



MINUTES OF AN ORDINARY MEETING OF THE EXECUTIVE MAYOR'S COMMITTEE HELD IN THE BANQUETING HALL, MALMESBURY ON WEDNESDAY, 18 JANUARY 2017 AT 11:00

PRESENT:

Executive Mayor, ald T van Essen (chairman)
Deputy Executive Mayor, ald M S I Goliath

Members of the Mayor's Committee:

Clr P E Solomons
Clr O M Stemele
Clr R F van der Westhuizen
Clr M van Zyl

Other councillors:

Clr M A Rangasamy

Officials:

Municipal Manager, mr J J Scholtz
Director: Protection Services, mr P A C Humphreys
Director: Civil Engineering Services, mr A J Botha
Director: Electrical Engineering Services, mr R du Toit
Director: Financial Services, mr M A C Bolton
Director: Development Services, mr J T Steenkamp
Manager: Secretarial and Record Services, ms N Brand

1. OPENING

Clr O M Stemele opened the meeting with a prayer at the request of the chairman.

2. APOLOGIES

The committee was complete. Apology received from the Director: Corporate Services, ms M S Terblanche.

3. SUBMISSIONS/DEPUTATIONS/COMMUNICATIONS

None

4. MINUTES

4.1 MINUTES OF AN ORDINARY EXECUTIVE MAYOR'S COMMITTEE MEETING HELD ON 13 DECEMBER 2016

RESOLUTION

That the minutes of an Ordinary Executive Mayor's Committee Meeting held on 13 December 2016 are approved and signed by the Mayor.

5. MATTERS ARISING FROM THE MINUTES

None

6. NEW MATTERS

6.1/...

6.1 SUBMISSION OF THE ANNUAL REPORT: 2015/2016 FINANCIAL YEAR (7/1/1/1)

The format of the annual report is prescribed by the MFMA in Circular 63 dated 26 September 2012, and the report is tabled according to section 127(2) of the Local Government: Municipal Financial Management, Act 56 of 2003.

The draft annual report was submitted to the Auditor General during December 2016 for comment and the comments have already been included therein.

RECOMMENDATION (for consideration by the Council on 26 January 2017)

- (a) That note is taken of the annual report for the 2015/2016 financial year, tabled in terms of section 127(2) of the MFMA, and drawn up in the format prescribed by MFMA Circular 63 of 2012 from the National Treasury;
- (b) That note is taken of the follow-up actions which will be carried out in terms of section 130 of the MFMA, such as -
 - (i) publication of the annual report;
 - (ii) invitation to the public for comment on the report;
 - (iii) invitation to the public and relevant state organisations to attend a special council meeting on 23 March 2017, during which the annual report and the summary will be discussed;
 - (iv) submission of the annual report to the Auditor General, Provincial Treasurer and the provincial department responsible for local government;
- (c) That the MPAC is authorised, in terms of section 79(2)(d) of the Structures Act, 1998, to co-opt advisory members, who are not members of the council, including the following:
 - the external financial audit committee;
 - two ward committee members co-opted onto the performance assessment panel;
- (d) That members of the ward committees will also be invited to (1) the MPAC meeting on the above mentioned date and (2) the special council meeting of 23 March 2017;
- (e) That councillors who do not serve on the MPAC must take note that they are expected to evaluate the annual report themselves, inter alia in consultation with their voters, ward committees and ward representatives in order to encourage contributions and comments for consideration during the full council meeting on 23 March 2017.

6.2 SHARED SERVICE AGREEMENT WITH SURROUNDING MUNICIPALITIES (2/1/3/3)

Due to a shortage of capacity, equipment, fleets, personnel and knowledge municipalities must occasionally depend on neighbouring municipalities.

The purpose of the shared service agreement is to provide a framework within which there is support between municipalities in terms of certain service delivery areas and to protect the rights of each participating municipality. The municipalities involved are - Theewaterskloof, Stellenbosch, Drakenstein, Swartland, Overstrand, Breede River Valley and Swellendam.

RESOLUTION

- (a) That the proposed draft agreement in respect of shared services as attached to the report is approved;
- (b) That the Municipal Manager is authorised to sign the agreement on behalf of the Municipality;

6.2/...

