

**MINUTES OF THE SECOND MEETING OF MAPHUMULO MUNICIPAL COUNCIL
HELD ON 29 AUGUST 2016 AT 12:15 AT THE MUNICIPAL COUNCIL CHAMBER**

PRESENT Councillors: CS Shange (Speaker), ZF Khuzwayo-Dlamini (Mayor), CZ Ncalane (Deputy Mayor), NP Nxumalo (EXCO Member), NB Hlongwa, JM Khathi, MH Khoza, DB Luthuli, TP Mchunu, ZG Mthembu, FM Ncalane, HN Ngcobo, ML Ngidi, ZW Ninela, JN Ntuli, NS Ntuli, MF Nzuza, SMZ Nzuza, N Sithole KM Xhakaza and TJ Zungu

PRAYER DB Luthuli

LEAVE OF ABSENCE KP Ninela

**ABSENT WITHOUT
LEAVE OF ABSENCE**

AMAKHOSI **Inkosi:** NA Bhengu and JM Ntuli

OFFICIALS HN Maphumulo (Acting Municipal Manager), WD Mbongwa (Executive Manager Community Services and LED/Planning), SA Thwala (Executive Technical Services), V Dube (Acting CFO), TP Sithole (Acting Executive Manager Corporate Services), Manager Risk and Compliance), MH Gumede (Manager Properties) CS Zulu (Manager Performance Management System), GS Biyela (Acting Chief Accountant), ND Hlongwa (Acting Manager Human Resource), LN Ntombela (Committee Officer) and TS Dlamini (Ass Committee Officer)

NOTICE CONVENING THE MEETING

The Acting Municipal Manager read the notice convening the meeting

OPENING AND WELCOME

The Speaker greeted and welcomed everyone present and declared the meeting open.

NOTICE CONVENING THE MEETING

The Acting Municipal Manager Mr HN Maphumulo read the notice convening the meeting.

APPLICATION FOR LEAVE OF ABSENCE

The following Councillor was reported to be absent due to other work commitments:

Cllr KP Ninela

ANNOUNCEMENTS BY CHAIRPERSON

- The Chairperson requested both Officials and Councillors to introduce themselves.
 - The Chairperson apologized on behalf of administration that there was an omission of the name of Cllr MH Khoza on the list of Councillors names in the agenda and the name of former Councillor, Cllr VC Nzama appears in the agenda.
 - The Speaker announced that there will be deputation from Statistics South Africa.
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ANNOUNCEMENTS BY THE ACTING MUNICIPAL MANAGER

- The Acting Municipal Manager requested the following item to be tabled in the meeting

1. CONSIDERATION OF THE POSITION OF THE SPEAKER'S POSITION TO BE FULL TIME

DEPUTATION

PRESENTATION FROM STATISTICS SOUTH AFRICA

Mr Sakhile Mpanza conducted his presentation as follows:

He reported that statistic SA conducted a census in 2011 and on annual basis they conduct community survey, he reported that the next census will be done in 2021. He reported that he will conduct a presentation on a community survey that was done in 2016 which was at the Municipal level and not per ward.

Community Survey 2016 (Provincial Municipal)

Gauteng	13,4 m
KwaZulu Natal	11,1 m
Eastern Cape	7,0 m
Western Cape	6,3 m
Limpopo	5,8 m
Mpumalanga	4,3 m
North West	3,7 m
Free State	2,8 m
Northern Cape	1,2 m

KZN at a glance: Households

Total number of households 2 875 843

Households by sex: Female 47,4% and Male 52,6%

Type of dwelling

Formal Dwelling	72,7%
Traditional Dwelling	18,1%
Informal Dwelling	8,5%

Average Household size has declined from 4,5 in 2001 to 3,8 in 2016

Ilembe District Highlights

Population Growth (%) in between census (2001-2011)

	2001	2011
Maphumulo	120 643	96 724
Ndwendwe	144 615	140 820
KwaDukuza	167 805	213 187
Mandeni	127 327	138 078
Ilembe	560 389	606 809

