



CONFIDENTIAL

**AGENDA
for a SPECIAL MEETING**

**MANGAUNG
METROPOLITAN
MUNICIPAL COUNCIL**

**COUNCIL CHAMBERS
FIRST FLOOR
BRAM FISCHER BUILDING
BLOEMFONTEIN**

**THURSDAY
APRIL 26, 2018
AT 10:00**

**MANGAUNG
METROPOLITAN
MUNICIPALITY**

MANGAUNG METROPOLITAN MUNICIPALITY**Bram Fischer Building
BLOEMFONTEIN****APRIL 19, 2018****ALL MEMBERS OF THE METROPOLITAN MUNICIPAL COUNCIL OF THE
MANGAUNG METROPOLITAN MUNICIPALITY**

Ladies and gentlemen

Notice is hereby given in terms of the provisions of
Section 29(2) of the Local Government:
Municipal Structures Act, 1998 (Act No 117 of 1998) and
Rule 5.1 of the Council's Standing Rules and Orders that

**SPECIAL MEETING OF THE
MANGAUNG METROPOLITAN MUNICIPAL COUNCIL**

will be held in the


**COUNCIL CHAMBER
FIRST FLOOR
BRAM FISCHER BUILDING
BLOEMFONTEIN**

On

THURSDAY, APRIL 26, 2018

at 10:00

To consider the items as set out in this agenda.


.....
**CITY MANAGER
ADVOCATE TB MEA**
.....
**SPEAKER
COUNCILLOR MA SIYONZANA**

Note by Secretariat

1. Attendance Register:

Every member attending a meeting shall sign his/her name in the attendance register kept for this purpose before the commencement of the meeting.

2. Leave Register:

In order to streamline administrative processes Councillors are friendly requested to submit applications for leave of absence in the appropriate register kept for this purpose. Members are requested to fill in this register 12 hours before the commencement of the meeting (Rule 22.2) (Yellow Form).

3. Name-plates:

Councillors are friendly requested to please take along their name-plates and to display it throughout the meeting.

4. Apologies during the course of the Council meeting:

Councillors are friendly requested to complete in full and submit the relevant apology form for this purpose (Yellow Form).

5. Code of Conduct:

Councillors are reminded of item 3, Schedule 1 of the Code of Conduct for Councillors which reads as follows, namely:

Attendance at Meetings: A councillor must attend each meeting of the municipal council and of a committee of which that councillor is a member, except when:

- (a) leave of absence is granted in terms of an applicable law or as determined by the rules and orders of the council; or
- (b) that councillor is required in terms of this Code to withdraw from the meeting.

6. Meeting rules:

- i. All Councillors must arrive at **least 15 minutes before the commencement** of the Council and all other Committee meetings;
- ii. Cellular phones **must be in silent mode** and **speaking on a cellular phone during the meeting is prohibited**; (Rule 50.2a)
- iii. A Councillor who speaks must **confine his or her speech strictly to the matter under discussion**; (Rule 31)
- iv. Unless expressly otherwise determined, a Councillor **may speak only once on a matter**; (Rule 32)
- v. No speech shall exceed **five (5) minutes** in length without the consent of the Speaker. (Rule 34.1)
- vi. Council members are reminded to uphold high level of good conduct during Council proceedings (No disruptions, no interruptions, no howling, no swearing to other Council members, less movement in the Chamber, no abuse of the PA system).

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NOTE BY SECRETARIAT: Councillors are requested to bring to this meeting the ANNEXURE VOLUME 1 AND 2 dated MARCH 29, 2018 and the ADDITIONAL INFORMATION Addendum dated APRIL 19, 2018 to this meeting.

AGENDA

(OPEN COUNCIL)

**32.
OPENING**

**33.
NOTICE OF THE MEETING**

**34.
APPLICATIONS FOR LEAVE OF ABSENCE**

**35.
ACCEPTANCE OF THE AGENDA**

**36.
ANNOUNCEMENTS**

37

REPORTS OF THE EXECUTIVE MAYOR**37.1****PAYMENT PLAN: BLOEMWATER DEBTS AND DISPUTE RAISED BY MANGAUNG METROPOLITAN MUNICIPALITY**

Annexure: Report dated February 9, 2018 received on February 23, 2018 from the Chief Financial Officer, recommended by the City Manager and approved by the Executive Mayor. (Pages 1 – 5)

RECOMMENDATION

- (a) That the Council approve payment plan for settlement of outstanding Bloemwater bulk water account.
- (b) That Council approve the additional cash flow for the payment of Bloemwater accounts and the budget be adjusted accordingly.

37.2**2017/2018 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN AMENDMENTS IN LINE WITH ADJUSTMENT BUDGET**

Annexure: Report dated March 19, 2018 received on April 20, 2018 from the City Manager. (Pages 1 – 6)

RECOMMENDATION

It is recommended that Council:

- (a) Consider and approve the revisions made to the Service Delivery and Budget Implementation Plan for 2017/18 financial year as informed by the approved adjustment budget;
- (b) Notes that the revised SDBIP document will be sent to Provincial and National Treasuries as well as provincial COGTA for record and
- (c) Notes that the revised 2017/18 SDBIP document will be publicised in the municipal website as required by law.