- (c) That the Director: Protection Services is nominated to represent the Council on the envisaged inter-municipal committee;
- (d) That the Municipal Manager is authorised:
 - to decide whether or not Swartland must participate in specific operations;
 - to negotiate costs with participating municipalities if necessary.

6.3 REPORT IN RESPECT OF IMPLEMENTATION OF THE SUPPLY CHAIN MANAGEMENT FOR THE PERIOD 1 OCTOBER TO 31 DECEMBER 2016 (8/1/B/2)

Section 6(3) of the Supply Chain Management Regulations stipulates that a report must be submitted to the Executive Mayor in respect of the activities of the relevant division, on a quarterly basis.

RESOLUTION

- (a) That note is taken of the quarterly report in respect of the implementation of the Supply Chain Management Policy for the period 1 October to 1 December 2016 which must be submitted in accordance with section 6(3) of the Supply Chain Management Regulations, together with the reports from the Formal Tenders (Attachment A), Informal Tenders (Attachment B) and the Departures Report (Attachment C);
- (b) That note is also taken of the services provided for the period 1 July to 31 July 2016 for which it was impractical to test the market and that departure from the prescribed procurement procedure was necessary in terms of paragraph 2(6) of the Supply Chain Management Policy (Attachment D).

6.4 FIRST DRAFT: AMENDMENT TO SWARTLAND MUNICIPALITY'S SPATIAL DEVELOPMENT FRAMEWORK (15/1/4/1)

The aim of the Swartland Municipality's Spatial Development Framework (SDF) is to establish a framework, together with the necessary policy directives, in order to promote development in the municipal area in a sustainable and desirable manner.

The company CK Rumboll and Partners has been appointed by the Council to draw up the amended SDF – inter alia – to ensure that the framework complies with the national, provincial and local legislation, and is in line with the Integrated Development Plan's (IDP) strategy, including the spatial implications thereof.

The chairman requested that every member of the public takes the SDF seriously because the framework forms the basis of development in the Swartland, and forms an integral part of the IDP.

RESOLUTION (for consideration by the Council on 26 January 2017)

- (a) That note is taken of the first draft of the amended Swartland Municipal Spatial Development Framework (SDF);
- (b) That the Council approves the publication of the first draft of the amended SDF for public comment in accordance with section 7(1)(b) of the Regulation in respect of Municipal Land Usage Planning;
- (c) That the "first draft" of the amended SDF is submitted to the Provincial Minister for comment;
- (d) That note is taken that the time frame for public comment will be during February to March 2017, with open days in most of the towns in the Swartland municipal area.

6.5 NEW STREET NAMES FOR PHOLA PARK PHASE 3, MALMESBURY (16/5/6)

A list was received from the elected committee in Phola Park and Ilinge Lethu with proposals for street names in Phola Park, Phase 3.

The chairman explained that, the decisions taken during November 2016 that a complete motivation must be given for the acceptance of the proposed street name, must be complied with.

The chairman also proposed that a renaming of the various phases in Phola Park should be considered, with the latter being a generic name for the development.

RESOLUTION

That the item be referred back in order to give the elected committee in Phola Park and Ilinge Lethu the opportunity to motivate the proposed street names.

6.6 PROPOSED LEASE OF INDUSTRIAL LAND IN MOORREESBURG FOR AGRICULTURAL PURPOSES (12/2/5/5-9/2)

The Municipality owns ±17,7 ha land in Moorreesburg which is leased to the Wheat Industry Museum at present for agricultural purposes.

The proposal is that a public, competitive process is again launched in order to make the land available for agricultural purposes, for the benefit of a local (Moorreesburg) based public welfare organisation, which must be involved in welfare, humanitarian or cultural activities.

RESOLUTION

- (a) That approval is given for obtaining proposals for the lease of a portion (± 17.7 ha in extent) of erf 1133, Moorreesburg, for a period not exceeding twelve months, as of 1 April 2017;
- (b) That the proposals are obtained on the basis of and according to the conditions referred to in the draft notice in Attachment B to the report;
- (c) That the Municipal Manager is authorized to appoint a committee to consider the proposals received and to make an award in conjunction with the relevant ward councillor;
- (d) That the Director: Corporate Services is authorized to finalise the contents of the lease agreement, as well as the signing thereof.