Census 2016 population& gender

Municipality	2011 Population	2016 Male	Female	Population
iLembe	606 808	315 686	341 926	657 612
Maphumulo	96 724	40 686	49 101	89 969
Mandeni	138 078	70 257	77 551	147 808
KwaDukuza	231 187	136 626	140 093	276 719
Ndwedwe	140 820	67 936	75 181	143 117

Census 2016: % Population (Youth: 15 – 34 years)

	2011	2016
Ilembe	228 396	259 961
Maphumulo	31 415	30 718
Mandeni	54 530	60 420
KwaDukuza	94 709	117 503
Ndwendwe	48 742	51 320

Census 2016: Population and Households

Municipality	2011 Household size	2016 Household size
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Ilembe	157 692	3.8	191 396	3.4
Maphumulo	19 973	4.8	20 524	4.4
Mandeni	38 235	3.6	45 678	3.2
KwaDukuza	70 284	3.3	91 284	3
Ndwendwe	29 200	4.8	33 882	4.2

Access to pipe water

	2011	2016
Ilembe	80%	70%
Maphumulo	46%	38%
Mandeni	83%	69%
KwaDukuza	94%	90%
Ndwedwe	70%	40%

Electricity

	Connected	other resources	none
Ilembe	85%	1%	13%
Maphumulo	57%	4%	39%
Mandeni	91%	1%	9%
KwaDukuza	96%	0%	4%
Ndwendwe	69%	2%	30%

He concluded by mentioning the poverty Levels

	Poverty head count	intensity poverty
Ilembe	10.1	43
Maphumulo	25.4	44.8
Mandeni	7.2	41.5
KwaDukuza	7.9	41.6
Ndwendwe	13.8	44.8

Questions/Answers

Her Worship the Mayor requested that in future the presentation should be conducted in isiZulu. She questioned Mr Mpanza to clarify on how come there is a population decline in Maphumulo and the methods that could be used to avoid population decline since it affects the equitable share of the municipality.

The Executive Manager Economic Development and Planning requested Mr Mpanza to give clarity between census and the community survey.

Cllr HN Ngcobo stated that the municipality needs to come up with strategies that will assist in retaining population in Maphumulo especially the youth.

Cllr NP Nxumalo requested that the presentation documentation must be made available to Councillors.

Mr Mpanza responded that some of the reasons for population decline is out

migration (job opportunities), service delivery from other municipalities and other reasons.

He explained that Statistics South Africa the department is a department and where community survey is a programme done by statistics South Africa since 2007. He mentioned that census has more detail as compared to the community survey.

He reported that the documentation will be available to Councillors.

Cllr ML Ngidi proposed that Statistics South Africa be included in the strategic workshop and the proposal was seconded by Cllr ZG Mthembu

The Council

RESOLVED THAT

1. The statistics SA's presentation be included in the strategic workshop.

CONFIRMATION OF MINUTES FROM THE PREVIOUS MEETING

MINUTES OF PREVIOUS MEETING HELD ON 17 AUGUST 2016

The correction on page 1 of the agenda, the following Councillors were requested to be added on the list of Councillors that were present "Cllr NS Ntuli" and "Cllr SZM Zungu". The spelling of Cllr JM Khathi was corrected from "Khati" to "Khathi". Page 4 Cllr NP Nxumalo requested that correction be made on the statement that was raised by Cllr KP Ninela and pointed out that he did not request Cllr ML Ngidi to withdraw. The Deputy Mayor requested a correction on page 5 where it was incorrectly captured that the name of "Cllr MH Khoza" was elected as the Deputy Mayor to be corrected to Cllr "CZ Ncalane". Cllr HN Ngcobo requested that it be added on page 3 that upon her proposal for allocation of seats for the Executive Committee members in compliance with section 43 of the Municipal Structures Act 117 of 1998 where it provides explanation of the method used to determine the number of Executive Committee members.

After the corrections were made, Cllr ZW Ninela proposed the adoption of minutes and was seconded by Cllr ML Ngidi and the minutes were confirmed as a true reflection of what transpired in that meeting.