38.3**TABLING OF MANGAUNG METROPOLITAN MUNICIPALITY REVIEWED DRAFT INTEGRATED DEVELOPMENT PLAN (2018/2019) FOR NOTING**

Annexure: Report dated March 19, 2018 received on April 20, 2018 from the City Manager. (Pages 1A – 274) (Pages 1 – 127)

RECOMMENDATION

- (a) That Council notes the reviewed draft IDP 2018/2019 for Mangaung Metropolitan Municipality;

- (b) That Council notes the Sector Plans as follows, namely:
- Draft Spatial Development Framework – Chapter 5
 - Draft Local Economic Development – Chapter 8
 - Draft Integrated Human Settlement Plan – Chapter 8
 - Draft Climate Change Adaptation and Mitigation Strategy – Chapter 8
 - Integrated Waste Management Plan – Chapter 8, previously approved by Council
 - Water Services Development Plan – Chapter 8, previously approved by Council
 - Ten - Year Water Conservation and Water Demand Management Strategy – Chapter 8, previously approved by Council
 - Disaster Management Plan – Chapter 8, previously approved by Council
 - Integrated Public Transport Network Plan – Chapter 8, previously approved by Council
- (c) That Council notes that copies of the reviewed draft IDP 2018/2019 will be forwarded to provincial and national departments of Treasury and Co-operative Governance and Traditional Affairs;
- (d) That Council notes that the reviewed draft IDP will be published on the website and newspapers for comments and
- (e) That Council notes that the public participation meeting on the draft IDP in line with the approved 2018/2019 IDP and Budget Process Plan will be embarked on. ***(Refer to the attached annexure on the Approval Phase of the IDP and Budget Process Plan)***

37.4

- I. **MANGAUNG METROPOLITAN MUNICIPALITY: MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF): 2018/2019 – 2020/2021**
- II. **CAPITAL BUDGET: 2018/2019 – 2020/2021 (Pages 1 – 16)**
- III. **GENERAL TARIFFS: 2018/2019 – 2020/2021 (Pages 1 – 90)**
- IV. **BUDGET RELATED POLICIES: 2018/2019 – 2020/2021**
 1. **Property Rates Policy 2018/2019 (Pages 1 – 22)**
 2. **Tariffs Policy (Draft 1) 2018/2019 (Pages 1 – 22)**
 3. **Credit Control and Debt Collection Policy March 15, 2018 (Pages 1 – 40)**
 4. **Petty Cash Policy (Pages 1 – 6)**
 5. **Travel Management Policy (Pages 1 – 11)**
 6. **11th Supply Chain Management Policy (Revised draft) (Pages 1 – 93)**
- V. **CENTLEC (SOC) LTD: MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF): 2018/2019 – 2020/2021 (Pages 1 – 52)**

VI. CENTLEC (SOC) LTD: BUDGET RELATED POLICIES: 2018/2019 – 2010/2021

1. **Credit Control and Debt Collection Policy (Pages 1 – 28)**
2. **Unauthorised, Irregular, Fruitless and Wasteful Expenditure Policy (Pages 1 – 11)**
3. **Value Added Tax (VAT) Policy (Pages 1 – 15)**
4. **Supply Management Policy (Pages 1 – 116)**

37.5**SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN (SDBIP) 2018/2019****37.6****CENTLEC (SOC)LTD BUSINESS PLAN 2018 – 2023****38****REPORTS OF THE SPEAKER****38.1****SOUTH AFRICAN CITIES NETWORK – PROPOSAL FOR REVISED LEGAL STRUCTURES**

Annexure: Report dated February 22, 2017 received from the Head: Office of the Speaker, recommended from the City Manager and approved by the Speaker. (Pages 1 – 33)

RECOMMENDATION

- (a) Council approves the report.
- (b) Council approves that MMM continue with its membership of SACN.
- (c) Council decides on its representatives (one Councillor and one official) MMM in the SACN Council, including voting on the appointment of directors of the SACN Board of Directors.

38.2**MANGAUNG METROPOLITAN MUNICIPALITY AND SOUTH AFRICAN CITIES NETWORK
– APPROVAL OF FUNDING MODEL**

Annexure: Report dated February 22, 2017 received from the Head: Office of the Speaker, recommended from the City Manager and approved by the Speaker. (Pages 1B - 15)

RECOMMENDATION

- (a) Council approves the report.
- (b) Council approves that MMM should continue to provide funding for its participation in SACN.

