**

None



**6. CONSIDERATION OF REPORTS (NON- DELEGATED MATTERS)**

**Section 2: Finance**

**Resolution C/2/41/05/17**

**APPOINTMENT OF VALUATION APPEAL BOARD MEMBERS**

**Department: Finance Demarcation: All Wards**

**File Ref: 5/3/3/1**

**Resolved**

1. That Council recommends the appointment of the following applicants that must be appointed by the MEC of the Province in terms of Section 60 of the Municipal Property Rates Act No.6 of 2004.

Chairperson

Mr.Perino Pama

Members

1. Ms. Riana Appel
  2. Mr. Winston Kemp
  3. Ms.Melony Paulsen
  4. Mr. Hein Beneke
2. That the letter of applications, curriculum vitae's, certified copies of qualifications, declaration of members together with a letter from Council, undersigned by the Municipal Manager and the Executive Mayor, be submitted to the MEC for appointment of the Chairperson and Appeal Board members.
  3. That the remuneration will be in terms of Treasury Regulations 20.2.2 as amended from time to time.

Proposed: Councillor W J Nel  
Seconded: Councillor N Ndayi

To be Actioned by: Chief Financial Officer

**Resolution C/2/43/05/17**

**OUTSTANDING DEBT REPORT: APRIL 2017/ 4<sup>TH</sup> QUARTER**

**Department:** Finance                      **Demarcation:** All Wards

**File ref:** 9/1/3/4

**Resolved**

1. That the Credit Control & Debt Collection statistics for the month April 2017 be noted.
2. That the Credit Control and Debt Collection Policy be amended to make provision for the relaxation of cutting of electricity where there is an emergency situation.

Proposed: Councillor M P Lobese  
Seconded: Councillor J N Kamkam

To be Actioned by: Chief Financial Officer

**Resolution C/2/44/05/17**

**CONTRACT EXTENSION: TENDER SCM/FIN 49/2014: MANAGEMENT OF THE SHORT-TERM INSURANCE PORTFOLIO**

**Department:** Financial Services                      **Demarcation:** All Wards

**File Ref:** 5/10/2

**Resolved**

1. That the current contract with AON South Africa (Pty) Ltd under SCM/FIN/49/2014 be extended for a period of 12 months ending 30 June 2018, pending the insurance portfolio
2. That all Heads of Departments, with the assistance of the Budget and Treasury Office, review the current insurance portfolio in order to mitigate the risk relating to over and under insurance of the municipality's insurance portfolio.
3. That the impact of the insurance portfolio review, be accounted for within an adjustment budget, if applicable.
4. That pending the outcome of the "Work Place Study" currently underway, the capacity constraints within the Budget and Treasury Office be prioritised, in order to avoid similar situations.



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5. That a progress report be submitted to Council by January 2018 to indicate whether the capacity constraints mentioned in (4) above has been resolved and providing feedback on the procurement process of the management of the Short-Term Insurance Portfolio.

Proposed: Councillor M M Mbali

Seconded: Councillor W J Nel

To be Actioned by: Chief Financial Officer

**Resolution C/2/45/05/17**

**FINAL DRAFT ANNUAL BUDGET: 2017/18 MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF)**

**Department: Finance**

**Demarcation: All Wards**

**File Ref: 5/1/1/11**

Amended pages, pages 111, 115, 117, 188, 189 & 189(a) to the Budget were tabled at the meeting.

During the discussion of this Item, Councillor S E Gcabayi requested a 5 minute caucus which was granted by the Speaker.

Meeting adjourned at 9h45 and reconvened at 9h50.

**Resolved**

1. That the Municipal Council of Bitou Local Municipality, acting in terms of Section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts for implementation the budget tables and supporting tables as contained in Annexure B:
- (a) The final annual budget of the municipality for the financial year 2017/18 and the multi-year and single-year capital appropriations as set out in the following tables:
- (i) Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table 12 (MBRR Table A2).
  - (ii) Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table 13 (MBRR Table A3).
  - (iii) Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table 14 (MBRR Table A4).