MATTERS ARISING FROM THE PREVIOUS MEETING

Cllr ZG Mthembu registered a concern on page **3-4 MAPCO: 07/01/17 ELECTION OF THE EXECUTIVE COMMITTEE**, on the method that was used on the allocation of Executive Committee members.

The Acting Municipal Manager explained that the composition was done in compliance with section 43 of the Municipal Structures Act 117 of 1998. He read section 43 as follows

- (1) *"If the Council of a Municipality establishes an Executive Committee, it must elect a number of Councillors necessary for effective and efficient government, provided that no more than 20 per cent of the Councillors or 10 Councillors, whichever is the least, are elected. An Executive Committee may not have less than 3 members.*
- (2) *(2)An Executive Committee must be composed in such a way that parties and interests represented in the municipal council are represented in the executive committee in substantially the same portion they are represented in the council*
- (3) *A municipal council may determine any alternative mechanism for the election of an executive committee, provided it complies with section 160 (8) of the constitution."*

Furthermore the Acting Municipal Manager highlighted that the Executive Committee was elected to ensure effective and efficient running of the committee. He stated that the previous Executive committee was non-functional due to the 50/50 allocation of the Executive Committee members.

Cllr ML Ngidi stated that the people who voted determined that there should 50% IFP and 50% ANC share in the Executive Committee. He mentioned that the method read by the Acting Municipal Manager is alternative method to elect Executive Committee members where there are challenges. He requested that the Council to consider his request.

Cllr ZG Mthembu mentioned that the determination of number Executive Committee members must not be done based on the problems that were encountered by the previous Executive Committee

Cllr NS Ntuli stated that the allocation of the Executive Committee members was discussed in the previous meeting and there is a resolution on the matter. He requested the Speaker to continue with the agenda and not to prolong debates on the matter that has a resolution.

Nkosi NA Bhengu requested the meeting to continue with the agenda. He pointed out that he is aware of the challenges of the previous Executive Committee as he was also a member of that Executive Committee, he advised the council to work together to ensure service delivery to the community of Maphumulo. He stressed that the council should avoid unnecessary debates.

MAPCO: 11/01/17

DETERMINATION OF FULL TIME COUNCILLOR

The Acting Municipal Manager reported that the Municipality received a correspondence from the MEC which determines the full time Councillors. He stated that the determination of the full time Councillor is prescribed in section 18(4) of the Municipal Structures Act. He reported that currently Maphumulo Municipality has the position of the Mayor as the only full time designated Councillor.

Cllr ZW Ninela proposed noting of the item. Furthermore he requested that the

position of the Speaker be full time. The proposal was seconded by Cllr DB Luthuli

The Council

RESOLVED THAT

1. It notes the information regarding the determination of full time Councillor and that currently the Mayor is the only full time position in Maphumulo Municipality.
2. An application for the position of the Speaker to be full time be forwarded to the MEC Cooperative Governance and Traditional Affairs for consideration.

MAPCO: 12/01/17

ESTABLISHMENT OF COMMITTEES

The Acting Municipal Manager reported that in terms of section 33 of the Local Government Municipal Structures Act, 1998 the Municipal Council is expected to establish committees of the kinds provided in section 79 and section 80 of the Municipal Structures Act. In terms of section 79 of the Act, a Council may establish committees to assist it in fulfilling its powers and functions. The section 79 committees are directly accountable to the Council. In terms of section 80 of the act, a council may appoint committees of Councillors to assist the executive committee.

He requested the Council to take note that that currently the Municipality has the following section 80 portfolio committees

- Finance and Planning Portfolio Committee
- Infrastructure and Technical Portfolio Committee
- Local Economic Development and Community Services
- Local Public Administration and Human Resources Portfolio Committee

Further sub-committee exist

- Gender and vulnerable Group
- Youth Affairs

The Municipality has the following section 79 committees

- Municipal public Accounts Committee
- Audit and Performance Committee

He made the recommendation that the portfolio committees be reduced into three and will be restructured as follows

- Finance and Human Resource Portfolio Committee
- Infrastructure, Technical and Housing Portfolio Committee
- Local Economic Development, Community Services and Planning Portfolio Committee

He reported that the sub-committees will remain as they are and section 79

committees.

