



***CONFIDENTIAL***

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**AGENDA  
for a SPECIAL MEETING**

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**MANGAUNG  
METROPOLITAN  
MUNICIPAL COUNCIL**

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

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**THURSDAY  
MAY 31, 2018  
AT 10:00**

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**MANGAUNG  
METROPOLITAN  
MUNICIPALITY**

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**MANGAUNG METROPOLITAN MUNICIPALITY****Bram Fischer Building  
BLOEMFONTEIN****MAY 25, 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, MAY 31, 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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**AGENDA**

**(OPEN COUNCIL)**

**56.  
OPENING**

**57.  
NOTICE OF THE MEETING**

**58.  
APPLICATIONS FOR LEAVE OF ABSENCE**

**59.  
ACCEPTANCE OF THE AGENDA**

**60.  
ANNOUNCEMENTS**



61

**REPORTS OF THE EXECUTIVE MAYOR  
PART A****61.1****UNFORESEEN AND UNAVOIDABLE EXPENDITURE REPORT: MUNICIPAL FINANCE MANAGEMENT ACT (2003)****Annexure: Report dated May 22, 2018 received from the City Manager. (Pages 1 – 4)****RECOMMENDATION**

- (a) That the Council takes note of the report on the unforeseen and unavoidable expenditure in terms of Section 29 of the MFMA and
- (b) That Council takes note and approve the expenditure that will be funded from the Engineering Services maintenance budget, Vote 7507228541021PPAZZ11 from the 2017/2018 financial year budget to the amount of R23 787 500.00.

**61.2****CONSIDERATION AND APPROVAL OF UNAUTHORISED EXPENDITURE REPORT****Annexure: Report dated May 21, 2018 received from the City Manager. (Pages 1 – 12)****RECOMMENDATION**

It is therefore recommended that Council:

- (a) Takes note of Circular 68 issued by National Treasury in May 2013 aimed and clarifying the processing of Unauthorised, Irregular, Fruitless and Wasteful Expenditure;
- (b) Approves the unauthorised expenditures incurred as follows:
  - (i) Human Settlements R726 718.24
  - (ii) Planning R3 415 546.95
  - (iii) Fleet and Waste Management R15 162 791.93
  - (iv) Social Services R61 684 405.81
  - (v) Strategic Projects and Service Delivery Regulation R2 387 700.00
  - (vi) Corporate Services R6 961 523.60
  - (vii) Engineering Services R17 830 457.71
  - (viii) Office of the Speaker R110 444.00

**61.3****PAYMENT OF MARKET RELATED RENTALS ON REFURBISHMENT MUNICIPAL RESIDENTIAL RENTAL PROPERTIES: EXEMPTION OF OMEGA AND STILLERUS OLD AGE HOMES**

**Annexure: Report dated May 21, 2018 received from the City Manager and approved by the Executive Mayor. (Pages 1 – 5)**

**RECOMMENDATION**

- (a) That Council takes note of the market related rentals payable on the recently refurbished Omega and Stillerus Old age homes;
- (b) That Council grant approval for the exclusion or exemption of Omega and Stillerus Old age homes from paying market related rentals as determined by the City Valuer;
- (c) That process and engagements with all relevant stakeholders be commenced with to ensure the establishment of effective and efficient property management structure and systems for Omega ad Old Age Home;
- (d) That the 30% threshold of the gross salary, being the old age grant, be implemented in Omega Old Age Home;
- (e) That Council takes note that all tenants at Stillerus Old Age Home are already paying an equivalent of the 30% threshold of the old grants received and
- (f) That the application of the maximum percentage in (d) above be applied within the confines and provisions of the Rental Housing Act Unfair Practices Regulations 2008.

**61.4****THIRD QUARTER REPORT ON REVISED SERVICES DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) 2017/2018**

**Annexure: Report dated May 10, 2018 received from the City Manager and approved by the Executive Mayor. (Pages 1B – 80)**

**RECOMMENDATION** that the 2017/2018 third quarter SDBIP report for the quarter ending March 31, 2018 be considered and approved.

**61.5****APPROVAL OF GUIDELINES FOR THE IMPLEMENTATION OF BURIALS OF INDIGENT PERSONS AND UNIDENTIFIED BODIES IN LINE WITH THE POLICY ON INDIGENT CUSTOMERS**

**Annexure: Report received from the City Manager and approved by the Executive Mayor. (Pages 1 – 20)**

**RECOMMENDATION**

- (a) That the Council approve the amended Guidelines for implication of Burial of Indigent persons and Unidentified bodies in line with the policy of Indigent Customers and



- (b) That the Council approves the implementation of the Guidelines for the Burial of Indigent persons and unidentified bodies will be effective from the first day of the calendar month after approval of the Council.