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- (iv) Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table 15 (MBRR Table A5).
- (b) The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and the final basic service delivery targets are approved as set out in the following tables:
- (i) Budgeted Financial Position as contained in Table 16 (MBRR Table A6).
  - (ii) Budgeted Cash Flows as contained in Table 17 (MBRR Table A7).
  - (iii) Cash backed reserves and accumulated surplus reconciliation as contained in Table 18 (MBRR Table A8).
  - (iv) Asset management as contained in Table 19 (MBRR Table A9).
  - (v) Basic service delivery measurement as contained in Table 20 (MBRR Table A10).
2. That the Municipal Council of Bitou Local Municipality, acting in terms of Section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts for implementation with effect from 01 July 2017; the tariffs for property rates, the tariffs for electricity, the tariffs for the supply of water, the tariffs for sanitation services, the tariffs for solid waste services as set out in Annexure A.
3. That the Municipal Council of Bitou Local Municipality, acting in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts for implementation with effect from 01 July 2017 the tariffs and fees for other services, as also set out in Annexure A.
4. That the Municipal Council of Bitou Local Municipality, acting in terms of Budget Regulation and Circulars, approves and adopts for implementation with effect from 01 July 2017 Circular 77, 85 and 86.
5. That the Municipal Council of Bitou Local Municipality, acting in terms of Budget Regulation approves and adopts for implementation with effect from 01 July 2017 the LGMTEC comments by Provincial Treasury and Municipal responses Annexure G.
6. That the Municipal Council of Bitou Local Municipality, acting in terms of Section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts for implementation with effect from 01 July 2017 the following Budget-Related Policies as set out in Annexure D; **with the amendments to the Policies, as indicated:**
- (a) Borrowing Policy and guidelines:
    - (i) Clause 11.1: to be amended to read “A resolution of the Council, signed by the Mayor, for the approval of the debt agreement”



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- (b) Petty Cash Policy
- (c) Credit Control & Debt Collection Policy:
  - (i) That Clause 7.7.1 (d) be added to read “That the municipality will assist with repairs for indigent households where water leaks have been identified
  - (ii) That Clause 9.2.1(b) be reviewed in that the municipality must first make contact with ratepayers/customers to remind them of their responsibility to pay their accounts before electricity is cut-off.
  - (iii) That Clause 9.3.2 be amended to read “The limitation or disconnection of service can be implemented when the municipal account is seven (7) days overdue.
  - (iv) That Clause 9.4.1 be amended to read “The municipality can, when a debtor falls into arrears and fails to honour a set commitment or an agreement to the municipality start ...in execution”
- (d) Tariff Policy
- (e) Creditors, Councilors and Personnel Payment Policy
- (f) Liquidity, Funding and Reserves Policy
- (g) Supply Chain Management Policy for Goods & Services
- (h) Investment & Cash Management Policy
- (i) Asset Management Policy
- (j) Property Rates Policy
- (k) Indigent Support Policy:
  - (i) That Clause 5.10.1 be amended in that the following words be added at the end: “and provided that the surviving next of kin was residing in the house with the deceased and was included in the qualifying indigent”.
- (l) Long-Term Financial Planning Policy
- (m) Budget Implementation and Monitoring Policy
- (n) Travelling Allowance Policy
- (o) Overtime Policy
- (p) Insurance Policy
- (q) Recruitment and Selection Policy
- (r) Infrastructure Procurement & Delivery Policy

7. To give proper effect to the municipality’s final annual budget, the Council of Bitou Local Municipality approves:

- (a) That cash backing be implemented through the utilisation of a portion of the realisable accumulated surplus as at the end of the financial year to ensure that all capital reserves and provisions, unspent long-term loans and unspent conditional grants are cash backed as required in terms of the municipality’s funding and reserves policy as prescribed by section 8 of the Municipal Budget and Reporting Regulations.