39	REPORTS FROM MUNICIPAL PUBLIC ACCOUNTS COMMITTEE
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39.1**MUNICIPAL PUBLIC ACCOUNTS COMMITTEE OVERSIGHT REPORT ON 2016/2017 ANNUAL REPORT**

Annexure: Report signed on March 20, 2018 received on March 22, 2018 from the Chairperson of MPAC, Councillor MM Tladi. (Pages (1 – 269))

Note by Secretariat: Please take note that this item was tabled on 19 April 2018 and **RESOLVED** that Council condone the late submission of the Municipal Public Accounts Committee Oversight Report on 2016/2017 Annual Report

RECOMMENDATION that having thoroughly considered the contents of 2016/2017 Annual Report and the findings of the Auditor General for the year under review, it is therefore recommended by the MPAC that:

- (a) Council adopt the Oversight Report on the 2016/2017 Annual Report;
- (b) In line with Section 129 (1) Council reject the 2016/2017 Annual Report on the basis of poor performance that resulted in a qualified audit opinion;
- (c) Council pass the following resolutions of MPAC:

1. Resolution 1/2018 – Outstanding MPAC Resolutions:

The resolutions of the MPAC 2015/2016 Oversight Report that were passed by Council were not implemented.

The Accounting Officer must provide the MPAC with reasons for not implementing the resolutions of the MPAC as passed by Council within seven days after the tabling of this report.

2. Resolution 2/2018 – Audit Action Plan:

The Accounting Officer must provide the MPAC with the Municipality's audit action plan within seven working days of the tabling of this report.

3. Resolution 3/2018 – Risk Management Function:

The Auditor General has raised concern regarding the absence of a Risk Management Function for the 2015/2016 and 2016/2017 financial years. This creates a risk in that there is a lack of consequence management due to the municipality's lack of capacity to conduct investigations. Therefore the filling of the vacant post of Chief Risk Officer must take priority and be finalised within 60 days of tabling of this report.

4. Resolution 4/2018 – Consolidated Financial Statements:

Note 17 states that the City defaulted on the payment of service providers by more than 90 days.

The Accounting Officer must provide a detailed report on this matter, which must include the names of the service providers affected and financial implications of such delays

5. Resolution 5/2018 – Claims related to unfair dismissals:

The entity spent an amount of R4, 879, 817 on claims related to unfair dismissals. The Accounting Officer must provide a comprehensive report relating to all cases and claims related to this expenditure

6. Resolution 6/2018 – Amalgamation of Naledi Local Municipality and Ikgomotseng/Soutpan:

Note 40: The Mangaung Metropolitan Municipality acquired control of the Naledi Local Municipality and the Ikgomotseng/Soutpan community as a result of the redetermination of boundaries by the Municipal Demarcation Board.

The Accounting Officer must submit a register of all inherited assets and a comprehensive progress report on the transfer and placement of staff from the former Naledi Local Municipality to the Mangaung Metropolitan Organogram.

7. Resolution 7/2018 – Deduction of monies owed by Councillors and Officials/Employees:

The Accounting Officer must ensure that arrangements are made with Councillors and officials/employees for the debiting of outstanding monies owed in respect of rates and services on a monthly basis. A quarterly report must be submitted to the MPAC in this regard.

8. Resolution 8/2018 – 2016/2017 Annual Report:

Risk Management must investigate all targets not reached as documented in the annual report for the year under review and report to the MPAC within 60 days of the tabling of this report.

9. Resolution 9/2018 – Unauthorised, irregular or fruitless and wasteful expenditure:

The report of the Auditor General reflects a substantial cumulative increase in unauthorised, irregular or fruitless and wasteful expenditure

The Accounting Officer must compile a separate action plan for the reduction and curbing of incurring these expenditures and submit to the MPAC within 30 days of the tabling of this report.

10. Resolution 10/2018 – Performance Bonuses

The performance bonuses of section 56 & 57 management be revoked until further notice. The Accounting Officer must also provide the MPAC with the employment contracts of section 56 & 57 managers within seven days of the tabling of this report.

11. Resolution 11/2018 – Cost cutting measures

The Accounting Officer should devise a plan that would ensure that the Mangaung Metro Municipality transitions into a paperless institution within the next financial year.

12. Resolution 12/2018 – Appointment of Centlec Chief Financial Officer

The Accounting Officer must ensure that a Chief Financial Officer for Centlec is appointed within 60 days of the tabling of this report

13. Resolution 13/2018 – Relocation of ICT offices

The Accounting Officer must ensure that secure premises are acquired and that all necessary resources are in place to ensure the safety of all financial information systems and efficiency of the ICT sub-directorate. This process must unfold within 60 days of the tabling of this report.

14. Resolution 14/2018: Skills audit

A skills audit must be conducted for section 56 and 57 management within 90 days of the tabling of this report and outcomes thereof be reported to the MPAC.

15. Resolution 15/2018 – Financial Statements

The Accounting Officer must ensure that financial statements are submitted to the MPAC on a quarterly basis or upon request.

40	REPORTS TO BE DEALT WITH IN COMMITTEE
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**40.1
RESIGNATION OF SECTION 56: CHIEF FINANCIAL OFFICER**

The report will be availed at the meeting.

41	NOTICE OF MOTION
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NONE

**42.
CLOSING OF THE SPECIAL COUNCIL MEETING**

**MS R MAMATELA
SECRETARIAT UNIT**