#### 61.6

#### **THE REDUCTION OF THE PENALTIES AND RECONNECTION COSTS FOR TAMPERING BY APPROVED INDIGENT CUSTOMERS IN MANGAUNG METRO MUNICIPALITY**

**Annexure: Report dated May 8, 2018 received from the Chief Executive Officer: Centlec (SOC)Ltd. (Pages 1 – 7)**

#### **RECOMMENDATION**

- (a) That Mayco seeks approval from Council to authorise the Board of CENTLEC (SOC)Ltd the authority to consider that all tampering penalties and reconnections costs for registered indigent households be waived off and the entity have the delegated authority and power discretion, to reconnect transgressors once the penalties and costs are reduced and paid where applicable;
- (b) That based on merits of each case and at the Board's discretion, all indigent customers who cannot afford to pay the penalties and the reconnection fees in full, be assessed upon declaration in the prescribed form and compliance with prescribed qualifying condition below:
- (b)(a) the customer must be indigent;
- (b)(b) the customer must be a perpetrator or willing and able to identify the perpetrator;
- (b)(c) the customer must be willing to testify against perpetrator;
- (b)(d) the customer must be unable to pay the prescribed penalties and reconnection fees;
- (b)(e) the indigent customer would pay a once off amount equal to 20% of the monthly household income for the reconnection of the service and the remainder of the fine would be cancelled;
- (c) That in the event the Board is satisfied that such indigent customer have properly declared tampering in the prescribed form and complied with prescribed conditions, such customers be granted a complete reduction in penalties and reconnection costs or discount, which reduction or discount shall be determined by the entity's Board in terms of approved delegated powers;
- (d) That repeated transgressors be dealt with in terms of the Mangaung Metropolitan Municipality Credit Control and Collection Policy and should not qualify for the reduction of penalties and reconnection costs;
- (e) That in order to qualify for consideration in reduction of penalties and reconnection costs, transgressors be given a window grace period of nine months to declare transgressions or report suspected tampering to the entity of which will be determined by the Executive Mayor of Mangaung Metropolitan Municipality and
- (f) That transgressors who come forward by themselves without a fine being imposed be given discount on the penalty they would have incurred if identified by CENTLEC.

**61.7  
REQUEST FOR APPROVAL OF RENTAL HOUSING MANAGEMENT PROCEDURE  
MANUAL**

**Annexure: Report received from the City Manager and approved by the Executive Mayor. (Pages 1C – 15)**

**RECOMMENDATION**

- (a) That the Council takes note that the purpose of the Rental Housing Management Procedure Manual is not intended to red-tape and disadvantage members of the community but rather to promote the culture of payment for the subsidized benefit from the City;
- (b) That the Council take note that the applicants will have equal access to the available units and will not be red-taped if they are already listed at the credit bureaux (given the background of our community) but will only get listed once they default on their rental account. This will promote the culture of paying for services and
- (c) That the Council approves the attached Rental Housing Management Procedure Manual (Annexure 1) as a working document for the day to day running of operations of Rental Housing Division.

**61.8  
MUNICIPAL FINANCE MANAGEMENT ACT (MFMA): BUDGET AND PERFORMANCE  
ASSESSMENT REPORT IN TERMS OF THE MFMA, SECTION 52(D), FOR THE QUARTER  
ENDED MARCH 31, 2018**

**Annexure: Report dated May 7, 2018 received from the Acting Chief Financial Officer. (Pages 1 – 63)**

**RECOMMENDATION**

That in compliance with Section 52 of the MFMA

- (a) The Accounting Office submits to the Executive Mayor this statement reflecting the implementation of the budget and the financial state of affairs of the Municipality for the quarter ending March 31, 2018;
- (b) That the Executive Mayor of the Municipality must, within 30 days of the end of each quarter, submit a report to the Council on the implementation of the budget and the financial state of affairs of the Municipality and
- (c) In order to comply with Section 71(4) of the MFMA, the Accounting Officer ensure that this statement be submitted to the National Treasury and the Provincial Treasury, in both a signed document format and in electronic format.