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- (b) That the municipality be permitted to enter into long-term loans for the funding of the capital programmes in respect of the 2017/18 financial year limited to an amount of R30,080 million in terms of Section 46 of the Municipal Finance Management Act.
  - (c) That the Municipal Manager be authorised to sign all necessary agreements and documents to give effect to the above lending programme.
8. That the Municipal Council takes note and approve the comments received from stakeholders and responses provided.
  9. To give proper effect to the municipality's final annual budget, the Council of Bitou Local Municipality approves detailed Capital program as contained in Annexure C.
  10. That the Mayoral Report in the 2017/2018 Annual Budget be noted.
  11. That a notice be issued in terms of Section 25 (4) (a) of the Municipal Systems Act, 32 of 2000.
  12. That the free basic water and electricity services currently being allocated to all pre-paid electricity users in sub-economic areas be reviewed and a report be submitted to Council.
  13. That the Preferential Procurement Policy currently being drafted in respect of the Preferential Procurement Regulations, 2017 allow for the ring-fencing of 40 percent of the Capital Budget for local SMME procurement in terms of Council's strategic objective.
  14. That the Accounting Officer identify an official on the organizational structure who can assist with verification of applicants for indigent support.
  15. That all policies approved per clause (6) above be workshopped with Councillors and reviewed.

Proposed: Councillor M M Mbali  
Seconded: Councillor S E Gcabayi

To be Actioned by: Chief Financial Officer

**Section 3: Corporate Services**

**Resolution C/3/40/05/17**

*Please note that this Item was re-numbered from C/3/35/05/17 to C/3/40/05/17 due to duplication*

**REPORT ON MUNICIPAL FINANCE MANAGEMENT PROGRAMME**

**Department:** Corporate Services **Demarcation:** All Wards

**File Ref:** 4/4/R

**Resolved**

1. That cognisance be taken of the progress report on the Municipal Finance Management Programme.
2. That the next progress report be submitted to Council in July 2017, based on the fact that classes will only commence then.

Proposed: Councillor M M Mbali

Seconded: Councillor X Matyila

To be Actioned by: Head Corporate Services

**Resolution C/3/41/05/17**

*Please note that this Item was re-numbered from C/3/36/05/17 to C/3/41/05/17 due to duplication*

**ELECTION OF A THIRD COUNCILLOR AS AN ALTERNATE TO SERVE ON THE LOCAL LABOUR FORUM (LLF)**

**Department:** Corporate Services **Demarcation:** All Wards

**File Ref:** 3/2/2/1/2

**Resolved**

That Councillor S E Gcabayi be elected as an alternate to attend LLF meetings in instances when one of the elected Councillors are unable to attend meetings.

Proposed: Councillor M M Mbali

Seconded: Councillor L M Seyisi

To be Actioned by: Head Corporate Services



**Section 4: Community Services**

No items for consideration

**Section 5: Engineering Services**

No Items for consideration

**Section 6: Strategic Services**

**Resolution C/6/21/05/17**

**ADOPTION OF THE FINAL AMENDED BITOU MUNICIPAL SPATIAL DEVELOPMENT FRAMEWORK (MSDF) 2017**

**Department: Strategic Services Demarcation: All Wards**

**File Ref: 15/1/4**

**Resolved**

That Council adopt the amended Bitou Municipal Spatial Development Framework (MSDF) 2017, which will replace the Bitou Municipal Spatial Development Framework (MSDF) 2013.

Proposed: Councillor M M Mbali

Seconded: Councillor N Ndayi

To be Actioned by: Head Strategic Services

**Resolution C/6/22/05/17**

**BUILDING CONTROL SECTION: QUARTERLY REPORT: JANUARY – MARCH 2017**

**Department: Strategic Services Demarcation: All Wards**

**File Ref: 9/1/3/7**

**Resolved**

That cognisance be taken of the quarterly report from the Building Control Section for the period January to March 2017.