Cllr NS Ntuli proposed to support the recommendation of restructuring of portfolio committee and he proposed that the chairpersons of the portfolio committees be as follows:

1. Finance and Human Resource Portfolio Committee be chaired by the Deputy Mayor
2. Infrastructure, Technical and Housing be chaired by Her Worship the Mayor.

The proposal was seconded by Cllr ZW Ninela.

Cllr ZG Mthembu objected the proposal of restructuring of the Portfolio Committees.

The Acting Municipal Manager recommended that the number of representative will be as follows

- Finance and Human Resource Portfolio Committee (7 members) (4 ANC and 3 IFP)
- Infrastructure, Technical and Housing Portfolio Committee (8 members) (5 ANC and 3 IFP)
- Local Economic Development, Committee Services and Planning (7 members) (4 ANC and 3 IFP)

The Acting Municipal Manager recommended that sub-committees must have 5 members (3 ANC) and (2 IFP)

Cllr NS Ntuli proposed the name of Cllr ZW Ninela to be the chairperson of the Municipal Public Account Committee.

Cllr NP Nxumalo highlighted that it would have been much easier to establish these committees taking into account the terms of reference for the committees. She suggested that it will be favorable for the Chairperson of the MPAC to be a member of an opposition party to ensure the oversight role is done as it was done in the past.

Cllr N Sithole seconded the proposal of Cllr NP Nxumalo.

Cllr ML Ngidi supported the statement made by Cllr NP Nxumalo. Cllr ZG Mthembu also supported the concerns registered by the IFP Councillors.

Her Worship the Mayor requested that the names of members to be represent in portfolio committee be forwarded by chief whip and be submitted in the next Council meeting.

The Risk/Compliance Manager when giving her advised she referred the meeting to page 28 of the agenda where it gives terms of reference of the appointment of the chairperson for MPAC the section reads as follows:

“the chairperson of the MPAC must be appointed in terms of the council resolution. The chairperson may not be an office bearer/executive councillor in the municipality. The Chairperson of the MPAC should be an experienced councillor, due to the

important role to be played by the MPAC in the Council. The chairperson can be from the ruling or an opposition party, at the choice of the municipal council.” She added that however the Department of Cooperative Governance and Traditional Affairs recommends that the MPAC be chaired by an opposition party for transparency and independence.

The Council

RESOLVED THAT

1. The structuring of Port Folio Committees be as follows:
 - Finance and Human Resource Portfolio Committee (7 members) (4 ANC and 3 IFP) Chaired by the Deputy Mayor
 - Infrastructure, Technical and Housing Portfolio Committee (8 members) (5 ANC and 3 IFP) Chaired by Her Worship the Mayor
 - Local Economic Development, Committee Services and Planning (7 members) (4 ANC and 3 IFP) chaired by Cllr NP Nxumalo
 2. The structuring of Sub Committee be as follows:
 - Gender and vulnerable group Sub-committee 5 members (3 ANC and 2 IFP)
 - Youth Affairs Sub-Committee 5 member (3 ANC and 2 IFP)
 3. Cllr ZW Ninela be the Chairperson of the Municipal Public Accounts Committee (MPAC)
 4. The names of the members to represent in the Portfolio Committee be submitted in the next Council meeting.
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MAPCO: 13/01/17

ROLES AND RESPONSIBILITIES OF COUNCILLORS AND DELEGATED POWERS

Cllr ZW Ninela proposed that the following items be deferred to the strategic meeting:

MAPCO: 13/01/17 ROLES AND RESPONSIBILITIES OF COUNCILLORS AND DELEGATED POWERS, MAPCO: 14/01/17 COUNCILLOR ALLOWANCES, MAPCO: 15/01/17 MUNICIPAL POWERS AND FUNCTIONS AND MAPCO 17/01/17 REVIEW IF IDP AND BUDGET 2016/2017

Cllr MH Khoza seconded the proposal.