6.7 WRITE OFF OF NON-RECOVERABLE DEBT: DECEMBER 2016 – FULL AMOUNT WRITTEN OFF (5/7/1/1)

A report in respect of the write off of non-recoverable debt was submitted to the Executive Mayoral Committee on 13 December 2016, and the real amount written off is now reported.

Ald M S I Goliath inquired as to what process must be followed if a person is in a position to pay the outstanding debt and also wishes to be removed from the 'black list'. The Director: Financial Services explained that the judgement must be set aside after payment of the outstanding debt, but it is a requirement of the magistrate courts that all debt owing to the creditors must first be paid off, after which the relevant person may apply to the Credit Bureau to be removed from the 'black list'.

Resolution/...

6.7/...

RESOLUTION

- (a) That note is taken that the real amount written off in respect of destitute households amounts to R806 216.14 and in respect of other non-recoverable debt amounts to R264 038.66.
- (b) That note is taken that Swartland Municipality retains the right to write the debt back to the debtor and all necessary steps will be taken to collect the debt, if it comes to light after this date of approval that:
 - (i) a household does not comply with the destitute criteria (as stated in Chapter 5: Destitute Support of the Credit Management and Debt Collection Policy); or
 - (ii) a portion of the debt or the entire debt in respect of a debtor is not correct; or
 - (iii) any information not known to the Executive Mayoral Committee on the date of write off, as a result of which the committee would not have considered write off the relevant debt;
- (c) That note is taken that, if the property is alienated in any way, the Council retains the right to refuse clearance on the relevant property in order to recover the amounts written-off, before clearance is given. In order to enforce this decision a register is kept by the Rates and Taxes Division which enables the department to see if any debts were written-off within the previous two years, and if so to recover the amounts before clearance is considered.

6.8 OUTSTANDING DEBTORS – DECEMBER 2016 (5/7/1/1/MY)

A complete report in respect of outstanding debtors was circulated with the agenda.

The chairman explained that there is confusion amongst the public in respect of the cost of electricity which is provided by prepaid type meters and conventional meters. The chairman requested that the Director: Electrical Engineering Services draws up a brochure explaining the comparative tariffs in order to clear up any such confusion.

RESOLUTION

That note is taken of the report in respect of outstanding debtors for the month of December 2016.

6.9 PROGRESS IN RESPECT OF OUTSTANDING INSURANCE CLAIMS (5/14/3/5)

In accordance with the Asset Management Policy outstanding insurance claims must be reported monthly.

RESOLUTION

That note is taken of the status of outstanding insurance claims up to and including 30 November 2016 as circulated with the agenda.

6.10 ANNUAL GENERAL MEETING: RETIREMENT FUND: APPOINTMENT OF REPRESENTATIVES (11/1/2/5)

The 20th Annual General Meeting of the Consolidated Retirement Funds has been planned for Friday 24 February 2017.

According to the fund rules, the Municipality is entitled to nominate three representatives from the members and three representatives from the council members.

6.10/...

RESOLUTION

- (a) That note is taken that mr J J Scholtz (ms M S Terblanche as alternate), mr J T Steenkamp (ms H Balie as alternate) and ms S de Jongh (ms C Ranna as alternate) are nominated to represent the members at the Annual General Meeting of the Consolidated Retirement Funds on 24 February 2017;
- (b) That clr M van Zyl (clr P E Solomons as alternate), clr R F van der Westhuizen (clr O M Stemele as alternate) and ald M S I Goliath (ald T van Essen as alternate) are nominated to represent the Council at the above mentioned meeting.

6.11 QUARTERLY REPORT (SECTION 52 OF MFMA): OCTOBER – DECEMBER 2016 (7/1/2/2-2)

In accordance with section 52(2) of the Local Government: Municipal Financial Management Act 56 of 2003, the Executive Mayor must report on the financial position, together with the financial progress of the Municipality measured against the approved budget for the 2nd quarter as of 31 December 2016.

The Director: Financial Services dealt with the report and – with reference to the decrease in payment of service accounts from 92.91% to 88.83% – stated that renewed efforts are being made by the Credit Management Division to recover payments.