Proposed: Councillor M M Mbali

Seconded: Councillor W J Nel

For information

**Resolution C/6/23/05/17**

**APPROVAL OF 2017-2022 INTEGRATED DEVELOPMENT PLAN**

**Department: Strategic Services Demarcation: All Wards**

**File Ref: 2/8/5**

That it be noted that this Item was discussed before the consideration of Item C/2/45/05/17: FINAL DRAFT ANNUAL BUDGET: 2017/18 MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF)

**Resolved**

1. That it be noted that the following information reflected in the IDP document be amended as follows:
  - (a) Page 126: That the ruling parties be reflected as the AUF and DA coalition.
  - (b) Page 128: That table 29 on page 128 be amended to reflect the newly elected members of the Mayoral Committee and the newly elected Speaker.
  - (c) That it be noted that the information reflected against Section 79 and Section 80 Committees will be changed as soon as Council has reviewed the composition of these respective committees.
2. That Council approves the 2017 – 2022 IDP as the primary municipal strategic plan that will inform all planning, budgeting and planning processes for the term of this council.
3. That Council takes note of the comments made during the LGMTEC engagements for the Draft IDP and Draft Budget assessments and commit to address those issues with the adjustment budget and IDP review of 2018/2019.

Proposed: Councillor M M Mbali

Seconded: Councillor W J Nel

To be Actioned by: Head Strategic Services

**8. URGENT MATTERS SUBMITTED BY THE MUNICIPAL MANAGER**

None

**9. CONSIDERATION OF NOTICES OF MOTION**

None

10. **CONSIDERATION OF MOTIONS OF QUESTION**

None

11. **CONSIDERATION OF MOTIONS OF EXIGENCY**

None

12. **IN-COMMITTEE MATTERS**

Please refer to the In- Committee Minutes of even date.

13. **RECORDING OF COUNCILLORS PRESENT**

All Councillors present.

14. **CLOSURE**

The Speaker declared the meeting closed at 10h29.

**CONFIRMED AND SIGNED**

**DATE:**

2 AUGUST 2017

**SIGNATURE:**



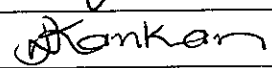
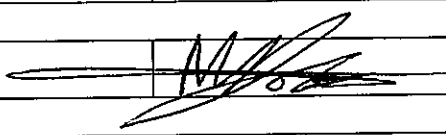
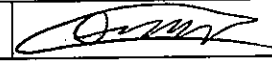

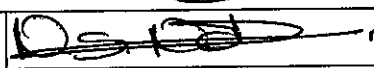

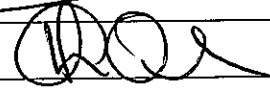
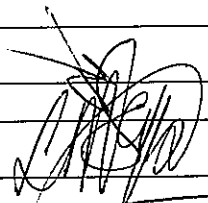

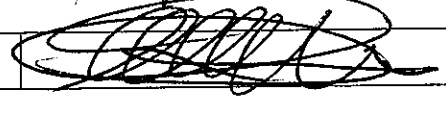
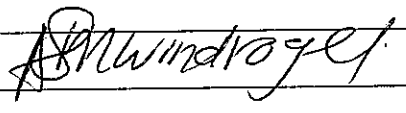


**The Speaker: Councillor AR Olivier**

ATTENDANCE REGISTER

BITOU LOCAL MUNICIPALITY

SPECIAL COUNCIL MEETING HELD IN THE COUNCIL CHAMBER,  
MUNICIPAL OFFICES, SEWELL STREET, PLETTENBERG BAY ON  
WEDNESDAY, 31 MAY 2017 AT 09H00

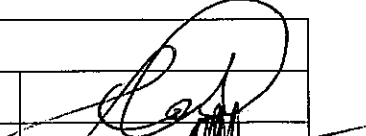

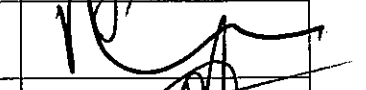
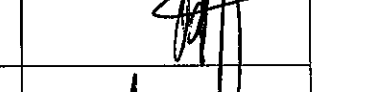