The Council

RESOLVED THAT

1. The following items are deferred to the Strategic Meeting:

MAPCO: 13/01/17 ROLES AND RESPONSIBILITIES OF COUNCILLORS AND DELEGATED POWERS, MAPCO: 14/01/17 COUNCILLOR ALLOWANCES, MAPCO: 15/01/17 MUNICIPAL POWERS AND

FUNCTIONS AND MAPCO 17/01/17 REVIEW IF IDP AND BUDGET 2016/2017

MAPCO: 16/01/17 ANNUAL REPORT

The Manager Performance Management System explained that the Municipality as a state organ is annually required to publish an annual report. He mentioned that this is done annually in compliance with section 121 of the Municipal Finance Management Act, No56 of the 2003, where the Municipality prepares an annual report that details its performances during the previous financial year. He reported that the annual report also comprises of the audit report compiled the office of Auditor General.

Cllr ZG Mthembu proposed noting of the item and was seconded by Cllr TJ Zungu.

The Council

RESOLVED THAT

1. It notes the annual report.
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MAPCO: 18/01/17 PARTICIPATION IN THE DISTRICT INTERGOVERNMENTAL FORUM

Cllr NB Hlongwa proposed noting that the Mayor represents the Municipality in the District Intergovernmental Forum. Cllr JN Ntuli seconded the proposal.

The Council

RESOLVED THAT

1. It notes the Mayor represents the Municipality in the District Intergovernmental Forum.
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MAPCO: 19/01/17 EMPLOYMENT CONTRACTS AND PERFORMANCE AGREEMENTS FOR THE MUNICIPAL MANAGER AND SENIOR MANAGER

Item was withdrawn.

MAPCO: 20/01/17 DATE AND FREQUENCY OF FUTURE MEETINGS

Cllr DB Luthuli proposed that the matter be deferred to the next meeting. Cllr FM Ncalane seconded the proposal.

Cllr NP Nxumalo registered that the schedule of meetings that will be adopted should be adhered to.

The Acting Municipal Manager recommended that the on monthly basis the rescheduled be revisited.

The Council

RESOLVED THAT

1. The date and frequency of future meetings be deferred to the next meeting.

MAPCO: 21/01/17

COUNCILLOR INDUCTION, ORIENTATION AND ACCREDITED TRAINING PROGRAMMES

The Acting Municipal Manager requested the Council to note the council induction, orientation and accredited training programmes forwarded by South African Local Government Association.

The Council

RESOLVED THAT

1. It notes the Councillor induction, orientation and accredited training programmes by South African Government Local Association.

MAPCO: 22/01/17

AFFIRMATION OF AMAKHOSI TO SERVE IN MAPHUMULO MUNICIPAL COUNCIL

Cllr FM Ncalane proposed the noting of affirmation of Amakhosi to serve in Maphumulo Municipal Council. Cllr TJ Zungu seconded the proposal.

The Council

RESOLVED THAT

1. It notes the affirm the participation of Amakhosi in the Maphumulo Municipality Council.
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AGENDA ITEMS MEETING NUMBER 2

MAPCO: 23/02/17

CONSIDERATION OF IRREGULAR, UNAUTHORISED AND WASTEFUL EXPENDITURE FOR 2011/2012, 2012/2013, 2013/2014 AND 2014/2015 FINANCIAL YEARS

The Acting Chief Financial Officer requested the Council to consider and condone the following irregular expenditures:

2011/2012 R14 936 012
2012/2013 R27 254 254
2013/2014 R 2 553 401 less (492 471) amount condoned

The Acting Chief Financial Officer explained that this was extracted from the audited financial statements for irregular expenditure for 2011/2012, 2012/2013, 2013/2014 and a report of 2014/2015 irregular expenditure. He reported that the Municipality does not have a list of irregular expenditure incurred during the aforementioned financial years. However the balances appear on the audited Annual Financial Statements and the Auditor General did their audit based on the list. He reported that the 2014/2015 irregular expenditure report was scrutinized by the Municipal Public Accounts Committee at its meeting held on 08 June 2016. He stated that the total amount of irregular expenditure not condone are R88 412 619 on 2015/2016 financial statements. He requested the Council to condone the irregular expenditure for 2011/2012, 2012/2013, 2013/2014 and 2014/2015 financial years. He mentioned that if the Council does not condone it will have a negative impact on annual financial statements and the Auditor General's opinion may be affected by such as municipal budget is at R100 million. He also informed the Council that there are regulations from National Treasury that prescribes the steps to be followed to condone irregular expenditures.