**PART B****62.1****TABLING OF MANGAUNG METROPOLITAN MUNICIPALITY REVIEWED INTEGRATED DEVELOPMENT PLAN (2018/2019) FOR APPROVAL**

**Annexure: Report dated May 25, 2018 received from the City Manager and approved by the Executive Mayor. (Pages 1A – 262) (Pages 1 – 91) and (Pages 1 – 118)**

**RECOMMENDATION**

- (a) That the Council approve the reviewed IDP 2018/2019 for Mangaung Metropolitan Municipality;
- (b) That Council approve the Sectoral Plans for the 2018/2019 as follows:
  - Build Environment Performance Plan (Pages 1 – 91)
  - Spatial Development Framework – Chapter 5
  - Local Economic Development – Chapter 8
  - Integrated Human Settlement Plan (Pages 1 – 118)
  - Climate Change adaptation and Mitigation Strategy – Chapter 8
  - Integrated Waste Management Plan – Chapter 8, previously approved by Council
  - Water Service 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 IDP 2018/2019 will be forwarded to the Provincial and National Departments of Treasury and Co-Operative Governance and Traditional Affairs and
- (d) That Council notes that the reviewed IDP will be published on the website.



**62.2**

- I. MANGAUNG METROPOLITAN MUNICIPALITY: MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF): 2018/2019 – 2020/2021 (Pages 1 – 137)**
- II. CAPITAL BUDGET: 2018/2019 – 2020/2021 (Pages 1 – 18)**
- III. GENERAL TARIFFS: 2018/2019 – 2020/2021 (Pages 1 – 91)**
- IV. BUDGET RELATED POLICIES: 2018/2019 – 2020/2021**
  - 1. Property Rates Policy 2018/2019 (Pages 1 – 22)**
  - 2. Tariffs Policy 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. 11<sup>th</sup> Supply Chain Management Policy (Pages 1 – 98)**
- V. CENTLEC (SOC) LTD: MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF): 2018/2019 – 2020/2021 (Pages 1 – 68)**
- 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)**
- VII. SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN (SDBIP) 2018/2019 (Pages 1 – 25)**
- VIII. CENTLEC (SOC)LTD BUSINESS PLAN 2018 – 2023 (1 – 59)**

**Annexure: Report received from the City Manager.**

**RECOMMENDATIONS**

- 3.1 Mangaung Metropolitan Municipality in terms of Section 21(b) of the Municipality Finance Management Act, Act 56 of 2003, tables the 2018/19 annual budget for adoption with the total consolidated revenue of R 7,337 billion, operating expenditure of R 6,304 billion and capital expenditure of R 1,127 billion and the indicative allocations for the two outer years of the MTREF period including the multi-year and single-year capital appropriations, as set out in the following tables:
  - (a) Budgeted Financial Performance (revenue and expenditure by standard classification): - Table A2
  - (b) Budgeted Financial Performance (revenue and expenditure by municipal vote): - Table A3
  - (c) Budgeted Financial Performance (revenue by source and expenditure by type): - Table A4
  - (d) Multi-year and single year capital appropriations by municipal vote and standard classification and associated funding by source - Table A5
- 3.2 That the consolidated financial position, cash flow, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets be approved, as set out in the following tables:

- |     |   |           |
|-----|---|-----------|
| (a) | Budgeted Financial Position -                                 | Table A6  |
| (b) | Budgeted Cash Flows -   | Table A7  |
| (c) | Cash-backed reserves and accumulated surplus reconciliation - | Table A8  |
| (d) | Asset Management -  | Table A9  |
| (e) | Consolidated Basic Service Delivery measurement -             | Table A10 |

3.3 That the consolidated budget that includes Mangaung Municipality and Centlec (SOC) Ltd be approved,

3.4 That the Council of Mangaung Metropolitan Municipality acting in terms of Section 75A of the Local Government Municipal Systems Act, Act 32 of 2000 as amended be approved, the following tariffs are hereby approved for implementation with effect from 01 July 2018:

- |    |                       |         |
|----|-----------------------|---------|
| 1) | Property Rates        | Page 54 |
| 2) | Sewerage Fees         | Page 54 |
| 3) | Refuse Removal Fees   | Page 55 |
| 4) | Supply of Water       | Page 56 |
| 5) | Supply of Electricity | Page 56 |

3.5 That the consolidated General Tariffs as set out in the Tariffs Booklet for the 2018/19 financial year be approved for implementation with effect from 01 July 2018.

3.6 That in terms of Section 21(b)(ii)(bb) of the Municipal Finance Management Act, Act 56 of 2003 the budget related policies including any amendments be approved.

3.7 That the Centlec (SOC) Ltd budget submissions for the period 2018/19 – 2020/21 be approved as set out below:

- a. MTREF Operating and Capital Budget (as incorporated in the consolidated budget above).
- b. Service Tariffs
- c. Policies
- d. Business Plan
- e. SDBIP

**63.**

**CLOSING OF THE SPECIAL COUNCIL MEETING**

**MS R MAMATELA  
SECRETARIAT UNIT**