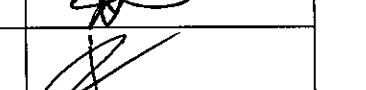

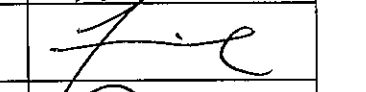
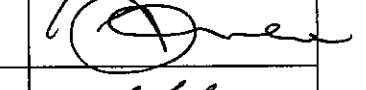
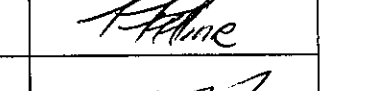
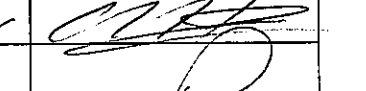

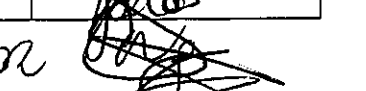


| <u>NAME</u>                | <u>SIGNATURE</u>   |
|----------------------------|--|
| COUNCILLOR S E GCABAYI     |    |
| COUNCILLOR N C JACOB       |    |
| COUNCILLOR J N KAMKAM      |    |
| COUNCILLOR M P LOBESE      |    |
| COUNCILLOR X MATYILA       |   |
| COUNCILLOR M M MBALI       |  |
| COUNCILLOR N NDAYI         |  |
| COUNCILLOR W J NEL         |  |
| COUNCILLOR A R OLIVIER     |  |
| COUNCILLOR D SWART         |  |
| COUNCILLOR L M SEYISI      |  |
| ALDERMAN E V WILDEMAN      |  |
| COUNCILLOR A S M WINDVOGEL |  |

ATTENDANCE REGISTER

BITOU LOCAL MUNICIPALITY

SPECIAL COUNCIL MEETING HELD IN THE COUNCIL CHAMBER,  
MUNICIPAL OFFICES, SEWELL STREET, PLETTENBERG BAY ON  
WEDNESDAY, 31 MAY 2017 AT 09H00

OFFICIALS

| <u>NAME</u>                      | <u>DESIGNATION</u>   | <u>SIGNATURE</u>  |
|----------------------------------|--|---|
| <b>Heads of Department</b>       |  |   |
| Mr TC Ndlovu                     | Municipal Manager  |    |
| Mr V Mkhafa                      | Chief Financial Officer  |    |
| Ms V Mbelani                     | Head Corporate Services  |    |
| Mr. D Friedman                   | Head: Strategic Services   |    |
| Me P Ngqumshe                    | Head: Engineering Services   |   |
| Mr M Fourie                      | Acting Head: Community Services/Manager: Human Settlement & Public Amenities |  |
| <i>Act. Managers &amp; Comms</i> | <i>HOWARD SWARTZ</i>   |  |
| Mr T Loliwe                      | Chief Internal Auditor   |  |
| Mr D Ncame                       | Manager: Office of the Mayor   |  |
| Mr. D Mnweba                     | Spokesperson Mayor's Office  |  |
| Mr M Van Rooyen                  | Manager Office of the Speaker  |  |
| Mr A P Croutz                    | Manager Legal Services   |  |
| Ms A A Greyling                  | Manager: Administration  |  |
| Mr L Loliwe                      | Legal Services   |  |
| Mrs J Jansen                     | Principal Administration Officer   |  |
| Mr M Minne                       | Spatial Planner  |  |
| <i>Smit's Manna</i>              | <i>Mayor's Advisor</i>   |  |
| <i>PEORO PETERS</i>              | <i>Act SM- BTO</i>   |  |
| <i>Ledey Jacobs</i>              | <i>LED &amp; Tourism</i>   |  |
| <i>Lethe Nene</i>                | <i>IDP COORDINATOR</i>   |  |
| <i>Thembakosi Henge</i>          | <i>IDP Man</i>   |  |