The Acting Municipal Manager advised the Council that if it wishes that some of the irregular expenditures should be investigated it has a right to do so as guided by the regulation of National Treasury. He recommended that the Council must consider condoning the irregular expenditures but they can instruct the Municipal Manager to investigate those that they feel they need be investigated. He informed the council that he sought advice from the Audit General, Audit Committee and provincial Treasury and they advised that the matter needed to be submitted to Council to be condoned.

Cllr ZG Mthembu registered his concern about the irregular expenditures. He proposed that the matter be referred to the Finance Portfolio committee.

Cllr ML Ngidi requested that the culprits of these irregular expenditures should be made known. He listed some of the irregular expenditures that were a serious concern. He stated that this matter of irregular expenditure was referred to Municipal Public Account Committee to select those that needed to be investigated and that meeting never convened.

Cllr N Sithole seconded the proposal made by Cllr ML Ngidi. He stated that the new Council cannot be expected to condone the mess that occurred in the previous Council.

Cllr ZW Ninela raised his concerns about the irregular expenditures. He summed his statement by proposing that the irregular expenditures be condoned. He highlighted that failing to condone will affect the equitable share and it will have a negative audit opinion.

Cllr KM Xhakaza concurred with the comments made by Cllr ZW Ninela, seconded the proposal. He supported that the investigation be done and those found guilty must face the consequences. He stressed that irregular expenditures be approved in order not to affect the future equitable share which will jeopardize service delivery.

Cllr JM Khathi proposed that the matter be deferred to the next meeting in order to allow the ruling party an opportunity to scrutinized the irregular expenditures.

Her Worship the Mayor stated that the irregular expenditure are a concern to everyone. Furthermore she mentioned that an attachment shows that this matter was discussed by relevant committees. She added that there is an investigation by Provincial Treasury for some of the irregular expenditures. She supported that irregular expenditure be condoned based on the fact that this will affect the equitable share which will threaten service delivery.

Cllr ZG Mthembu objected that the irregular expenditures be condoned.

For accurate capturing of the resolution the Acting Municipal Manager summed up the resolution as follows: "That the Council resolved that it condones the irregular expenditures however those under investigation be investigated and an update must be reported to the Council". The Chairperson concurred with the Acting Municipal Manager.

Cllr ZG Mthembu indicated that the IFP Councillors are not part of the resolution that condones the irregular expenditures. Cllr JM Khathi seconded the proposal.

The Council

RESOLVED THAT

1. It condones the irregular expenditure and those that are under investigation be investigated an update must be reported to the Council.

MAPCO: 24/02/17

CONSIDERATION OF REVISED MUNICIPAL TARIFFS FOR 2016/17 FINANCIAL YEAR

The Acting Chief Financial Officer requested that the Council approve the proposed 2016-2017 Municipal tariffs.

Cllr ZW Ninela proposed that the tariffs be referred to the Strategic Workshop. The Deputy Mayor seconded the proposal.

The Council

RESOLVED THAT

1. The 2015-2016 municipal tariffs must apply until the proposed tariffs are workshopped to Councillors at the Strategic Workshop for further clarities.
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MAPCO: 25/02/17

CONSIDERATION OF ASSETS WRITE OFF

The Acting Chief Financial Officer requested the Council to approve the write off of old balances in the 2015/2016 financial year, annual financial statements.

Cllr ZG Mthembu requested a progress report about the Toyota quantum which was stolen at Riverside Hotel. He stated that there was an employee who became a victim after the loss of the Toyota quantum and that lead to his death since he was under a lot of stress.

The Acting Municipal Manager reported that the matter was reported to the Council in the previous term however if the current Council wishes to be given the report the Acting Municipal Manager will avail the report to the Council. He added that the driver who driving the quantum underwent disciplinary procedure and the verdict was dismissal and he requested to not comment about the cause of his death since he had no supporting prove of the cause of his death.