RESOLUTION

That note is taken of the attached quarterly report as prescribed by section 52(2) of the Local Government: Municipal Financial Management, Act 56 of 2003 with respect to the implementation of the budget, together with the performance in respect of Top Level Service Delivery and Budget Implementation Plan of the Municipality for the period 1 October 2016 to 31 December 2016.

6.12 ADOPTION OF REGULATION IN RESPECT OF MUNICIPAL LAND USAGE PLANNING (1/1)

The draft Regulation in respect of Municipal Land Usage Planning, of which the Scheme Regulations are an attachment thereto, was advertised for public comment after submission to the Council on 24 November 2016.

No comments were received from the public. The comments received from Province had already been incorporated in the draft regulation.

RESOLUTION (for consideration by the Council on 26 January 2017)

- (a) That the regulation in respect of Municipal Land Usage Planning is adopted;
- (b) That the regulations are promulgated in the Provincial Gazette for commencement from the date of publication of the Provincial Gazette.

6.13 OFFER TO PURCHASE BACK ERF 10372, MALMESBURY (12/2/5/4-8/16)

Erf 10372 was one of the 65 residential erwen in Dalsig which were offered on a so-called 'pre launch' auction to first time buyers.

An application has been received from the owner of erf 13072 via the lawyers, Lionel Frank & Son, requesting the Municipality to renounce the pre-emptive right in the transfer deeds.

Resolution/...

6.13/...

RESOLUTION

- (a) That the Municipality, as in the case of the previous applications, renounces its pre-emptive rights in respect of erf 10372, Malmesbury, because the seller already has a willing buyer, and there is a strong possibility that the erf (with reference to the prices attained during the public auction in 2015 as well as the municipal valuation on the relevant erf) cannot be resold by the Municipality for the original purchase price of R124 000,00;
- (b) That ms Heyneke is therefore give permission to sell erf 10372, Malmesbury, privately.

6.14 2016/2017 SECOND ADJUSTMENTS: CAPITAL AND OPERATING BUDGETS: TECHNICAL RECOMMENDATIONS BY THE BUDGET MANAGEMENT COMMITTEE (5/1/1/1-2016/2017; 5/1/1/2-2016/2017)

The Director: Financial Services stated that the Budget Management Committee met on 17 January 2017, together with the Executive Mayor, to discuss the half yearly performance and budget implementation report with a view to the 2016/2017 second budget adjustment.

The adjustment to the capital and operating budgets is aimed at facilitating the aims of the Integrated Development Plan and the Service Delivery and Budget Implementation Plan (SDBIP) in the relevant financial year.

The Municipal Manager explained that it is the first year in which the financial year ended with a budget surplus, and he thanked the Director: Financial Services and officials in the Budgeting Office for the manner in which the Council finances are managed.

RESOLUTION

- (a) That the Director: Financial Services complies with the requirements of the MFMA and that the National and Provincial Treasurers are notified accordingly;
- (b) That it is taken into account that the changes in the budget will have no impact on the tariffs for the 2016/2017 financial year, but will result in a decrease in the shortfall of -R 12 139 579 to a surplus of R 11 753 115;
- (c) That it is taken into account that the 2016/2017 second budget adjustment will have an impact on the 2017/2018 financial year as a result of the adjustment effecting the Planning/Refurbishment of the Municipal Flats which will be completed during the 2017/2018 financial year;
- (d) That the adjusted budget schedules required by the Budget and Reporting Regulations are approved;
- (e) That the Service Delivery and Budget Implementation Plan (SDBIP) is amended accordingly;
- (f)/...

7.14/...

- (f) That approval is given to amend the high level capital and operating budgets for 2016/2017 as follows:

	Original Budget 2016/2017	Rollover Adjusted Budget	Second Adjusted Budget
Capital Budget	R 74 689 669	R 75 643 467	R 81 428 433
Operating expenses	R 654 711 941	R 655 585 750	R 636 140 909
Operating income	R 641 914 085	R 643 446 171	R 647 894 024
Budget Surplus/ (shortfall)	(R 12 797 856)	(R 12 139 579)	R 11 753 115

**(SGD) T VAN ESSEN
EXECUTIVE MAYOR**