The Acting Chief financial officer responded that the insurance reimbursed the Maphumulo Council with the balance of the quantum.

Cllr ZW Ninela proposed the write off of assets and requested that the issue of the passing of the driver may not be discussed. Cllr NB Hlongwa seconded the proposal.

Cllr NP Nxumalo suggested that some of the assets that are being written off must be donated to non-governmental organizations.

The Council

RESOLVED THAT

1. It approves the write off of assets.
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MAPCO: 26/02/16

REQUEST FOR OLD BALANCES TO BE WRITTEN OFF IN 2015/2016 FINANCIAL YEAR ANNUAL FINANCIAL STATEMENTS

The Chief Financial Officer reported to the Council that there are old balances that

appear in the municipal trial balance for the 2015/2016 financial year on credit balance of R401 3335.96 debit balance is R121 465.81. He gave a brief summary that the Municipality is required to clean the trial balance of old balances that cannot be allocated more especially with the migration to mSCOPA which requires clean balance. He requested the Council to consider write off old balances in the 2015/2016 financial year, annual financial statements.

Cllr KM Xhakaza proposed the write off of old balances.

Her Worship the Mayor requested the Acting Chief Financial Officer to clarify how come the list includes some of current employees. She requested that those still studying must be grouped separate from those that have completed their studies.

Cllr ZG Mthembu requested that the matter be referred to the Budget and Treasury component to scrutinize the list.

The Acting Chief Financial officer responded that list includes some of the current employees who have completed their studies therefore the municipality is required to write off the financial assistance.

The Acting Municipal Manager advised that the Municipality must have a policy that addresses the study financial assistance.

Cllr ZW Ninela seconded the proposal that the old balances be written off.

The Council

RESOLVED THAT

1. The old balances be written on the 2015/16 financial year Annual financial statements as they appear on the list.
2. Approves annual financial statement for 2015/2016 after adjusting with the resolutions that were taken in the meeting.

MAPCO: 27/02/17

APPROVAL OF ANNUAL PERFORMANCE REPORT & DRAFT ANNUAL REPORT FOR THR MUNICIPALITY

The Manager Performance Management System Manager reported that the item is brought to the Council in order to approve the 2015/16 annual performance report and annual report. He reported that the Municipality has prepared the 2015/16 annual performance report containing a status of activities that were performed by the municipality in terms of the predetermined objectives/targets that were adopted and adjusted by the Council during the beginning of the financial year. The audited draft annual report was also prepared for this purpose. He added that the Municipality will also prepare a finalized annual report and submit it to Council within the legislated timeframes.

Cllr ZW Ninela proposed to approve the item and was seconded by Cllr NB Hlongwa.

The Council

RESOLVED THAT

1. It approves the 2015-2016 annual performance report for the municipality.
2. It notes the tabling of 2015/16 draft annual report.

MAPCO: 28/02/17

SALARY AND WAGE INCREASE FOR THE PERIOD 01 JULY 2016 TO JUNE 2017

The Acting Municipal Manager gave background that the report is submitted in order to seek approval on the annual salary and wage increase for staff members. He stated that in terms of circular 01/2016 from the South African Local Government Bargaining Council salary increase with effect from 01 July 2016 should be 6%, the 6% increase applies to any benefit or conditions of service.

Her Worship the Mayor proposed that the 6% increase be effected from 01 July 2016. The proposal was seconded by Cllr ZG Mthembu.

The Council

RESOLVED THAT

1. It notes the South African Local Government Bargaining Council circular 01/2016.
2. It approves the 6% salary increase with effect from 01 July 2016.

MAPCO: 29/02/17

CONSIDERATION OF ACTING EXECUTIVE MANAGER CORPORATE SERVICES

Acting Municipal Manager reported that position of the Executive Manager Corporate Services is currently vacant. He reported that the previous Council authorised Miss TP Sithole to act in the position for a period of three months and the contract was never extended for further three months. He reported that Miss TP Sithole has exceeded her acting term which leaves the position vacant. He reported that he the Acting Municipal Manager will hold the position of Acting Executive Manager Corporate Services whilst the Municipality undertakes the process of appointing the Executive Manager Corporate Services. He requested Miss TP Sithole to assist the Acting Municipal Manager with some of the activities at Corporate Services. He requested the Council to authorize him to advertise the position of the Executive Manager Corporate Services.

Cllr NS Ntuli proposed that the position of the Executive Manager Corporate Services be advertised. Cllr ZG Mthembu seconded the proposal.

The Council

RESOLVED THAT

1. It approves the advertising of the Executive Manager: Corporate Services post.
2. The Acting Municipal Manager Acts in the position of the Executive Manager Corporate Services whilst the Municipality undergo the process of filling the position

MAPCO: 31/02/17
REPORT ON CASES

Matter was referred to the Executive Committee

MAPCO: 32/02/17
REPORT ON ACTING POSITIONS AND CONTRACE POSITIONS

Matter was referred to the Executive Committee

In-committee meeting

MAPCO: 30/02/17
SETTLEMENT OF MR VW MHLONGO

The Acting Municipal Manager reported that the matter is brought to the Council to seek approval from Council to make a settlement payment to Mr VW Mhlongo, the former Municipal Manager. He gave background on the matter that Mr VW Mhlongo was appointed as the Municipal Manager at Maphumulo Municipality in terms of the fixed contract of employment. He reported that the contract was renewed in August 2006. He reported that in 2012 Mr VW Mhlongo was dismissed for misconduct. He reported that Mr VW Mhlongo successfully challenged the fairness there of as a result was reinstated retrospectively in terms of the CCMA award dated 4 March 2014. The Acting Municipal Manager informed the Council that the Council from the previous term then challenged the CCMA award and the Council's application was dismissed with cost. He informed the Council that the labour court ordered the municipality to reinstate, Mr VW Mhlongo retrospectively from 1 July to 1 June 2016 and thereof be given 12 months after elections.

The Acting Municipal Manager reported that the then Council appointed Ngidi and partners as a representative on the matter as per Council resolution. As per resolution MAPCO: 114/10/14, the then Council authorised the Honourable Mayor and the Acting Municipal Manager to seek advice from COGTA and Provincial Treasury regarding Mr VW Mhlongo matter and the then Council mandated the Acting Municipal Manager to open gates for negotiation in order to reach settlement with Mr VW Mhlongo. He reported that furthermore as per resolution MAPCO: 179/15/16, the then Council authorised Ngidi and company to proceed with the negotiations between them and the lawyers of Mr VW Mhlongo.

The following agreements were reached:

1. Mr VW Mhlongo be compensated from July 2013 to June 2016 which amount must include interest of 10%.
2. Mr VW Mhlongo be compensated from July 2016 to June 2017 and
3. Mr VW Mhlongo must be compensated to leave days which were due to him and amount will also include 10%.

The amount totals to R5 861 562.11 inclusive of tax directives.

The Acting Municipal Manager informed the Council that the settlement agreement is a legal binding agreement between Mr VW Mhlongo and the Municipality of which failure to honor may result in serious legal implication for the municipality.

The Acting Municipal Manager recommended that the Council must note the results of negotiations and to approve the settlement payment to Mr VW Mhlongo. In conclusion he recommended that the Council must authorize Her Worship the Mayor to advertise the position of the Municipal Manager.

Cllr ZG Mthembu requested to know the advice from COGTA regarding the matter of Mr VW Mhlongo.

The chairperson responded that the settlement package is inclusive.

Cllr ZW Ninela proposed that the recommendations be approved and was seconded by Her Worship the Mayor.

RESOLVED THAT

1. It notes the results for negotiations.
2. It approves the settlement payment of Mr VW Mhlongo of R5 861 562.11 inclusive of tax directives.
3. It authorizes Her Worship the Mayor to advertise the post of the Municipal Manager.

TERMINATION

The meeting was terminated at 16H30 after a closing prayer by Cllr DB Luthuli.

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Confirmation on the.....day of2016.

CHAIRPERSON

